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STATUTORY INSTRUMENTS

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**2017 No. 1108**

**OVERSEAS TERRITORIES**

**The Democratic People's Republic of Korea (Sanctions)  
(Overseas Territories) (Amendment) (No. 3) Order 2017**

*Made* - - - - *15th November 2017*  
*22nd November*  
*Laid before Parliament* *2017*  
*Coming into force* - - *13th December 2017*

At the Court at Buckingham Palace, the 15th day of November 2017

Present,

The Queen's Most Excellent Majesty in Council

Under article 41 of the Charter of the United Nations, the Security Council of the United Nations has, by resolution 2371 adopted on 5th August 2017 called upon Her Majesty's Government in the United Kingdom to apply certain measures to give effect to decisions of the Council in relation to the Democratic People's Republic of Korea:

Her Majesty, in exercise of the powers conferred on Her by section 112 of the Saint Helena Act 1833(1), the British Settlements Acts 1887 and 1945(2), and all of the other powers enabling Her to do so, is pleased, by and with the advice of Her Privy Council, to order as follows:

**Citation, commencement, interpretation and extent**

1.—(1) This Order may be cited as the Democratic People's Republic of Korea (Sanctions) (Overseas Territories) (Amendment) (No. 3) Order 2017 and comes into force on 13th December 2017.

(2) In this Order, "the principal Order" means the Democratic People's Republic of Korea (Sanctions) (Overseas Territories) Order 2012(3).

(3) This Order extends to the territories listed in Schedule 1 to the principal Order.

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(1) 1833 c.85.

(2) 1887 c.54 and 1945 c.7.

(3) S.I. 2012/3066; relevant amendments are S.I. 2013/1718, S.I. 2016/630, S.I. 2016/769, S.I. 2016/991, S.I. 2017/320 and S.I. 2017/780.

## Amendment of the principal Order

2. The principal Order is amended in accordance with articles 3 to 9.
- 3.—(1) In article 3(1)—
  - (a) for the definition of “the Council Regulation”, substitute—
 

““the Council Regulation” means Council Regulation (EU) No 2017/1509 adopted by the Council of the European Union on 30th August 2017 concerning restrictive measures against the Democratic People’s Republic of Korea and repealing Regulation (EC) No 329/2007;”;
  - (b) in the definition of “restricted goods” in subparagraph (c), replace “Annexes I, Ia, Ib and Ig” with “ Parts I, II, III, V, VI and VII of Annex II”; and
  - (c) in the appropriate places, insert—
 

““financial institutions” includes companies performing financial services commensurate with those provided by banks;”;

“lead and lead ore” means items listed in Annex XIb of the Council Regulation;”;

and

““seafood” includes all seafood including fish, crustaceans, molluscs, and other aquatic invertebrates in all forms, as listed in Annex XIa of the Council Regulation;”.
- 4.—(1) In paragraph (3) of article 7—
  - (a) at the end of subparagraph (c) delete “or”;
  - (b) at the end of subparagraph (d) delete “,” and insert “;”;
  - (c) at the end of subparagraph (e) delete “or”;
  - (d) at the end of subparagraph (f) delete “.” and insert “;”;
  - (e) after subparagraph (f) insert—
    - “(g) seafood; or
    - (h) lead and lead ore.”.
- 5.—(1) In article 10K—
  - (a) for paragraph (1) substitute—
 

“(1) A person “P” commits an offence if P leases or charters a vessel or aircraft, or provides crew services, with knowledge or reasonable cause to suspect that the lease, charter or provision of crew services is to—

    - (a) North Korea;
    - (b) a person listed in Annex XIII, XV, XVI or XVII to the Council Regulation;
    - (c) a North Korean entity;
    - (d) a person who has assisted in violating the provisions of United Nations Security Council resolutions referred to in Article 43(a) of the Council Regulation; or

(e) a person acting on behalf of or at the direction of—

    - (i) a person referred to in subparagraph (a), (b), (c) or (d); or
    - (ii) an entity owned or controlled by a person referred to in subparagraph (a), (b), (c) or (d).”;

- (b) in paragraph (2), after “leases,”, insert “charters,”; and
- (c) for paragraphs (3), (4) and (5), substitute—

“(3) A person (“P”) commits an offence if P registers or maintains on a register a vessel which P knows or has reasonable cause to suspect is owned, controlled or operated by North Korea or North Korean nationals.

(4) A person (“P”) commits an offence if P registers or maintains on a register a vessel which P knows or has reasonable grounds to suspect has been de-registered by another State pursuant to paragraph 24 of United Nations Security Council resolution 2321 of 30th November 2016.

(5) A person (“P”) commits an offence if P provides insurance or re-insurance services to a vessel that P knows, or has reasonable cause to suspect, is owned, controlled, or operated by North Korea.

(6) Paragraphs (1), (2), (3) and (5) are subject to articles 11 and 12.”.

**6.—(1)** In article 10M—

- (a) for subparagraph 1(a), substitute—

“(a) establishes a joint venture or cooperative entity with; or”;

- (b) at the end of subparagraph 1(b), for “a person referred to in paragraph (2), knowing or having reasonable cause to suspect that the joint venture or ownership interest is with or in such a person”, substitute—

“a person referred to in article 10L(1)(a), (b) or (c), knowing or having reasonable cause to suspect that the joint venture or ownership interest is with or in such a person”; and

- (c) for paragraph (2), substitute—

“(2) This article is subject to articles 11 and 12.”.

**7.** In paragraph (1) of article 10P, after “transfers funds”, insert “, including clearing of funds,”.

**8.—(1)** In article 11—

- (a) in paragraph (1), replace “article 4, 7, 7A, 8, 9, 10J, 10K(1) and (4), 10P, 10Q, 10R, 10T or 10U” with “article 4, 7, 7A, 8, 9, 10J, 10K(1), (2), (3) and (5), 10M, 10P, 10Q, 10R, 10T or 10U”;

- (b) in paragraph (2), replace “article 4, 7, 7A, 8, 9, 10J, 10K(1) and (4), 10P, 10Q, 10R, 10T or 10U” with “article 4, 7, 7A, 8, 9, 10J, 10K(1), (2), (3) and (5), 10M, 10P, 10Q, 10R, 10T or 10U”;

- (c) for subparagraph (3)(g) substitute—

“(g) the purchase, import or transfer of coal provided that the Governor has determined on the basis of credible information that—

(i) the shipment originated outside of North Korea and was transported through North Korea solely for export from the Port of Rajin (Rason), and

(ii) the transactions are unrelated to generating revenue for North Korea’s nuclear or ballistic missile programmes or other activities prohibited by this Order.”;

- (d) for subparagraph 3(m) substitute—

“(m) the owning, leasing, operating, chartering or provision of vessel classification services or associated services to any North Korea flagged vessel;”;

- (e) after subparagraph 3(m) insert—
  - (f) “(ma) the registration, or maintenance on the register, of a vessel that is owned, controlled, or operated by North Korea or North Korean nationals;”
  - (g) for subparagraph 3(o) substitute—
    - “(o) access to ports for humanitarian or other purposes consistent with the objectives of the United Nations Security Council resolutions referred to in paragraph 6 of United Nations Security Council resolution 2371 of 5 August 2017;”;
  - (h) at the end of subparagraph (y) delete “or”;
  - (i) at the end of subparagraph (z), for “.”, substitute “; or”; and
  - (j) after subparagraph (z) insert—
    - “(z1) the establishment of a joint venture or co-operative entity with, or taking or extending an ownership interest in, any person falling referred to in article 10M(2).”.
- 9.** In article 12, for “article 4, 7, 8, 7A, 9, 10J, 10K(1)and (4), 10P, 10Q, 10R, 10T or 10U”, substitute “article 4, 7, 7A, 8, 9, 10J, 10K(1), (2), (3) and (5), 10M, 10P, 10Q, 10R, 10T or 10U”.

*Ceri King*  
Deputy Clerk of the Privy Council

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## EXPLANATORY NOTE

*(This note is not part of the Order)*

This Order amends the Democratic People's Republic of Korea (Sanctions) (Overseas Territories) Order 2012 (S.I. 2012/3066) (as amended) and gives effect in specified Overseas Territories to sanctions imposed on the Democratic People's Republic of Korea by the European Union in Council Decision (CFSP) 2017/1562 of 14 September 2017 (amending Council Decision (CFSP) 2016/849) and Council Regulation (EU) 2017/1548 of 14 September 2017 (amending Council Regulation (EU) No 2017/1509). These sanctions include restrictions on the import of seafood, lead and lead ore, restrictions on the clearing of funds and chartering vessels and an amendment to existing restrictions on the import of coal. There are also amendments to the licensable activities to include those relating to port access for humanitarian purposes or other purposes associated with United Nations Security Council resolutions and the establishment of joint ventures or ownership interests in certain persons.