

**OPEN BRIEFING ON RESOLUTION 2270  
CHAIR OF COMMITTEE 1718  
16 MARCH 2016**

OPENING REMARKS

Excellencies, Distinguished delegates, Ladies and gentlemen,

On behalf of the Committee and the Panel of Experts, as well as the Secretariat, it is my pleasure to welcome you to this open briefing of the Security Council 1718 Committee.

I would like to thank the Secretariat for their assistance in the organization of this briefing.

This briefing will focus on the recent adoption of Security Council resolution 2270 (2016) on 2 March 2016, introducing new sanctions regarding the Democratic People's Republic of Korea (DPRK).

As Chair of this Committee, I will limit my personal remarks to a general overview of the measures adopted by the Council in light of the new resolution. The Coordinator of the Panel of Experts, Mr. Hugh Griffiths, will subsequently inform you in more detail on the role and activities of the Panel. I would finally invite you to make interventions and ask questions.

INTRODUCTION

On January 6 2016, North Korea conducted a nuclear test in violation of no less than four Security Council resolutions. On February 7, it conducted a launch using ballistic missile technology. Those two events triggered the **unanimous** adoption of resolution 2270 that imposes some of the most robust sanctions in the history of the United Nations.

However, it is important to note that between 2006 and 2016 the Security Council had already adopted four other resolutions (1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013)) imposing sanctions on North Korea. Resolution 2270 tightens the regime but it does not create it *ex novo*.

The adoption of such a regime is well founded. North Korea has repeatedly threatened international peace and security through its relentless pursuit of a nuclear weapons program. Let me give you some numbers. Between 2002 and 2012, North Korea devoted a quarter of its GDP to military expenditure; exactly the same percentage of children that suffer from malnutrition in the country.

While the resolution is indeed rigorous, it should be clear it does not intend to have adverse humanitarian consequences on the civilian population. Rather, the purpose of the resolution is to impede North Korea's efforts to advance its nuclear weapons and ballistic-missile programs. Ultimately, the resolution intends to maintain peace and stability on the Korean Peninsula and it reaffirms its support to the Six Party Talks.

For this purpose, the sanctions imposed by the resolution are targeted: they are directed at specific individuals, companies, activities and sectors that are significantly contributing to North Korea's programs.

Today I am going to give an overview of those targeted sanctions, and how they compared to the ones that were already in place. I will differentiate three groups:

1. Ban on exports to DPRK.
2. Ban on exports from DPRK.
3. Ban on activities of the DPRK outside its jurisdiction.

At the end of my presentation, I will give a couple of notes on implementation.

## RESOLUTION 2270

### 1. EXPORTS TO THE DPRK

As I just said, I will start with the group of sanctions that prohibit exports to the DPRK.

#### 1. Previous resolutions

Previous Security Council resolutions already imposed a ban on exports of certain types of material. Namely, they banned exports of arms, except for small arms and light weapons; nuclear, dual use and ballistic-missile related material and also luxury goods. There existed a catch-all provision too, prohibiting the export of other items that the Security Council or the Committee considered could contribute to North Korea's prohibited activities.

#### 2. Resolution 2270:

Resolution 2270 broadens the scope of the exports ban. It introduces four main changes.

1. The most relevant one is the inclusion of a sectorial ban: under resolution 2270, no State can transfer aviation fuel, including rocket fuel, to North Korea.
2. The second change is the extension of the arms embargo to small arms and light weapons.
3. Finally, resolution 2270 includes two new catch-all provisions.

It is worth noting that under the new regime, the States themselves will decide when an item falls under the scope of the catch-all provision, while before, it was the Security Council or the Committee who made such a decision.

### 2. EXPORTS FROM THE DPRK

The second group of sanctions deals with exports from the DPRK. As I will now explain, this group of sanctions is very similar to the previous one.

#### 1. Previous resolutions:

In previous resolutions, the prohibition on exports from North Korea was very similar to the prohibition on exports to North Korea. There were only two differences:

- The first one is that luxury goods could not be transferred **to** North Korea, but they could be transferred **from** North Korea.
- As for small arms and light weapons, they could be transferred **to** North Korea, but not **from** North Korea.

## 2. Resolution 2270

The new resolution introduces three changes:

First, it introduces two sectorial bans:

1. The first one prevents North Korea from exporting coal, iron and iron ore. There are two exceptions:
  - a. North Korea can export coal that has not originated in the country if the transaction is not going to generate revenue for North Korea's prohibited activities. For this exception to apply, the concerned State must notify the Committee in advance.
  - b. The second exception allows transactions that are made for livelihood purposes and are not related to generating revenue for North Korea's prohibited activities. In this case, the resolution does not require any specific action from the concerned State.
2. The second sectorial ban is the prohibition to export gold, titanium ore, vanadium ore and rare earth minerals. This ban has no exceptions.

The rationale to include these two sectors is that they constitute an outstanding source to fund North Korea's illicit activities.

3. Finally, the resolution introduces the same two catch-all provisions that I explained in the previous section.

### 3. ACTIVITIES OF THE DPRK OUTSIDE ITS JURISDICTION

The third group of sanctions deals with the activities that the DPRK is carrying out around the world. Therefore, it addresses what countries should be looking at in their jurisdictions.

There are five types of sanctions under this heading: the so-called proliferation networks, transportation, assets freeze, financial activities and training.

#### 3.1. PROLIFERATION NETWORKS

The term "proliferation networks" refers to the networks of individuals and entities who procure banned items to aid North Korea's prohibited programs. Often, these individuals claim to be diplomats or governmental representatives to abuse their immunities and close illicit deals.

##### 1. Previous resolutions

To avoid these practices, under previous resolutions, States had the obligation to expel from their territory two groups of DPRK nationals: the so-called "designated individuals" and any other individual that the State determined was working for a designated individual. Despite this provision, those individuals could go to United Nations facilities and engage in UN businesses.

Given that often these activities were carried out abusing diplomatic immunity, the new resolution extends the obligation to expel certain individuals, to DPRK diplomats and governmental representatives. In addition, it extends such obligation to nationals from other States involved in illicit activities. In both cases, the responsibility to determine if a certain individual falls under the scope of the resolution lies with each Member State.

The possibility to go to the United Nations facilities, as well as of conducting United Nations business still stands.

## 3.2. TRANSPORTATION

Under transportation, Security Council resolutions impose a number of obligations to all Member States. They can be divided into two groups: one, inspection and two, other obligations.

### **Inspection**

Under the previous sanctions regime, States had obligations to inspect cargo both in their territory and in the high-seas when they had **reasonable grounds to believe** the cargo contained banned material.

1. In their territory, States had the obligation to inspect **the** cargo going to or coming from North Korea.
2. In the high seas, this obligation only stood if the flag State gave its consent.

In resolution 2270, the obligation to inspect cargo is expanded:

1. In their territory, States have the obligation to inspect **the** cargo going to or coming from North Korea or that is being transported on DPRK flagged aircraft or vessels. This obligation now applies with no caveats.
2. In the high seas, resolution 2270 does not introduce any changes.

### **Other obligations**

#### 1. Previous resolutions

In accordance with previous resolutions, States were called upon to deny any aircraft to take off from, land in or overfly their territory if they suspected it contained banned material.

#### 2. Resolution 2270

Resolution 2270 introduces new obligations. I will point out only some of them:

1. First, in resolution 2270, the “call” I just mentioned becomes an obligation for all States through the use of the word “decides”.
2. Second, States are prohibited to allow the entrance to their territory of any vessel, if the Member State has reasonable grounds to believe the vessel contains banned material. This prohibition can be exempted if the Committee determines in advance that such entry is required for humanitarian purposes.

3. Third, the resolution prohibits States from leasing or chartering their flagged vessels or aircraft to North Korea. This prohibition can be exempted if the concerned State notifies the Committee in advance.

### 3.3. ASSETS FREEZE

#### 1. Previous resolutions

Under the pre-existing sanctions regime, the most important provision was the obligation of Member States to freeze the assets of individuals and entities designated by the SC or the Committee.

#### 2. Resolution 2270

Under to Resolution 2270, Member States are required to freeze the assets of the entities of the Government of North Korea and the Korean Workers Party that the State determines are associated with prohibited activities. Let me be clear here. The resolution does not call for the freezing of all DPRK Government and Korean Workers Party assets; only of those entities that the State determines are associated with prohibited activities.

### 3.4. FINANCIAL

Let me now turn to financial measures. Under previous resolutions, there were already a variety of financial measures that have now been made more rigorous. Resolution 2270 foresees provisions both for DPRK banks and banks from other Member States:

1. **First, DPRK banks operating abroad** cannot open new branches or establish new relations with foreign banks.

Further, the new resolution imposes the obligation to all States to close the branches of DPRK banks in their territories within 90 days from the adoption of the resolution. That is, by June 2<sup>nd</sup>, no branches of DPRK banks should be open in any member State.

2. **Second, banks from any other member State operating in DPRK** cannot open new branches in that country.

Further, they must close their branches and bank accounts in DPRK within 90 days if there are reasonable grounds to believe the financial services they provide can contribute to prohibited activities.

Provisions related to foreign banks operating in the DPRK can be exempted on humanitarian grounds and for the purpose of diplomatic activities in the DPRK. In both cases, the Committee must authorize such exemptions on a case-by-case basis.

### 3.5. TRAINING

Finally, the training-related sanctions are those that prohibit States from providing North Korea's nationals with specialized training.

Previous resolutions included a provision in this regard, but it was not legally binding.

Under the new resolution, Member States have the obligation to prevent specialized training of DPRK nationals that can contribute to DPRK's prohibited activities. This includes, among others, training in advanced physics or advanced computer simulation.

With training, we have finished the overview of the new sanctions regime. Let me now turn to the implementation of the resolution.

## IMPLEMENTATION

It is crucial that the resolution is fully implemented. For that purpose, it is necessary that both the Committee 1718 and the Member States take action to ensure compliance with the resolution. Before I speak about what the Committee intends to do to enhance compliance, I would like to point out two actions that Member States are called upon under the resolution:

1. First, all Member States are called upon to report on the measures they have taken to implement the resolution. The first report is due 90 days after the adoption of the resolution. That is, you should be submitting the first report no later than June 2<sup>nd</sup>. The next reports will be due upon request of the Committee.

Let me please take a minute to stress the importance of this report. It is vital for the effective implementation of the resolution that all of us, Member States, take action and report on it. This will allow the Committee to know where Member States have enforcement difficulties and take measures to help overcome them. Ultimately, firm action from Member States is the only way for this resolution to fulfill its purpose and make the world a safer place.

To help you with this task, the Committee will provide you with a template of report. This template will be available on the 1718 Committee website in the next days. In this template, we will ask you to give information on the action taken. For instance, you will be required to inform on measures taken to close DPRK banks in your territories and to freeze the assets of the new targeted individuals.

2. Further, all Member States are also called upon to supply the information they have regarding non-compliance with this or other related resolution.

Spain, as chair of the Committee 1718, is committed with the effective implementation of the resolution. It is for that reason that Spain will take action to aid all Member States to fulfill their obligations. In this regard, let me highlight three measures that Spain will adopt during 2016:

1. Spain intends to make open briefings on sanctions resolutions a regular activity. Spain believes they constitute a useful tool for Member States to better understand their obligations. Furthermore, Spain will engage in other outreach activities, such as the organization of seminars and workshops and the optimization of the website.

2. Second, Spain strongly supports collaboration with other States and organizations, with an aim to exchange information and have a better understanding of sanctions. This collaboration must be especially intense with the neighboring States, to make sure that the challenges they face are fully addressed.
3. In this same spirit, Spain will make sure that the Committee provides guidance to international organizations, especially the UN agencies, and States on how to proceed when implementing sanctions. I strongly encourage you to address to the Chair of the Committee all requests or inquiries that you may have regarding the resolution.

Before I give the floor to the Coordinator of the Panel of Experts, Mr. Hugh Griffiths, let me wrap up recalling something: the sanctions I have described are not an end in themselves but a means to facilitate a peaceful and comprehensive solution through dialogue which allows for the verifiable denuclearization of the Korean Peninsula.

Now, Mr. Hugh Griffiths, will inform you in more detail on the mandate and recent activities of the Panel. Following Mr. Griffith's presentation, the members of the Panel and I will be available to answer any questions you may have.

On behalf of the 1718 Committee I would like to thank you for your kind attention.

Mr. Griffiths, the floor is yours.

# SECURITY COUNCIL RESOLUTION 2270 (2016)

## Open Briefing

Chair of the Security Council Committee  
established pursuant to resolution 1718 (2006)

New York, 16 March 2016



Security Council  
United Nations



# RESOLUTION 2270

Exports to the  
DPRK

Exports from  
the DPRK

Activities of the  
DPRK outside  
its jurisdiction

# 1. EXPORTS TO THE DPRK: SCOPE

## Previous resolutions

Arms-related materiel. Exception.

Nuclear related material

Dual use related material

Ballistic-missile related material

Luxury goods

Catch-all provision

# 1. EXPORTS TO THE DPRK: SCOPE

## Resolution 2270

Aviation fuel, including rocket fuel

All arms, including small arms and light weapons

Two catch-all provisions

## 2. EXPORTS FROM THE DPRK: SCOPE

### Previous resolutions

Arms-related transfers. No exception.

Nuclear related transfers

Dual use related transfers

Ballistic-missile related transfers

Catch-all provision

## 2. EXPORTS FROM THE DPRK: SCOPE

### Resolution 2270

Coal, iron and iron ore. Two exceptions.

Gold, titanium ore, vanadium ore and rare earth minerals

Two catch-all provisions

# 3. ACTIVITIES OF THE DPRK OUTSIDE ITS JURISDICTION

1. Proliferation networks

2. Transportation measures

3. Assets freeze

4. Financial measures

5. Training

# 3.1. PROLIFERATION NETWORKS

## Obligation to expel certain individuals

### Previous resolutions

- Designated individuals
- Any other individual working for a designated individual

### Resolution 2270

- DPRK diplomats
- Governmental representatives
- Nationals from other States involved in illicit activities

## 3.2. TRANSPORTATION

### (a) Inspection

Previous resolutions	Resolution 2270
Cargo in their territory: reasonable grounds	Cargo in their territory: all cases
Cargo in high seas: reasonable grounds	Cargo in high seas: reasonable grounds



## 3.2. TRANSPORTATION

### (b) Other obligations: aircraft

Previous  
resolutions

- **Call** to deny take off from, land in or overfly territory if reasonable grounds

Resolution 2270

- **Obligation** to deny take off from, land in or overfly territory if reasonable grounds

## 3.2. TRANSPORTATION

### (b) Other obligations: vessels

Previous resolutions

- No provisions

Resolution 2270

- Obligation to deny entry if reasonable grounds. Exception: humanitarian purposes

## 3.2. TRANSPORTATION

### (b) Other obligations: vessels and aircraft

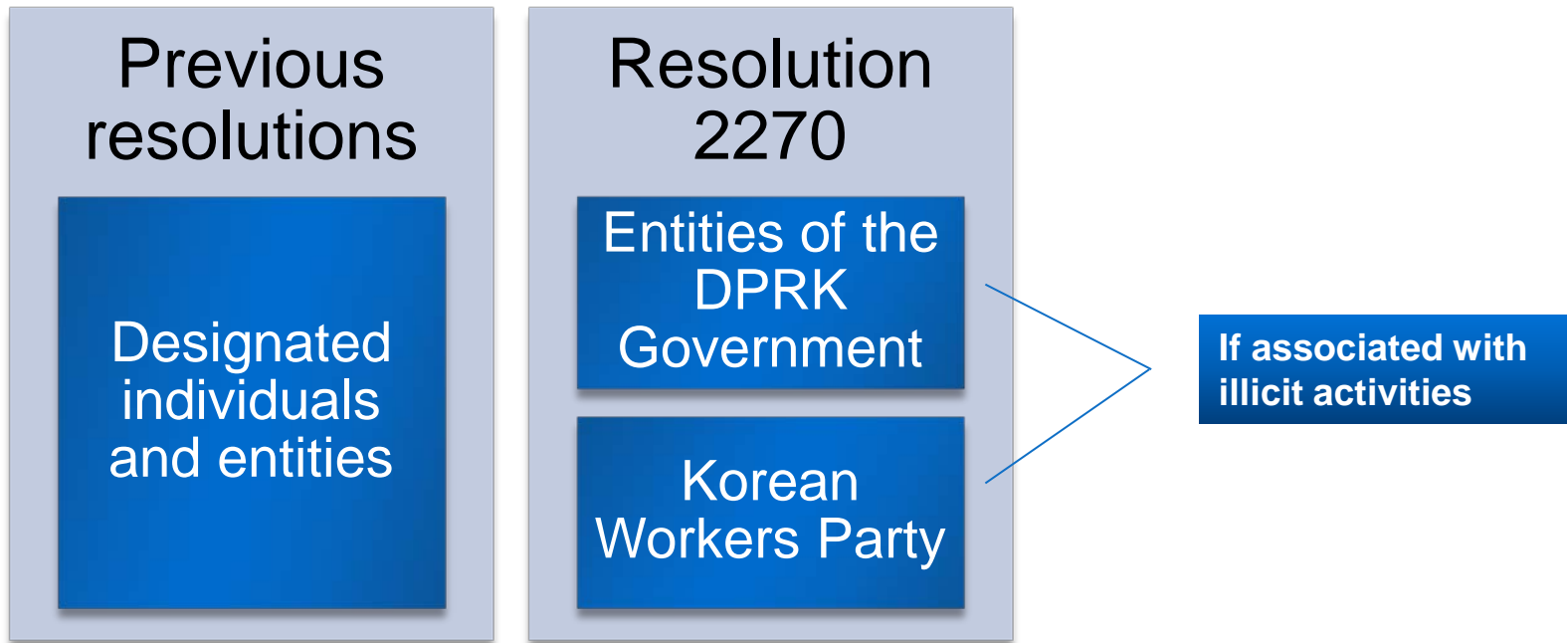
Previous resolutions

- No provisions

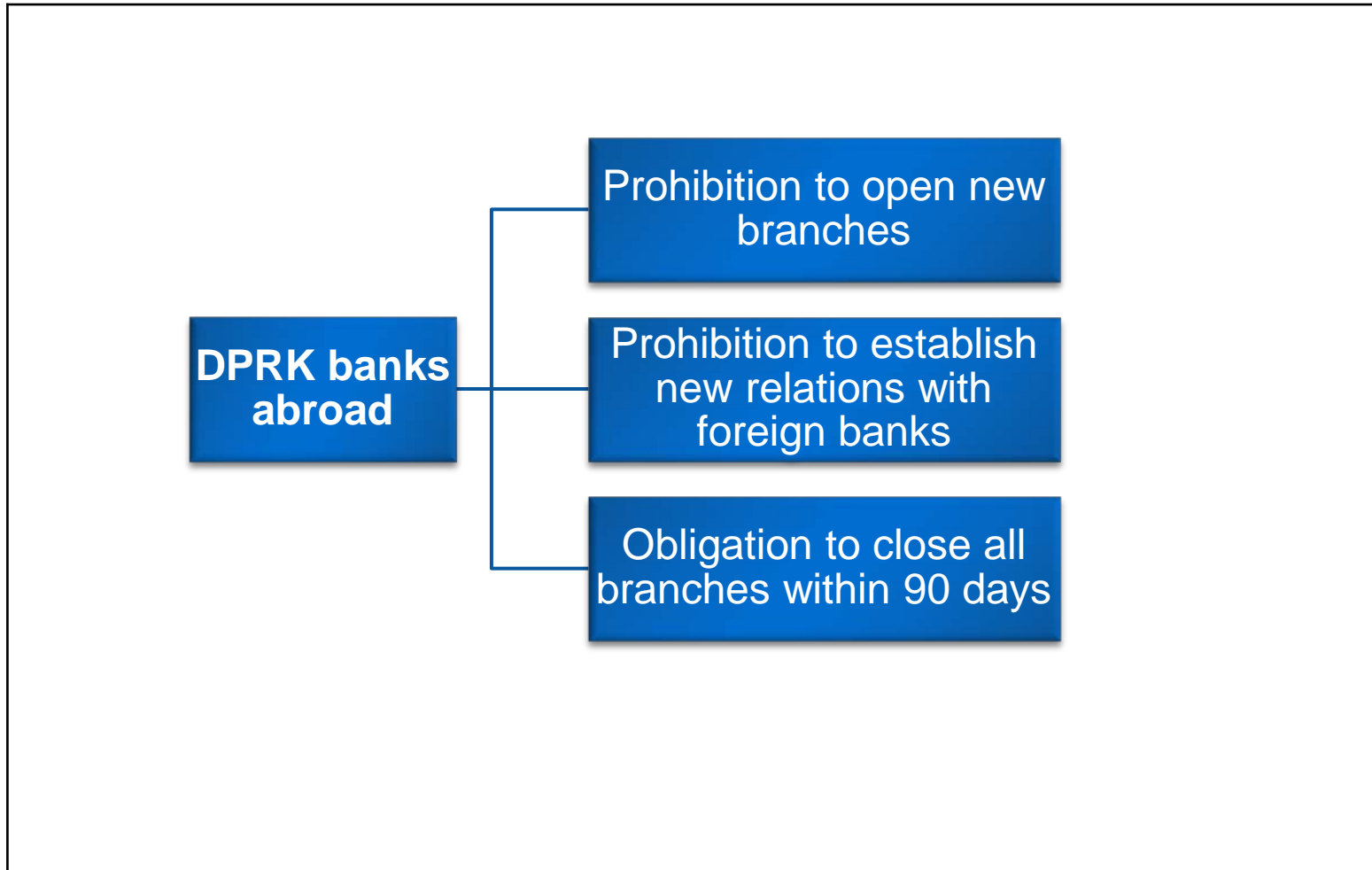
Resolution 2270

- Prohibition to lease or charter their flag vessels or aircraft.

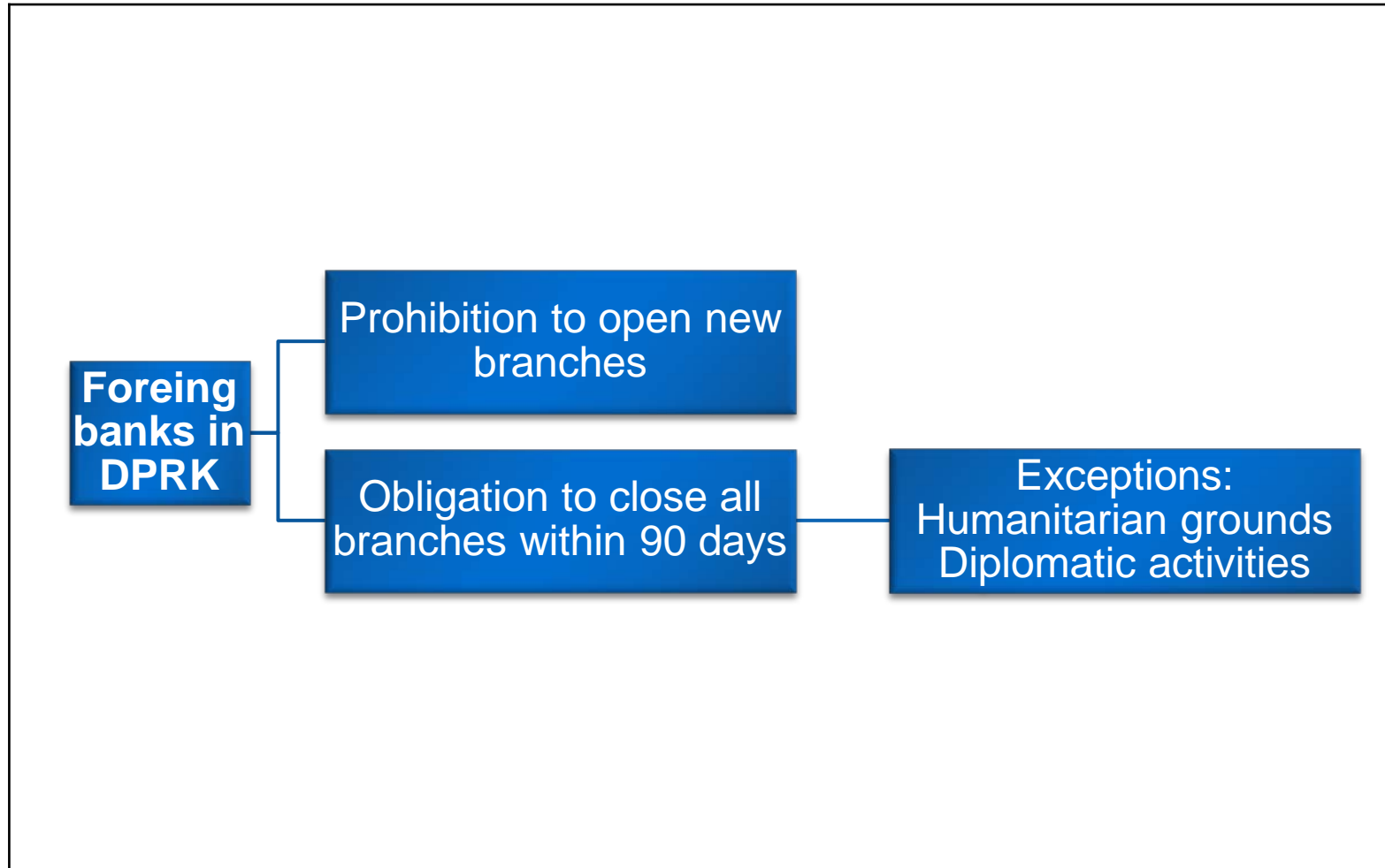
# 3.3. ASSETS FREEZE



## 3.4. FINANCIAL MEASURES



## 3.4. FINANCIAL MEASURES



## 3.5. TRAINING

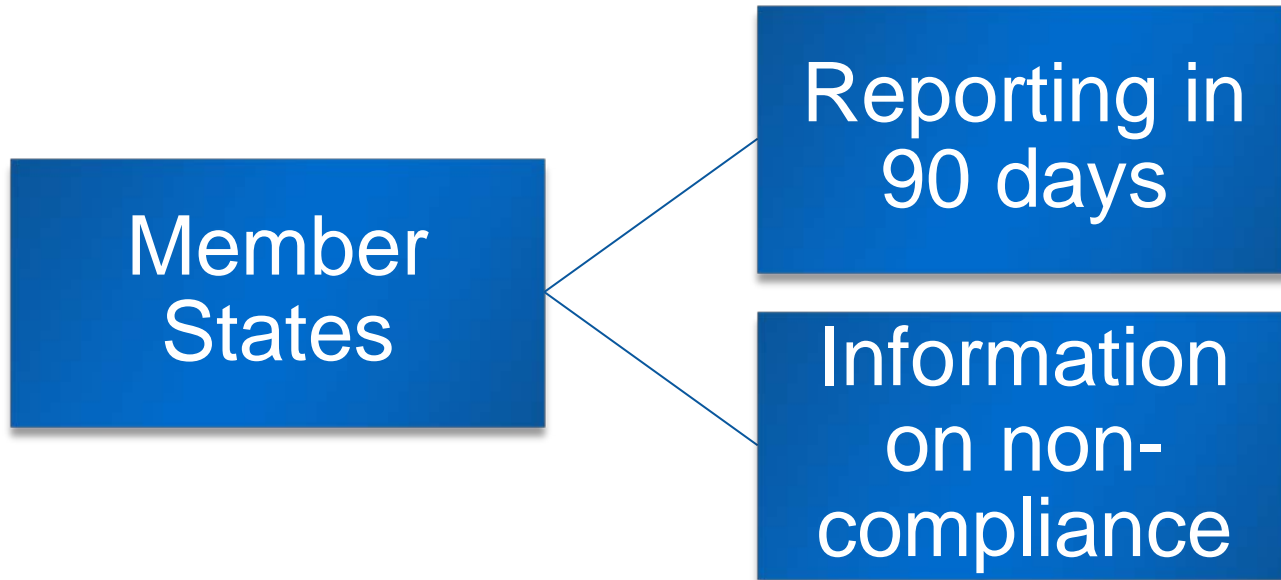
Previous  
resolutions

- No binding provisions

Resolution 2270

- Prohibition to provide specialized training to DPRK nationals

# IMPLEMENTATION





# IMPLEMENTATION

