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PROJECT SANDSTONE

The *Jie Shun* Incident

Chinese State-Owned Enterprise Connections to the North Korean Arms Trade

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Executive Summary

IN AUGUST 2016, a Cambodian-flagged cargo ship named *Jie Shun* was stopped by the Egyptian authorities en route to the Suez Canal. On board, the Egyptian government discovered a large cache of North Korean munitions hidden underneath a cargo of sanctioned iron ore.

Crewed and captained by North Korean nationals, the *Jie Shun* was operating under a flag of convenience designed to disguise its identity and conceal its illicit activities. However, in a distinct difference from the most high-profile interdiction to that point – the North Korean-flagged *Chong Chon Gang*, which, when it was stopped in 2013, was found to be carrying Cuban weapons bound for North Korea – the *Jie Shun* was not owned and managed by North Korean companies, but ostensibly by Chinese entities and nationals primarily based in Hong Kong and Dalian.

Starting from information gathered by the UN Panel of Experts to the 1718 Sanctions Committee (the UN body that oversees the implementation of multilateral sanctions on North Korea) in their subsequent investigation into the *Jie Shun* incident, this report delves into the corporate networks that supported and exploited the vessel and its illicit activities. To do this, it draws on corporate records from a variety of sources (including Chinese sources), Automatic Identification System (AIS) information provided by Pole Star Space Applications, company web pages and registry listings, and specialist maritime databases, exploiting them through link analysis and geospatial analysis techniques. Information uncovered and presented here adds further weight to the body of evidence that points to the critical role of Chinese nationals in operating and managing North Korea's illicit shipping fleet. It also presents evidence that some parts of these networks are not merely based in China but may also have ties to the Chinese state:

- Liaoning Foreign Trade Foodstuffs Shipping, the company which registered the *Jie Shun* before it was assigned a North Korean crew in 2012 was, at this time, part owned by the Chinese state.
- The chief captain of Liaoning Foreign Trade Foodstuffs Shipping, Li Anshan, is intimately connected with other North Korean vessels and entities, including the proscribed shipping company Ocean Maritime Management, through a number of Hong Kong companies registered in his name.
- One of these companies, Hua Heng Shipping, was determined by the Egyptian authorities to be the owner of the *Jie Shun* when it was arrested near the Suez Canal in 2016.
- Liaoning Foreign Trade Foodstuffs Shipping shares an address, phone and fax number with two companies named Jieshun Shipping and CM Chartering. The former owner of the *Jie Shun*, Hong Kong-registered Jieshun Shipping was itself owned by Sun Sidong, a Chinese national sanctioned in 2017 by the US Treasury for exporting goods to North Korea, including items associated with nuclear reactors. CM Chartering, meanwhile, is a Hong Kong-registered company linked to Li Anshan and North Korea's Ocean Maritime Management.
- In addition to hosting several state-owned Chinese companies, the address used by Liaoning Foreign Trade Foodstuffs Shipping has also housed at least two North Korean companies, while an adjacent address has housed an office of UN-designated Ocean Maritime Management and Korea Daesongsan, a company with close connections to the UN-designated Korea Daesong. The Korea Daesong Bank and Korea Daesong General Trading Corporation are controlled by Office 39 and charged with generating revenue for North Korea's leadership.

- According to the bill of lading for the weapons crates aboard the *Jie Shun*, the shipper was a Chinese company which has since become part of the state-owned China Anhua Group.

Although this does not indicate support from the Chinese authorities in general for North Korea's illegal arms trade, it raises questions about China's enforcement of UN Security Council resolutions. The authors make no judgement as to the reason for Chinese state connections to the relationships and activities outlined in this report. However, the information laid out in this report points to a need for better due diligence by the various state-owned and part-owned enterprises involved, and for Chinese authorities to investigate and address any activities that run counter to China's commitments to enforcing UN resolutions.

This investigation is the first in a series that will focus on understanding the corporate ownership structures that support North Korea's illicit networks, and on increasing the breadth and depth of publicly available information on these structures. It is a product of RUSI's Project SANDSTONE, which uses open-source intelligence techniques to uncover and report actionable information on proscribed North Korean activities. We gratefully acknowledge the support of the UK Foreign and Commonwealth Office in funding the research that has led to this report.

Li Anshan and the *Jie Shun*

ON 11 August 2016, a Cambodian-flagged vessel named the *Jie Shun* was stopped near the Suez Canal by the Egyptian authorities after an 8,000-mile journey from North Korea.¹ On board, hidden underneath a large cargo of sanctioned North Korean iron ore, lay one of the largest consignments of conventional munitions ever found aboard a North Korean-linked vessel: more than 100 tons of disassembled North Korean PG-7 rocket-propelled grenades and their component materials.²

A subsequent investigation by the UN Panel of Experts to the 1718 Sanctions Committee³ – respectively the expert and political UN Security Council subsidiary organs tasked with overseeing sanctions imposed on North Korea – revealed that, despite the ship’s Cambodian flag, it was crewed and captained by North Korean nationals.⁴ In their subsequent annual report the Panel noted that the incident demonstrated North Korea’s ongoing abuses of the flags of convenience system and its use of ‘vessels managed by third-country nationals to transfer different types of prohibited goods’.⁵

Successful interdictions of vessels such as the *Jie Shun* and *Chong Chon Gang* carrying weapons are comparatively rare.⁶ However, the two cases in question differ in one important aspect: while the *Chong Chon Gang* was openly a North Korean vessel, the *Jie Shun* was operating clandestinely under a flag of convenience. Hence, while the *Chong Chon Gang* was owned and operated by North Korean companies, the operators of the *Jie Shun* had gone to great lengths to disguise the vessel’s connections to North Korea. As a result, this latter interdiction has provided important insights into the clandestine networks helping North Korea to export weapons and evade sanctions. This investigation has attempted to shed further light on some of these third-country nationals and their networks, using the information acquired by the UN Panel of Experts during its own investigations into the *Jie Shun* as a starting point.

Liaoning Foreign Trade Foodstuffs Shipping (Liaoning Foreign Trade)

The UN Panel of Experts identified three key operators at the heart of the *Jie Shun*’s ownership and management network: Li Anshan (李安山), Zhang Qiao (张桥) and Fan Mintian (范民田). According to the Panel, these three individuals registered the vessel in 2012 under their companies, reflagged it to Cambodia, arranged its protection and indemnity insurance and held the vessel’s documents of compliance, on which Zhang and

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1. Joby Warrick, ‘A North Korean Ship was Seized off Egypt with a Huge Cache of Weapons Destined for a Surprising Buyer’, *Washington Post*, 1 October 2017.
 2. UN Security Council, ‘Report of the Panel of Experts Established Pursuant to Resolution 1874 (2009)’, S/2017/150, 27 February 2017, pp. 28–29.
 3. More accurately known as the ‘Security Council Committee Established Pursuant to Resolution 1718 (2006)’.
 4. UN Security Council, ‘Report of the Panel of Experts Established Pursuant to Resolution 1874 (2009)’, S/2017/150, p. 30; Warrick, ‘A North Korean Ship was Seized off Egypt with a Huge Cache of Weapons Destined for a Surprising Buyer’.
 5. UN Security Council, ‘Report of the Panel of Experts Established Pursuant to Resolution 1874 (2009)’, S/2017/150, p. 32.
 6. Lomi Kriel, ‘Panama Finds Weapons on North Korean Ship Coming from Cuba’, *Reuters*, 6 July 2013.

several of his associates were listed as contacts.⁷ Both Li Anshan and Fan Mintian have previously featured in investigations by the Panel.⁸ Li Anshan was first linked to North Korea's Ocean Maritime Management in 2016, when investigations by the Panel of Experts discovered that two of his companies were nominated to assume ownership of two North Korean-linked vessels.⁹ Meanwhile, Fan Mintian and his companies had first been connected to the *Light* incident in 2013.¹⁰ Two years earlier, in 2011, the Belizean-flagged *Light* vessel was suspected of transporting North Korean missile technology to Myanmar and was intercepted by a US Navy destroyer. Rather than submit itself to inspection, the North Korean crew of the *Light* turned the vessel around and returned home.¹¹ The Panel's investigations into Zhang Qiao uncovered links to North Korean coal trading¹² and identified his company Bene Star Shipping and Trading as a 'key node connecting multiple companies linked to the Democratic People's Republic of Korea'.¹³

Li Anshan first registered the *Jie Shun* with the International Maritime Organization in April 2012 to the Dalian-headquartered company Liaoning Foreign Trade Foodstuffs Shipping (辽宁外贸食品海运有限公司; Liaoning Foreign Trade).¹⁴ An interview published in Chinese-language media in 2008 describes Li Anshan as Liaoning Foreign Trade's 'chief captain'.¹⁵ Li's correspondence with the Panel of Experts further confirmed his employment with the company.¹⁶

The Panel of Experts found that, following the *Jie Shun's* registration to Liaoning Foreign Trade in 2012, it was then assigned a North Korean crew and flagged to Cambodia. Two months later in June 2012, Li transferred the vessel to his company Hua Heng Shipping, registered in Hong Kong, which the Egyptian authorities believed was the de facto owner of the vessel.¹⁷

Liaoning Foreign Trade and Hua Heng Shipping subsequently continued to be closely linked:

- A list on the Liaoning Price Certification and Evaluation Association published on 24 March 2017 shows that Li Anshan worked for Liaoning Foreign Trade at that time.¹⁸

7. UN Security Council, 'Report of the Panel of Experts Established Pursuant to Resolution 1874 (2009)', S/2017/150, p. 31.

8. UN Security Council, 'Report of the Panel of Experts Established Pursuant to Resolution 1874 (2009)', S/2016/157, 24 February 2016, p. 53.

9. *Ibid.*

10. UN Security Council, 'Report of the Panel of Experts Established Pursuant to Resolution 1874 (2009)', S/2013/337, 11 June 2013, p. 44–49.

11. David E Sanger, 'U.S. Said to Turn Back North Korea Missile Shipment', *New York Times*, 12 June 2011.

12. UN Security Council, 'Report of the Panel of Experts Established Pursuant to Resolution 1874 (2009)', S/2017/150, p. 144.

13. *Ibid.*, p. 31.

14. *Ibid.*

15. China Refrigeration Network Information Center, <<http://www.ttb2b.com/showgriddetails.aspx?id=8433>>, accessed 1 August 2018.

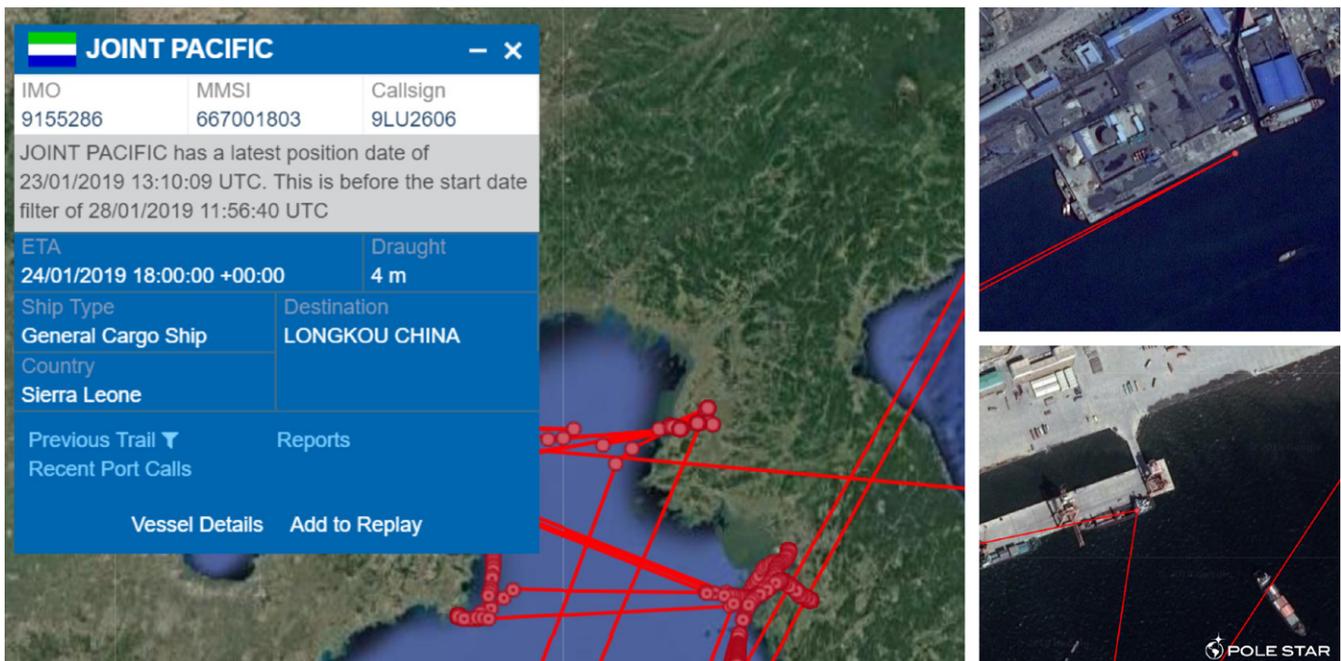
16. UN Security Council, 'Report of the Panel of Experts Established Pursuant to Resolution 1874 (2009)', S/2016/157, p. 220.

17. UN Security Council, 'Report of the Panel of Experts Established Pursuant to Resolution 1874 (2009)', S/2017/150, p. 31.

18. See Annex A.

- Liaoning Foreign Trade and Hua Heng Shipping are – as of January 2019 – listed as the International Safety Management Code (ISM) Manager and Commercial Manager of the Sierra Leonean-flagged *JOINT PACIFIC* (IMO:9155286).¹⁹
- Chinese-language webpages show that Li's Hua Heng Shipping and Liaoning Foreign Trade have used the same Dalian-based phone number.²⁰

Figure 1: The Joint Pacific Calling into DPRK Ports While Under the Management of Liaoning Foreign Trade and Hua Heng Shipping



Source: Polestar Space Applications.

Liaoning Foreign Trade's Connections to the Chinese State

Chinese corporate documents show Liaoning Foreign Trade was registered in June 1989 and remained a state-owned entity until 2003,²¹ when several other individuals became shareholders in the company.²² As a result, the ownership structure was as follows (see Annex C):

- Liaoning Limeng State-Owned Assets Operation (辽宁利盟国有资产经营有限公司), 40.8%.
- Gong Yuhe (宫玉和), 26.5%.
- Song Huijun (宋慧君), 18.4%.
- Qu Boxiu (曲伯修), 14.3%.

19. See vessel ownership and management details at the Equasis maritime database, <www.Equasis.org>, accessed 11 December 2018.

20. See Annex B.

21. 水滴信用企业版 [Shuidi Corporate Database], '辽宁外贸食品海运有限公司' ['Liaoning Foreign Trade Foodstuffs Shipping'], <http://shuidi.cn/company-bb482a3725308be47d47937823c2e11d.html?company_no=17556313774599150961012680550763>, accessed 31 July 2018.

22. *Ibid.*

Liaoning Foreign Trade maintained a connection with the Chinese state subsequently, however, being part owned until September 2017 – the month when the interim UN Panel of Experts Report covering the *Jie Shun* incident was released – by Liaoning Limeng State-Owned Assets Operation (辽宁利盟国有资产经营有限公司).²³ Liaoning Limeng State-Owned Assets Operation is itself owned by the Liaoning Provincial People’s Government State-Owned Assets Supervision and Administration Commission (辽宁省人民政府国有资产监督管理委员会).²⁴

Despite this apparent divestiture, as of January 2018 Liaoning Limeng listed Liaoning Foreign Trade as an equity investment on its organisation chart (see Annex D).²⁵ Liaoning Limeng is also the sole owner of the Liaoning Province Food Import and Export Corporation (辽宁省食品进出口公司), which is addressed to 72 Luxun Lu, Zhongshan Qu, Dalian, Liaoning.²⁶ This is the address of Liaoning Foreign Trade, and of a third company, Liaoning Fude Food (辽宁富德食品有限公司). Chinese corporate records describe Liaoning Fude Food as a state-owned company.²⁷

Liaoning Limeng, Liaoning Foreign Trade and Liaoning Fude are also related through their ownership structure and senior management. Liaoning Foreign Trade is a shareholder of Liaoning Fude. The former chief executive of Liaoning Province Food Import and Export Corporation, Liu Tianlu (刘天禄), is now an executive at Liaoning Fude.²⁸

Liaoning Foreign Trade is also the commercial manager of the *G Lucky* (IMO: 8888654),²⁹ a vessel owned by the state-linked entity Heilongjiang Province Longhang Heavy Equipment River & Sea Transport (黑龙江省龙航大型设备江海运输有限公司).³⁰ This company is co-located with Liaoning Foreign Trade at 72 Luxun Lu,

23. Liaoning Limeng divested from Liaoning Foreign Trade on 25 September 2017, 20 days after the Panel of Experts released its 2017 mid-term report (see Annex F).

24. 水滴信用企业版 [Shuidi Corporate Database], ‘辽宁利盟国有资产经营有限公司’ [‘Liaoning Limeng State-Owned Assets Operation’], <http://shuidi.cn/company-ca6cf6af264327bb4724585a1e19ee1f.html?from_360=1>, accessed 22 January 2019.

25. This information is no longer available online as the website of Liaoning Limeng appears to be broken or have been taken down. The authors have archived the relevant pages and reproduced extracts in this report.

26. 水滴信用企业版 [Shuidi Corporate Database], ‘辽宁省食品进出口公司’ [‘Liaoning Province Food Import and Export Corporation’], <http://shuidi.cn/company-ea47f32f9633c7454bdebbf2a208cc83.html?from_360=1>, accessed 1 November 2018.

27. 水滴信用企业版 [Shuidi Corporate Database], ‘辽宁富德食品有限公司’ [‘Liaoning Fude Food Company Limited’], <http://shuidi.cn/company-38a5d888fae161245e77012097774341.html?company_no=52820431195238081068648229105482>, accessed 24 August 2018.

28. 水滴信用企业版 [Shuidi Corporate Database], ‘辽宁富德食品有限公司’ [‘Liaoning Fude Food Company Limited’], <http://shuidi.cn/company-38a5d888fae161245e77012097774341.html?company_no=52820431195238081068648229105482>, accessed 1 August 2018.

29. See vessel ownership and management details at the Equasis maritime database, <www.Equasis.org>, accessed 22 January 2019.

30. Three of the four shareholders in Heilongjiang Province Longhang Heavy Equipment River & Sea Transport appear to be state entities, which indicates that the company is closely connected to the Chinese government, see 水滴信用企业版 [Shuidi Corporate Database], ‘黑龙江省龙航大型设备江海运输有限公司’ [‘Heilongjiang Province Longhang Heavy Equipment River & Sea Transport’], <http://shuidi.cn/company-7f5d52ff4ea4ed6de5d34026c5d92897.html?company_no=71425609815042969736852096872540>, accessed 1 August 2018.

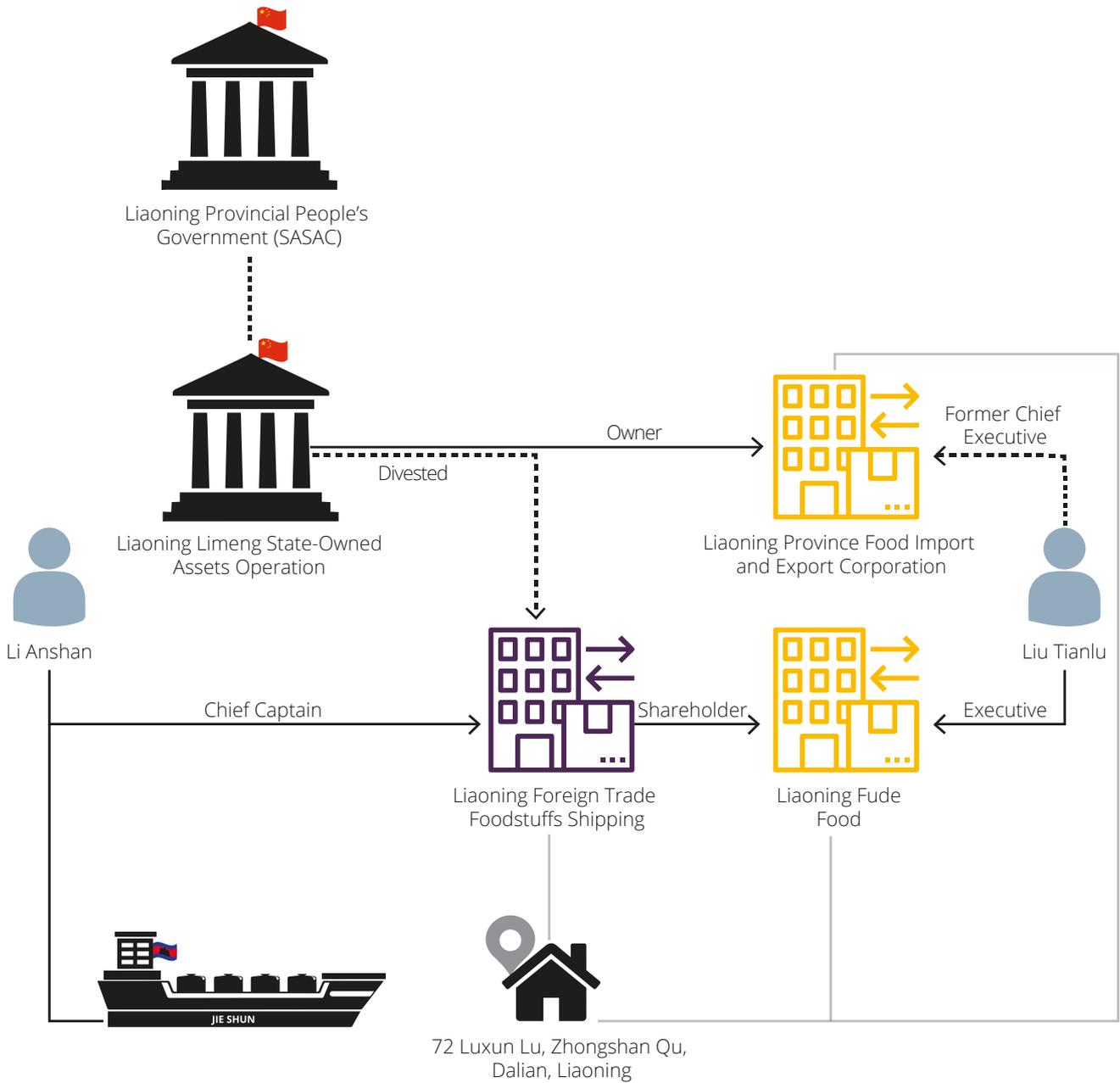
Zhongshan Qu, Dalian, Liaoning, and the two companies share telephone and fax numbers.³¹ It is also the ISM Manager for the *Milestone* (IMO: 9101584),³² which, as of 8 February 2018, was listed on the the China Ports website as owned by the Chinese government (see Annex E).

In summary, the Chinese government – perhaps unwittingly – owned a stake in the registrant of the *Jie Shun* when a North Korean crew was assigned to it in 2012. Despite an apparent divestiture of Chinese state holdings around the time the UN Panel of Experts reported on the *Jie Shun*, Chinese government entities appear to continue to be connected with the company through the addresses, shareholders and management that Liaoning Foreign Trade shares with other apparently state-owned companies. This points towards a need for China to investigate more deeply any potential Chinese links to North Korea-related illicit activity, particularly if state-owned enterprises are involved in any part of the ownership structures.

31. Heilongjiang Province Longhang Heavy Equipment River & Sea Transport – IMO No.: 5502873, <http://www.tokyo-mou.org/inspections_detentions/detention_list.php>, accessed 26 October 2018.

32. See vessel ownership and management details at the Equasis maritime database, <www.Equasis.org>, accessed 22 January 2019.

Figure 2: Connections Between Liaoning Foreign Trade and Chinese State Entities



Source: The authors.

72 Luxun Lu

In addition to housing several Chinese government-owned entities, Liaoning Foreign Trade's address at 72 Luxun Lu, Zhongshan Qu, Dalian, has also been home to several other companies connected to North Korea.³³ At least two of these companies have been North Korean owned and operated: Korea Gumleung Trading Company (朝鲜金陵贸易会社大连代表处);³⁴ and Korea Ocean Trade Association Dalian Representative Office (朝鲜大洋贸易会社大连代表处).³⁵ Among the others are:

- Dalian Sun Moon Star International Logistics (which was listed as the consignee on a 2010 invoice for 'machinery, components, measuring devices' and other 'items used in the production of arms or as a principal component of liquid propellant for Scud missiles' destined for Syria.³⁶ Dalian Sun Moon Star was later designated under the US autonomous sanctions regime in August 2018).³⁷
- Harmonized Resources Shipping Management, a company connected to the oil products tanker *KOTI*, which was impounded in December 2017 for smuggling oil to North Korea.³⁸
- CM Chartering.
- Jieshun Shipping (捷顺船务有限公司).

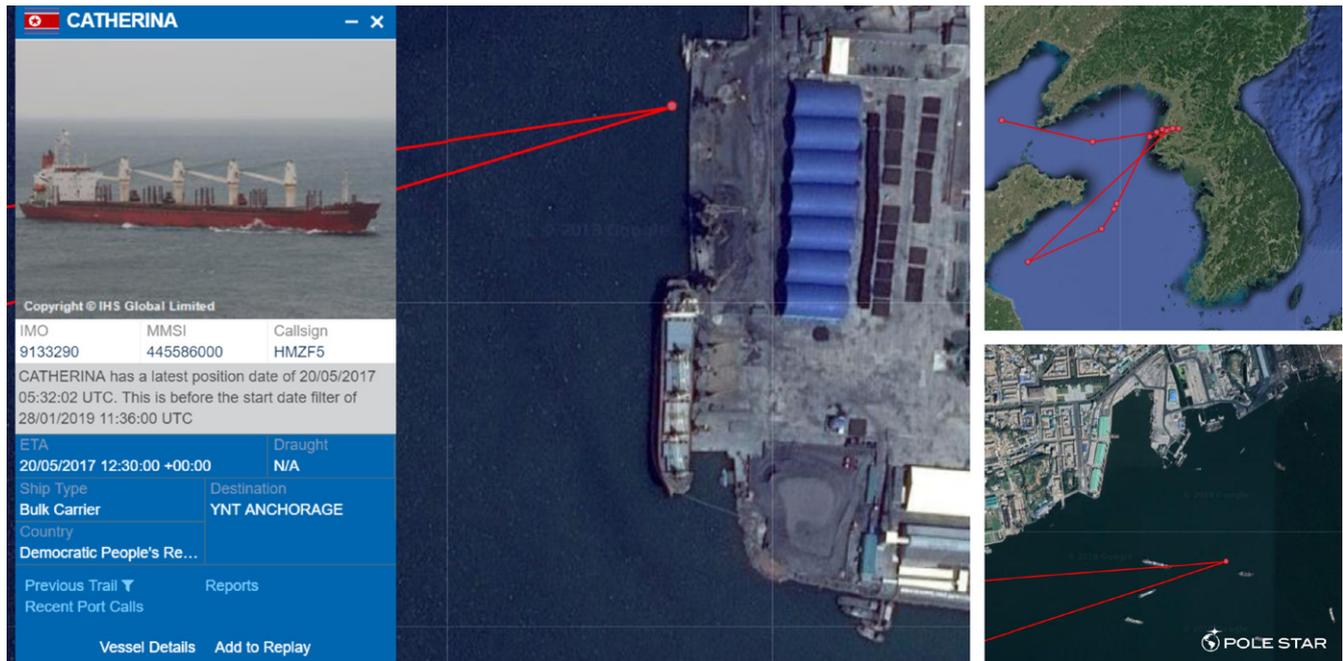
As well as sharing an address, CM Chartering and Jieshun Shipping used the same Dalian telephone and fax number as that used by Liaoning Foreign Trade and Heilongjiang Province Longhang Heavy Equipment.³⁹

Documentation obtained by the UN Panel of Experts from the North Korean vessel *Mu Du Bong* linked CM Chartering with UN-designated entity Ocean Maritime Management Limited.⁴⁰ CM Chartering was the

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33. While co-location is neither a necessary nor sufficient condition for establishing a concrete relationship between entities, it can be a strong indicator and is commonly observed in North Korea's illicit networks. In this case, co-location, independent relationships to North Korean entities, shared telephone and fax numbers and the use of emails on the same domain indicates that some of these corporate entities are merely front companies for another corporate entity.
34. 朝鲜金陵贸易会社大连代表处- 商铺主页 [Korea Gumleung Trading Company], <<http://09s12219340.atobocom.cn/>>, accessed 5 October 2018.
35. Dalian Local Taxation Bureau, <<https://www.dl-l-tax.gov.cn/mhwz/u/cms/www/allfiles/fzc/FZCDFjagf37.xls>>, accessed 5 October 2018.
36. UN Security Council, 'Report of the Panel of Experts Established Pursuant to Resolution 1874 (2009)', S/2016/157, p. 121.
37. US Department of the Treasury, 'Treasury Targets Shipping Industry and Other Facilitators of North Korea United Nations Security Council Violations', press release, 15 August 2018, <<https://home.treasury.gov/news/press-releases/sm458>>, accessed 5 October 2018.
38. Leo Byrne and James Byrne, 'Seized Oil Tanker Linked to N. Korean Networks, Investigation Reveals', *NKNews.org*, 3 January 2018.
39. Inspection records from Tokyo MOU show that CM Chartering, Jieshun Shipping, Liaoning Foreign Trade and Heilongjiang Province Longhang Heavy Equipment have shared telephone and fax numbers. See Tokyo MOU, 'PSC Database', <http://www.tokyo-mou.org/inspections_detentions/psc_database.php>, accessed 11 January 2019.
40. UN Security Council, 'Report of the Panel of Experts Established Pursuant to Resolution 1874 (2009)', S/2016/157, p. 213.

registered owner of the *Catherina* (IMO:9133290) from December 2015 to March 2016,⁴¹ during which time the *Catherina* sailed to North Korea under the management of Liaoning Foreign Trade.⁴² Further, Ocean Maritime Management's front company Mirae Shipping (on which more follows)⁴³ and Li Anshan have used the email address miraerep@cmchartering.com on the [cmchartering](http://cmchartering.com) web domain.⁴⁴

Figure 3: The *Catherina* Calling into DPRK Ports While Owned and Managed by CM Chartering and Liaoning Foreign Trade



Source: Polestar Space Applications.

A further North Korean entity of interest, Korea Daesongsan Trade Association Dalian Representative Office (朝鲜大圣三贸易会社大连代表处), was previously addressed to 74 Luxun Lu,⁴⁵ a building adjacent to 72 Luxun Lu. Korea Daesongsan has shared addresses and a director, Jin Yuanzhe (金元哲), with the local office

41. See vessel ownership and management details at Equasis maritime database, <<http://www.equasis.org/EquasisWeb/restricted/ShipHistory?fs=ShipInfo>>, accessed 22 January 2019.
42. AIS positional data provided by Polestar Space Applications shows that the *Catherina* called into North Korean ports while under the management of Liaoning Foreign Trade.
43. US Department of the Treasury, 'Treasury Sanctions Supporters of North Korea's Ocean Maritime Management Company and Updates Sanctions List', 23 July 2015, press release, <<https://www.treasury.gov/press-center/press-releases/Pages/jl0130.aspx>>, accessed 2 August 2018.
44. UN Security Council, 'Report of the Panel of Experts Established Pursuant to Resolution 1874 (2009)', S/2016/157, p. 214.
45. 水滴信用企业 [Shuidi Corporate Database], '朝鲜大圣三贸易会社大连代表处' ['Korea Daesongsan Trade Association Dalian Representative Office'], <<http://shuidi.cn/company-aa134b96733092228804fc36bbe16e90.html>>, accessed 5 October 2018.

of Korea Daesong,⁴⁶ an entity designated under UN sanctions in 2016.⁴⁷ A former representative of Korea Daesongsan, Li Feng Xue (李峰学),⁴⁸ has also been listed as a representative of the Korea Ocean Trade Association, based at 72 Luxun Lu.⁴⁹

The building adjacent to 72 Luxun Lu on the opposite side of 74 Luxun Lu, 32 Wuwu Lu, also has several other companies with connections to North Korea. At least four of these companies have been North Korean owned and operated: UN-sanctioned Ocean Maritime Management (IMO:1790183);⁵⁰ Korea Unhasu Trading Company, Dalian Representative Office (朝鲜银河贸易总会社大连代表处);⁵¹ Korea Haijin Ship Management, Dalian Representative Office (朝鲜海进船舶管理有限公司大连代表处);⁵² and North Korea Large Pine Trade Company Dalian Office (朝鲜劲松贸易会社大连代表处).⁵³ Others include Vast Win Trading, the registered owner of the *Jie Shun* when it was arrested in Egypt,⁵⁴ and K Brothers Marine, the commercial manager of the *Jie Shun* when it was arrested in Egypt.⁵⁵

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46. 水滴信用企业 [Shuidi Corporate Database] shows that Korea Daesongsan has used the same address as Korea Daesong General Trading Corporation Dalian Representative Office (朝鲜大圣进出口会社大连代表处). The database also shows that an individual named Jin Yuanzhe; (金元哲; 김원철; Kim Won Cheol) has been listed as a director of both companies, <<http://shuidi.cn/company-aa134b96733092228804fc36bbe16e90.html>>, accessed 17 September 2018.
 47. UN Security Council, 'Security Council Strengthens Sanctions on Democratic Republic of Korea, Unanimously Adopting Resolution 2321 (2016)', SC/12603, 30 November 2016, <<https://www.un.org/press/en/2016/sc12603.doc.htm>>, accessed 16 September 2018.
 48. 水滴信用企业 [Shuidi Corporate Database], '朝鲜大圣三贸易会社大连代表处' ['Korea Daesongsan Trade Association Dalian Representative Office'], <<http://shuidi.cn/company-aa134b96733092228804fc36bbe16e90.html>>, accessed 5 October 2018.
 49. 水滴信用企业 [Shuidi Corporate Database], '朝鲜大洋贸易会社大连代表处' ['Korea Ocean Trade Association Dalian Representative Office'], <<http://shuidi.cn/company-07ab939d7d6da8638061d3ca647cc3f7.html>>, accessed 5 October 2018.
 50. UN Security Council, 'Ocean Maritime Management Company, Limited (OMM)', <<https://www.un.org/securitycouncil/sanctions/1718/materials/summaries/entity/ocean-maritime-management-company%2C-limited-%28omm%29>>, accessed 5 November 2018; US Department of the Treasury, 'Treasury Sanctions DPRK Shipping Companies Involved in Illicit Arms Transfers', press release, 30 July 2014, <<https://www.treasury.gov/press-center/press-releases/Pages/jl2594.aspx>>, accessed 5 November 2018.
 51. Korea Unhasu Trading Company, Dalian Representative Office (朝鲜银河贸易总会社大连代表处), <<https://www.atobo.com.cn/Companys/697/1210pq.html>>, accessed 5 November 2018.
 52. Korea Haijin Ship Management Dalian Representative Office (朝鲜海进船舶管理有限公司大连代表处), <https://www.sogou.com/link?url=DSOYnZeCC_o-soZT7z-9qORkiJWjK4x3lGd1HXfZBNgiV23H-70hhA>, accessed 5 November 2018.
 53. 水滴信用企业 [Shuidi Corporate Database], '朝鲜劲松贸易会社大连代表处' ['North Korea Large Pine Trade Company Dalian Office'], <http://shuidi.cn/company-c4949ae3dcddca1d5e055b2ef16be5eb.html?from_search=1>, accessed 5 November 2018.
 54. See vessel ownership and management details at the Equasis maritime database, <<http://www.equasis.org/EquasisWeb/restricted/ShipHistory?fs=ShipInfo>>, accessed 26 October 2018.
 55. UN Security Council, 'Report of the Panel of Experts Established Pursuant to Resolution 1874 (2009)', S/2017/150, p. 138.

Figure 4: Co-Locations of Liaoning Foreign Trade and Other North Korea-Connected Companies



Source: The authors.

Li Anshan, Hiroshi Kasatsugu and North Korea

Previous investigations by the UN Panel of Experts into Li Anshan, the chief captain of Liaoning Foreign Trade, revealed his close business association with Hiroshi Kasatsugu, a Japanese national and agent of Ocean Maritime Management, who was once one of North Korea's most prolific smugglers.⁵⁶

Responding to questions concerning his relationship to Hiroshi Kasatsugu posed to him by the Panel of Experts in 2016, Li Anshan stated: 'It was my first time to meet Mr Kasatsugu in Jun. 2011, at that time he visited our office and discussed *M.V GREAT HOPE* ISM [International Safety Manager] management business with Liaoning Foreign Trade Foodstuffs Shipping Co Ltd'.⁵⁷

In this correspondence with the Panel, Li claims this contract was terminated in June 2012 following the resignation of Liaoning Foreign Trade's shareholders and managers and its subsequent closure. Following this, Li states he registered Hua Heng Shipping Limited in June 2012 and re-signed the ISM contract for the *Great Hope*. However, not only did Liaoning Foreign Trade not close, but ship inspection records on Tokyo MOU show that Liaoning Foreign Trade and Kasatsugu's company Mirae Shipping (HK) – an alias of Ocean Maritime Management⁵⁸ – had a business relationship which substantially predated this. When inspected in Russian waters on 18 May 2009, a vessel named *Great Hope* (IMO:8307492) listed Mirae Shipping (HK) as its owner and Li Anshan's Liaoning Foreign Trade as its commercial manager.⁵⁹

This relationship subsequently continued. Other companies owned by Li Anshan, namely Hua Heng Shipping – which, as noted above, the Egyptian government believed was the beneficial owner of the *Jie Shun* – and Petrel Shipping have both used a Hong Kong address (Room 19C, Lockhart Centre, 301–307, Lockhart Road, Wan Chai, Hong Kong, China) linked to several other North Korea-affiliated

56. UN Security Council, 'Report of the Panel of Experts Established Pursuant to Resolution 1874 (2009)', S/2016/157, p. 220; Katsuhisa Furukawa, 'The Sanctions Regime of UN Security Council Resolutions 1718 (2006), 1874 (2009), 2087 (2013) and 2094 (2013)', presentation, <http://supportoffice.jp/outreach/2015/asian_ec/pdf/day1/Day1_1525_Mr.Katsuhisa%20Furukawa.pdf>, accessed 13 March 2018.

57. UN Security Council, 'Report of the Panel of Experts Established Pursuant to Resolution 1874 (2009)', S/2016/157, p. 220.

58. US Department of the Treasury, 'Treasury Sanctions Supporters of North Korea's Ocean Maritime Management Company and Updates Sanctions List', press release, 23 July 2015, <<https://www.treasury.gov/press-center/press-releases/Pages/jl0130.aspx>>, accessed 2 August 2018.

59. Tokyo MOU, 'PSC Database: GREAT HOPE Inspection Details 18 May 2009', <http://www.tokyo-mou.org/inspections_detentions/detention_list.php>, accessed 11 December 2018.

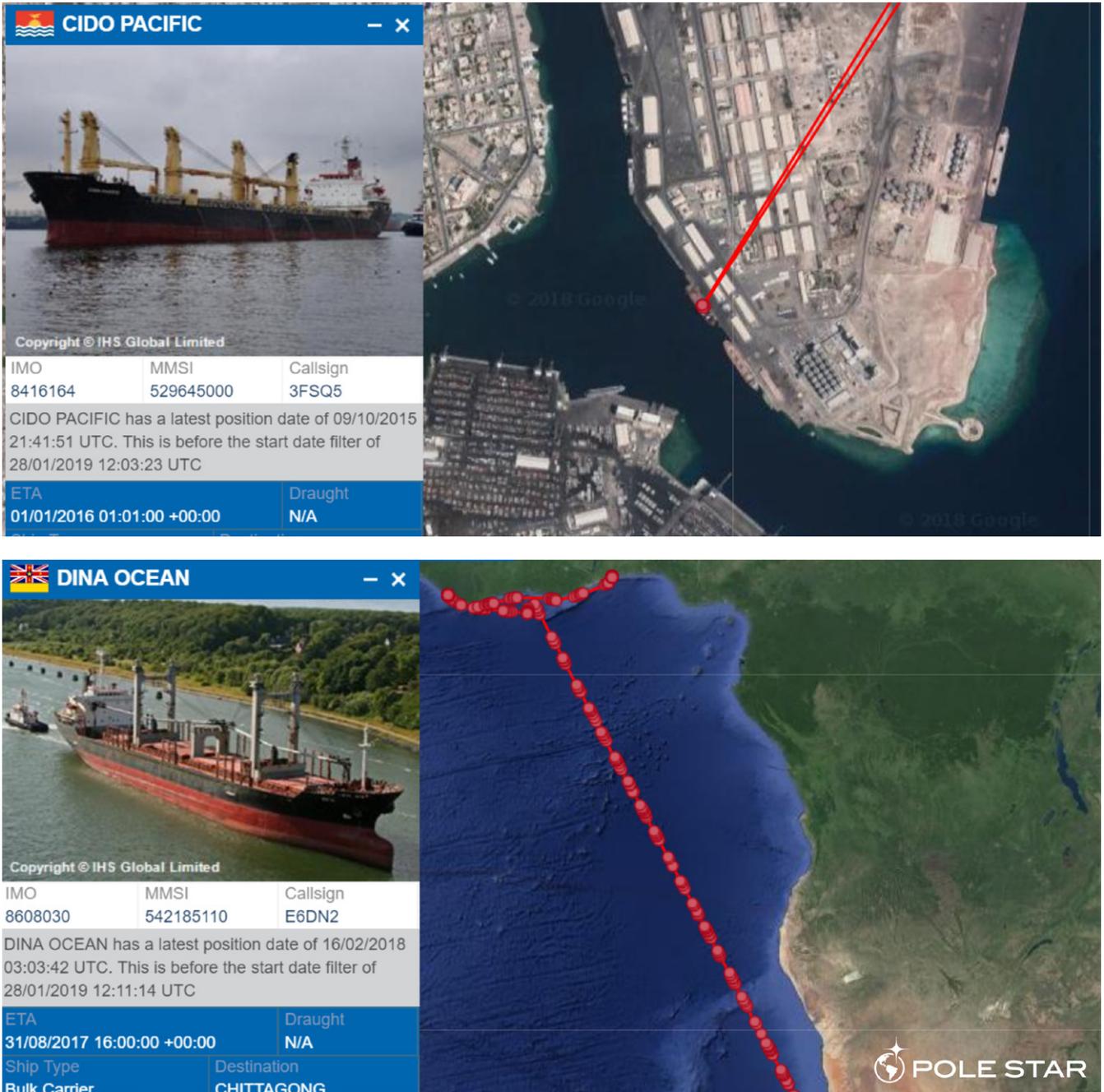
shipping companies, including at least three controlled by Kasatsugu.⁶⁰ Hiroshi Kasatsugu's Gold Zone Shipping has also given a care of address to Hua Heng Shipping (Hong Kong) at this location.⁶¹

Further details of the network came to light in 2015 when two vessels owned and operated by Li and Kasatsugu were impounded in South Africa. These ships, the Tuvalu-flagged *Glory Morning* (IMO: 8416164) and the Kiribati-flagged *Masik Ryong* (IMO: 8608030), were seized while in the port of Durban over unpaid mortgage charges.⁶² Both vessels were crewed by North Koreans.

Court documents reportedly revealed that the debtor for both vessels was Li Anshan's Hua Heng Shipping. Li's correspondence with the UN Panel of Experts also revealed that Liaoning Foreign Trade had provided ISM services to both vessels,⁶³ while companies owned by Hiroshi Kasatsugu were registered as the owners of the vessels: the *Glory Morning* was owned by Gold Zone Shipping; and the *Masik Ryong* was owned by First Trend Shipping.⁶⁴

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60. In the case of Hua Heng Shipping, see Tokyo MOU, 'PSC Database', <http://www.tokyo-mou.org/inspections_detentions/detention_list.php> and the Equasis maritime database, <<http://www.equasis.org>>, accessed 26 October 2018; in the case of Petrel Shipping, see Tokyo MOU, 'PSC Database', <http://www.tokyo-mou.org/inspections_detentions/detention_list.php>, accessed 26 October 2018; in the case of Glory Shipping (HK), see Tokyo MOU, 'PSC Database', <http://www.tokyo-mou.org/inspections_detentions/detention_list.php> and the Equasis maritime database, <<http://www.equasis.org>>, accessed 26 October 2018; in the case of First Trend Shipping, see Tokyo MOU, 'PSC Database', <http://www.tokyo-mou.org/inspections_detentions/detention_list.php> and the Equasis maritime database, <<http://www.equasis.org>>, accessed 26 October 2018; in the case of Gold Zone Shipping, see Tokyo MOU, 'PSC Database', <http://www.tokyo-mou.org/inspections_detentions/detention_list.php> and the Equasis maritime database, <<http://www.equasis.org>>, accessed 26 October 2018.
61. World Shipping Register, 'Gold Zone Shipping Ltd, Hong Kong, Hong Kong', <<https://world-ships.com/company/a65d37d6449e1cc3500bade33dfc6636>>, accessed 2 August 2018.
62. Leo Byrne, 'Two Ships Crewed by N. Koreans Arrested in South Africa', *NK News.org*, 24 August 2015.
63. UN Security Council, 'Report of the Panel of Experts Established Pursuant to Resolution 1874 (2009)', S/2016/157, p. 220.
64. At the time the *Glory Morning* listed Kasatsugu's Gold Zone Shipping as its owner on Equasis, while the *Masik Ryong* listed Kasatsugu's First Trend Shipping on Equasis, <<http://www.equasis.org>>, accessed 26 October 2018.

Figure 5: The North Korean-Crewed Glory Morning and Masik Ryong Calling into Sudan, Liberia and Togo Prior to Their Arrest in South Africa Over Unpaid Mortgage Charges. Li Anshan’s Hua Heng Shipping was the Debtor for Both Vessels



Source: Polestar Space Applications.

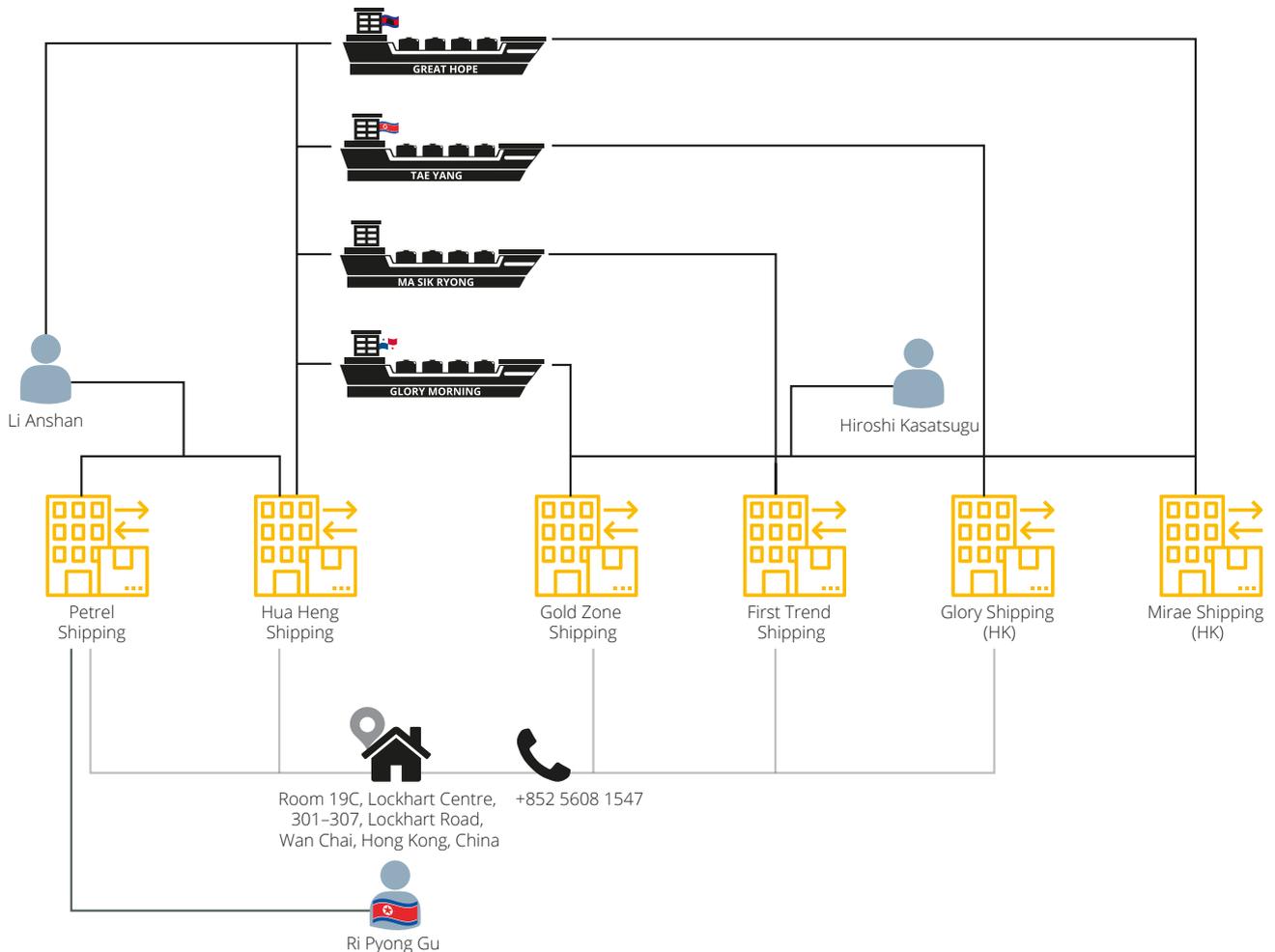
In total, at least nine vessels for which Hua Heng Shipping and Petrel Shipping have been the owner, commercial manager or ISM provider were reflagged to North Korea between 2015 and 2017 (see Table 1). This suggests that they were likely previously operating under flags of convenience. Four of these vessels were subsequently designated as owned by North Korea's UN-designated Ocean Maritime Management in UN Security Council Resolution 2270.⁶⁵

Table 1: The Nine Vessels Linked to Hua Heng Shipping and Petrel Shipping

Ship Name	IMO	Flagged/Designated
Tae Yang	IMO: 8306929	North Korea-flagged since July 2016
Chong Am	IMO: 8405402	North Korea-flagged since January 2017, designated UNSC March 2016, designated by US Treasury June 2016
Pu Gang 1	IMO: 8407888	North Korea-flagged since March 2017
Kum Song	IMO: 8511809	North Korea-flagged since March 2016
Chong Bong	IMO: 8909575	North Korea-flagged since August 2015, UNSC designated 2 March 2016, designated by US Treasury 9 June 2016
Pu Un	IMO: 8921860	North Korea-flagged since February 2017
Thae Phyong San	IMO: 9009085	North Korea-flagged since August 2015, UNSC designated 2 March 2016, designated by US Treasury 9 June 2016
Pu Hae	IMO: 9020601	North Korea-flagged since August 2015
Nam Dae Chon	IMO: 9138680	North Korea-flagged since July 2016, UNSC designated 2 March 2016, designated by US Treasury 9 June 2016

Source: UN Security Council, 'Security Council Imposes Fresh Sanctions on Democratic People's Republic of Korea, Unanimously Adopting Resolution 2270 (2016)', 2 March 2016, <<https://www.un.org/press/en/2016/sc12267.doc.htm>>, accessed 22 January 2019.

65. UN Security Council Resolution 2270, SC/12267, 2 March 2016.

Figure 6: Connections Between Li Anshan and Hiroshi Kasatsugu

Source: The authors.

The UN Panel of Experts found in 2015 that North Korean national Ri Pyong Gu was the chartering manager of Petrel Shipping, which at the time was addressed to Pyongyang in North Korea.⁶⁶ A 2015 presentation by a former member of the Panel of Experts, Katsuhisa Furukawa, shows that Ri was a diplomat from North Korea's Ministry of Foreign Affairs when his passport was issued in 2014.⁶⁷ Ri was also employed by Ocean Maritime Management's office in Thailand from at least 2005 to 2015.⁶⁸

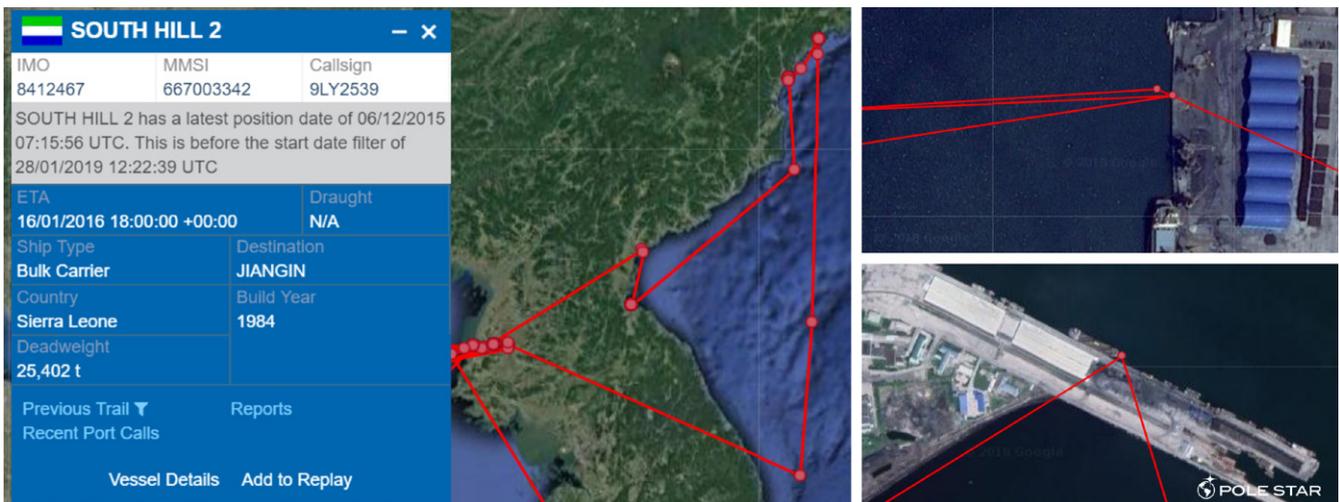
66. UN Security Council, 'Report of the Panel of Experts Established Pursuant to Resolution 1874 (2009)', S/2015/131, 23 February 2015, p. 138.

67. Katsuhisa, 'The Sanctions Regime of UN Security Council Resolutions 1781 (2006), 1874 (2009), 2087 (2013) and 2094 (2013)', p. 34.

68. UN Security Council, 'Report of the Panel of Experts Established Pursuant to Resolution 1874 (2009)', S/2015/131, pp. 55–58.

A further vessel, the *South Hill 2* (IMO:8412467) – later sanctioned by the US for its links to Ocean Maritime Management⁶⁹ – was owned and operated by Hua Heng Shipping and the Li Anshan/Mirae Shipping-linked CM Chartering from July 2012 until at least December 2015.⁷⁰ Previously, the vessel had been owned and operated by Ocean Maritime Management and Kasatsugu's Mirae Shipping.⁷¹ Automatic Identification System (AIS) positional data shows that the *South Hill 2* visited North Korea during the time that it was under the control of Hua Heng Shipping (Hong Kong) and CM Chartering.⁷²

Figure 7: The *South Hill 2* Calling into DPRK Ports While Owned and Managed by CM Chartering and Li Anshan's Hua Heng Shipping



Source: Polestar Space Applications.

Li Anshan is therefore a central node in North Korea's illicit shipping network. His companies have owned, managed and provided ISM services to several vessels operating on behalf of entities designated by the UN under the North Korean sanctions regime. These activities took place while Liaoning Foreign Trade – the company which first registered the *Jie Shun* and for which Li was employed as chief captain – was part-owned by elements of the Chinese state.

Dalian Haoda Petroleum Chemical

According to the bill of lading acquired by the Panel of Experts, the shipper of the weapons crates aboard the *Jie Shun* was a company named Dalian Haoda Petroleum Chemical (大连豪达石化有限公司).⁷³

69. UN Security Council, 'Security Council Imposes Fresh Sanctions on Democratic People's Republic of Korea, Unanimously Adopting Resolution 2270 (2016)', press release, 2 March 2016, <<https://www.un.org/press/en/2016/sc12267.doc.htm>>, accessed 22 January 2019.

70. See vessel ownership and management details at the Equasis maritime database, <<http://www.equasis.org/EquasisWeb/restricted/ShipHistory?fs=ShipInfo>>, accessed 26 October 2018.

71. *Ibid.*

72. AIS positional data provided by Pole Star Space Applications.

73. UN Security Council, 'Report of the Panel of Experts Established Pursuant to Resolution 1874 (2009)', S/2017/150, p. 29.

It remains unclear whether Dalian Haoda Petroleum Chemical was itself involved in the weapons shipment, or whether a third party used the company's name without its knowledge.

At the time of the *Jie Shun's* arrest, the investors in Dalian Haoda were Liu Xinwu (刘新武) and Ma Yuqian (马玉前) as documented on company Yellow Pages.⁷⁴ Chinese-language adverts for the company list contact details used by several other companies, including Dalian Free Trade Zone Longxiang Petrochemical Storage and Transportation (大连保税区隆翔石化储运有限公司), Dalian Xinfu Port Service (大连信孚港务服务有限公司), Dalian Xinfu Port Affairs Service (大连信孚港务服务有限公司), and Dalian Xinfu Port Transportation (大连信孚港务运输有限公司).⁷⁵

These companies form part of a wider conglomerate, now named the Zhongan Xinjinyuan Group (中安新金元集团有限公司).⁷⁶ The Dalian-based businessman Xin Long Shan (辛龙山) is the group's chairman and founder.⁷⁷

A press release on a partner company's website describes the group as being formed and led by Xin Long Shan in 1992 and has since expanded to include 'petroleum products, trade, investment, finance, cultural education and agriculture'.⁷⁸

A 2010 interview with Xin Long Shan (辛龙山) in the magazine *Window of the Northeast* (东北之窗) states that Xin is Chairman (or President) of the Board of Directors of Dalian Xinfu Port Service (大连信孚港务服务有限公司).⁷⁹

Xin Long Shan also sits on the Liaoning Provincial Public Welfare Steering Committee (辽宁省公益事业指导委员会),⁸⁰ which directs the work of the Liaoning Provincial Public Welfare Development Center, itself described as a government-approved organisation that undertakes social welfare work in accordance with Chinese law.⁸¹

A chronology on the Zhongan Xinjinyuan Group's website states that the 'group established Dalian Xinfu Port Service Co., Ltd. and Dalian Free Trade Zone Longxiang Petrochemical Storage and Transportation Co., Ltd.'

74. 大连豪达石化有限公司 [Dalian Haoda Petroleum Chemical], '11467 Company Yellow Pages', <<http://www.11467.com/qiye/42791255.htm>>, accessed 11 December 2018. While the panel does not provide the Chinese name of this company, Chinese corporate documents show the name is as follows.

75. See Annex G.

76. Zhongan XinJinyuan Group, <http://dlxinjinyuan.cn/index.php?p=about&lanmu=1&lc_id=38>, accessed 11 December 2018.

77. Zhongan XinJinyuan Group, <http://dlxinjinyuan.cn/eng/index.php?p=news_show&lanmu=3&id=43&c_id=5>, accessed 11 December 2018; Aigo Integrity Alliance, <http://www.aigoapp.com/html/2016/news_0801/2807.html>, accessed 11 December 2018.

78. Aigo Integrity Alliance.

79. Si Li Yuan (司力元), 'Interview with Xin Long Shan on Xinfu Company', *Window of the Northeast* (东北之窗), 2010, <<http://mall.cnki.net/magazine/article/DBZC201002012.htm>>. See Annex H.

80. 辽宁省公益事业发展中心公告_辽宁省公益事业中心 [Liaoning Provincial Public Welfare Steering Committee], 'Liaoning Provincial Public Welfare Center Announcement', <<http://www.lngy.org/Home/Detail/888.aspx>>, accessed 24 August 2018.

81. 辽宁省社会公益事业发展中心 [Liaoning Provincial Public Welfare Steering Committee], 'About us', <<http://www.lngy.org/Home/Detail/546.aspx>>, accessed 11 December 2018.

in 1992.⁸² According to the same chronology, the group went on to expand, eventually changing its name from Dalian New Jinyuan Group to Zhongan Xinjinyuan Group in January 2018.

Chinese corporate records show that at this time in 2018, Dalian Haoda Petroleum Chemical became wholly owned by Zhong'an Xinjunyuan Real Estate Development (中安新君元房地产开发有限公司),⁸³ which is itself 100% owned by Zhongan Xinjinyuan Group (中安新金元集团有限公司).⁸⁴

Zhongan Xinjinyuan Group is currently 50% owned by Xin Long Shan (辛龙山).⁸⁵ The remaining 50% stake in Zhongan Xinjinyuan Group is held by Zhongan Huanan Holdings (中安华南控股有限公司),⁸⁶ which is wholly owned by the China Anhua Group (中国安华集团有限公司).⁸⁷

Zhongan Xinjinyuan Group's website describes itself as a state-owned holding company ultimately controlled by the state-owned China Anhua Group, which the Zhongan Xinjinyuan Group describes on its website as originally belonging to China's People's Armed Police Force when the Anhua Group was established in 1988.⁸⁸

Potential Links Between North Korean Illicit Trade and Chinese Security Services

When Li Anshan registered the *Jie Shun* to Liaoning Foreign Trade with the International Maritime Organization, the registered owner was then listed on shipping databases as the Hong Kong company Jieshun Shipping.⁸⁹ Jieshun Shipping was listed as the vessel's registered owner from 28 April 2012 to 8 October 2014.⁹⁰ As noted above, Jieshun Shipping and Liaoning Foreign Trade are co-located and share contact details. The 2016 annual return for Jieshun Shipping shows the company's sole shareholder and director as Sun Sidong (孙嗣东).⁹¹ By this time – and from 8 October 2014 onwards – another Hong Kong company, Vast Win Trading, was listed as the registered owner of the *Jie Shun*.⁹² The 2016 annual

82. Zhongan XinJinyuan Group, <http://dlxinjinyuan.cn/index.php?p=about&lc_id=36&lanmu=1>, accessed 11 December 2018.

83. 水滴信用企业 [Shuidi Corporate Database], '中安新君元房地产开发有限公司' ['Zhong'an Xinjunyuan Real Estate Development'], <<http://shuidi.cn/company-9a2f3e6ecd98c7ac1ab9430d85cda0e6.html>>, accessed 30 July 2018.

84. 水滴信用企业 [Shuidi Corporate Database], '中安新金元集团有限公司' ['Zhongan Xinjinyuan Group'], <<http://shuidi.cn/company-28c75fbd1cf365713268318afea2760.html>>, accessed 30 July 2018.

85. *Ibid.*

86. 水滴信用企业 [Shuidi Corporate Database], '中安新金元集团有限公司' ['Zhongan Xinjinyuan Group'], <<http://shuidi.cn/company-28c75fbd1cf365713268318afea2760.html>>, accessed 30 July 2018.

87. 水滴信用企业 [Shuidi Corporate Database], '中安华南控股有限公司' ['Zhongan Huanan Holdings Limited'], <<http://shuidi.cn/company-77db8d93112b9df1a894344e7d2f5fbd.html>>, accessed 30 July 2018.

88. Zhongan Xinjinyuan Group – Group News (中安新金元集团-集团要闻-详情), <http://www.dlxinjinyuan.cn/index.php?p=news_show&lanmu=3&id=57&c_id=3>, accessed 5 October 2018.

89. See vessel ownership and management details at the Equasis maritime database, <www.Equasis.org>, accessed 26 October 2018.

90. *Ibid.*

91. Hong Kong Companies Registry, <<https://www.icris.cr.gov.hk/csci/>>, 'Jieshun Shipping, 2016 Annual Return.

92. See vessel ownership and management details at the Equasis maritime database, <www.Equasis.org>, accessed 26 October 2018.

return for Vast Win Trading shows the company's sole shareholder and director was the similarly named Sun Sihong (孙嗣红).⁹³

Sun Sidong and Sun Sihong give nearly identical residential addresses on the corporate documents of their respective companies (see Annex I):

- a. Sun Sidong: 4-603, 16 Taipinghu Xiaoqu, Gongan Committee, Dadong Management Area, Donggang City, Liaoning, China.⁹⁴
- b. Sun Sihong: 2-606, 12 Taipinghu Xiaoqu, Gongan Committee, Dadong Management Area, Donggang City, Liaoning, China.⁹⁵

The pinyin '*gōng'ān*' (公安) means (Ministry of) Public Security. The term 'Gongan Committee' in the above address could therefore refer to a public security organ of the Chinese state.

Analysis by C4ADS has shown that one of Sun Sidong's companies, Dandong Dongyuan Industrial (丹东东源实业有限公司), had shipped potentially dual-use equipment to North Korea, including 'US\$790,000 of radio navigational aid apparatus (8526.91) in June 2016'.⁹⁶ The US Treasury sanctioned Sun Sidong and his company Dongyuan Industrial in November 2017, stating that they 'were responsible for exporting over \$28 million worth of goods to North Korea over several years, including motor vehicles, electrical machinery, radio navigational items, aluminum, iron, pipes, and items associated with nuclear reactors. Dongyuan has also been associated with front companies for weapons of mass destruction-related North Korean organizations'.⁹⁷

Finally, the building in which Sun Sihong and Sun Sidong are resident was also the listed address for the Donggang Office of North Korea's Korea Ferrous Metals Import and Export Corporation (朝鲜黑色金属进出口会社东港代表处).⁹⁸ Korea Ferrous Metals Import and Export Corporation was involved in the shipment of nuclear-related aluminum alloy rods intercepted in Japan en route to Myanmar in 2012.⁹⁹

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93. Hong Kong Companies Registry, 'Vast Win Trading 2016 Annual Return'; Analysis of their Chinese ID card numbers indicates Sun Sidong and Sun Sihong are both from Donggang – on the border with North Korea – and were born within three years of each other in 1976 and 1973, respectively.
 94. Hong Kong Companies Registry, 'Jieshun Shipping 2016 Annual Return'.
 95. Hong Kong Companies Registry, 'Vast Win Trading 2016 Annual Return'.
 96. David Thompson, 'Risky Business: A System-Level Analysis of the North Korean Proliferation Financing System', C4ADS, <<https://c4ads.org/s/Risky-Business-C4ADS.pdf>>, accessed 11 January 2019.
 97. US Department of the Treasury, 'Treasury Sanctions Trading, Labor, and Shipping Companies and Vessels to Further Isolate North Korea', press release, 21 November 2017, <<https://home.treasury.gov/news/press-releases/sm0220>>, accessed 3 August 2018.
 98. 丹东市工商行政管理局 - 丹东市政府 [Dandong Administration for Industry and Commerce – Dandong Municipal Government], <<http://www.aic.dandong.gov.cn/upload/file/201806290958352826.xls>>, accessed 1 November 2018.
 99. UN Security Council, 'Report of the Panel of Experts Established Pursuant to Resolution 1874 (2009)', S/2015/131, pp. 25–26, para. 54.

Conclusions

THE EVIDENCE presented here shows that a Chinese national named Li Anshan – an individual who the Panel of Experts believed played a key role in the *Jie Shun* incident – was employed by a partly state-owned shipping company while also owning and operating two Hong Kong-registered companies with extensive links to North Korean vessels and entities, including the proscribed Ocean Maritime Management. One of his companies, Hua Heng Shipping, was the owner of the *Jie Shun* when it was arrested by the Egyptian authorities in 2016. However, these links also include Li Anshan’s ownership and management of several vessels later designated as North Korean assets, the use of an email address used by an Ocean Maritime Management-associated company and a business relationship with an agent of Ocean Maritime Management named Hiroshi Kasatsugu.

In addition to this, an analysis of additional evidence surrounding the *Jie Shun* incident potentially links the vessel’s illicit cargo to a Dalian-based company and prominent businessman named Xin Long Shan. Not only does Xin Long Shan appear to sit on the Liaoning Provincial Public Welfare Steering Committee, but his companies have recently been incorporated into the China Anhua Group, a major Chinese state-owned conglomerate.

It is not possible to draw any firm conclusions as to why elements of the Chinese state might be connected to the *Jie Shun*’s shipment of North Korean weapons to Egypt. Given the evidence presented here, a profit motive, local corruption or a lack of due diligence are as likely explanations as anything more centrally directed. However, given the links highlighted above, it is now crucial to understand and question the extent to which Chinese state-owned enterprises and the authorities may be involved in these types of activities.

Chinese authorities have a massive challenge in enforcing UN sanctions on North Korea. China’s record on counter-proliferation issues, in particular, has improved, although there remain persistent concerns over enforcement of other elements of the UN sanctions regime. It is harder to argue, however, that Beijing cannot exert control over its own officials and state-owned companies to prevent their involvement in illegal North Korean activities. Where state-owned enterprises are only partly involved, there is a need to better investigate and address any activities that run counter to China’s commitments to enforcing UN resolutions.

None of these points seek to assert a political statement, but rather a matter of documentary fact – documents principally deriving from China’s own records – that individuals and entities with connections to Chinese state-owned companies were involved in the *Jie Shun* incident. It is for China to decide whether it cracks down on this activity or not.

Annex A

Liaoning Price Certification and Evaluation Association documentation showing Li Anshan employed by Liaoning Foreign Trade in 2016/2017

2016年海洋水产资源资产价格评估专业人员培训考试通过名单			
发布时间: 2017-03-24			
2016年海洋水产资源资产价格评估专业人员名单			
序号	姓名	执业单位	证书编号
1	陈文桥	营口财物价格评估有限公司	HY00256
2	张威	营口财物价格评估有限公司	HYR0141
3	孙慧	营口财物价格评估有限公司	HYR0140
70	李安山	辽宁外贸食品海运有限公司	HYR0194

Source: Liaoning Price Certification and Evaluation Association.

Annex B

Shared Dalian-based phone numbers between Li Anshan's Hua Heng Shipping and Liaoning Foreign Trade

[华恒船务有限公司联系方式 信用报告 工商信息-启信宝](#)

*以下信息由企业认证员工维护 联系信息 来源: 企业座机 联系方式: **0411-82730282** 1.8亿+企业 千万家企业信息,随时搜索查询 毫秒搜索 精确搜索无需等待,节约时间 多...

www.qixin.com/company/... ▼ - 百度快照

[辽宁外贸食品海运有限公司-利酷搜](#)

电话:0411-82727317 手机:**0411-82730282** 【注销】 工商信息 所属工商局:大连市工商行政管理局 经营状态:迁出 Email:tradefood678@163.com 经营范围:近洋冷冻货物运输;...

www.likuso.com/city9/3... ▼ - 百度快照

[食品外贸生产厂家 食品外贸供应商企业名录 食品外贸公司-第... 传众](#)

电话: **0411-82730282** 手机: 邮箱: tradefood678@163.com 传真: 地址: 辽宁省大连市中山区鲁迅路72号 迁入地工商局 产品服务: 近洋冷冻货物运输;船舶运...

www.czvv.com/hy/598585... ▼ - 百度快照

[辽宁外贸食品海运有限公司【工商信息 电话地址 注册信息 信用信息...】](#)

电话: **0411-82730282** 邮箱: tradefood678@163.com 官网: 暂无 地址: 辽宁省大连市中山区鲁迅路72号 查看地图 附近公司 关注0 浏览164 分享到: 对比...

https://www.qichacha.com/firm_... ▼ - 百度快照

Source: Baidu.com

Annex C

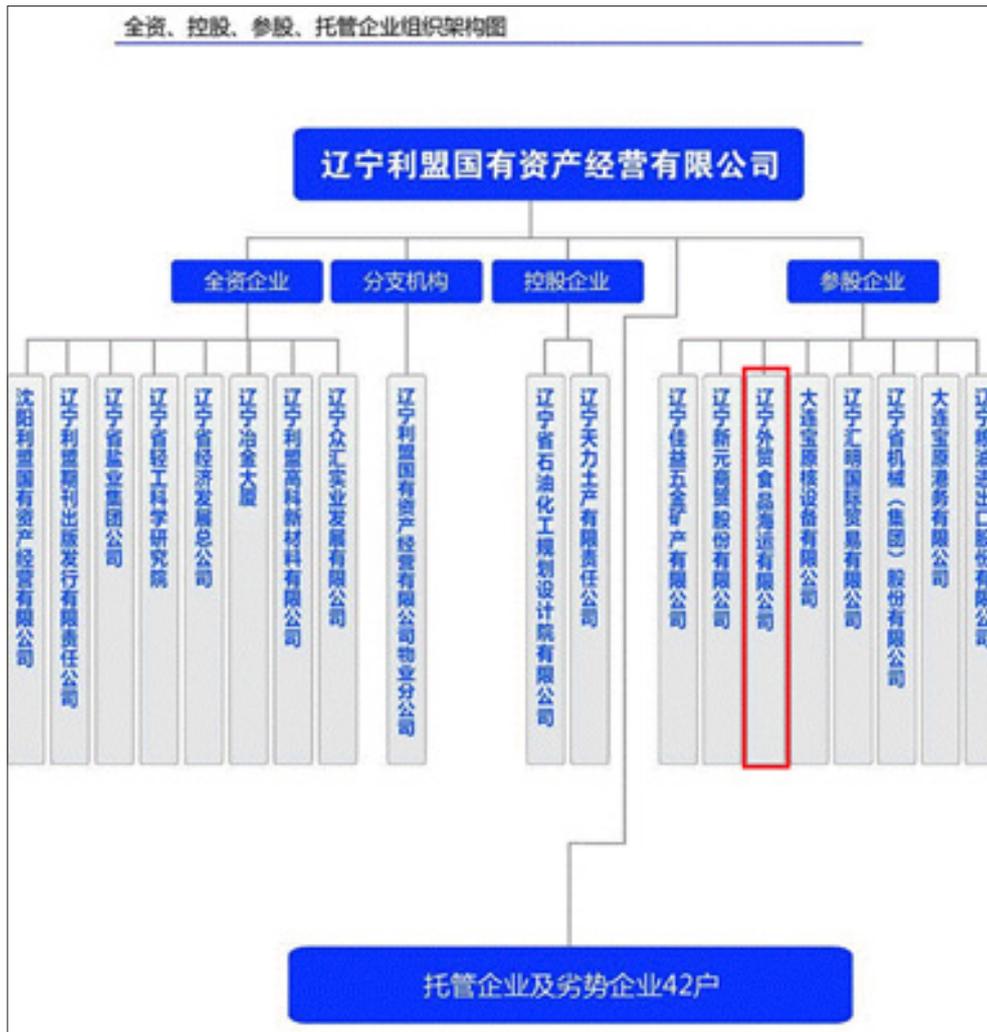
Shareholders in Liaoning Foreign Trade, including Liaoning Limeng State-Owned Assets Operation

■ 股东信息					
股东	宋慧君 非农民自然人	认缴	出资额 (万元) : 45 万 出资日期: 2003-12-31	实缴	出资额 (万元) : 45 万 出资日期: 2003-12-31
股东	孙连顺 非农民自然人	认缴	出资额 (万元) : 出资日期:	实缴	出资额 (万元) : 出资日期:
股东	董文长 非农民自然人	认缴	出资额 (万元) : 出资日期:	实缴	出资额 (万元) : 出资日期:
股东	辽宁利盟国有资产经营有限公司 企业法人	认缴	出资额 (万元) : 100 万 出资日期: 2003-12-31	实缴	出资额 (万元) : 100 万 出资日期: 2003-12-31
股东	曲伯修 非农民自然人	认缴	出资额 (万元) : 35 万 出资日期: 2003-12-31	实缴	出资额 (万元) : 35 万 出资日期: 2003-12-31
股东	官玉和 非农民自然人	认缴	出资额 (万元) : 65 万 出资日期: 2003-12-31	实缴	出资额 (万元) : 65 万 出资日期: 2003-12-31

Source: Gongchang.com

Annex D

Organisational graph taken from Liaoning Limeng State-Owned Assets Operation's website in 2018 showing Liaoning Foreign Trade as an equity investment



Source: Liaoning Limeng State-Owned Assets Operation.

Annex E

Ownership information taken from the China Ports website for the Milestone listing the Chinese government as the ship's owner

ship main data				
English name:	MILESTONE	Chinese ship name:	milestone	
Owner:	China Govt	Call sign:	VRYF3	
Nationality:	Hong Kong		MMSI number:	477175000
captain:	101 meters	Boat width:	18 meters	
Draft:				
Gross tonnage:	6155	Net ton:	2732	
Dt			7758	

Source: Chinaports.org

Annex F

Liaoning Limeng State-Owned Assets Operation's final divestment from Liaoning Foreign Trade in 25 September 2017

3	2017-09-25	投资人变更 (包括出资额、出资方式、出资日期、投资人名称等)	1董文长; 2辽宁利盟国有资产经营有限公司; [退出] 3曲伯修; 4宋慧君; 5孙连顺; 6官玉和;	1董文长; 2曲伯修; 3宋慧君; 4孙连顺; 5官玉和; 6王乘东; [新增]
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Source: Tianyancha.com

Annex G

Shared contact details between Dalian Haoda, Dalian Free Trade Zone Longxiang Petrochemical Storage and Transportation, Dalian Xinfu Port Service, and Dalian Xinfu Port Affairs Service, Dalian Xinfu Port Transportation. These companies now form part of the Zhongan Xinjinyuan Group, itself part of the state-owned China Anhua Group.



首页

大连信孚港务服务有限公司

地址: 金马路192号

电话: 0411-87336180

大连保税区隆翔石化储运有限公司

单位性质: 企业	组织机构代码: 91210242759922400T
服务对象名称: 大连保税区隆翔石化储运有限公司	企业注册类型: 有限责任公司
行政区划代码: 210213	联系人: 徐巍
电子邮箱: dl-xinfu@163.com	电话: 0411-87336180
邮政编码: 116000	通讯地址: 辽宁省大连保税区隆翔路1号石化大厦710-7
控股情况: 私人控股	开业时间: 2005-1-19

大连康达石化有限公司

单位性质: 企业	组织机构代码: 91210242687055560Y
服务对象名称: 大连康达石化有限公司	企业注册类型: 有限责任公司
行政区划代码: 210213	联系人: 刘新强
电子邮箱: dl-xinfu@163.com	电话: (0411)87336180
邮政编码: 116000	通讯地址: 辽宁省大连保税区康达大厦307C
控股情况: 私人控股	开业时间: 2009-4-9

大连信孚港务服务有限公司

单位性质: 企业 组织机构代码: 91210200732770668T

服务对象名称: 大连信孚港务服务有限公司

企业注册类型: 有限责任公司 行政区划代码: 210211

联系人: 辛连山 电话: (0411)7101423

电子邮箱: dl-xinfu@163.com

通讯地址: 辽宁省大连市甘井子区大连湾镇大连湾村

邮政编码: 116033 主要产品或者主营业务: 汽油销售

控股情况: 私人控股

大连信孚港务运输有限公司

87336180

公司简介: 大连信孚港务运输有限公司办公地址位于中国辽宁省的一个重要沿海港口城市, 省内第二大城市--大连, 辽宁省大连市甘井子区大连湾镇大连湾村。于2005年01月25日在大连市甘井子区市场监督管理局注册成立, 注册资本为50万元人民币。在公司发展壮大的14年里, 我们始终为客户提供优质的产品和技术支持, 健全的销售服务, 我公司主要经营危险化学品运输(依法须经批准的项目, 经相关部门批准后方可开展经营活动)。, 我们拥有专业的产品和专业的销售和技术团队, 我们公司属于大连交通运输、仓储和邮政业黄页行业, 如果您对对我们的产品服务有兴趣, 期待您在在线留言或者来电咨询。 [展开](#)

Source: Baidu.com, Shuidi.com, So.com

Annex H

Interview with Xin Long Shan, Chairman of the Zhongan Xinjinyuan Group

辛龙山 “信孚” 缘何让人信服 下载积分: 2990

封面人物



在现代港口城市的发展进程中,临港服务业无疑发挥着重要的作用,它不仅是提高港口运作效率和港口竞争力的重要因素,更是发挥港口对区域经济带动作用渠道和纽带。在大连的港口物流业,信孚港务服务有限公司成立至今虽然只有短短7年,却拥有了很高的知名度,而且还一举摘得辽宁省最佳诚信企业的桂冠,而与他们合作的企业几乎全是知名大公司。显然,这是一家在临港服务领域颇具竞争力的企业。而我们最关心的问题,是他们究竟怎样在这么短的时间之内形成企业的核心竞争力的?为此,本刊记者专程来到大连信孚港务服务有限公司,对该公司董事长辛龙山进行了专访。

说起这个话题,辛龙山董事长说:“‘信’就是信用,而‘孚’就是信服和信赖。古人云,人无信不立。做企业又何尝不是如此?我们‘信孚人’就是要用自己最真诚的服务和信用去赢得社会的信服与信赖,这种建立在道德基础之上的‘信孚’就是企业的核心竞争力。”

辛龙山

“信孚”缘何让人信服

■ 司力元

辛龙山,1963年出生,1982年毕业于东北财经大学经济管理专业,获“经济学硕士”学位,此后又相继获得化工工程师及经济师职称。现任大连信孚港务服务有限公司董事长、辽宁省公益事业指导委员会副主任委员,曾荣膺辽宁经济与社会发展新闻人物称号。

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感恩和宽容

辛龙山是一个农民的儿子,曾经艰辛的生活,让他学会了忍耐,学会了宽容,更学会了感恩。他说:“信孚港务能发展到今天,该感谢的人实在是太多了。想想那些你应该感谢的人,你就知道你该做什么,你不该做什么了。”

2002年1月11日,大连信孚港务服务有限公司正式挂牌成立。公司成立之初面临多方竞争,这种竞争往往近乎残酷。

面对这种局面,辛龙山所依靠的是高效的服务和诚信的品质。他们一直努力想客户之所想,甚至连客户没有想到的,他们都做到了。

为了帮客户把风险降到最低,无论是从事国内外燃料油、成品油的储运、经营油品批发、零售业务,还是提供船舶所需保障物资供给及配套的专业化服务,信孚港务都要克服各种困难,尽最大努力切实为客户做好产业链服务工作。正是这种经常超出客户预期的优质服务,让“信孚人”在短时间之内就赢得了客户的信赖,使企业拥有了越来越大的发展空间。

2006年10月,信孚港务投资成立了大连保税区隆翔石化储运有限公司和东港市方宇燃料有限公司这两家子公司。其中,仅隆翔石化储运有限公司注册资本就达1.01亿元,其在北良港建设成品油储罐项目,更为公司进一步发展石化产品仓储贸易物流业务提供了更为广阔的平台。

如今的信孚港务已经拥有了自己颇具规模的码头以及包括6座专为海上船舶提供加油服务的储油罐,一个海上加油站,9条合作经营的海上加油船,7座自有加油站等在内的成品油仓储基地和完备的配套设施,储油能力达14000吨。北良港成品油储罐项目如果三期工程都建成后,这个基地的总储油可达12.6万立方米。现已完成的二期工程,总储油可达8.35万立方米。此外,他们还下大力气打造出了一支专业化的油品物流运输车队,将“人顺其心,货畅其流”的发展理念变成了现实。

用心做事“视卒如婴”

每天穿工作服上班,与员工一样吃着工作餐,最大的乐趣是与员工们一起探讨工作中的得与失,切磋工作技巧。

这就是辛龙山董事长现在的生活。

2008年,金融危机席卷全球,港口进出口贸易数量也大幅度下降,企业发展面临严峻的挑战,信孚港务却始终坚持不裁员、不降薪。因为在辛龙山的眼里,员工就是“企业的孩子”。

决定一个人成功的往往是一个人做事的心态,认真用心,是做好任何事的基础。辛龙山董事长习惯于将信孚港务的成功归结为四个字:“用心做事”。

在信孚港务,“用心做事”不仅仅是一种个人行为习惯,更是一种群体行为习惯。这种群体行为习惯的形成,绝非偶然。

《孙子兵法》上说:“视卒如婴儿,故可与之赴深溪;视卒如爱子,故可与之俱死。”辛龙山认为,员工就如同企业的孩子,只有解决好他们的个人问题,才能让员工安心地工作——这是提高工作效率的有效途径。他常说:“来到信孚港务大家就是一家人,一家人就要互相关心,互相爱护,互相帮助;心往一处想,劲往一处使。”



在辛龙山的心里,员工的安全永远比企业的效益更重要。“我们经营的是危险品,安全工作始终是最重要的工作。没有安全就等于没有生命!”

他不仅专门抽出时间组织员工进行安全技能培训,邀请消防专家为员工讲解消防安全知识,而且在公司内部成立安全领导小组和消防领导工作小组,并亲自担任组长,定期召开安全工作会议,结合实际情况进行实战演习。这样做的目的则是为了让每名员工熟练掌握安全技能,树立强烈的安全意识,让大家摆脱危险的困扰。

金融危机爆发后,信孚港务服务有限公司积极调整企业工作重点,加大了内贸比重,并不断在进一步提升服务质量上下功夫。而为尽自己所能帮助政府解决就业问题,他们今年又新招了20名员工来企业就业。

对这一“非常之举”辛龙山解释说:“金融危机带来的困难是暂时的,企业都需要持续发展,而企业发展的动力源泉是人才。招收新员工,既是为政府分忧,又是为企业增添发展的后劲。”

沉淀后的思索

2008年,汶川大地震发生后,信孚公司的员工们在第一时间向四川地震灾区捐款10万元,他们要用自己的团结、真情和行动,为灾区的家庭和孩子们奉献一份爱心,为地震灾区抗震救灾、恢复生产、重建家园尽自己的一份心意。

这种高素质,与公司长期以来一直重视“责任文化”建设有着很大的关系。这种“责任文化”更多得益于一种“沉淀后的思索”。

经过7年的不懈努力,信孚港务已集海上加油、海上配送、汽车配送、陆地加油、陆地仓储、火车收发和港口服务等各种形式的储运销售能力于一体,并与抚顺石油二厂、沈阳石蜡化工有限公司以及山东等地的诸多知名石化企业建立起战略合作关系。

在成功占有东北地区一定的成品油销售市场的同时,他们又果断地与山西、内蒙古及南方经济发达地区的相关企业建立起紧密的贸易关系,使自己的直销、批发以及零售客户达到2970余家,从而成功构建起一个庞大的油品营销网络体系,并凭借良好的信誉,赢得了客户的一致信赖。

2009年7月,辽宁沿海经济带开发建设被纳入国家战略。与此同时,国家整体经济的发展大方向也为港口服务公司搭建了一座丰富而巨大的商业平台,所有这些都为信孚港务的下一步发展创造出更大的空间。

此时的辛龙山却依然保持着十分清醒的头脑。他说:“人不能忘记过去,忘记过去就等于失去未来,企业在发展到一定阶段之后就容易膨胀。企业家要不断沉淀,不断学习、思考。只有这样,才能不失去方向,用最平和的心态把企业做得更好。”

编辑/高云龙

十问辛龙山

现实生活中的辛龙山不是一个特别爱说话的人,然而对于记者所提出的每一个问题,思维敏捷的他总能在很短的时间之内,用精炼的语言给出答案。这也使我们之间的对话颇似现代版的“渔樵问答”——

1问:信孚公司能取得今天的成就,主要原因是什么?

辛龙山:首先,我并不认为我们已经取得了多大的成就,企业的点滴进步都应该归功于整个团队。信孚公司能有今天,是因为我们这个团队中的每一个人都在用心做事。

2问:作为企业领导者,最需要解决好的问题是什么?

辛龙山:摆正位置考虑问题,既不能冲动,也不能错位。

3问:信孚公司的快速发展是否与市场大环境有关?

辛龙山:我相信市场从来都是给有准备的企业准备的。

4问:出现问题时,您通常采取怎样的方式来解决?

辛龙山:当工作出现问题时,作为领导要先自我检讨,要用包容的心态对人做事,无论是对员工还是客户,都要用心沟通,不能带任何偏见。

5问:这似乎并不容易做到,其中有何秘诀?

辛龙山:对自己要求严一些;对他人要多一点信心,少一点责备。做到己所不欲勿施于人。

6问:企业和个人不断向前发展的核心是什么?

辛龙山:企业不断发展的核心,就是团队要有不断创新的能力。一个人要想让社会认可,就要有不断创新的能力。

7问:作为企业家,您如何看待财富?

辛龙山:要想让社会有一个长久和谐的发展环境,财富的合理分配很重要。作为企业家,无论你创造了多少财富都是社会的,你不能觉得这就是你的。拥有这样的胸怀,你才能把事做得更好,把企业做得更好,来回报党和政府,回报社会。

8问:面对市场,企业家最需要做什么?

辛龙山:找准方向,企业就如在大海中航行的船一样,必须要有正确的方向才不会触礁。

9问:企业对社会最大的回报是什么?

辛龙山:做好企业是对社会最大的回报,无论企业家本身,还是企业本身,做任何事都要把社会责任放在第一位。

10问:金融危机爆发后,很多企业都采取“裁员减薪”策略,以求自保。你们为什么不这样做?

辛龙山:经营企业如同经营家庭,负责任的家庭不会因为一时的家境不好而抛弃孩子,我们同样也不想把金融危机的影响转嫁到员工身上。

Annex I

Hong Kong shareholder documents for Jieshun Shipping and Vast Win Trading

中文姓名 Name in Chinese		孫嗣紅
英文姓名 Name in English	姓氏 Surname	SUN
	名字 Other Names	SIHONG
前用姓名 Previous Names	中文 Chinese	NIL
	英文 English	NIL
別名 Alias	中文 Chinese	NIL
	英文 English	NIL
19 住址 Residential Address		4-603, NO. 16, TAIPINGHU XIAOQU, GONGAN COMMITTEE, DADONG MANAGEMENT AREA, DONGGANG CITY, LIAONING PROVINCE, 國家 / 地區 Country / Region CHINA.
中文姓名 Name in Chinese		孫嗣東
英文姓名 Name in English	姓氏 Surname	SUN
	名字 Other Names	SIDONG
前用姓名 Previous Names	中文 Chinese	NIL
	英文 English	NIL
別名 Alias	中文 Chinese	NIL
	英文 English	NIL
19 住址 Residential Address		2-606, NO. 12, TAIPINGHU XIAOQU, GONGAN COMMITTEE, DADONG MANAGEMENT AREA, DONGGANG CITY, LIAONING PROVINCE, 國家 / 地區 Country / Region CHINA.

Source: Hong Kong Corporate Registry.

About the Authors

James Byrne is a Research Fellow at RUSI's Proliferation and Nuclear Policy programme. His research interests include North Korea's illicit shipping and procurement networks, open-source intelligence and analysis. He previously worked for the South Korean government.

Tom Plant is Director of RUSI's Proliferation and Nuclear Policy programme. His research interests include nuclear deterrence, arms control, proliferation issues – particularly in relation to North Korea – and UK nuclear policy. Before joining RUSI he worked on proliferation issues in the Middle East and East Asia at the UK Ministry of Defence and at the Foreign and Commonwealth Office, and on arms control verification technologies at the UK's Atomic Weapons Establishment. He is a Visiting Senior Research Fellow at King's College London, and a Visiting Fellow at École de guerre.