

THE IMPACT OF SANCTIONS ON NORTH KOREA

**SUBMISSION TO THE UN SPECIAL RAPPOREUR ON THE NEGATIVE IMPACT
OF UNILATERAL COERCIVE MEASURES ON THE ENJOYMENT OF HUMAN
RIGHTS:**

**CALL FOR INPUT TO REPORTS ON “SECONDARY SANCTIONS, CIVIL AND
CRIMINAL PENALTIES FOR CIRCUMVENTION OF SANCTIONS REGIMES, AND
OVER-COMPLIANCE WITH SANCTIONS” AND “UNILATERAL SANCTIONS IN
THE CYBER WORLD”**

**NODUTDOL
MARCH 2021**

Background

Nodutdol for Korean Community Development is a non-profit and non-governmental organization working towards reunification on the Korean peninsula. Nodutdol has historically organized 11 delegations to the Democratic People's Republic of Korea (DPRK) for Korean Americans to connect with our homeland. On these trips, we saw firsthand the impact of sanctions on the people and land of the DPRK. Our organization works to research and write about the impact of sanctions in an effort to spread awareness and lift sanctions.

History of Sanctions on North Korea

North Koreans live under restrictions, embargoes, and scarcities imposed and enforced by a variety of [sanctions](#) from the United States and the United Nations. In fact, North Korea, also known as the Democratic People's Republic of Korea (DPRK) is one of the most sanctioned countries in the world, having been subject to sanctions since its foundation in 1948.

The US targets North Korea with unilateral sanctions [that](#) “restrict more economic activities and target a larger list of individuals and businesses than the UN sanctions.” Since 2008, the US has issued several [executive orders](#) that have expanded the impact and scope of its sanctions on North Korea.¹ In 2016, President Obama issued [Executive Order 13722](#), freezing any property belonging to the government of North Korea or the Workers' Party of Korea that appears to be under the jurisdiction of the US and prohibiting the export or re-export of any goods, services, or technology from the US, or by a US person, to North Korea. Freezing the property of members of the Workers' Party of Korea essentially amounts to stealing from everyday Koreans as the party's membership stands at [6.5 million people](#), or a quarter of North Korea's population.

President Trump's Executive Order 13810, issued in 2009, expanded the scope of unilateral US sanctions against North Korea. The [order](#) authorizes the Department of Treasury to enforce sanctions against any individual or entity that trades with North Korea, employing a strategy of [secondary sanctions](#) that mainly target foreign individuals and entities for participating in activities that may not be under US jurisdiction. This tactic is used to pressure companies worldwide into severing their ties with any businesses involving North Korea. As President Trump [stated](#) in 2017, “foreign banks will face a clear choice: Do business with the United States or facilitate trade with the lawless regime in North Korea –and they won't have so much to trade.” Parties that are subject to secondary sanctions can lose access to the US market. As a result, North Korea becomes further impacted by overcompliance, [or](#) “the tendency of firms to avoid sanctioned countries for fear of repercussions, even when it may be within their rights to interact with the country.” Through its use of sanctions, the US has effectively [blocked](#) North Korea from engaging in the US financial system and any dollar-based transactions.

While unilateral US sanctions on North Korea date back to 1950, the UN Security Council (UNSC) has levied increasingly [severe](#) multilateral sanctions since 2006 over concerns about North Korea's nuclear weapon program. The first generation of UN sanctions were [“smart sanctions”](#), and targeted state and

¹ The six executive orders include: 13466 (2008), 13551 (2010), 13570 (2011), 13687 (2015), 13722 (2016), and 13810 (2017).

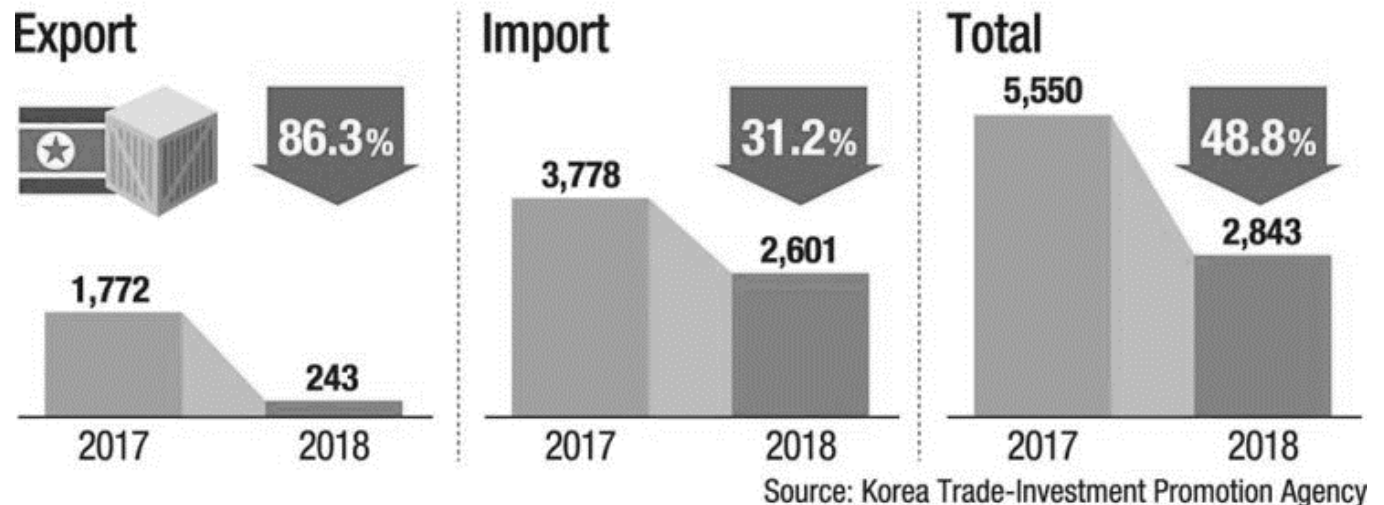
party leaders by restricting the supply of weapons, missile technology and material, and select luxury goods. These sanctions were implemented in response to North Korea's first nuclear test.²

The second generation of UN sanctions, created in response to the fourth North Korean nuclear test in 2016, were "sectoral sanctions."³ Sectoral sanctions were applied indiscriminately towards entire sectors of North Korea's economy, irrespective of these sectors' ties to the nuclear program. These sanctions have had particularly devastating effects on the North Korean economy, as the UN resolutions target top export industries, preventing North Korea from bringing in external revenue that could be used for the country and its people. The list of industries directly targeted include: the mineral trade, seafood, textiles, and agricultural products, machinery and electrical equipment. In terms of imports, the resolutions significantly limit North Korea's import of energy, ban the import of heavy machinery, industrial equipment and transportation vehicles, and forbid any joint ventures with North Korean entities, thereby blocking any foreign investment.

Through each new resolution, the UN Security Council has progressively isolated North Korea from access to international capital. Collectively, both UN sanctions and unilateral US sanctions have [resulted](#) in an "almost total ban on DPRK-related trade, investment, and financial transactions." North Korea's trade was [halved](#) in 2018 as a result of UN sanctions. As the graph below shows, North Korea's exports plunged by 86.3 percent while imports declined by 31.2 percent. A decline in exports at such a high rate signals a downturn in the economy as national markets struggle to export goods, leading to shortages of foreign currency.

North Korea's trade in 2018

(Unit: \$ million)



² The first generation of sanctions included the following resolutions: 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), and 2270 (2016).

³ The second generation of sanctions included the following resolutions: 2321 (2016), 2371 (2017), 2375 (2017), and 2397 (2017).

Humanitarian Challenges

The impact of sanctions go beyond the country's economic development. By broadly impacting North Korea's national economy, sanctions inevitably take a humanitarian toll on the entire population by undermining their ability to survive. Humanitarian organizations – including UN agencies – face many barriers in their distribution of aid as sanctions have dissuaded banks from managing any transactions involving North Korea. North Korean state agencies are also affected by sanctions, which likewise prevent their access to many essential supplies. Some of the biggest [humanitarian challenges](#) facing the country include “chronic food insecurity; lack of access to basic health services; declining conditions in water, sanitation, and hygiene (WaSH); and high vulnerability to natural disasters.” From hand-tools to aluminum wire, the long list of banned items affects many aspects of everyday life and presents serious challenges to social and economic development.

From 1989 to 1991, North Korea lost 80 per cent of its foreign trade as the Soviet Union collapsed. Oil imports from Russia were stopped completely and imports from China declined significantly. Two devastating floods swept the country in 1995 and 1997, destroying entire industries as mines flooded and roads were washed away. The period of famine and suffering that resulted from these factors, otherwise known as the Arduous March, lasted about 16 years, from 1994 to the end of 2009. All of North Korea's key industries either stopped or decreased production.

Sanctions are a major impediment to recovery. UN sanctions negatively impact North Korea's overall food production by banning seeds, fertilizers, and agricultural equipment and other types of machinery. According to the [2020 Needs and Priorities report](#) compiled by the UN Resident Coordinator for North Korea, “around 10.1 million people, or 39.6 percent of the country's population, are food insecure.” Contrary to popular narratives that claim North Korea's government is intentionally withholding food from its population, the UN Resident Coordinator is quite clear that “food insecurity in the country is driven by a lack of access to modern agricultural equipment and techniques; and is amplified by recurrent natural disasters and the impacts of climate change.” In fact, North Korea has a public food distribution system, but is unable to access the necessary agricultural imports from the world market. Moreover, the impact of sanctions on North Korean agriculture must be considered in combination with the effects of division, as Northern Korea is prevented from relying on Korea's historic breadbasket in the south for foodstuffs.

North Korea has also had to navigate the effects of sanctions on its water, sanitation, hygiene and healthcare infrastructure. According to [UNICEF](#), over 9.75 million people do not have access to safely managed drinking water; 83.2 per cent of households do not use any water treatment method; and [36.6 per cent](#) have contaminants⁴ in their drinking water. [Moreover](#), “half of all schools and health facilities lack adequate water and sanitation facilities.”

The low quality of WaSH services adds to especially high rates of diarrhea and pneumonia; in [2015](#), “37 per cent of deaths among children aged between 7 days and 5 years in the 12 provinces of central hospitals were caused by pneumonia, while 34 per cent died of diarrhea.”⁵ North Korea is also one of the 30 highest tuberculosis (TB) burdened countries, with an estimated [513 cases per 100,000 people](#), most of which are attributable to undernourishment.

⁴ Fecal contamination is based on the number of Thermotolerant Coliform (TTC) detected in the water.

⁵ Diarrhoea and pneumonia are the main causes of death among children under-five.

These developments are especially concerning given the list of banned items that could be used to prevent and treat these health problems. Although North Korea has a more developed healthcare system [relative](#) to countries with similarly sized economies, health facilities throughout the country often face shortages in essential medical equipment and medicines, preventing them from providing quality health services. Under UN sanctions, all metal items are banned, including sterilizers for medical use; ambulances; medical appliances;⁶ x-ray machines; medical, surgical, dental, or veterinary furniture (ie operating tables, hospital beds); machinery for filtering or purifying water; and metal tubes, pipes, pipe fittings, etc.⁷ The shortages of medical equipment undermine North Korea’s ability to provide comprehensive healthcare for all its citizens, something guaranteed to be free in its [constitution](#).

While there exists a UN mechanism for case-by-case humanitarian exemptions, [it is](#) “insufficient to prevent these negative impacts, given that it is of an ad hoc and corrective nature rather than a systematic and preventive one.” Applicants for exemptions, mainly international and non-governmental organizations, face significant challenges, from long wait times for review and approval of exemptions requests to unrealistic shipping requirements.⁸ These administrative barriers to humanitarian aid have had fatal consequences. As the table below shows, delays and funding shortfalls resulted in an estimated 3,968 preventable deaths in just 2018.

Preventable deaths attributable to delays and funding shortfalls
UN agencies had to reduce their 2018 programming due to delays and funding shortfalls, resulting in an estimated 3968 deaths.

	Targeted Population	Unreached Population	Preventable Deaths			Deaths Due to delays*		
				M	F		M	F
Severe Acute Malnutrition	60,000	5000 (8%)	1650	825	825	223	112	112
Vitamin A	1,600,000	83,565 (5%)	343	172	172	46	23	23
WASH	356,891	91,891 (26%)	703	352	352	95	48	48
Emergency Reproductive Health Kits	341,500	337,750 (99%)	1272	600	672	172	81	91
TOTAL	2,358,391	518,206	3968	1948	2020	535	264	271

*Deaths due to delays are a subset of all preventable deaths. Calculated by applying the average proportion of the year spent waiting for exemption (99,365) to the total amount of preventable deaths, assuming a 50% reduction in operating capacity.

While advocates push for lower barriers to humanitarian aid, the deaths caused by medical shortages are a function of the presence of sanctions, rather than an absence of adequate exemptions. Despite having national public education, childcare, and healthcare programs, sanctions affect North Korea's ability to provide adequate maternal and neonatal care, sanitation infrastructure, and ultimately stop preventable deaths. Aid can help address problems in the short-term, but in the long-term, sanctions and other tools of control must be lifted to allow North Koreans the ability to live their own way by their own efforts.

Gendered Impact of Sanctions

Sanctions against North Korea harm women in many ways, having led to particularly negative consequences for women’s health, including reproductive and maternal health. Shortages of life-saving

⁶ Medical appliances include ultrasound and cardiograph machines, syringes, needles, catheters, dental and ophthalmic equipment, etc.

⁷ These items are used for the provision of clean water.

⁸ The government of North Korea is also excluded from applying for these exemptions.

drugs, such as oxytocin⁹ and magnesium sulfate,¹⁰ along with poor nutrition continue to significantly harm women's health.

While the state has made significant legislative achievements in order to protect and elevate women's status in society,¹¹ [gender roles](#) in North Korea continue to make life hard for North Korean women, who "are particularly exposed to the impact of sanctions because of the twin expectation that they be primary caretakers of their families and communities as well as workers fully integrated in the socialist economy."

Women make up almost half of the workforce (47.8 per cent), and yet they dominate the sectors most impacted by sanctions, such as health and welfare services, fisheries, and textiles.¹² The ban on exports of seafood and textiles negatively affects the ability of women to sustain themselves and their families. Additionally, many women are involved in market trade, which was legalized in response to the harsh economic effects of sanctions and is considered to be a primarily female occupation in North Korea. While "growing market participation could present an opening for improving women's economic and social status in North Korea," sanctions "exacerbate women's job insecurity and undermine their standing in society" by [weakening trade](#).

Conclusion

In total, sanctions imposed on North Korea by the US, UN, and other countries¹³ target [over 150 companies and 200 individuals](#) today, the effects of which trickle down to North Korea's larger population. By hindering North Korea's economic development and the delivery of humanitarian aid, sanctions have reversed the gradual improvements that North Korea had made in recovering from the Arduous March. The international community must accept the North Korean sovereignty and provide support rather than isolate, vilify, or strong-arm them. In order to move forward with reunification, we must promote peace and cooperation between the Koreas and lift sanctions.

⁹ Used to prevent postpartum hemorrhage and control excessive bleeding.

¹⁰ Used to prevent seizures in women with preeclampsia

¹¹ In 1946, North Korea passed the Gender Equality Law, which declared "equal economic, cultural, social, and political rights for men and women, including the freedom of marriage and divorce." The law was later brought up to date through the 2010 Law on the Protection and Promotion of the Rights of Women, which targets issues of discrimination and gender roles and stereotypes about women. The law also seeks to help women make advancements in public life, education, employment, and access to health-care (KPN).

¹² As noted earlier, UNSC Resolution 2371 banned the export of seafood; UNSC Resolution 2375 banned textile exports; and UNSC Resolution 2397 banned the export of food and agricultural products, machinery, electrical equipment, and certain minerals.

¹³ Japan, South Korea, the European Union, and Australia have also imposed sanctions on North Korea.