

# GAO Highlights

Highlights of [GAO-15-485](#), a report to the Chairman, Committee on Foreign Relations, U.S. Senate

## Why GAO Did This Study

North Korea is a closely controlled society, and its regime has taken actions that threaten the United States and other United Nations member states. North Korean tests of nuclear weapons and ballistic missiles have prompted the United States and the UN to impose sanctions on North Korea.

GAO was asked to review U.S. and UN sanctions on North Korea. This report (1) identifies the activities that are targeted by U.S. and UN sanctions specific to North Korea, (2) describes how the United States implements its sanctions specific to North Korea and examines the challenges it faces in doing so, and (3) describes how the UN implements its sanctions specific to North Korea and examines the challenges it faces in doing so. To answer these questions, GAO analyzed documents from the Departments of State, Treasury, and Commerce, and the UN. GAO also interviewed officials from the Departments of State, Treasury, and Commerce, and the UN.

## What GAO Recommends

GAO recommends the Secretary of State work with the UN Security Council to ensure that member states receive technical assistance to help prepare and submit reports on their implementation of UN sanctions on North Korea. The Department of State concurred with this recommendation.

View [GAO-15-485](#). For more information, contact Thomas Melito at (202) 512-9601 or [melitot@gao.gov](mailto:melitot@gao.gov).

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## NORTH KOREA SANCTIONS

### United States Has Increased Flexibility to Impose Sanctions, but United Nations Is Impeded by a Lack of Member State Reports

#### What GAO Found

U.S. executive orders (EO) and the Iran, North Korea, and Syria Nonproliferation Act target activities for the imposition of sanctions that include North Korean (Democratic People's Republic of Korea) proliferation of weapons of mass destruction and transferring of luxury goods. The EOs and the act allow the United States to respond by imposing sanctions, such as blocking the assets of persons involved in these activities. United Nations (UN) Security Council resolutions target similar North Korean activities, and under the UN Charter, all 193 UN member states are required to implement sanctions on persons involved in them.

U.S. officials informed GAO that obtaining information on North Korean persons has hindered the U.S. interagency process for imposing sanctions, and that EO 13687, announced in January 2015, provided them with greater flexibility to sanction persons based on their status as government officials rather than evidence of specific conduct. State and Treasury impose sanctions following an interagency process that involves: reviewing intelligence and other information to develop evidence needed to meet standards set by U.S. laws and EOs, vetting possible actions within the U.S. government, determining whether to sanction, and announcing sanctions decisions. Since 2006, the United States has imposed sanctions on 86 North Korean persons, including on 13 North Korean government persons under EO 13687.

Although UN sanctions have a broader reach than U.S. sanctions, the UN lacks reports from many member states describing the steps or measures they have taken to implement specified sanctions provisions. The UN process for imposing sanctions relies on a UN Security Council committee and a UN panel of experts that investigates suspected sanctions violations and recommends actions to the UN. The Panel of Experts investigations have resulted in 32 designations of North Korean or related entities for sanctions since 2006, including a company found to be shipping armaments from Cuba in 2013. While the UN calls upon all member states to submit reports detailing plans for implementing specified sanctions provisions, fewer than half have done so because of a range of factors including a lack of technical capacity. The committee uses the reports to uncover gaps in sanctions implementation and identify member states that require additional outreach. The United States as a member state has submitted all of these reports. UN and U.S. officials agree that the lack of reports from all member states is an impediment to the UN's implementation of its sanctions.

#### Shipment of Arms Found Concealed on North Korean Vessel *Chong Chon Gang*



Source: GAO | GAO-15-485