

27 October 2022

Excellency,

On behalf of the Security Council Committee established pursuant to resolution 1718 (2006), I have the honour to refer to your letter dated 28 September 2022, conveying to the Committee an exemption request pursuant to paragraph 25 of resolution 2397 (2017) for the purpose of providing humanitarian assistance in the Democratic People's Republic of Korea (DPRK) for Agriconsulting SA (AESAs) Italy, an Italian company which signed a contract with the European Commission – Directorate General for International Cooperation and Development, for the project entitled “FOOD/20018/404-599 – Food Security Office in the DPR of Korea” extended up to end-February 2023, in particular providing technical assistance to the project. I also note the request for a longer timeframe for the exemption to complete the contract and to finalize all the administrative procedures.

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), as well as an extended timeframe for the exemption on an exceptional basis, to transfer the funds outlined in your letter within the next 12 months, in accordance with the table enclosed in this letter as an attachment.

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.

His Excellency
Mr. Maurizio Massari
Permanent Representative of Italy
to the United Nations
New York

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.

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 12 months.

The Committee would like to thank Italy for its diligence.

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

(Signed)

Mona Juul
Chair

Security Council Committee established
pursuant to resolution 1718 (2006)

Attachment:

- Table: summary of AESA activities on the Contract “FOOD/20018/404-599 – Food Security Office in the DPR of Korea”

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

ITEM	Costs paid in DPRK (EURO)	Costs accrued in DPRK (EURO)	Input month (Addendum)	Costs forecast in DPRK (Addendum) (EURO)	Total amount still to be paid in DPRK (EURO)	To Whom
	A	B		C	B+C	
	Mar 2019 - Feb 2022	Jan 2020 - Feb 2022	Mar 2022 - Feb 2023	Mar 2022 - Feb 2023	Mar 2022 - Feb 2023	
	36 months	26 months	12 months	12 months		
A. Costs for Personnel (based in DPRK)						
Key Expert 1 Team Leader	8,632	4,500	6	6,000	10,500	Expatriate Expert for out of pocket expenses and to General Service Bureau (GSB) for apartment rent
Key Expert 2 Team Member	4,349	900	6	5,600	6,500	Expatriate Expert for out of pocket expenses and to General Service Bureau (GSB) for apartment rent
International and National Short-Term Experts	1,485	0	1	20,000	20,000	Expatriate Experts for living allowance and local experts for fee
International Administrative staff	41,690	0	12	6,000	6,000	Salary and local allowance
National Support Staff	59,811	75,500	12	54,000	129,500	Individual staff Salaries
AESA Backstopping and Support Staff	0	0	1	1,500	1,500	Individual staff for living allowance
B. Purchase and Running Costs						
Office running cost and rent	58,594	122,000	12	60,000	182,000	GSB (General Service Bureau) for rent and utilities and purchases made in different shops
Purchase Vehicles (2)	0	0	-	50,000	50,000	Local (second hand vehicle) or imported
Vehicle Running costs and spare parts vehicles (fleet of 4)	34,003	15,500	12	36,000	51,500	Different fuels stations and imported from dealers for spare parts

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	A	B		C	B+C	
	Mar 2019 - Feb 2022	Jan 2020 - Feb 2022	Mar 2022 - Feb 2023	Mar 2022 - Feb 2023	Mar 2022 - Feb 2023	
	36 months	26 months	12 months	12 months		
Field visits for FSO Team	6,695	400	1	4,000	4,400	To be paid to experts for living allowance and for local transportation
Other project running cost (training, local travel, Workshops, visibility materials, badges etc.)	15,662	5,500	1	20,000	25,500	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
TOTAL EURO	230,922**	224,300		263,100	487,400***	
Overall maximum estimated amount in DPRK (2019-2023)	230,922+487,400 = 718,322 EURO					

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

(**) Euro already paid in DPRK

(***) Total Euro accrued and forecasted **still to be paid** in DPRK