

# Treasury Targets Russian Shipping Companies for Violations of North Korea-related United Nations Security Council Resolutions

August 21, 2018

**WASHINGTON** – The U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) today announced North Korea-related designations, continuing the implementation of existing United Nations (UN) and U.S. sanctions. Today’s action against two entities and six vessels was taken pursuant to Executive Order 13810 of September 20, 2017, and targets persons involved in the ship-to-ship transfer of refined petroleum products with North Korea-flagged vessels, an activity expressly prohibited by the UN Security Council (UNSC).

“Ship-to-ship transfers with North Korea-flagged vessels from Russia or elsewhere of any goods being supplied, sold, or transferred to or from the DPRK are prohibited under the UN Security Council resolutions on North Korea and are sanctionable under U.S. law,” said Treasury Secretary Steven Mnuchin. “Consequences for violating these sanctions will remain in place until we have achieved the final, fully verified denuclearization of North Korea.”

Today OFAC designated Vladivostok, Russia-based shipping companies **Primorye Maritime Logistics Co Ltd (Primorye)** and **Gudzon Shipping Co LLC (Gudzon)**, the registered ship owners and managers of Russia-flagged merchant vessel (M/V) **PATRIOT** (IMO 9003550). In early 2018, the **PATRIOT** conducted two ship-to-ship transfers of oil for the benefit of North Korea, including 1,500 tons of oil to the North Korea-flagged M/V CHONG RIM 2 (IMO 8916293) and 2,000 tons of oil to the North Korea-flagged M/V CHON MA SAN (IMO 8660313). The ultimate buyer was UN- and U.S.-designated Taesong Bank, a North Korean entity subordinate to the UN- and U.S.-designated Workers’ Party of Korea Office 39, which engages in illicit economic activities for North Korean leadership. The CHONG RIM 2 was listed by the UN and the United States in March 2016. The CHON MA SAN was blocked by the United States in February 2018, and subsequently it was listed by the UN in March 2018 for its involvement in a UN-prohibited ship-to-ship transfer in mid-November 2017.

The following vessels have also been identified by OFAC as property in which Gudzon has an interest:

- Russia-flagged vessel NEPTUN (IMO 8404991)

- Russia-flagged vessel BELLA (IMO 8808264)
- Russia-flagged vessel BOGATYR (IMO 9085730)
- Russia-flagged vessel PARTIZAN (IMO 9113020)
- Russia-flagged vessel SEVASTOPOL (IMO 9235127)

[Identifying information on the individual, entities, and vessels sanctioned today.](#)

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