

Treasury Targets Procurement Agents Who Supply Prohibited Components for DPRK Missile Development

June 15, 2023

WASHINGTON — Today, the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) sanctioned two Democratic People’s Republic of Korea (DPRK) nationals involved in the procurement of equipment and materials that support the DPRK ballistic missile program. The DPRK continues to utilize a network of representatives in foreign countries, including the People’s Republic of China (PRC) and Iran, to illicitly import restricted components necessary to conduct research and development of its unlawful weapons of mass destruction (WMD) and ballistic missile programs, in violation of multiple UN Security Council resolutions.

“The DPRK’s ongoing development of its ballistic missile program – even Pyongyang’s recent failed military satellite launch – continues to threaten regional and international security,” said Under Secretary of the Treasury for Terrorism and Financial Intelligence Brian E. Nelson. “The United States is committed to targeting the regime’s illicit procurement networks that feed its weapons programs.”

DPRK PROCUREMENT REPRESENTATIVES

The DPRK relies on foreign-sourced ballistic missile-related components that it cannot produce domestically. To obtain these components, the DPRK uses an extensive overseas network of procurement agents, including officials who operate from DPRK diplomatic missions or trade offices, as well as third-country nationals and foreign companies.

The Second Academy of Natural Sciences (SANS) is a national-level organization responsible for research and development of DPRK’s advanced weapons systems, including missiles and likely nuclear weapons. SANS is designated by the UN and U.S. for its involvement with the DPRK’s WMD programs. SANS uses numerous subordinate organizations and international representatives to procure foreign technology, equipment, materials, and information used in the research and development of advanced weapons systems, including missiles and likely nuclear weapons.

Choe Chol Min is a Beijing-based SANS representative who has worked with DPRK weapons trading officials, PRC nationals, and other associates to purchase and procure a range of items,

including items known to be materials used in the production of DPRK ballistic missiles. Choe Chol Min has also collaborated with SANS representatives to facilitate the dispatch of over a thousand DPRK workers to the PRC and has supported the DPRK's primary weapons trading entity. Choe Chol Min received procurement requests from the DPRK for items and coordinated with associates to fulfill those orders. Furthermore, Choe Chol Min has worked with DPRK weapons trading officials to purchase electronic equipment for Iranian customers.

Choe Chol Min is being designated pursuant to Executive Order (E.O.) 13382 for acting or purporting to act for or on behalf of, directly or indirectly, SANS, an entity whose property and interests in property is blocked pursuant to E.O. 13382.

Choe Chol Min's wife, **Choe Un Jong**, is a Beijing-based North Korean national and is officially assigned to the DPRK Embassy in the PRC. Choe Un Jong has previously accompanied her husband, Choe Chol Min, on official travel related to his work with the DPRK's primary weapons trading entity. On at least one occasion, Choe Un Jong helped coordinate an order with one or more SANS associates for dual-use bearings that are used in DPRK ballistic missile production.

Choe Un Jong is being designated pursuant to E.O. 13810 for being a North Korean person, including a North Korean person that has engaged in commercial activity that generates revenue for the Government of North Korea or the Workers' Party of Korea.

Today's action will further restrict the ability of SANS to procure various items, including items that are listed in the [North Korea Ballistic Missile Procurement Advisory](#), that the DPRK uses in the production of its ballistic missiles.

SANCTIONS IMPLICATIONS

As a result of today's action, all property and interests in property of the designated persons described 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 unless authorized by a general or specific license issued by OFAC, or exempt. 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 designated or otherwise blocked 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 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 sanctioned today here.](#)

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