

U.S. Issues New North Korea Sanctions and a Warning to the Global Shipping and Finance Industries

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Today the U.S. Office of Foreign Assets Control (OFAC) issued new sanctions targeting the shipping industry for dealings involving North Korea. The sanctions include the [designation of 56 companies and vessels](#) involved in conducting illegal trade with North Korea.

OFAC also issued [new guidance](#) for the global shipping and finance industries, describing common methods used by North Korea to evade sanctions, listing due diligence steps companies should use to spot illegal shipping activities, and providing an overview of how U.S. and UN sanctions apply. OFAC specifically notes that the United States intends to blacklist as a Specially Designated National (SDN) any parties that provide goods or services in support of North Korean vessels, engage in significant exports to or imports from North Korea, or engage in activities related to the transportation industry in North Korea. OFAC also noted that non-U.S. financial institutions that knowingly facilitate significant transactions involving North Korea may be sanctioned by the U.S. government, including, among other penalties, losing access to U.S. correspondent accounts.

To avoid these substantial possible penalties under U.S. law, the global shipping industry and financial institutions providing maritime-related services need to be on alert for transactions or other dealings that may relate to North Korea, particularly those that violate UN or U.S. sanctions on that country.