

## U.S. DEPARTMENT OF THE TREASURY

## Press Center



## Treasury Sanctions DPRK Shipping Companies Involved in Illicit Arms Transfers

7/30/2014

### **Sanctions Target Two Democratic People's Republic of Korea (DPRK) Shipping Companies and 18 DPRK Vessels**

**WASHINGTON** – The U.S. Department of the Treasury imposed sanctions today on Chongchongang Shipping Company and Ocean Maritime Management Company, two North Korean companies that attempted to import a concealed shipment of arms and related materiel from Cuba to the DPRK aboard the DPRK-flagged cargo vessel *Chong Chon Gang* in July 2013. Chongchongang Shipping Company, which is owned by the government of the DPRK, is the owner/operator of the vessel *Chong Chon Gang*. Ocean Maritime Management Company played a key role in managing the *Chong Chon Gang* by providing its captain and crew with instructions to conceal the weapons and provide false documentation to the Panamanian authorities. Treasury also identified as blocked property 18 vessels in which these companies have an interest, including the *Chong Chon Gang*. These designations and identifications were made pursuant to Executive Order (E.O.) 13551, which blocks the property of persons who, among other things, have attempted to import arms or related materiel into the DPRK.

"North Korea uses companies like Chongchongang Shipping and Ocean Maritime Management to engage in arms trading in violation of U.S and international sanctions," said Under Secretary for Terrorism and Financial Intelligence David S. Cohen. "The Chong Chon Gang episode, in which the DPRK tried to hide an arms shipment under tons of sugar, is a perfect example of North Korea's deceptive activity, and precisely the sort of conduct that we are committed to disrupting."

Chongchongang Shipping Company and Ocean Maritime Management Company used deliberate and evasive methods to conceal the illicit cargo of arms and related materiel aboard the *Chong Chon Gang*. The shipment included various components of surface-to-air missile systems and launchers, MiG-21 jet fighters parts and engines, shell casings, rocket propelled projectiles, and other ammunition. The cargo was falsely declared to be sugar and spare plastic sacks and was camouflaged and hidden under 200,000 bags of sugar. The crew was given contingency instructions to prepare a false declaration for entering the Panama Canal. This activity points to a clear and conscious attempt to circumvent U.S. and UN sanctions.

The illicit cargo aboard the *Chong Chon Gang* represents the most substantial consignment of DPRK-related arms and related materiel interdicted since United Nations Security Council Resolution (UNSCR) 1718 was adopted in 2006. The United Nations Panel of Experts, established pursuant to resolution 1874 (2009), declared in its March 2014 report that the shipment itself violated UNSCRs prohibiting the transfer of all arms and related materiel to the DPRK. Furthermore, the incident illustrates the Panel's finding that the DPRK has developed advanced methods to evade sanctions. These UNSCRs prohibit the transfer of all arms and related materiel (with the exception of small arms and light weapons, upon prior notification to the UN Security Council DPRK Sanctions Committee) to the DPRK. They also prohibit the provision of technical training, advice, services or assistance related to the provision, manufacture, maintenance or use of such arms or materiel by the DPRK, its nationals or from its territory.

Treasury's action against Ocean Maritime Management Company has been taken in support of the United Nations Security Council's imposition of targeted sanctions against that entity on July 28, 2014 for contributing to a violation of the arms embargo against the DPRK established under UNSCR 1718 (2006), as modified by UNSCR 1874 (2009), and to the evasion of prohibitions established under those resolutions. The United Nations Security Council has also issued guidelines in the form of an [Implementation Assistance Notice](#) to encourage States to be vigilant with respect to the DPRK's attempts to evade sanctions by concealing illicit shipments, to inspect suspect cargo, and to alert their public and private sectors of the risks of facilitating violations of UNCRs.

As a result of today's actions under E.O. 13551, any property or interests in property of the designated entities that are within U.S. jurisdiction must be frozen. Additionally, transactions by U.S. persons or within the United States involving the designated entities or identified vessels are generally prohibited.

View photos related to the [Chong Chon Gang](#)

#### Identifying Information

Entities:

Chongchongang Shipping Company  
 AKA: Chongchongang Shipping CO Ltd.  
 AKA: Chong Chon Gang Shipping Co Ltd.  
 Address: 817 Haeun, Donghung-dong, Central District, Pyongyang, North Korea  
 Address: 817 Haeun, Tonghun-dong, Chung-gu, Pyongyang, North Korea  
 IMO Number: 5342883

Ocean Maritime Management Company  
 AKA: East Sea Shipping Company  
 Address: Dongheung-dong Changgwang Street, Chung-ku, PO Box 125, Pyongyang, North Korea  
 Address: No. 10, 10<sup>th</sup> Floor, Unit 1, Wu Wu Lu 32-1, Zhong Shan Qu, Dalian city, Liaoning Province, China  
 Address: 22 Jin Cheng Jie, Zhong, Shan Qu, Dalian City, Liaoning Province, China  
 Address: 43-39 Lugovaya, Vladivostok, Russia  
 Address: CPO Box 120, Tonghung-dong, Chung-gu, Pyongyang, North Korea  
 Address: Bangkok, Thailand  
 Address: Lima, Peru  
 Address: Port Said, Egypt

Address: Singapore  
Address: Brazil  
IMO Number: 1790183

## Vessels:

1. Chong Chon Gang  
IMO Number: 7937317  
Flag: Democratic People's Republic of Korea  
Vessel Type: General Cargo
2. Am Nok Gang  
AKA: Ap Rok Gang  
IMO Number: 8132835  
Flag: Democratic People's Republic of Korea  
Vessel Type: General Cargo
3. Baek Ma Kang  
IMO Number: 7944683  
Flag: Democratic People's Republic of Korea  
Vessel Type: General Cargo
4. Dai Hong Dan  
IMO Number: 7944695  
Flag: Democratic People's Republic of Korea  
Vessel Type: General Cargo
5. Dok Chon  
IMO Number: 7411260  
Flag: Democratic People's Republic of Korea  
Vessel Type: General Cargo
6. Hwang Gum San 2  
IMO Number: 8405270  
Flag: Democratic People's Republic of Korea  
Vessel Type: General Cargo
7. Hyok Sin 2  
IMO Number: 8018900  
Flag: Democratic People's Republic of Korea  
Vessel Type: Bulk Carrier
8. Jang Ja San Chong Nyon Ho  
IMO Number: 8133530  
Flag: Democratic People's Republic of Korea  
Vessel Type: Bulk Carrier
9. Jon Jin 2  
IMO Number: 8018912  
Flag: Democratic People's Republic of Korea  
Vessel Type: Bulk Carrier
10. Mu Du Bong  
IMO Number: 8328197  
Flag: Democratic People's Republic of Korea  
Vessel Type: General Cargo
11. O Un Chong Nyon Ho  
IMO Number: 8330815  
Flag: Democratic People's Republic of Korea  
Vessel Type: General Cargo
12. Po Thong Gang  
IMO Number: 8829555  
Flag: Democratic People's Republic of Korea  
Vessel Type: General Cargo
13. Pho Thae  
IMO Number: 7632955  
Flag: Democratic People's Republic of Korea  
Vessel Type: General Cargo
14. Pi Ruy Gang  
IMO Number: 8829593  
Flag: Democratic People's Republic of Korea  
Vessel Type: General Cargo

15. Rak Won 2  
IMO Number: 8819017  
Flag: Democratic People's Republic of Korea  
Vessel Type: General Cargo

16. Ryong Gang 2  
IMO Number: 7640378  
Flag: Democratic People's Republic of Korea  
Vessel Type: General Cargo

17. Ryong Gun Bong  
IMO Number: 8606173  
Flag: Democratic People's Republic of Korea  
Vessel Type: General Cargo

18. Tae Dong Gang  
IMO Number: 7738656  
Flag: Democratic People's Republic of Korea  
Vessel Type: General Cargo

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