

*Periodic Report on the National Emergency
With Respect to North Korea*

I hereby report to the Congress on developments and expenditures relating to the national emergency with respect to North Korea that was declared in Executive Order 13466 of June 26, 2008 (E.O. 13466), expanded in Executive Order 13551 of August 30, 2010 (E.O. 13551), addressed further in Executive Order 13570 of April 18, 2011 (E.O. 13570), further expanded in scope in Executive Order 13687 of January 2, 2015 (E.O. 13687), and under which additional steps were taken in Executive Order 13722 of March 15, 2016 (E.O. 13722). This report covers actions taken in the exercise of national emergency authorities, pursuant to section 204(c) of the International Emergency Economic Powers Act (IEEPA), 50 U.S.C. 1703(c), and expenses that are directly attributable to the exercise of those authorities, pursuant to section 401(c) of the National Emergencies Act (NEA), 50 U.S.C. 1641(c).

IEEPA Reporting (from April 29, 2016, through December 1, 2016)

1. The Department of the Treasury's Office of Foreign Assets Control (OFAC) designated seven individuals and one entity pursuant to E.O. 13687, and four individuals and four entities pursuant to E.O. 13722.
2. OFAC closed 40 licensing cases, which may take the form of specific licenses, license amendments, "return-without-action" letters, general information letters, interpretive guidance letters, denial letters, closed without determination letters, or withdrawals, involving E.O.s 13466, 13551, 13570, 13687, 13722, or the North Korea Sanctions Regulations, 31 C.F.R. part 510 (the "Regulations").
3. Twenty-three transactions, totaling approximately \$174,100, involving entities or individuals listed in or designated pursuant to E.O.s 13551, 13687, 13722, or the Regulations, were reported to OFAC as blocked. In addition, U.S. banks rejected 39 transfers in support of an otherwise prohibited transaction in which there is no blockable interest, resulting in a disruption of at least \$1.4 million in business involving North Korea.

4. OFAC continues to discuss this program during its numerous outreach events to the financial, securities, and international trade communities. Details of this program also are available to the public on the Department of the Treasury's website, including in a program brochure and in industry-specific OFAC compliance guidance.

NEA Reporting (from June 27, 2016, through December 26, 2016)

5. The expenses incurred by the federal government that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to North Korea are estimated to be approximately \$1.1 million, most of which represent wage and salary costs for federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in OFAC and the Office of the General Counsel), the Department of Justice, and the Department of State.

I shall continue to report periodically to the Congress on significant developments as required by law.



Jacob J. Lew

Department of the Treasury

Dated: December 22, 2016