WASHINGTON — Today, the Department of the Treasury’s Office of Foreign Assets Control (OFAC) sanctioned three entities and two individuals illicitly generating revenue in support of the government of the Democratic People’s Republic of Korea (DPRK).

“The DPRK’s unlawful weapons of mass destruction and ballistic missile programs threaten international security and regional stability,” said Under Secretary of the Treasury for Terrorism and Financial Intelligence Brian E. Nelson. “The United States remains committed to targeting the regime’s global illicit networks that generate revenue for these destabilizing activities.”

**DPRK OVERSEAS REVENUE GENERATION**

OFAC is designating Chilsong Trading Corporation (Chilsong) and Korea Paekho Trading Corporation (Paekho) pursuant to Executive Order (E.O.) 13687 for being agencies, instrumentalities, or controlled entities of the Government of North Korea or the Workers’ Party of Korea.

Chilsong is subordinate to the Government of North Korea, which uses trading companies like Chilsong to earn foreign currency, collect intelligence, and provide cover status for intelligence operatives.

Paekho has generated funds for the DPRK government since the 1980s by conducting art and construction projects on behalf of regimes throughout the Middle East and Africa. Paekho is subordinate to the DPRK Ministry of People’s Armed Forces (MPAF), which OFAC designated on June 1, 2017, pursuant to E.O. 13722. The United Nations (UN) designated MPAF in December 2017; pursuant to UN Security Council resolution 1718 (2006) and subsequent resolutions, no business may be conducted with or economic resources made available to MPAF or any individuals or entities acting for or on its behalf, including Paekho.
OFAC is also designating Hwang Kil Su (Hwang) and Pak Hwa Song (Pak) pursuant to E.O. 13810 for being North Korean persons, including North Korean persons that have engaged in commercial activity that generates revenue for the Government of North Korea or the Workers’ Party of Korea. Pak and Hwang established Congo Aconde SARL in the Democratic Republic of the Congo (DRC) to earn revenue from construction and statue-building projects with local governments. Under Pak and Hwang’s leadership, Congo Aconde SARL also opened U.S. dollar-denominated accounts at the DRC branch of a Cameroonian bank. Congo Aconde SARL is designated for being owned or controlled by, or for having acted or purported to act for or on behalf of, directly or indirectly, Pak, a person whose property and interests in property are concurrently being blocked pursuant to E.O. 13810.

According to a 2021 UN Panel of Experts report, Congo Aconde SARL was involved in projects to build several statues in the DRC from 2018 to at least late 2019; these projects involved Hwang and Pak. The Panel also considers Congo Aconde SARL to be a front company for Paekho.

The European Union has previously designated Chilsong, Paekho, Pak, and Hwang for engaging in sanctions evasion and being responsible for supporting the DPRK’s nuclear and ballistic missile programs.

**SANCTIONS IMPLICATIONS**

As a result of today’s action, pursuant to E.O. 13687 and E.O. 13810, all property and interests in property of the persons named above that are in the United States, or in the possession or control of U.S. persons, are blocked and must be reported to OFAC. In addition, any entities that are owned, directly or indirectly, 50 percent or more by one or more blocked persons are also blocked.

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 OFAC’s ability to designate and add persons to the Specially Designated Nationals and Blocked Persons (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 click here.

Find identifying information on the individuals and entities sanctioned today here.

###