

CLIENT ALERT

## U.S. Designates Host of New Persons Subject to North Korean Shipping Sanctions

FEBRUARY 27, 2018

New sanctions were imposed on parties involved in North Korean shipping on February 23. The sanctions added one individual, 27 entities, and 28 vessels registered in North Korea, China, Singapore, and other jurisdictions to the Specially Designated Nationals (SDN) List. The additions are [viewable at this link](#).

As discussed in [a previous Winston alert](#), U.S. laws forbid, among other things: any transactions or dealings with the government of North Korea or with its Worker's Party; direct or indirect exports and imports of most goods, services, or technology to or from North Korea; and any vessel from entering U.S. ports that has called at a port in North Korea in the last six months or conducted a ship-to-ship transfer with such a ship in the last six months.

The new sanctions add persons and entities to the SDN List that have been identified or suspected of circumventing and evading those existing sanctions.

Concurrent with the announcement of these sanctions, the U.S. Treasury Department also released an advisory for those in the shipping industry, including insurers, flag registries, shipping companies, and financial institutions. The advisory, [viewable at this link](#), outlines deceptive shipping practices used by North Korea, including:

- examples of how parties physically alter the International Maritime Organization (IMO) number and names on vessels
- falsifying documentation
- disabling or manipulating Automatic Identification System (AIS) transponders
- ship-to-ship transfers of cargo at sea rather than at a port

The advisory provides several risk-mitigation measures designed to help companies avoid engaging in prohibited transactions:

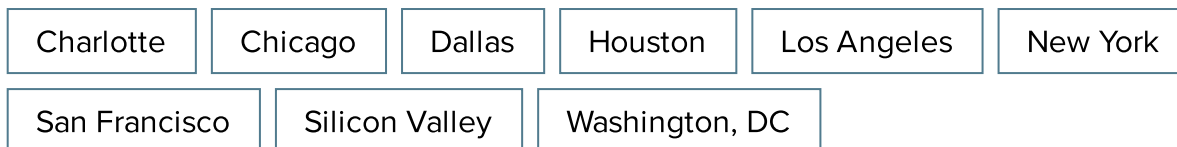
- verifying IMO numbers and documentation
- looking for signs that an AIS has been manipulated
- conducting due diligence prior to engaging in a ship-to-ship transfer

- reviewing all applicable shipping information for manipulation or other red flags
- leveraging resources from the Office of Foreign Assets Control, the U.S. Coast Guard, vessel tracking services, and other sources for diligence and reporting purposes

1 Min Read

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## Related Locations



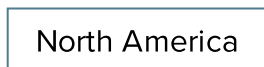
## Related Topics



## Related Capabilities

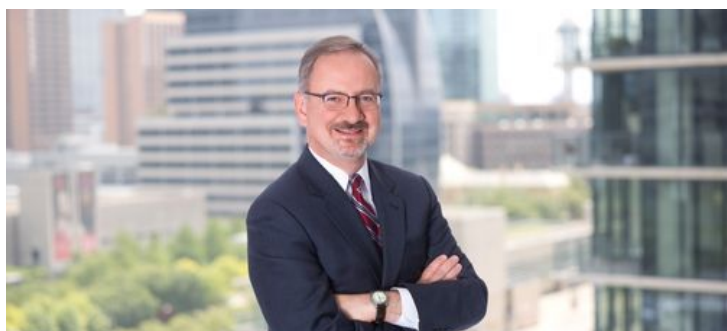


## Related Regions



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[Charlie Papavizas](#)