

UNITED NATIONS



NATIONS UNIES

POSTAL ADDRESS - ADRESSE POSTALE: UNITED NATIONS, N.Y. 10017
CABLE ADDRESS - ADRESSE TELEGRAPHIQUE: UNATIONS NEWYORK

REFERENCE: S/AC.49/2019/OC.XXX

1 July 2019

Excellency,

On behalf of the Security Council Committee established pursuant to resolution 1718 (2006), I have the honour to refer to your letter dated 3 June 2019, conveying to the Committee an exemption request pursuant to paragraph 25 of resolution 2397 (2017) to allow for the transfer of funds to cover operational costs of the European Union Food Security Office, for the purpose of providing humanitarian assistance in the Democratic People's Republic of Korea (DPRK), by Agriconsulting SA (AESA), an Italian company which was awarded an EU tender for providing technical support for food-related matters to the DPRK, and noting that no goods or materials are to be transferred to the DPRK.

I have the further honour to inform you that, following due consideration, the Committee has decided to approve the requested exemption in the abovementioned letter, in accordance with paragraph 25 of Security Council resolution 2397 (2017), to transfer the funds outlined in your letter within the next six months, in accordance with the table enclosed in this letter.

The Committee reiterates that the sanctions measures imposed by the Security Council through its resolutions with respect to the DPRK are not intended to bear a negative impact on the people of the DPRK, and the note verbale it issued to all Member States, as well as its press release SC/13113 of 8 December 2017, offer clarifications as regards humanitarian aid to the DPRK. The note verbale further recalls that each Member State must fully implement relevant Security Council measures, while keeping in mind the need to clarify to public and private sector entities in their jurisdiction that, while properly implementing United Nations sanctions, humanitarian activities should not be unduly restricted.

The Committee further supports and approves Italy engaging in necessary business and financial transactions only for the purchase of goods and services exempted by the Committee and found in the attachment without prejudice to the relevant commercial decisions.

Her Excellency
Mrs. Maria Angela Zappia
Permanent Representative of Italy
to the United Nations
New York

At the same time, the Committee requests relevant organizations delivering humanitarian assistance to the DPRK to adhere to the exemption time limit approved by the Committee and fully respect and abide by relevant national laws, regulations, and licensing requirements governing financial and commercial transactions, and shipping and custom clearance conducted in the jurisdictions of affected Member States.

I wish to inform you that this letter and its annex will be published on the 1718 Committee website for the public, including relevant national authorities involved in reviewing the exempted transfers to the DPRK, for a period of six months.

The Committee would like to thank Italy for its diligence.

Please accept, Excellency, the assurances of my highest consideration.

(Signed)

Christoph Heusgen
Chair
Security Council Committee established
pursuant to resolution 1718 (2006)

Attachment:

- Table of transfer of funds to the DPRK

Table: Summary of the AESA Activities on the Contract FOOD/2018/404-599 - "Food Security Office in the DPR of Korea"(*)

A. PERSONNEL (present in DPRK)					
ITEM	Input Months March 2019 to Feb. 2022	Input Months March 2019 to August 2019	Estimated Expenses in DPRK (EURO) March 2019 to Feb 2022	Estimated Expenses in DPRK (EURO) March 2019 to August 2019	To Whom
Key Expert 1 Team Leader	28.5	6	42,750	9,000	Expatriate Expert for out of pocket expenses and to General Service Bureau (GSB) for apartment rent. Exemption: (i) UN Resolution 2397-2017 par. 25; (ii) UN Resolution 2371-2017 par. 26; (iii) EU Regulation 1509-2017 art. 22, par. 1 & 2.
Key Expert 2 Team Member	28.5	6	42,750	9,000	Expatriate Expert for out of pocket expenses and to General Service Bureau (GSB) for apartment rent. Exemption: (i) UN Resolution 2397-2017 par. 25; (ii) UN Resolution 2371-2017 par. 26; (iii) EU Regulation 1509-2017 art. 22, par. 1 & 2.
International and National Short- Term Experts	25	1	50,000	8,500	Expatriate Experts for living allowance and local experts for fee. Exemption: (i) UN Resolution 2397-2017 par. 25; (ii) EU Regulation 1509-2017 art. 22, par. 1 & 2.
International Support Staff	36	6	108,000	18,000	Fee and living allowance Exemption: (i) UN Resolution 2397-2017 par. 25; (ii) EU Regulation 1509-2017 art. 22, par. 1 & 2.
National Support Staff	252	42	192,000	32,000	Individual staff Salaries Exemption: (i) UN Resolution 2397-2017 par. 25; (ii) EU Regulation 1509-2017 art. 22, par. 1 & 2.
AESA Backstopping and Support Staff	6	1	30,000	5,000	Expatriate staff for living allowance. Exemption: (i) UN Resolution 2397-2017 par. 25; (ii) EU Regulation 1509-2017 art.22, par. 1 & 2.
B. Purchase and Running Costs					
Office running cost and rent	36	6	90,000	15,000	GSB (General Service Bureau) for rent and utilities and purchases made in different shops Exemption: (i) UN Resolution 2397-2017 par. 25; (ii) UN Resolution 2371-2017 par. 26; (iii) EU Regulation 1509-2017 art. 22, par. 1 & 2.

Purchase Vehicles (2)	-	-	50,000	50,000	Local (second hand vehicle bought in DPRK). Exemption: (i) UN Resolution 2397-2017 par. 25; (ii) EU Regulation 1509-2017 art. 22, par. 1 & 2.
Vehicle Running costs and spare parts vehicles (fleet of 4)	36	6	314,500	52,500	Different fuels stations and local dealers for spare parts and Korean General Insurance Company Exemption: (i) UN Resolution 2397-2017 par. 25; (ii) UN Resolution 2371-2017 par. 26; (iii) EU Regulation 1509-2017 art. 22, par. 1 & 2.
Field visits for FSO Team	-	-	50,000	8,500	To be paid to experts for living allowance and for local transportation Exemption: (i) UN Resolution 2397-2017 par. 25; (ii) EU Regulation 1509-2017 art. 22, par. 1 & 2.
Other project running cost (training, local travel, Workshops, visibility materials, badges etc.)	36	6	90,000	15,000	Mainly for purchase of stationary, training material, travel allowance to the training participants, fuel costs food, water refreshments etc. and paid to many different DPRK based supplier and training participants. Exemption: (i) UN Resolution 2397-2017 par. 25; (ii) EU Regulation 1509-2017 art.22, par. 1 & 2.
Total			1,060,000	222,500	

(*) Expected expenses in DPRK only. The value of the AESA contract is EURO 2,478,520.