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STATEMENT OF
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HEARING ON
“A CLOSER LOOK AT CUBA AND ITS RECENT HISTORY OF PROLIFERATION”
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Chairman Salmon, Ranking Member Sires, distinguished members of the subcommittee, thank you for the opportunity to appear before you today to discuss the recent incident of proliferation from Cuba and the U.N. Sanctions Committee's response.

The interdiction by Panama on July 10 of the North Korean freighter *Chong Chon Gang* revealed a hidden shipment of military goods, ranging from fighter planes to ammunition that was on its way to North Korea, according to press reports and the Cuban government. While we await official reports of what investigators found on the ship, the Cuban government issued a statement on July 16 saying that the weapons being transported on the ship were "two anti-aircraft missiles complexes Volga and Pechora, nine missiles in parts and spares, two MiG21bis and 15 motors for this type of airplane." According to other reports, the ship was also carrying far more material, including artillery ammunition, light weapons ammunition such as rocket-propelled grenades, and other military items. The ship's two previous stops were Puerto Padre and Havana, Cuba. It is not yet clear whether Cuba had sent the latest weapons shipment to North Korea as a sale, for repair as it claims, or a combination of the two. The sugar which hid the weapons on the *Chong Chon Gang* may have been part of a barter arrangement, but it is also possible that payment was made in some other way.

Weapons trade with North Korea is restricted under United Nations Security Council resolutions. If the UN confirms the ship was carrying banned weapons, the seizure of the *Chong Chon Gang* would be the first case of a shipment to or from Cuba being reported to the U.N. Security Council, and the first reported seizure of a banned North Korean shipment in the Western Hemisphere.

Since 2006, a series of increasingly stringent U.N. sanctions have been placed on North Korea following its successive nuclear and missile tests. U.N. Security Council resolutions (UNSCR) ban all arms transfers from North Korea and all arms transfers to North Korea except small arms or light weapons. All of the goods the Cuban government identifies as on the ship are considered advanced conventional weapons and therefore would be prohibited transfers under paragraph 8 of UNSCR 1718 (2006) even if they were being sent to North Korea for repair, as the Cubans claim.

All UN member states are authorized to stop and seize suspicious shipments to or from North Korea and report them to the U.N. Security Council for inspection, but these measures are not always followed. The Panamanian government, however, did follow these procedures and this case may be considered a model for other interdictions. First, it stopped a suspicious shipment for inspection, and when it discovered items in violation of the Security Council resolutions, it seized the goods and invited the U.N. Panel of Experts for North Korea to go to Panama to inspect the shipment immediately. The Panel of Experts is to report their findings on whether the shipment was a violation to the Security Council's North Korea Sanctions Committee. Once the parties to a prohibited shipment are identified, the U.N. Security Council Sanctions Committee may approve the addition of those entities or individuals to the "designation list" under Security Council resolution 2094 (2013), paragraph 27. The designation list identifies individuals or companies, or government entities involved in illicit transfers. Member states are expected to prevent transfers involving those entities.

The United States has emphasized coordination and training exercises to improve interdiction capacity, especially through the Proliferation Security Initiative (PSI). PSI was formed in 2003 to increase international cooperation in interdicting shipments of weapons of mass destruction (WMD), their delivery systems, and related materials. It now has over 100 participants. PSI was originally launched by the United States partially in response to legal gaps revealed in an incomplete interdiction of the *So San*, a North Korean-flagged ship that was carrying Scud missile parts to Yemen in December 2002.

Panama is a strong PSI partner. In 2012, the United States and partner countries held a training exercise called PANAMAX to prepare for interdiction scenarios in the Panama Canal. With the *Chong Chon Gang* interdiction, the government of Panama's actions may encourage additional states in Latin America and elsewhere to take similar actions to implement Security Council resolutions. The United States has also worked with countries around the world, including Latin America, to bolster export controls and train customs officials to recognize banned items.

The *Chong Chon Gang* shipment raises questions about whether previous shipments of weapons from Cuba to North Korea have gone undetected, and more broadly about the nature of Cuban-North Korean relations. According to press reports, North Korean ships have made several other trips to Cuba since 2009. There is still not enough publicly available information to determine motivations for the shipment. Cuba has reportedly been seeking upgrades to its Soviet-era military planes, but North Korea also has been seeking MIGs as noted in the U.N. Panel of Experts June 2013 report. In addition, the recent visit of a high-level North Korean military delegation to Cuba in early July 2013, less than 10 days before the detention of the *Chong Chon Gang*, might provide some insight into the bilateral military relationship between the two countries, but no details from the meeting have been publicized. The North Korean delegation, led by General Kim Kyok Sik, Chief of the Korean People's Army General Staff, met with Cuban President Raúl Castro, who stressed the historic ties between the two countries and efforts to boost cooperative relations.

Interdiction of banned goods to and from North Korea is a binding obligation on U.N. member states, but implementation has been uneven. Overall, the risk of interdiction has likely raised the cost of illicit transfers, and forced the North Korean regime to engage in more illicit trade with its limited number of trading partners, most of them already outlier states such as Cuba. However, multiple reported cases of conventional arms interdictions over the past five years show that North Korea continues to work to evade the sanctions.

Congress has a variety of ways to strengthen implementation of sanctions on North Korea through interdictions, and bolster nonproliferation in the Western Hemisphere more broadly:

- Congress could encourage the U.S. government and the international community to improve North Korea sanctions implementation in all countries, through improved implementation of broader nonproliferation requirements under international law such as UNSCR 1540, which requires states to implement adequate export controls on WMD-related materials in their country. Congress could fund nonproliferation programs and assistance to this end.
 - Congress could encourage the administration to include the issue of U.N. sanctions implementation in its engagement with countries of the Caribbean and Latin America, many of which may be used as transshipment points.
 - Congress could choose to examine the role of the Proliferation Security Initiative in interdictions and whether PSI has adequate resources and sufficient inter-agency and international coordination. It could encourage broader participation by states in Latin America and the Caribbean.
 - Congress could encourage the United States and other countries to revise U.N. Security Council designations of sanctioned entities and individuals in a more routine manner. This could help countries better prevent or interdict suspicious shipments.
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