

member states that are unable to afford effective compliance.

(8) North Korea has historically exploited inconsistencies between jurisdictions in the interpretation and enforcement of financial regulations and applicable United Nations Security Council resolutions to circumvent sanctions and launder the proceeds of illicit activities.

(9) Amrogang Development Bank, Bank of East Land, and Tanchon Commercial Bank have been designated by the Secretary of the Treasury, the United Nations Security Council, and the European Union as having materially contributed to the proliferation of weapons of mass destruction.

(10) Korea Daesong Bank and Korea Kwangson Banking Corporation have been designated by the Secretary of the Treasury and the European Union as having materially contributed to the proliferation of weapons of mass destruction.

(11) The Foreign Trade Bank of North Korea has been designated by the Secretary of the Treasury for facilitating transactions on behalf of persons linked to its proliferation network and for serving as “a key financial node”.

(12) Daedong Credit Bank has been designated by the Secretary of the Treasury for activities prohibited by applicable United Nations Security Council resolutions, including the use of deceptive financial practices to facilitate transactions on behalf of persons linked to North Korea’s proliferation network.

**(b) Sense of Congress**

It is the sense of Congress that the President should intensify diplomatic efforts in appropriate international fora, such as the United Nations, and bilaterally, to develop and implement a coordinated, consistent, multilateral strategy for protecting the global financial system against risks emanating from North Korea, including—

(1) the cessation of any financial services the continuation of which is inconsistent with applicable United Nations Security Council resolutions;

(2) the cessation of any financial services to persons, including financial institutions, that present unacceptable risks of facilitating money laundering and illicit activity by the Government of North Korea;

(3) the blocking by all member states, in accordance with the legal process of the state in which the property is held, of any property required to be blocked under applicable United Nations Security Council resolutions;

(4) the blocking of any property derived from illicit activity, or from the misappropriation, theft, or embezzlement of public funds by, or for the benefit of, officials of the Government of North Korea;

(5) the blocking of any property involved in significant activities undermining cybersecurity by the Government of North Korea, directly or indirectly, against United States persons, or the theft of intellectual property by the Government of North Korea, directly or indirectly from United States persons; and

(6) the blocking of any property of persons directly or indirectly involved in censorship or human rights abuses by the Government of North Korea.

**(c) Strategy to improve international implementation and enforcement of United Nations North Korea-specific sanctions**

The President shall direct the Secretary of State, in coordination with other Federal departments and agencies, as appropriate, to develop a strategy to improve international implementation and enforcement of United Nations North Korea-specific sanctions. The strategy should include elements—

(1) to increase the number of countries submitting reports to the United Nations Panel of Experts established pursuant to United Nations Security Council Resolution 1874 (2009), including developing a list of targeted countries where effective implementation and enforcement of United Nations sanctions would reduce the threat from North Korea;

(2) to encourage member states of the United Nations to cooperate and share information with the panel in order to help facilitate investigations;

(3) to expand cooperation with the Panel of Experts;

(4) to provide technical assistance to member states to implement United Nations sanctions, including developing the capacity to enforce sanctions through improved export control regulations, border security, and customs systems;

(5) to harness existing United States Government initiatives and assistance programs, as appropriate, to improve sanctions implementation and enforcement; and

(6) to increase outreach to the people of North Korea, and to support the engagement of independent, non-governmental journalistic, humanitarian, and other institutions in North Korea.

**(d) Report required**

Not later than 90 days after February 18, 2016, and annually thereafter, the Secretary of State shall submit to the appropriate congressional committees a report that describes the actions undertaken to implement the strategy required by subsection (c).

(Pub. L. 114-122, title II, §202, Feb. 18, 2016, 130 Stat. 104.)

**§ 9223. Proliferation prevention sanctions**

**(a) Export of certain goods or technology**

A validated license shall be required for the export to North Korea of any goods or technology otherwise covered under section 4605(j)<sup>1</sup> of title 50. No defense exports may be approved for the Government of North Korea.

**(b) Transactions in defense articles or defense services**

**(1) In general**

The President shall withhold assistance under the Foreign Assistance Act of 1961 (22

<sup>1</sup> See References in Text note below.

U.S.C. 2151 et seq.) to the government of any country that provides to or receives from the Government of North Korea a defense article or defense service, as such terms are defined in section 2794 of this title, if the President determines that a significant type or amount of such article or service has been so provided or received.

**(2) Applicability**

The prohibition under paragraph (1) with respect to a government shall terminate on the date that is 5 years after the date on which the prohibition under paragraph (1) is applied to that government.

**(c) Waiver**

Notwithstanding any other provision of law, the Secretary of State may waive the prohibitions under this section with respect to a country if the Secretary—

(1) determines that such waiver is in the national interest of the United States; and

(2) submits a written report to the appropriate congressional committees that describes—

(A) the steps that the relevant agencies are taking to curtail the trade described in subsection (b)(1); and

(B) why such waiver is in the national interest of the United States.

**(d) Exception**

The prohibitions under this section shall not apply to the provision of assistance for human rights, democracy, rule of law, maternal and child health, disease prevention and response, or humanitarian purposes.

**(e) Report on arms trafficking involving North Korea**

**(1) In general**

Not later than 180 days after August 2, 2017, and annually thereafter for 5 years, the Secretary of State shall submit to the appropriate congressional committees a report that specifically describes the compliance of foreign countries and other foreign jurisdictions with the requirement to curtail the trade described in subsection (b)(1).

**(2) Form**

The report required under paragraph (1) shall be submitted in unclassified form but may contain a classified annex.

(Pub. L. 114-122, title II, §203, Feb. 18, 2016, 130 Stat. 106; Pub. L. 115-44, title III, §313, Aug. 2, 2017, 131 Stat. 945; Pub. L. 116-92, div. F, title LXXI, §7123, Dec. 20, 2019, 133 Stat. 2248.)

**Editorial Notes**

REFERENCES IN TEXT

Section 4605(j) of title 50, referred to in subsec. (a), was repealed by Pub. L. 115-232, div. A, title XVII, §1766(a), Aug. 13, 2018, 132 Stat. 2232.

The Foreign Assistance Act of 1961, referred to in subsec. (b)(1), is Pub. L. 87-195, Sept. 4, 1961, 75 Stat. 424, which is classified principally to chapter 32 (§2151 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2151 of this title and Tables.

AMENDMENTS

2019—Subsec. (b)(2). Pub. L. 116-92 substituted “5 years” for “2 years”.

2017—Subsec. (b). Pub. L. 115-44, §313(1)(A), substituted “Transactions in defense articles or defense services” for “Transactions in lethal military equipment” in heading.

Subsec. (b)(1). Pub. L. 115-44, §313(1)(B), substituted “that provides to or receives from the Government of North Korea a defense article or defense service, as such terms are defined in section 2794 of this title, if the President determines that a significant type or amount of such article or service has been so provided or received” for “that provides lethal military equipment to the Government of North Korea”.

Subsec. (b)(2). Pub. L. 115-44, §313(1)(C), substituted “2 years” for “1 year”.

Subsec. (d). Pub. L. 115-44, §313(2), substituted “maternal and child health, disease prevention and response, or” for “or emergency”.

Subsec. (e). Pub. L. 115-44, §313(3), added subsec. (e).

**§ 9224. Procurement sanctions**

**(a) In general**

Except as provided in this section, the head of an executive agency may not procure, or enter into any contract for the procurement of, any goods or services from any person designated under section 9214(a) or (g) of this title.

**(b) Federal Acquisition Regulation**

**(1) In general**

The Federal Acquisition Regulation issued pursuant to section 1303(a)(1) of title 41 shall be revised to require that each person that is a prospective contractor submit a certification that such person does not engage in any activity described in section 9214(a) or (g) of this title.

**(2) Applicability**

The revision required under paragraph (1) shall apply with respect to contracts for which solicitations are issued on or after the date that is 90 days after February 18, 2016.

**(c) Remedies**

**(1) Inclusion on list**

The Administrator of General Services shall include, on the List of Parties Excluded from Federal Procurement and Nonprocurement Programs maintained by the Administrator under part 9 of the Federal Acquisition Regulation, each person that is debarred, suspended, or proposed for debarment or suspension by the head of an executive agency on the basis of a determination of a false certification under subsection (b).

**(2) Contract termination; suspension**

If the head of an executive agency determines that a person has submitted a false certification under subsection (b) after the date on which the Federal Acquisition Regulation is revised to implement the requirements of this section, the head of such executive agency shall—

(A) terminate any contract with such person; and

(B) debar or suspend such person from eligibility for Federal contracts for a period of not longer than 2 years.

**(3) Applicable procedures**

Any debarment or suspension under paragraph (2)(B) shall be subject to the procedures