

U.S. DEPARTMENT OF THE TREASURY

Treasury Targets Russian Individuals and Entities Supporting DPRK Weapons of Mass Destruction and Ballistic Missile Programs

March 11, 2022

WASHINGTON — The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) today sanctioned two individuals and three entities for supporting the DPRK's ongoing development of its weapons of mass destruction (WMD) and ballistic missile programs in violation of multiple United Nations Security Council resolutions (UNSCRs). The DPRK has conducted 11 ballistic missile launches since the beginning of the year, most recently on March 4, 2022 (EST). Today's action targets a group of foreign individuals and companies that aid a DPRK defense industry-related procurement agent in Russia; much of this activity also violates UN prohibitions with respect to the DPRK.

"The DPRK continues to launch ballistic missiles in blatant violation of international law, posing a grave threat to global security," said Under Secretary of the Treasury for Terrorism and Financial Intelligence Brian E. Nelson. "Today's actions respond to this threat by targeting a network of Russia-based individuals and entities complicit in helping the DPRK procure components for its unlawful ballistic missile systems. The United States will continue to implement and enforce existing sanctions to press the DPRK to return to a diplomatic path and abandon its pursuit of weapons of mass destruction and missiles."

PROCUREMENT ACTIVITIES IN RUSSIA

On January 24, 2018, OFAC designated 10 representatives of the U.S.- and United Nations-designated Korea Ryonbong General Corporation (Ryonbong), including its representative Pak Kwang Hun based in Vladivostok, Russia. Ryonbong specializes in acquisition for DPRK defense industries and support for Pyongyang's military-related sales. Its procurements also likely support the DPRK's chemical weapons program.

Since his designation, Pak Kwang Hun has continued to operate in Russia as a DPRK procurement official in Vladivostok. During that time, the Russian company **Apollon OOO (Apollon)** and its director, **Aleksandr Andreyevich Gayevoy (Gayevoy)**, aided Pak Kwang

Hun in his procurement efforts. Specifically, Pak Kwang Hun acted under an alias and posed as an Apollon employee likely in order to deceive its suppliers of the true end-user of items he procured through the company. OFAC designated Apollon pursuant to E.O. 13687 for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, Pak Kwang Hun.

Gayevoy, in his role as the director and major shareholder of Apollon, not only authorized Pak Kwang Hun to act on behalf of the company, but also played an active part in the DPRK's procurement efforts. OFAC designated Gayevoy pursuant to E.O. 13687 for having acted or purported to act for or on behalf of, directly or indirectly, Apollon.

Pak Kwang Hun also worked through the Russian company **Zeel – M Co., Ltd (Zeel – M)** with the help of its director, **Aleksandr Aleksandrovich Chasovnikov (Chasovnikov)**, in his procurement efforts. In addition to supporting Pak Kwang Hun, Chasovnikov coordinated the purchase and transportation of a variety of items for other DPRK government organizations. At times, Zeel – M paid Russian port service fees for DPRK vessels, and Chasovnikov himself was involved in the coordination of a ship-to-ship transfer involving a DPRK vessel.

OFAC designated Chasovnikov pursuant to E.O. 13687 for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, the Government of North Korea. Additionally, OFAC designated both Zeel – M and another Russian company, **RK Briz, OOO**, pursuant to E.O. 13687 for being owned or controlled by Chasovnikov.

SANCTIONS IMPLICATIONS

As a result of today's action, all property and interests in property of the individuals and entities 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 individuals or entities 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 or entities designated today could be subject to U.S. correspondent or payable-through account sanctions.

The power and integrity of OFAC sanctions derive not only from its ability to designate and add persons to the SDN List, but also from its willingness to remove persons from the SDN List consistent with the law. The ultimate goal of sanctions is not to punish, but to bring about a positive change in behavior. For information concerning the process for seeking removal from an OFAC list, including the SDN List, please refer to OFAC's [Frequently Asked Question 897](#). For detailed information on the process to submit a request for removal from an OFAC sanctions list.

For identifying information on the individuals sanctioned today, [click here](#).

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