

P 262338Z FEB 06
FM AMEMBASSY ULAANBAATAR
TO SECSTATE WASHDC PRIORITY 9507
INFO AMCONSUL HONG KONG PRIORITY
USSS WASHDC PRIORITY
AMEMBASSY BEIJING
AMEMBASSY SEOUL
AMEMBASSY TOKYO
AMCONSUL SHENYANG
DEPT OF TREASURY WASHDC
DIA DAH WASHDC
SECDEF WASHDC

S E C R E T ULAANBAATAR 000139

NOFORN

DEPARTMENT FOR EAP/CM, HONG KONG FOR USSS

E.O. 12958: DECL: 02/22/2016

TAGS: SNAR EFIN PREL PTER ASEC MG

SUBJECT: GIA DETAINS U.S. AND JAPANESE CURRENCY CARRIED BY
DPRK DIPLOMATS

Classified By: Ambassador Pamela J. Slutz for reasons 1.5 (b), (c)
(d), and (e)

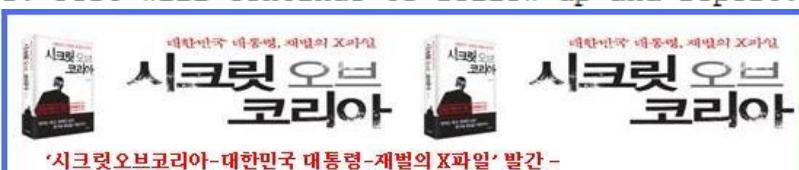
¶1. (S/NF) The head of the General Intelligence Agency's Counter Intelligence department requested a meeting the morning of February 23rd with SIMO to discuss their detention of one million U.S. dollars and 200 million Japanese Yen in cash from two DPRK males at Ulaanbaatar's Chinggis Khan (formerly known as Buyant Ukhaa) Airport on February 21, ¶2006. The two men were carrying North Korean diplomatic passports and had arrived on a Mongolian International Airways (MIAT) flight from Beijing. The GIA promptly informed SIMO that the currency was comprised of new and old style \$100 bills and 10,000 yen notes and that it was being carried in hand luggage. They said that the North Korean men had declared the currency on their customs forms and that a representative of Golomt Bank, a local Mongolian-owned bank, presented a customs declaration to Mongolia's Custom Agency one hour prior to the arrival of the aircraft. The GIA reps emphasized that the money entered Mongolia legally and that no arrests were made. They told SIMO that the two men's trip originated in North Korea. It is not clear at this time whether the two men are DPRK government officials or officials of North Korea's Daedong Bank.

¶2. (S/NF) The GIA rep told SIMO that they are currently holding the currency until it can be determined if it is counterfeit (Embassy note: The fact that the money was apparently being delivered to Golomt Bank suggests that the currency was legitimate.). The GIA asked SIMO for assistance in determining the origin and authenticity of the dollars and yen as well as traces on the two North Koreans. They stated that they have limited time (approximately ten days) before they will be pressured to return the currency. The North Korean Embassy has already issued a diplomatic note to the Ministry of Foreign Affairs requesting the release of the currency.

¶3. (S/NF) RSO reported the incident to the regional office of the United States Secret Service in Hong Kong and will work with the USSS to determine whether the currency can be analyzed in the limited time available before the GIA will be compelled to return the currency. Some information on this event has already appeared in local Mongolian language newspapers. Post will continue to follow-up and report.

Slutz

NNNN



P 030902Z MAR 06
FM AMEMBASSY ULAANBAATAR
TO SECSTATE WASHDC PRIORITY 9535
INFO AMCONSUL HONG KONG PRIORITY
USSS WASHDC PRIORITY
AMEMBASSY BEIJING
AMEMBASSY SEOUL
AMEMBASSY TOKYO
AMCONSUL SHENYANG
DEPT OF TREASURY WASHDC
DIA DAH WASHDC
SECDEF WASHDC

S E C R E T ULAANBAATAR 000155

NOFORN

DEPARTMENT FOR EAP/CM, HONG KONG FOR USSS, TREASURY FOR
FINCEN

E.O. 12958: DECL: 03/02/2016

TAGS: SNAR EFIN PREL PTER ASEC MG

SUBJECT: NO COUNTERFEIT DETECTED AMONGST U.S. AND JAPANESE
CURRENCY CARRIED BY DPRK DIPLOMATS

REF: A. ULAANBAATAR 139

¶B. ULAANBAATAR 143

Classified By: RSO Craig Reistad for reasons 1.5 (b), (c),
(d), and (e)

¶1. (S/NF) On the evening of March 2nd, a representative of
the Japanese Embassy in Ulaanbaatar reported that examiners
from the Japanese Finance Ministry had completed two thirds
of their examination of the two thousand 10,000 Yen notes and
determined all to be genuine. He stated that the team would
complete their examination of the detained Japanese currency
on March 3rd. The team arrived from Tokyo on March 1st.

¶2. (S/NF) The General Intelligence Agency informed SIMO on
the afternoon of March 3rd that the Japanese examiners had
completed their inspection of all Japanese currency and found
no counterfeit notes.

¶3. (S/NF) The United States Secret Service team that verified
the authenticity of the United States currency detained by
the General Intelligence Agency departed Ulaanbaatar on March
3rd. Post will continue to monitor this case and report as
information becomes available.

Slutz

NNNN

