WASHINGTON – Today, the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) designated six entities and identified four vessels related to the transport of North Korean coal. Such actions address the transportation and exportation of North Korean coal in violation of UN Security Council resolution (UNSCR) 2371 and underscore that entities within the People’s Republic of China (PRC) have continued to engage in activities prohibited under the UNSCRs. PRC authorities must implement and enforce the UNSCRs, including by taking action against companies, individuals, and vessels that engage in UNSCR-prohibited trade, including the procurement of North Korean coal.

“The DPRK continues to circumvent the UN prohibition on the exportation of coal, a key revenue generator that helps fund its weapons of mass destruction programs,” said Secretary Steven T. Mnuchin. “The North Korean regime often uses forced labor from prison camps in its mining industries, including coal, exploiting its own people to advance its illicit weapons programs.”

The six designated entities and four vessels identified as blocked property are blocked under Executive Orders (E.O.s) 13687, 13722, and 13810. These actions were also undertaken in the spirit of the North Korea Sanctions and Policy Enhancement Act of 2016 (NKSPEA), including as amended by the Otto Warmbier North Korea Nuclear Sanctions and Enforcement Act of 2019 within the FY 2020 National Defense Authorization Act (NDAA) (P.L. 116-92).

**WEIHAI HUIJIANG TRADE LTD, ALWAYS SMOOTH LTD, AND GOOD SIBLINGS LTD**

OFAC designated, pursuant to E.O. 13810 for operating in the transportation industry in North Korea, China-based **Weihai Huijiang Trade Ltd** (Weihai) along with **Always Smooth Ltd** (Always Smooth) and **Good Siblings Ltd** (Good Siblings), the latter two of which are also registered in the United Kingdom. OFAC also identified the vessel **Asia Bridge** (IMO: 9010022) as blocked property in which Weihai and Good Siblings have an interest and the vessel **Lucky**
Star (IMO: 9015278) as blocked property in which Weihai and Always Smooth have an interest. (The Asia Bridge (IMO: 9010022) was formerly named the Asia Bridge 2. A vessel previously blocked by OFAC, the Asia Bridge 1 (IMO: 8916580), subsequently changed its name and is now also known as the Asia Bridge.)

While owned and controlled by Weihai and Good Siblings, the Asia Bridge loaded coal and underwent repairs in a North Korean port prior to departing. Similarly, while owned and controlled by Weihai and Always Smooth, the Lucky Star loaded coal in a North Korean port and then traveled to Vietnam.

**Silver Bridge Shipping Co-HKG**

OFAC designated Hong Kong-based Silver Bridge Shipping Co-HKG (Silver Bridge) pursuant to E.O. 13810 for operating in the transportation industry in North Korea and further identified the vessel Calm Bridge as blocked property in which Silver Bridge has an interest. While under the ownership and control of Silver Bridge Shipping Co-HKG, the Calm Bridge (IMO: 8318867) loaded coal at Wonsan Port in North Korea, after which it departed the North Korean port.

**Korea Daizin Trading Corporation**

OFAC designated Korea Daizin Trading Corporation (Daizin Trading), a company operating in North Korea and Vietnam, pursuant to E.O. 13687 for being an agency, instrumentality, or controlled entity of the Workers’ Party of Korea (WPK) and E.O. 13722 for having directly or indirectly sold, supplied, transferred, or purchased coal to or from North Korea where revenue may have benefited the Government of North Korea or WPK. Since as early as mid-2016, Daizin Trading has exported coal from North Korea. In at least one instance, Daizin Trading has claimed that the coal is of Russian origin, obfuscating its North Korean origin. Daizin Trading’s export activities are estimated to include the transport of thousands of tons of coal and iron ore to Vietnam.

**Thinh Cuong Co Ltd**

Finally, OFAC designated Vietnam-based Thinh Cuong Co Ltd (Thinh Cuong) pursuant to E.O. 13810 for operating in the transportation industry in North Korea. OFAC also identified the vessel Star 18 as blocked property in which Thinh Cuong has an interest.
While under the ownership and control of Thinh Cuong, the Vietnam-flagged Star 18 (IMO: 9020015) loaded coal from Songnim Port, North Korea, and traveled to a Vietnamese port.

**IDENTIFICATION OF BLOCKED PROPERTY**

As part of today's designations, the vessels Calm Bridge (IMO: 8318867), Asia Bridge (IMO: 9010022), Lucky Star (IMO: 9015278), and Star 18 (IMO: 9020015) have been identified as blocked property. All four vessels loaded coal directly from North Korean ports and transported their cargo throughout the region. For many of the vessels, this activity dates back several years.

**SANCTIONS IMPLICATIONS**

As a result of today’s action, all property and interests in property of these targets that are in the United States or in the possession or control of U.S. persons must be blocked and reported to OFAC. OFAC’s regulations generally prohibit all dealings by U.S. persons or within the United States (including transactions transiting the United States) that involve any property or interests in property of blocked or designated persons.

In addition, persons that engage in certain transactions with the persons designated today may themselves be exposed to designation. Furthermore, any foreign financial institution that knowingly facilitates a significant transaction or provides significant financial services for any of the individuals designated today could be subject to U.S. secondary sanctions.

On May 14, 2020, OFAC, the U.S. Department of State, and the U.S. Coast Guard issued a global advisory to alert the maritime industry, and those active in the energy and metals sectors, to deceptive shipping practices used to evade sanctions, with a focus on Iran, North Korea, and Syria. The United States urges all relevant jurisdictions to review the advisory’s detailed set of best practices for private industry to consider adopting to mitigate exposure to sanctions risk.

View more information on the entities designated today.

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