

## Treasury Targets North Korean Fuel Procurement Network

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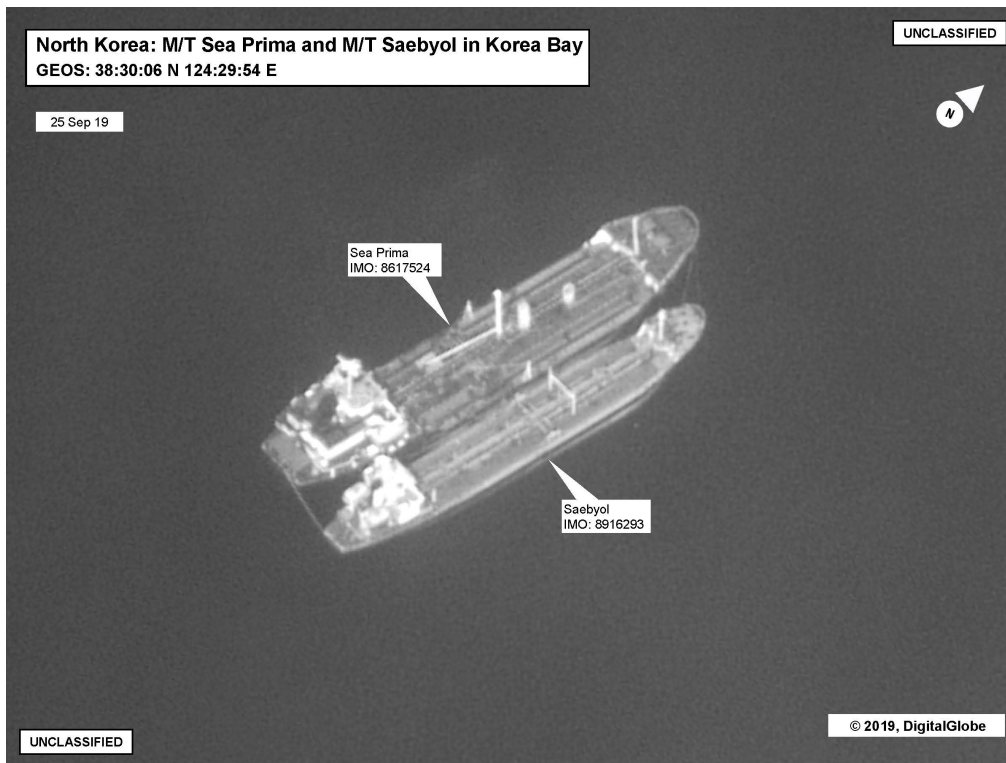
WASHINGTON – Today, the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) designated two individuals and three entities for activities related to the exportation of petroleum to the Democratic People’s Republic of Korea (DPRK), which directly supports the development of DPRK weapons programs and its military. This action highlights the U.S. Government’s commitment to implement existing United Nations Security Council resolutions (UNSCRs), including holding the DPRK accountable for its use of illicit ship-to-ship (STS) transfers to circumvent UN sanctions that restrict the import of petroleum products and supports the development of its weapons programs and military.

“The DPRK’s long-range ballistic missile launches, including over Japan, demonstrate a continued disregard for United Nations Security Council resolutions,” said Brian Nelson, Under Secretary for Terrorism and Financial Intelligence. “The United States will continue to enforce multilateral sanctions and pursue the DPRK’s sanctions evasion efforts worldwide, including by designating those who support these activities.”

### INTERNATIONAL EVASION NETWORK

Today’s actions target Singapore-based **Kwek Kee Seng**, Taiwan-based **Chen Shih Huan**, and Marshall Islands-registered company **New Eastern Shipping Co Ltd**, which were involved in the ownership or management of the *Courageous*, a vessel that has participated in several deliveries of refined petroleum to the DPRK. The *Courageous*, known as the Sea Prima during much of its illicit activity, conducted UN-prohibited STS transfers with the DPRK vessels and at least one direct delivery at Nampo, DPRK.






*In September 2019, the Courageous, then named Sea Prima, conducted an STS transfer of refined petroleum with the DPRK vessel Saebyol, which then delivered the cargo to the DPRK.*



*In November 2019, the Courageous, then named Sea Prima, delivered refined petroleum at Nampo, DPRK.*




The *Courageous* engaged in deceptive shipping practices such as disabling its Automatic Identification System or AIS, conducting STS transfers at night and in the Korea Bay (an area determined to be high-risk for sanctions evasion), and undertaking unnecessary detours to further obfuscate its true destination or origin. These activities are consistent with deceptive shipping practices identified in the May 2020 [Sanctions Advisory for the Maritime Industry, Energy and Metals Sectors, and Related Communities](#) , issued jointly by OFAC, the U.S. Department of State, and the U.S. Coast Guard.

Kwek Kee Seng closely coordinated STS transfers from the *Courageous* to the DPRK vessels and supervised the vessel during a delivery to the DPRK. Chen Shih Huan, a business associate of Kwek Kee Seng, also assisted in the coordination of these deliveries, including payment of the *Courageous* crew's salaries.

As a result, Kwek Kee Seng and Chen Shih Huan are being designated pursuant to E.O. 13810 for having engaged in at least one significant importation from or exportation to the DPRK of any goods, services, or technology.

New Eastern Shipping Co Ltd was the registered owner of the *Courageous* during the timeframe of the vessel's illicit activity. New Eastern Shipping Co Ltd is being designated pursuant to E.O. 13810 for having engaged in at least one significant importation from or exportation to the DPRK of any goods, services, or technology.

Additionally, OFAC designated Singapore-registered **Anfasar Trading (S) Pte. Ltd.** and Singapore registered **Swanseas Port Services Pte. Ltd.** for being owned or controlled by, or for having acted or purported to act for or on behalf of, directly or indirectly, Kwek Kee Seng, a person whose property and interests in property are blocked pursuant to E.O. 13810.

Today's actions build upon other U.S. government actions against Kwek Kee Seng and the *Courageous*. In April 2021, the U.S. Department of Justice and the Federal Bureau of Investigation (FBI) announced the filing of a [criminal complaint](#) charging Kwek Kee Seng with conspiring to evade economic sanctions on the DPRK and conspiring to launder money. In addition to the criminal charges against Kwek Kee Seng, a [civil forfeiture complaint](#) was filed against the *Courageous*. In July 2021, a [judgment](#) was issued that forfeited the *Courageous* to the United States. Kwek Kee Seng is currently [wanted by the FBI](#) . If you have any information concerning Kwek Kee Seng, please contact your local FBI office or the nearest American Embassy or Consulate.



## 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, please refer to OFAC's [website](#).

[More information on the individuals and entities designated today.](#)

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