

L.N. 122 of 2018

**United Nations Sanctions (Democratic People's Republic
of Korea) (Amendment) Regulation 2018**

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United Nations Sanctions (Democratic People's Republic of Korea) (Amendment) Regulation 2018

(Made by the Chief Executive under section 3 of the United Nations Sanctions Ordinance (Cap. 537) on the instruction of the Ministry of Foreign Affairs of the People's Republic of China and after consultation with the Executive Council)

1. United Nations Sanctions (Democratic People's Republic of Korea) Regulation amended

The United Nations Sanctions (Democratic People's Republic of Korea) Regulation (Cap. 537 sub. leg. AE) is amended as set out in sections 2 to 57.

2. Section 1 amended (interpretation)

(1) Section 1, definition of *licence*—

Repeal

“11(1)”

Substitute

“10I(1), 10J(1) or (6), 10K(1), 10L(1), 10M(1), 10N(1), 10O(1), 11(1), 11A(1), (3) or (5) or 11B(1)”.

(2) Section 1, English text, definition of *pilot in command*—

Repeal

“without being under the direction of any other pilot in the aircraft”

Substitute

“(without being under the direction of any other pilot in the aircraft)”.

(3) Section 1, definition of *prohibited item*—

Repeal paragraphs (a) and (b)

Substitute

- “(a) any supply-sanctioned item;
- (b) any luxury goods; or
- (c) any procurement-sanctioned item;”.

- (4) Section 1, Chinese text, definition of 有關連人士—

Repeal

“DPRK”

Substitute

“the DPRK”.

- (5) Section 1—

- (a) definition of *relevant entity*;
- (b) definition of *relevant person*;
- (c) definition of *small arms*—

Repeal the definitions.

- (6) Section 1—

Add in alphabetical order

“*aviation fuel* (航空燃料) means fuel used or intended for use in aircraft, including aviation gasoline, naphtha-type jet fuel, kerosene-type jet fuel and kerosene-type rocket fuel;

cargo (貨物) includes personal baggage and checked baggage;

Classification List (分類表) means the Hong Kong Imports and Exports Classification List (Harmonized System) 2017 Edition issued by the Commissioner of Customs and Excise by G.N. (S.) 61 of 2016 published in the Gazette on 11 November 2016;

DPRK bank (朝鮮銀行)—

- (a) means a body corporate—
 - (i) that—
 - (A) is authorized or recognized as a bank in the place where it is incorporated; or
 - (B) may, whether or not in or outside the place where it is incorporated, lawfully take deposits from the general public, whether or not on current account; and
 - (ii) that is, or is owned or controlled by, a person connected with the DPRK; and
- (b) includes a branch, subsidiary or representative office of such a body corporate;

financial institution (金融機構) means a bank or any other person performing financial services commensurate with those provided by banks;

procurement-sanctioned item (獲取受制裁項目) means an item specified in Schedule 4;

relevant entity (有關實體) means—

- (a) an entity named in the list published under section 31(1);
- (b) an entity—
 - (i) acting on behalf of;
 - (ii) acting at the direction of; or
 - (iii) owned or controlled by, an individual or entity named in that list; or

Section 2

- (c) an entity owned or controlled by an individual or entity—
 - (i) acting on behalf of; or
 - (ii) acting at the direction of,
an individual or entity named in that list;

relevant person (有關人士) means—

- (a) an individual named in the list published under section 31(1); or
- (b) an individual—
 - (i) acting on behalf of; or
 - (ii) acting at the direction of,
an individual or entity named in that list;

Resolution 1874 (《第1874號決議》) means Resolution 1874 (2009) adopted by the Security Council on 12 June 2009;

Resolution 2087 (《第2087號決議》) means Resolution 2087 (2013) adopted by the Security Council on 22 January 2013;

Resolution 2270 (《第2270號決議》) means Resolution 2270 (2016) adopted by the Security Council on 2 March 2016;

Resolution 2321 (《第2321號決議》) means Resolution 2321 (2016) adopted by the Security Council on 30 November 2016;

Resolution 2356 (《第2356號決議》) means Resolution 2356 (2017) adopted by the Security Council on 2 June 2017;

Resolution 2371 (《第2371號決議》) means Resolution 2371 (2017) adopted by the Security Council on 5 August 2017;

Resolution 2375 (《第2375號決議》) means Resolution 2375 (2017) adopted by the Security Council on 11 September 2017;

Resolution 2397 (《第2397號決議》) means Resolution 2397 (2017) adopted by the Security Council on 22 December 2017;

Secretary (局長) means the Secretary for Commerce and Economic Development;

Security Council Resolutions (《安理會相關決議》) means Resolution 1718, Resolution 1874, Resolution 2087, Resolution 2094, Resolution 2270, Resolution 2321, Resolution 2356, Resolution 2371, Resolution 2375 and Resolution 2397;

supply-sanctioned item (供應受制裁項目) means an item specified in Schedule 3;

vehicle (車輛) includes a train;”.

3. **Part 2, Division 1, and Division 2 heading added**

Part 2, before section 2—

Add

“Division 1—Prohibitions Subject to General Licence

1A. Prohibitions subject to general licence

A person may do any act that is otherwise prohibited by any provision of this Part if the person does so under the authority of a licence granted under section 10I(1).

Note—

A person may also do a particular act that is otherwise prohibited by this Part if the person does so under the authority of a licence granted (other than under section 10I(1)) to allow the person to do the particular act.

**Division 2—Supply, Sale, Transfer or Carriage of
Items to DPRK”.**

4. Section 2 amended (prohibition against supply, sale or transfer of specified items)

- (1) Section 2, heading—

Repeal

“specified”

Substitute

“supply-sanctioned”.

- (2) Section 2(1)—

Repeal

“Subject to section 3A,”

Substitute

“Except under the authority of a licence granted under section 10J(1)(a),”.

- (3) Section 2(1)—

Repeal

“specified item”

Substitute

“supply-sanctioned item (other than aviation fuel)”.

- (4) Section 2(1)(c), English text—

Repeal

Section 4

“indirectly,”

Substitute

“indirectly”.

- (5) After section 2(1)—

Add

“(1B) Except under the authority of a licence granted under section 10J(6)(a) and subject to subsection (1C), a person must not supply, sell or transfer, or agree to supply, sell or transfer, directly or indirectly, or do any act likely to promote the supply, sale or transfer of, aviation fuel—

(a) to the DPRK; or

(b) to a destination or person for the purpose of delivery or transfer, directly or indirectly to the DPRK.

(1C) Subsection (1B) does not apply if the aviation fuel is supplied, sold or transferred to a civilian passenger aircraft outside the DPRK exclusively for consumption during its flight to the DPRK and its return flight.”.

- (6) Section 2(2), after “(1)”—

Add

“or (1B)”.

- (7) Section 2(2)(a), English text—

Repeal

“indictment to a fine”

Section 4

Substitute

“indictment—to a fine”.

- (8) Section 2(2)(b), English text—

Repeal

“conviction to a fine”

Substitute

“conviction—to a fine”.

- (9) Section 2(3)—

Repeal paragraph (a)

Substitute

“(a) for a contravention of subsection (1) or (1B)—that the item concerned was a supply-sanctioned item;”.

- (10) Section 2(3)(b)—

Repeal

“that the item concerned was or was to be”

Substitute

“for a contravention of subsection (1)—that the item concerned was, or was to be,”.

- (11) Section 2(3)(b)(iii), English text—

Repeal

“indirectly,”

Substitute

“indirectly”.

- (12) Section 2(3)(b)(iii)—

Repeal

“DPRK.”

Section 5

Substitute

“DPRK; or”.

- (13) After section 2(3)(b)—

Add

- “(c) for a contravention of subsection (1B)—that the item concerned was, or was to be, supplied, sold or transferred—
- (i) to the DPRK; or
 - (ii) to a destination or person for the purpose of delivery or transfer, directly or indirectly to the DPRK.”.

5. Section 2A amended (prohibition against supply, sale or transfer of luxury goods)

- (1) Section 2A(3)(a), English text—

Repeal

“indictment to a fine”

Substitute

“indictment—to a fine”.

- (2) Section 2A(3)(b), English text—

Repeal

“conviction to a fine”

Substitute

“conviction—to a fine”.

6. Section 3 amended (prohibition against carriage of specified items)

- (1) Section 3, heading—

Repeal

Section 6

“specified”

Substitute

“supply-sanctioned”.

- (2) Section 3(2)—

Repeal

“Subject to section 3A,”

Substitute

“Except under the authority of a licence granted under section 10J(1)(b),”.

- (3) Section 3(2)—

Repeal

“specified item”

Substitute

“supply-sanctioned item (other than aviation fuel)”.

- (4) Section 3(2)(c), English text—

Repeal

“indirectly,”

Substitute

“indirectly”.

- (5) After section 3(2)—

Add

“(2AA) Except under the authority of a licence granted under section 10J(6)(b) and subject to subsection (2AAB), a ship, aircraft or vehicle must not be used for the carriage of aviation fuel if the carriage is, or forms part of, a carriage—

- (a) from a place outside the DPRK to a place in the DPRK; or**

Section 6

(b) to a destination for the purpose of delivery or transfer, directly or indirectly to the DPRK.

(2AAB) Subsection (2AA) does not apply if the aviation fuel is carried by a civilian passenger aircraft exclusively for consumption during its flight to the DPRK and its return flight.”.

(6) Section 3(2A), after “(2)”—

Add

“or (2AA)”.

(7) Section 3(2A)(a) and (c)—

Repeal

“HKSAR, the charterer,”

Substitute

“HKSAR—the charterer”.

(8) Section 3(2A)(e)—

Repeal

“vehicle, the operator”

Substitute

“vehicle—the operator”.

(9) Section 3(3)(a), English text—

Repeal

“indictment to a fine”

Substitute

“indictment—to a fine”.

(10) Section 3(3)(b), English text—

Repeal

“conviction to a fine”

Section 6

Substitute

“conviction—to a fine”.

- (11) Section 3(4)—

Repeal paragraph (a)

Substitute

“(a) for a contravention of subsection (2) or (2AA)—that the item concerned was a supply-sanctioned item;”.

- (12) Section 3(4)(b), before “that the carriage”—

Add

“for a contravention of subsection (2)—”.

- (13) Section 3(4)(b)(iii), English text—

Repeal

“indirectly,”

Substitute

“indirectly”.

- (14) Section 3(4)(b)(iii)—

Repeal

“DPRK.”

Substitute

“DPRK; or”.

- (15) After section 3(4)(b)—

Add

“(c) for a contravention of subsection (2AA)—that the carriage of the item concerned was, or formed part of, a carriage—

- (i) from a place outside the DPRK to a place in the DPRK; or

Section 7

(ii) to a destination for the purpose of delivery or transfer, directly or indirectly to the DPRK.”.

7. **Section 3AA amended (prohibition against carriage of luxury goods)**

(1) Section 3AA(3)(b), English text—

Repeal

“indirectly,”

Substitute

“indirectly”.

(2) Section 3AA(4)(a) and (c)—

Repeal

“HKSAR, the charterer,”

Substitute

“HKSAR—the charterer”.

(3) Section 3AA(4)(e)—

Repeal

“vehicle, the operator”

Substitute

“vehicle—the operator”.

(4) Section 3AA(5)(a), English text—

Repeal

“indictment to a fine”

Substitute

“indictment—to a fine”.

(5) Section 3AA(5)(b), English text—

Repeal

Section 8

“conviction to a fine”

Substitute

“conviction—to a fine”.

8. Section 3A repealed (exceptions to prohibitions under sections 2 and 3)

Section 3A—

Repeal the section.

9. Part 2, Division 3 heading added

Before section 4—

Add

“Division 3—Procurement of Items or Services from DPRK”.

10. Section 4 amended (prohibition against procurement of certain items or services by certain persons)

(1) Section 4, heading—

Repeal

“certain items or”

Substitute

“procurement-sanctioned items or certain”.

(2) Section 4(1)—

Repeal

“A person”

Substitute

“Except under the authority of a licence granted under section 10K(1)(a), a person”.

Section 10

- (3) Section 4(1)—
Repeal
“specified”
Substitute
“procurement-sanctioned”.
- (4) Section 4(2)(a), English text—
Repeal
“indictment to a fine”
Substitute
“indictment—to a fine”.
- (5) Section 4(2)(b), English text—
Repeal
“conviction to a fine”
Substitute
“conviction—to a fine”.
- (6) Section 4(3)(a)—
Repeal
“specified”
Substitute
“procurement-sanctioned”.
- (7) Section 4(3B)(a), English text—
Repeal
“indictment to a fine”
Substitute
“indictment—to a fine”.
- (8) Section 4(3B)(b), English text—

Repeal

“conviction to a fine”

Substitute

“conviction—to a fine”.

- (9) Section 4(3C)(b), English text—

Repeal

“or was to be”

Substitute

“, or was to be,”.

11. Section 5 amended (prohibition against procurement of certain items or services using ships, aircraft or vehicles)

- (1) Section 5, heading—

Repeal

“certain items or”

Substitute

“procurement-sanctioned items or certain”.

- (2) Section 5(2)(a)—

Repeal

“any specified item”

Substitute

“(except under the authority of a licence granted under section 10K(1)(b)) any procurement-sanctioned item”.

- (3) Section 5(2)(a)(i) and (ii), Chinese text—

Repeal

“採購任何指明”

Substitute

Section 11

“獲取任何獲取受制裁”。

- (4) Section 5(2A)(a) and (c)—

Repeal

“HKSAR, the charterer,”

Substitute

“HKSAR—the charterer”。

- (5) Section 5(2A)(e)—

Repeal

“vehicle, the operator”

Substitute

“vehicle—the operator”。

- (6) Section 5(3)(a), English text—

Repeal

“indictment to a fine”

Substitute

“indictment—to a fine”。

- (7) Section 5(3)(b), English text—

Repeal

“conviction to a fine”

Substitute

“conviction—to a fine”。

- (8) Section 5(4)—

Repeal paragraphs (a) and (b)

Substitute

“(a) for a contravention of subsection (2)(a)—that the item concerned—

Section 12

- (i) was a procurement-sanctioned item; or
- (ii) was from the DPRK or a person connected with the DPRK; or
- (b) for a contravention of subsection (2)(b)—that the technical training, service, assistance or advice concerned—
 - (i) related to the provision, manufacture, maintenance or use of any specified arms; or
 - (ii) was, or was to be, procured from the DPRK or a person connected with the DPRK.”.
- (9) Section 5(4)—

Repeal paragraphs (c) and (d).

12. Section 5AA added

After section 5—

Add

“5AA. Prohibition against procurement of ship or aircraft crewing service

- (1) This section applies to a person (whether acting in or outside the HKSAR) who is—
 - (a) both a Hong Kong permanent resident and a Chinese national; or
 - (b) a body incorporated or constituted under the law of the HKSAR.
- (2) A person must not procure, agree to procure, directly or indirectly, or do any act likely to promote the procurement of any ship or aircraft crewing service—
 - (a) from the DPRK; or

- (b) from a person connected with the DPRK.
- (3) A person who contravenes subsection (2) commits an offence and is liable—
 - (a) on conviction on indictment—to a fine and to imprisonment for 7 years; or
 - (b) on summary conviction—to a fine at level 6 and to imprisonment for 6 months.
- (4) It is a defence for a person charged with an offence under subsection (3) to prove that the person did not know and had no reason to believe that the ship or aircraft crewing service concerned was, or was to be, procured from the DPRK or a person connected with the DPRK.”.

13. Part 2, Division 4 heading added

Before section 5A—

Add

“Division 4—Financial and Banking Activities”.

14. Section 5A amended (prohibition against engaging in certain financial transactions)

(1) Section 5A(2)—

Repeal

“Subject to section 5B, a person”

Substitute

“A person”.

(2) Section 5A(3), Chinese text—

Repeal

“採購”

Substitute

“獲取”.

- (3) Section 5A(4)(a), English text—

Repeal

“indictment to a fine”

Substitute

“indictment—to a fine”.

- (4) Section 5A(4)(b), English text—

Repeal

“conviction to a fine”

Substitute

“conviction—to a fine”.

- (5) Section 5A(5)(a), before “that the financial”—

Add

“for a contravention of subsection (2) or (3)—”.

- (6) Section 5A(5)(b), before “that the supply”—

Add

“for a contravention of subsection (2)—”.

- (7) Section 5A(5)(c), before “that the procurement”—

Add

“for a contravention of subsection (3)—”.

15. Section 5B repealed (exception to prohibition under section 5A(2))

Section 5B—

Repeal the section.

16. Section 5C amended (prohibition against provision of financial services or transfer of funds, etc.)

(1) Section 5C(5)(a), English text—

Repeal

“indictment to a fine”

Substitute

“indictment—to a fine”.

(2) Section 5C(5)(b), English text—

Repeal

“conviction to a fine”

Substitute

“conviction—to a fine”.

(3) Section 5C(6)(a)—

Repeal

“subsection (1), that the financial”

Substitute

“subsection (1)—that the financial”.

(4) Section 5C(6)(b)—

Repeal

“subsection (2), that the funds”

Substitute

“subsection (2)—that the funds”.

Section 17

- (5) Section 5C(6)(c)—

Repeal

“subsection (3), that the funds”

Substitute

“subsection (3)—that the funds”.

- (6) Section 5C(6)(d)—

Repeal

“subsection (4), that the funds”

Substitute

“subsection (4)—that the funds”.

- (7) Section 5C(9), definition of *prohibited programme or activity*, paragraph (b)—

Repeal

“this Regulation”

Substitute

“the Security Council Resolutions”.

17. Sections 5D to 5G added

After section 5C—

Add

“5D. Prohibition against certain banking activities in HKSAR

- (1) A person connected with the DPRK must not carry on a banking business or a business of taking deposits in the HKSAR.
- (2) A DPRK bank must not establish or maintain an office in the HKSAR.

- (3) A person who contravenes subsection (1) or (2) commits an offence and is liable—
 - (a) on conviction on indictment—to a fine and to imprisonment for 7 years; or
 - (b) on summary conviction—to a fine at level 6 and to imprisonment for 6 months.
- (4) In this section—
 - banking business* (銀行業務) has the meaning given by section 2(1) of the Banking Ordinance (Cap. 155);
 - deposit* (存款) has the meaning given by section 2(1) of the Banking Ordinance (Cap. 155).

5E. Prohibition against certain activities of financial institutions in DPRK or in connection with DPRK banks

- (1) This section applies to—
 - (a) a financial institution acting in the HKSAR; and
 - (b) a financial institution acting outside the HKSAR that is—
 - (i) both a Hong Kong permanent resident and a Chinese national; or
 - (ii) a body incorporated or constituted under the law of the HKSAR.
- (2) A financial institution must not—
 - (a) open or maintain a representative office, or establish or maintain a subsidiary or branch, in the DPRK; or
 - (b) open or maintain a bank account in the DPRK.

- (3) Except under the authority of a licence granted under section 10L(1), a financial institution must not—
 - (a) establish or maintain a joint venture with a DPRK bank;
 - (b) acquire or maintain an ownership interest in a DPRK bank; or
 - (c) establish or maintain a correspondent banking relationship with a DPRK bank.
- (4) A financial institution which contravenes subsection (2) or (3) commits an offence and is liable—
 - (a) on conviction on indictment—to a fine and to imprisonment for 7 years; or
 - (b) on summary conviction—to a fine at level 6 and to imprisonment for 6 months.
- (5) It is a defence for a financial institution charged with an offence under subsection (4) for a contravention of subsection (3) to prove that the financial institution did not know and had no reason to believe that the bank concerned was a DPRK bank.
- (6) In this section—

correspondent banking relationship with a DPRK bank (與朝鮮銀行的代理銀行關係), in relation to a financial institution, means a relationship involving—
 - (a) the provision of banking services by the financial institution to a DPRK bank to enable the DPRK bank to provide services and products to the DPRK bank's customers; or

- (b) the provision of banking services by a DPRK bank to the financial institution to enable the financial institution to provide services and products to the financial institution's customers.

5F. Prohibition against opening or maintaining certain bank accounts

- (1) Except under the authority of a licence granted under section 10M(1), a financial institution must not open a new bank account, or maintain a bank account, for—
 - (a) a diplomatic mission or consular post of the DPRK; or
 - (b) an accredited diplomat or consular officer of the DPRK.
- (2) A financial institution which contravenes subsection (1) commits an offence and is liable—
 - (a) on conviction on indictment—to a fine and to imprisonment for 7 years; or
 - (b) on summary conviction—to a fine at level 6 and to imprisonment for 6 months.
- (3) It is a defence for a financial institution charged with an offence under subsection (2) to prove that the financial institution did not know and had no reason to believe that the person for whom the new bank account was opened, or the bank account was maintained, was—
 - (a) a diplomatic mission or consular post of the DPRK; or
 - (b) an accredited diplomat or consular officer of the DPRK.

5G. Prohibition against provision of financial support for trade with persons connected with the DPRK

- (1) Except under the authority of a licence granted under section 10N(1), a regulated person must not provide financial support to any person for trade with a person connected with the DPRK.
- (2) A regulated person who contravenes subsection (1) commits an offence and is liable—
 - (a) on conviction on indictment—to a fine and to imprisonment for 7 years; or
 - (b) on summary conviction—to a fine at level 6 and to imprisonment for 6 months.
- (3) It is a defence for a regulated person charged with an offence under subsection (2) to prove that the regulated person did not know and had no reason to believe that the financial support was provided for trade with a person connected with the DPRK.
- (4) In this section—

financial support (金融支持) includes—

 - (a) export credit;
 - (b) guarantee; and
 - (c) insurance;

regulated person (受規管人士) means—

- (a) a person acting in the HKSAR; or
- (b) a person acting outside the HKSAR who is—
 - (i) both a Hong Kong permanent resident and a Chinese national; or
 - (ii) a body incorporated or constituted under the law of the HKSAR.”.

Section 18

18. Part 2, Division 5 heading added

Before section 6—

Add

**“Division 5—Technical, Scientific and Training
Activities”.**

**19. Section 6 amended (prohibition against provision of technical
training, services, etc. to certain persons)**

(1) Section 6(1)—

Repeal

“Subject to section 6A, a person”

Substitute

“A person”.

(2) Section 6(2)(a), English text—

Repeal

“indictment to a fine”

Substitute

“indictment—to a fine”.

(3) Section 6(2)(b), English text—

Repeal

“conviction to a fine”

Substitute

“conviction—to a fine”.

(4) Section 6(3)(b), English text—

Repeal

“or was to be”

Substitute

“, or was to be,”.

20. Section 6A repealed (exception to prohibition under section 6)

Section 6A—

Repeal the section.

21. Section 7 amended (prohibition against acceptance of technical training, services, etc. provided by certain persons)

(1) Section 7(2)(a), English text—

Repeal

“indictment to a fine”

Substitute

“indictment—to a fine”.

(2) Section 7(2)(b), English text—

Repeal

“conviction to a fine”

Substitute

“conviction—to a fine”.

(3) Section 7(3)(b), English text—

Repeal

“or was to be”

Substitute

“, or was to be,”.

22. Sections 7A and 7B added

After section 7—

Add

“7A. Prohibition against provision of certain specialized teaching and training

- (1) This section applies to—
 - (a) a person acting in the HKSAR; and
 - (b) a person acting outside the HKSAR who is—
 - (i) both a Hong Kong permanent resident and a Chinese national; or
 - (ii) a body incorporated or constituted under the law of the HKSAR.
- (2) A person must not provide any specified teaching or training to a national of the DPRK.
- (3) A person who contravenes subsection (2) commits an offence and is liable—
 - (a) on conviction on indictment—to a fine and to imprisonment for 7 years; or
 - (b) on summary conviction—to a fine at level 6 and to imprisonment for 6 months.
- (4) It is a defence for a person charged with an offence under subsection (3) to prove that the person did not know and had no reason to believe—
 - (a) that the teaching or training concerned was specified teaching or training; or
 - (b) that the person to whom the teaching or training concerned was provided was a national of the DPRK.
- (5) In this section—

specified teaching or training (指明教學或培訓) means specialized teaching or training that could contribute to the DPRK's proliferation of sensitive nuclear activities or the DPRK's development of nuclear

weapon delivery systems, including teaching or training in—

- (a) advanced physics;
- (b) advanced computer simulation and related computer sciences;
- (c) geospatial navigation;
- (d) nuclear engineering;
- (e) aerospace engineering;
- (f) aeronautical engineering;
- (g) advanced materials science;
- (h) advanced chemical engineering;
- (i) advanced mechanical engineering;
- (j) advanced electrical engineering;
- (k) advanced industrial engineering; or
- (l) any related discipline.

7B. Prohibition against engaging in certain scientific or technical co-operation

- (1) This section applies to—
 - (a) a person acting in the HKSAR; and
 - (b) a person acting outside the HKSAR who is—
 - (i) both a Hong Kong permanent resident and a Chinese national; or
 - (ii) a body incorporated or constituted under the law of the HKSAR.

- (2) Except under the authority of a licence granted under section 100(1), a person must not engage in any scientific or technical co-operation involving a person officially sponsored by the DPRK or a person representing the DPRK, except for medical exchanges.
- (3) A person who contravenes subsection (2) commits an offence and is liable—
 - (a) on conviction on indictment—to a fine and to imprisonment for 7 years; or
 - (b) on summary conviction—to a fine at level 6 and to imprisonment for 6 months.
- (4) It is a defence for a person charged with an offence under subsection (3) to prove that the person did not know and had no reason to believe that the scientific or technical co-operation concerned involved a person officially sponsored by the DPRK or a person representing the DPRK.”.

23. Part 2, Division 6 heading added

Before section 8—

Add

“Division 6—Making Available or Dealing with Funds etc.”.

24. Section 8 amended (prohibition against making available funds, etc. or dealing with funds, etc.)

- (1) Section 8(1), after “a licence”—

Add

“granted under section 11(1)”.

Section 24

- (2) Section 8(2)(a), English text—
Repeal
“indictment to a fine”
Substitute
“indictment—to a fine”.
- (3) Section 8(2)(b), English text—
Repeal
“conviction to a fine”
Substitute
“conviction—to a fine”.
- (4) Section 8(3), English text—
Repeal
“believe that”
Substitute
“believe”.
- (5) Section 8(3)(a), before “the funds”—
Add
“for a contravention of subsection (1)(a)—that”.
- (6) Section 8(3)(a), English text—
Repeal
“or were to be”
Substitute
“, or were to be,”.
- (7) Section 8(3)(b), before “the person”—
Add
“for a contravention of subsection (1)(b)—that”.

Section 25

(8) Section 8(6)(b)—

Repeal

“resources, use”

Substitute

“resources—use”.

25. **Part 2, Division 7 heading added**

Before section 9—

Add

“Division 7—Entry and Transit”.

26. **Section 9 amended (prohibition against entry or transit by certain persons)**

(1) Section 9(5), definition of *specified person*—

Repeal paragraphs (a) and (b)

Substitute

“(a) a person designated by the Committee or the Security Council for the purposes of paragraph 8(e) of Resolution 1718; or

(b) a person acting on behalf of, or at the direction of, a person mentioned in paragraph (a).”.

(2) Section 9(5), definition of *specified person*—

Repeal paragraph (c).

27. **Section 10 amended (exceptions to prohibition against entry or transit by certain persons)**

Section 10(a) and (b)—

Repeal

“into or transit through the HKSAR”

Substitute

“or transit”.

28. Part 2, Division 8 heading added

Before section 10A—

Add

“Division 8—Ships and Aircraft”.

29. Section 10A amended (prohibition against provision of certain services to ships registered in DPRK)

(1) Section 10A, heading—

Repeal

“provision of certain services to ships registered in DPRK”

Substitute

“certain activities in connection with ships and aircraft”.

(2) Section 10A(2)—

Repeal

“section 10B”

Substitute

“section 10B(1)”.

(3) After section 10A(2)—

Add

“(2A) Except under the authority of a licence granted under section 11A(1), a person must not—

- (a) lease or charter a ship or aircraft that is registered in the HKSAR to a relevant person, relevant entity or person connected with the DPRK;
- (b) provide a ship or aircraft crewing service to a relevant person, relevant entity or person connected with the DPRK;
- (c) register a ship in the DPRK;
- (d) obtain an authorization for a ship to use the flag of the DPRK;
- (e) own, lease, charter or operate a ship registered in the DPRK;
- (f) provide a ship classification, certification or associated service to a ship registered in the DPRK; or
- (g) insure a ship registered in the DPRK.

(2B) Except under the authority of a licence granted under section 11A(3), a person must not provide an insurance or reinsurance service to—

- (a) a ship owned, controlled or operated by a person connected with the DPRK; or
- (b) a ship that is involved in an activity prohibited by the Security Council Resolutions.

- (2C) Except under the authority of a licence granted under section 11A(5), a person must not provide a ship classification service to a ship if—
- (a) the ship—
 - (i) was registered in the HKSAR and the registration was closed under section 64(6) of the Merchant Shipping (Registration) Ordinance (Cap. 415); or
 - (ii) was registered in a place outside the HKSAR and the registration was closed (however described) by the authority of that place; and
 - (b) the closure of registration was related to the ship's involvement in an activity prohibited by the Security Council Resolutions.
- (2D) Subject to section 10B(2), a person must not, directly or indirectly, deal with a relevant ship.”.
- (4) Section 10A(3), after “subsection (2)”—
- Add**
- “, (2A), (2B), (2C) or (2D)”.
- (5) Section 10A(3)(a), English text—
- Repeal**
- “indictment to a fine”
- Substitute**
- “indictment—to a fine”.
- (6) Section 10A(3)(b), English text—
- Repeal**
- “conviction to a fine”
- Substitute**

“conviction—to a fine”.

(7) After section 10A(3)—

Add

- “(3A) It is a defence for a person charged with an offence under subsection (3) to prove that the person did not know and had no reason to believe—
- (a) for a contravention of subsection (2A)(a) or (b)—that the person to whom the ship or aircraft was leased or chartered, or to whom the crewing service was provided, was a relevant person, relevant entity or person connected with the DPRK;
 - (b) for a contravention of subsection (2A)(e), (f) or (g)—that the ship concerned was registered in the DPRK;
 - (c) for a contravention of subsection (2B)(a)—that the ship concerned was owned, controlled or operated by a person connected with the DPRK;
 - (d) for a contravention of subsection (2B)(b)—that the ship concerned was involved in an activity prohibited by the Security Council Resolutions;
 - (e) for a contravention of subsection (2C)—
 - (i) that the registration of the ship concerned was closed; or
 - (ii) that the closure of registration was related to the ship’s involvement in an activity prohibited by the Security Council Resolutions; or
 - (f) for a contravention of subsection (2D)—that the ship concerned was a relevant ship.”.

Section 30

- (8) Section 10A(4)—

Repeal

everything before “, in relation to”

Substitute

“(4) In this section—

specified services (指明服務)”.

- (9) Section 10A(4), Chinese text, definition of *指明服務*, paragraph (d)—

Repeal the full stop

Substitute a semicolon.

- (10) Section 10A(4)—

Add in alphabetical order

“*deal with* (處理), in relation to a ship, means—

- (a) use (including use to obtain funds, goods or services in any way, such as by selling, hiring, chartering or mortgaging the ship);
- (b) alter, allow access to or transfer;
- (c) deal with in any other way that would result in any change in location, ownership, possession, character or destination; or
- (d) make any other change that would enable use;

relevant ship (相關船舶) means a ship named in the list published under section 31A(1);”.

30. Section 10B amended (exception to prohibition under section 10A)

- (1) Section 10B—

Renumber the section as section 10B(1).

Section 31

(2) Section 10B(1)—

Repeal

“10A”

Substitute

“10A(2)”.

(3) After section 10B(1)—

Add

“(2) Section 10A(2D) does not apply if the ship concerned is dealt with in accordance with—

(a) for a ship registered in the HKSAR—a direction given by the Director of Marine under section 10E(1); or

(b) for a ship registered in a place outside the HKSAR—a direction given by the authority of that place for the purposes of paragraph 12(b) of Resolution 2321.”.

31. Section 10C repealed (prohibition against certain ships from entering waters of Hong Kong)

Section 10C—

Repeal the section.

32. Sections 10D, 10E and 10F, and Part 2, Division 9 added

At the end of Part 2—

Add

“10D. Prohibition against ship-to-ship transfer

(1) Subsection (2) applies to—

(a) a person acting in the HKSAR; and

- (b) a person acting outside the HKSAR who is—
 - (i) both a Hong Kong permanent resident and a Chinese national; or
 - (ii) a body incorporated or constituted under the law of the HKSAR.
- (2) A person must not facilitate or engage in a ship-to-ship transfer to or from a ship registered in the DPRK of any item that is being supplied, sold or transferred to or from the DPRK.
- (3) A person who contravenes subsection (2) commits an offence and is liable—
 - (a) on conviction on indictment—to a fine and to imprisonment for 7 years; or
 - (b) on summary conviction—to a fine at level 6 and to imprisonment for 6 months.
- (4) A ship registered in the HKSAR must not be used for facilitating or engaging in a ship-to-ship transfer to or from a ship registered in the DPRK of any item that is being supplied, sold or transferred to or from the DPRK.
- (5) If a ship registered in the HKSAR is used in contravention of subsection (4), the charterer, the operator and the master of the ship each commits an offence.
- (6) A person who commits an offence under subsection (5) is liable—
 - (a) on conviction on indictment—to a fine and to imprisonment for 7 years; or
 - (b) on summary conviction—to a fine at level 6 and to imprisonment for 6 months.

- (7) It is a defence for a person charged with an offence under subsection (3) or (5) to prove that the person did not know and had no reason to believe—
- (a) that the item concerned was being supplied, sold or transferred to or from the DPRK; or
 - (b) that the ship concerned was registered in the DPRK.

10E. Director of Marine to give directions to certain ships

- (1) If—
- (a) a ship registered in the HKSAR is designated by the Committee for the purposes of paragraph 12 of Resolution 2321; and
 - (b) the Committee requires that the ship be directed to a port identified by the Committee,
- the Director of Marine must direct the ship to the port.
- (2) Subsection (1) applies whether or not—
- (a) the ship is within the waters of Hong Kong; and
 - (b) the port to which the ship is directed is in the HKSAR.
- (3) A charterer, operator or master of a ship who, without reasonable excuse, fails to comply with a direction given under subsection (1) commits an offence and is liable—
- (a) on conviction on indictment—to a fine and to imprisonment for 7 years; or
 - (b) on summary conviction—to a fine at level 6 and to imprisonment for 6 months.

10F. Prohibition against certain aircraft from taking off, landing and flying

- (1) This section applies to—
 - (a) an aircraft that carries a supply-sanctioned item or luxury goods to the DPRK (except for a carriage under the authority of a licence, or a carriage referred to in section 3(2AAB) or 3B(2)); and
 - (b) an aircraft that carries a procurement-sanctioned item from the DPRK (except for a carriage under the authority of a licence).
- (2) If the Director-General of Civil Aviation has information that provides reasonable grounds for the Director-General to believe that an aircraft is one to which this section applies, the Director-General must deny permission for the aircraft—
 - (a) to take off from the HKSAR;
 - (b) to land in the HKSAR, except in the circumstances specified in subsection (3); or
 - (c) to fly within Hong Kong air space.
- (3) An aircraft to which this section applies may land in the HKSAR—
 - (a) for the purpose of an inspection under section 17; or
 - (b) in the case of an emergency.
- (4) The pilot in command of an aircraft to which permission is denied under subsection (2) must not cause the aircraft—
 - (a) for subsection (2)(a)—to take off from the HKSAR;

- (b) for subsection (2)(b)—to land in the HKSAR;
or
 - (c) for subsection (2)(c)—to fly within Hong Kong
air space.
- (5) A pilot in command who contravenes subsection (4)
commits an offence and is liable—
- (a) on conviction on indictment—to a fine and to
imprisonment for 7 years; or
 - (b) on summary conviction—to a fine at level 6 and
to imprisonment for 6 months.

Division 9—Property and Joint Ventures etc.

10G. Prohibition against certain activities in connection with immovable property

- (1) A person must not—
- (a) lease, or otherwise make available, immovable
property, directly or indirectly, to the DPRK
Government if the person knows or has reason
to believe that the property is to be used for any
purpose other than diplomatic or consular
activities;
 - (b) lease immovable property, directly or indirectly,
from the DPRK Government; or
 - (c) subject to subsection (2), engage in any activity
linked to the use of immovable property that
the DPRK Government owns or leases.
- (2) Subsection (1)(c) does not apply to the provision of
goods and services which—
- (a) are essential for the functioning of a diplomatic
mission or consular post; and

- (b) cannot be used to generate income or profit, directly or indirectly, for the DPRK Government.
- (3) A person who contravenes subsection (1) commits an offence and is liable—
 - (a) on conviction on indictment—to a fine and to imprisonment for 7 years; or
 - (b) on summary conviction—to a fine at level 6 and to imprisonment for 6 months.
- (4) It is a defence for a person charged with an offence under subsection (3) to prove that the person did not know and had no reason to believe—
 - (a) for a contravention of subsection (1)(a)—that the immovable property concerned was leased, or otherwise made available, to the DPRK Government;
 - (b) for a contravention of subsection (1)(b)—that the immovable property concerned was leased from the DPRK Government; or
 - (c) for a contravention of subsection (1)(c)—that the activity concerned was linked to the use of immovable property that the DPRK Government owned or leased.
- (5) In this section—

DPRK Government (朝鮮政府) means—

 - (a) an entity or body of the Government of the DPRK; or
 - (b) a person acting on behalf of the Government of the DPRK.

10H. Prohibition against joint ventures or co-operative entities with persons connected with the DPRK

- (1) This section applies to—
 - (a) a person acting in the HKSAR; and
 - (b) a person acting outside the HKSAR who is—
 - (i) both a Hong Kong permanent resident and a Chinese national; or
 - (ii) a body incorporated or constituted under the law of the HKSAR.
- (2) Except under the authority of a licence granted under section 11B(1), a person must not—
 - (a) establish, maintain or operate a joint venture or co-operative entity with a person connected with the DPRK; or
 - (b) invest in such a joint venture or co-operative entity.
- (3) A person who contravenes subsection (2) commits an offence and is liable—
 - (a) on conviction on indictment—to a fine and to imprisonment for 7 years; or
 - (b) on summary conviction—to a fine at level 6 and to imprisonment for 6 months.
- (4) It is a defence for a person charged with an offence under subsection (3) to prove that the person did not know and had no reason to believe that the joint venture or co-operative entity concerned was one with a person connected with the DPRK.”.

33. Part 3 heading amended (licence)

Part 3, English text, heading—

Repeal

“Licence”

Substitute

“Licences”.

34. Sections 10I to 10O added

Part 3, before section 11—

Add

“10I. General licence for all prohibited acts

- (1) If on application the Chief Executive determines that the requirement in subsection (2) is met, the Chief Executive must grant a licence for doing an act prohibited by any provision of Part 2 (whether or not the act is one for which a licence may be granted under another provision of this Part).
- (2) The requirement is that the Committee determines that the act is—
 - (a) necessary to facilitate the work of international and non-governmental organizations carrying out assistance and relief activities in the DPRK for the benefit of the civilian population of the DPRK; or
 - (b) for any other purpose consistent with the objectives of the Security Council Resolutions.

10J. Licence for supply, sale, transfer or carriage of certain supply-sanctioned items

- (1) If on application the Chief Executive determines that the applicable requirements in subsection (2), (3), (4) or (5) are met, the Chief Executive must grant, as appropriate—
 - (a) a licence for the supply, sale or transfer of, or the doing of any act likely to promote the supply, sale or transfer of, a supply-sanctioned item referred to in the subsection concerned—
 - (i) to the DPRK;
 - (ii) to, or to the order of, a person connected with the DPRK; or
 - (iii) to a destination or person for the purpose of delivery or transfer, directly or indirectly to the DPRK or to, or to the order of, a person connected with the DPRK; or
 - (b) a licence for the carriage of a supply-sanctioned item referred to in the subsection concerned that is, or forms part of, a carriage—
 - (i) from a place outside the DPRK to a place in the DPRK;
 - (ii) to, or to the order of, a person connected with the DPRK; or
 - (iii) to a destination for the purpose of delivery or transfer, directly or indirectly to the

DPRK or to, or to the order of, a person connected with the DPRK.

- (2) For a new helicopter or a new or used ship, the applicable requirement is that the Committee has approved the supply, sale, transfer or carriage of the helicopter or ship in advance on a case-by-case basis.
- (3) For a refined petroleum product, the applicable requirements are all of the following—
 - (a) the supply, sale, transfer or carriage of the product will not result in the quota referred to in paragraph 5 of Resolution 2397 being exceeded;
 - (b) information about all parties to the supply, sale, transfer or carriage of the product has been given to the Chief Executive;
 - (c) the supply, sale, transfer or carriage of the product does not involve an individual or entity that is associated with the DPRK's nuclear or ballistic missile programmes or other activities prohibited by the Security Council Resolutions (including a relevant person, a relevant entity, and an individual or entity assisting in the evasion of sanctions);
 - (d) the supply, sale, transfer or carriage of the product is exclusively for livelihood purposes of the nationals of the DPRK and unrelated to generating revenue for the programmes or activities referred to in paragraph (c);
 - (e) there is no instruction from the instructing authority not to allow the supply, sale, transfer or carriage of the product.
- (4) For crude oil, the applicable requirement is either—

- (a) the Committee has approved in advance on a case-by-case basis that the supply, sale, transfer or carriage of the crude oil is exclusively for livelihood purposes of the nationals of the DPRK and unrelated to the DPRK's nuclear or ballistic missile programmes or other activities prohibited by the Security Council Resolutions; or
- (b) both of the following—
 - (i) the supply, sale, transfer or carriage of the crude oil will not result in the quota referred to in paragraph 4 of Resolution 2397 being exceeded;
 - (ii) there is no instruction from the instructing authority not to allow the supply, sale, transfer or carriage of the crude oil.
- (5) For an item specified in item 9 of Schedule 3, the applicable requirement is that the supply, sale, transfer or carriage of the item is for the provision of spare parts needed to maintain the safe operation of the DPRK's commercial civilian passenger aircraft.
- (6) If on application the Chief Executive determines that the requirement in subsection (7) is met, the Chief Executive must grant, as appropriate—
 - (a) a licence for the supply, sale or transfer of, or the doing of any act likely to promote the supply, sale or transfer of, aviation fuel—
 - (i) to the DPRK; or
 - (ii) to a destination or person for the purpose of delivery or transfer, directly or indirectly to the DPRK; or

- (b) a licence for the carriage of aviation fuel that is, or forms part of, a carriage—
 - (i) from a place outside the DPRK to a place in the DPRK; or
 - (ii) to a destination for the purpose of delivery or transfer, directly or indirectly to the DPRK.
- (7) The requirement is that the Committee has approved in advance on an exceptional case-by-case basis that the supply, sale, transfer or carriage of the aviation fuel to the DPRK is for verified essential humanitarian needs and is subject to specified arrangements for the effective monitoring of delivery and use.

10K. Licence for procurement of certain procurement-sanctioned items

- (1) If on application the Chief Executive determines that the applicable requirements in subsection (2), (3) or (4) are met, the Chief Executive must grant, as appropriate—
 - (a) a licence for the procurement of, or the doing of any act likely to promote the procurement of, a procurement-sanctioned item referred to in the subsection concerned—
 - (i) from the DPRK; or
 - (ii) from a person connected with the DPRK; or
 - (b) a licence for the use of a ship, aircraft or vehicle for or in connection with the procurement of a procurement-sanctioned item referred to in the subsection concerned—

- (i) from the DPRK; or
 - (ii) from a person connected with the DPRK.
- (2) For coal, the applicable requirements are both of the following—
 - (a) the authority of a place outside the DPRK confirms, on the basis of credible information, that the coal has originated in that place and is transported through the DPRK solely for export from the Port of Rajin (Rason);
 - (b) the procurement is unrelated to generating revenue for the DPRK's nuclear or ballistic missile programmes or other activities prohibited by the Security Council Resolutions.
- (3) For a statue, the applicable requirement is that the Committee has approved the procurement in advance on a case-by-case basis.
- (4) For textiles (within the meaning of item 15 of Schedule 4), the applicable requirement is that the Committee has approved the procurement in advance on a case-by-case basis.

10L. Licence for certain activities in connection with DPRK banks

- (1) If on application the Chief Executive determines that the requirement in subsection (2) is met, the Chief Executive must grant, as appropriate, a licence for—
 - (a) establishing or maintaining a joint venture with a DPRK bank;
 - (b) acquiring or maintaining an ownership interest in a DPRK bank; or

- (c) establishing or maintaining a correspondent banking relationship with a DPRK bank.
- (2) The requirement is that the Committee has approved the activity concerned in advance on a case-by-case basis.

10M. Licence for opening or maintaining certain bank accounts

- (1) If on application the Chief Executive determines that the requirements in subsection (2) are met, the Chief Executive must grant, as appropriate, a licence for opening a new bank account, or maintaining a bank account, for—
 - (a) a diplomatic mission or consular post of the DPRK; or
 - (b) an accredited diplomat or consular officer of the DPRK.
- (2) The requirements are both of the following—
 - (a) the opening or maintaining of the bank account will not result in there being more than one bank account in the HKSAR for the diplomatic mission or consular post of the DPRK or the accredited diplomat or consular officer of the DPRK;
 - (b) there is no instruction from the instructing authority not to allow the bank account to be opened or maintained.

10N. Licence for provision of financial support for trade with persons connected with the DPRK

- (1) If on application the Chief Executive determines that the requirement in subsection (2) is met, the Chief Executive must grant a licence for the provision of financial support for trade with a person connected with the DPRK.
- (2) The requirement is that the Committee has approved the financial support in advance on a case-by-case basis.

10O. Licence for engaging in certain scientific or technical co-operation

- (1) If on application the Chief Executive determines that the requirement in subsection (2) is met, the Chief Executive must, subject to subsection (3), grant a licence for engaging in scientific or technical co-operation involving a person officially sponsored by the DPRK or a person representing the DPRK.
- (2) The requirement is that—
 - (a) for scientific or technical co-operation in the field of nuclear science and technology, aerospace and aeronautical engineering and technology, or advanced manufacturing production techniques and methods—the Committee has determined on a case-by-case basis that the co-operation will not contribute to the DPRK's proliferation of sensitive nuclear activities or ballistic missile-related programmes; or

(b) in any other case—the co-operation will not contribute to the DPRK's proliferation of sensitive nuclear activities or ballistic missile-related programmes.

(3) If the Chief Executive determines that the requirement in subsection (2)(b) is met, before granting the licence, the Chief Executive must cause the Committee to be notified of the determination.”.

35. Section 11 amended (licence for making available funds, etc. to certain persons or entities or dealing with funds, etc. of certain persons or entities)

(1) Section 11(2)(a)(ii), after “legal services”—

Add

“under the law of the HKSAR”.

(2) Section 11(2)(c)(i), Chinese text—

Repeal

“的人”

Substitute

“的個人”.

(3) Section 11(2)(c)(ii)—

Repeal the full stop

Substitute a semicolon.

(4) After section 11(2)(c)—

Add

- “(d) both of the following—
- (i) the relevant person or relevant entity concerned falls within the definition of *relevant person* or *relevant entity* in section 1 because of the Foreign Trade Bank or the Korean National Insurance Company being named in the list published under section 31(1);
 - (ii) the funds or other financial assets or economic resources are solely for—
 - (A) the operation of diplomatic or consular missions in the DPRK; or
 - (B) humanitarian assistance activities that are undertaken by, or in co-ordination with, the United Nations;
- (e) both of the following—
- (i) the relevant person or relevant entity concerned falls within the definition of *relevant person* or *relevant entity* in section 1 because of an entity referred to in section 31(2)(c) being named in the list published under section 31(1);
 - (ii) the funds or other financial assets or economic resources—
 - (A) are required to carry out activities of the DPRK's missions to the United Nations and its specialized agencies and related organizations or other diplomatic and consular missions of the DPRK; or

- (B) are, as determined by the Committee in advance on a case-by-case basis, required for the delivery of humanitarian assistance, denuclearization or any other purpose consistent with the objectives of Resolution 2270.”.

36. Sections 11A and 11B added

After section 11—

Add

“11A. Licence for certain activities in connection with ships and aircraft

- (1) If on application the Chief Executive determines that the requirement in subsection (2) is met, the Chief Executive must grant, as appropriate, a licence for—
- (a) leasing or chartering a ship or aircraft that is registered in the HKSAR to a relevant person, relevant entity or person connected with the DPRK;
 - (b) providing a ship or aircraft crewing service to a relevant person, relevant entity or person connected with the DPRK;
 - (c) registering a ship in the DPRK;
 - (d) obtaining an authorization for a ship to use the flag of the DPRK;
 - (e) owning, leasing, chartering or operating a ship registered in the DPRK;
 - (f) providing a ship classification, certification or associated service to a ship registered in the DPRK; or

- (g) insuring a ship registered in the DPRK.
- (2) The requirement is that the Committee has approved the activity concerned in advance on a case-by-case basis.
- (3) If on application the Chief Executive determines that the requirement in subsection (4) is met, the Chief Executive must grant, as appropriate, a licence for the provision of an insurance or reinsurance service to—
 - (a) a ship owned, controlled or operated by a person connected with the DPRK; or
 - (b) a ship that is involved in an activity prohibited by the Security Council Resolutions.
- (4) The requirement is that the Committee determines on a case-by-case basis that—
 - (a) the ship is engaged in activities exclusively for livelihood purposes and will not be used by the DPRK's individuals or entities to generate revenue; or
 - (b) the ship is engaged in activities exclusively for humanitarian purposes.
- (5) If on application the Chief Executive determines that the requirement in subsection (6) is met, the Chief Executive must grant a licence for the provision of a ship classification service to a ship where—
 - (a) the ship—
 - (i) was registered in the HKSAR and the registration was closed under section 64(6) of the Merchant Shipping (Registration) Ordinance (Cap. 415); or

- (ii) was registered in a place outside the HKSAR and the registration was closed (however described) by the authority of that place; and
 - (b) the closure of registration was related to the ship's involvement in an activity prohibited by the Security Council Resolutions.
- (6) The requirement is that the Committee has approved the provision of the ship classification service in advance on a case-by-case basis.

11B. Licence for joint ventures or co-operative entities with persons connected with the DPRK

- (1) If on application the Chief Executive determines that the requirement in subsection (2) is met, the Chief Executive must grant, as appropriate, a licence for—
 - (a) establishing, maintaining or operating a joint venture or co-operative entity with a person connected with the DPRK; or
 - (b) investing in such a joint venture or co-operative entity.
- (2) The requirement is that the Committee has approved the joint venture or co-operative entity in advance on a case-by-case basis.”.

37. Section 12 amended (provision of false information or documents for purpose of obtaining licences)

- (1) Section 12(1)(a), English text—

Repeal

“indictment to a fine”

Substitute

Section 38

“indictment—to a fine”.

- (2) Section 12(1)(b), English text—

Repeal

“conviction to a fine”

Substitute

“conviction—to a fine”.

- (3) Section 12(2)(a), English text—

Repeal

“indictment to a fine”

Substitute

“indictment—to a fine”.

- (4) Section 12(2)(b), English text—

Repeal

“conviction to a fine”

Substitute

“conviction—to a fine”.

38. Section 14 amended (investigation of suspected ships)

- (1) Section 14(1)—

Repeal

everything before “officer may—”

Substitute

“(1) If any of the circumstances specified in subsection (1A) exists, an authorized”.

- (2) Section 14(1)(a), after “the ship”—

Add

“concerned”.

(3) After section 14(1)—

Add

“(1A) The circumstances are as follows—

- (a) the authorized officer has reason to suspect that the ship is one to which section 3 or 5 applies and it has been, is being or is about to be used in contravention of section 3(2) or (2AA) or 5(2);
- (b) the authorized officer has reason to suspect that the ship is one to which section 3AA applies and it has been, is being or is about to be used as described in section 3AA(2)(a) and (b);
- (c) the ship carries cargo that has originated in the DPRK;
- (d) the ship carries cargo that is destined for the DPRK;
- (e) the ship carries cargo that has been brokered or facilitated by—
 - (i) the Government or a national of the DPRK;
 - (ii) an individual acting on behalf of, or at the direction of, the Government or a national of the DPRK;
 - (iii) an entity acting on behalf of, or at the direction of, or owned or controlled by, the Government or a national of the DPRK;
 - (iv) a relevant person; or
 - (v) a relevant entity;

- (f) the ship carries cargo and is using the flag of the DPRK.
- (1B) If an authorized officer has reason to suspect—
- (a) that a ship to which section 3 or 5 applies is being or is about to be used in contravention of section 3(2) or (2AA) or 5(2); or
- (b) that a ship to which section 3AA applies is being or is about to be used as described in section 3AA(2)(a) and (b),
- the officer may, for the purpose of stopping or preventing the ship from being so used or pursuing enquiries, either there and then or on consideration of any information provided, or cargo or document produced, in response to a request made under subsection (1)(b), do one or more of the acts specified in subsection (2).
- (1C) Also, if any of the circumstances specified in subsection (1A)(c), (d), (e) and (f) exists, an authorized officer may do one or more of the acts specified in subsection (2).”.
- (4) Section 14(2)—
- Repeal everything before paragraph (a)**
- Substitute**
- “(2) The acts are as follows—”.
- (5) Section 14(2)(a), English text—
- Repeal**
- “direct the charterer,”
- Substitute**
- “directing the charterer,”.
- (6) Section 14(2)(b), English text—

Repeal

“request the charterer,”

Substitute

“requesting the charterer,”.

39. Section 17 amended (investigation of suspected aircraft)

(1) Section 17(1)—

Repeal

everything before “officer may—”

Substitute

“(1) If any of the circumstances specified in subsection (1A) exists, an authorized”.

(2) Section 17(1)(a), after “the aircraft”—

Add

“concerned”.

(3) After section 17(1)—

Add

“(1A) The circumstances are as follows—

- (a) the authorized officer has reason to suspect that the aircraft is one to which section 3 or 5 applies and it has been, is being or is about to be used in contravention of section 3(2) or (2AA) or 5(2);
- (b) the authorized officer has reason to suspect that the aircraft is one to which section 3AA applies and it has been, is being or is about to be used as described in section 3AA(2)(a) and (b);
- (c) the aircraft carries cargo that has originated in the DPRK;

- (d) the aircraft carries cargo that is destined for the DPRK;
- (e) the aircraft carries cargo that has been brokered or facilitated by—
 - (i) the Government or a national of the DPRK;
 - (ii) an individual acting on behalf of, or at the direction of, the Government or a national of the DPRK;
 - (iii) an entity acting on behalf of, or at the direction of, or owned or controlled by, the Government or a national of the DPRK;
 - (iv) a relevant person; or
 - (v) a relevant entity;
- (f) the aircraft is using the flag of the DPRK.”.

40. Section 20 amended (investigation of suspected vehicles)

- (1) Section 20(1)—

Repeal

everything before “officer may—”

Substitute

“(1) If any of the circumstances specified in subsection (1A) exists, an authorized”.

- (2) Section 20(1)(a), after “the vehicle”—

Add

“concerned”.

- (3) After section 20(1)—

Add

“(1A) The circumstances are as follows—

- (a) the authorized officer has reason to suspect that the vehicle is one in the HKSAR and it has been, is being or is about to be used in contravention of section 3(2) or (2AA) or 5(2);
- (b) the authorized officer has reason to suspect that the vehicle is one in the HKSAR and it has been, is being or is about to be used as described in section 3AA(2)(a) and (b);
- (c) the vehicle carries cargo that has originated in the DPRK;
- (d) the vehicle carries cargo that is destined for the DPRK;
- (e) the vehicle carries cargo that has been brokered or facilitated by—
 - (i) the Government or a national of the DPRK;
 - (ii) an individual acting on behalf of, or at the direction of, the Government or a national of the DPRK;
 - (iii) an entity acting on behalf of, or at the direction of, or owned or controlled by, the Government or a national of the DPRK;
 - (iv) a relevant person; or
 - (v) a relevant entity.”.

41. Part 5, Division 3A added

Part 5, after Division 3—

Add

“Division 3A—Powers to Search, Arrest, etc.

22A. Powers to stop and search etc.

- (1) If an authorized officer has reasonable grounds to suspect that an offence under this Regulation has been, is being or is about to be committed, the officer may do one or more of the following—
 - (a) stop and search a person arriving in or about to leave the HKSAR and examine anything in the person's possession;
 - (b) examine at a point of entry to or exit from the HKSAR—
 - (i) any cargo (other than any baggage), together with any manifest and supporting documents;
 - (ii) any unaccompanied baggage; or
 - (iii) any unaccompanied personal belongings;
 - (c) examine any cargo (other than any baggage), together with any manifest and supporting documents—
 - (i) at a place where the cargo is stored before it is exported from the HKSAR; or
 - (ii) at a place where the cargo is stored after it has been imported into the HKSAR and before, or at the time of, its collection by the consignee.
- (2) An authorized officer may seize and detain anything—
 - (a) found as a result of the exercise of a power under subsection (1); and

- (b) that the officer reasonably suspects to be connected with a contravention of this Regulation.
- (3) A person may only be searched under this section by a person who is of the same sex.
- (4) An authorized officer may use any force reasonably necessary for exercising a power under subsection (1) or (2).

22B. Arrest and detention

- (1) An authorized officer may without warrant arrest or detain for further inquiries a person whom the officer reasonably suspects of having contravened this Regulation.
- (2) An authorized officer who arrests a person under subsection (1) must take the person to a police station to be dealt with in accordance with the Police Force Ordinance (Cap. 232).
- (3) However, if further inquiries are necessary, an authorized officer (other than a police officer) may take the person to an office of the Customs and Excise Department for further inquiries before taking the person to a police station in accordance with subsection (2).
- (4) A person must not be detained for more than 48 hours from the time the person is arrested without being charged and brought before a magistrate.
- (5) An authorized officer who arrests a person may require the person to give the person's name and to produce evidence of identity to the officer.

- (6) If a person forcibly resists or attempts to evade arrest under this section, an authorized officer may use any force reasonably necessary to effect the arrest.”.

42. Section 23 amended (production of proof of identity)

Section 23—

Repeal

“20 or 22”

Substitute

“20, 22, 22A or 22B”.

43. Part 6, Divisions 1 and 2, and Division 3 heading added

Part 6, before section 24—

Add

“Division 1—Interpretation

23A. Interpretation of Part 6

In this Part—

material (材料) includes any book, document or other record in any form, and any article or substance;

possession (管有) includes control;

premises (處所) includes any place and, in particular, includes—

(a) any ship, aircraft, vehicle or offshore structure;
and

(b) any tent or movable structure;

seized property (被檢取財產) means anything seized under section 22A(2) or 24(3).

Division 2—Making Material Available

23B. Order to make material available

- (1) The Secretary for Justice or an authorized officer may, for the purpose of an investigation into an offence under this Regulation, make an ex parte application, by information on oath, to a judge for an order under subsection (2) in relation to particular material or to material of a particular description.
- (2) Subject to subsection (3), the judge may on the application make an order—
 - (a) that the person who appears to the judge to be in possession of the material must, within the period specified in the order—
 - (i) produce the material to an authorized officer for the officer to take away; or
 - (ii) give an authorized officer access to the material;
 - (b) that the person who appears to the judge likely to come into possession of the material must, within the period specified in the order—
 - (i) produce the material to an authorized officer for the officer to take away; or
 - (ii) give an authorized officer access to the material; or
 - (c) in terms both of paragraphs (a) and (b).
- (3) The judge may make the order only if the judge is satisfied—
 - (a) that there are reasonable grounds for suspecting that the offence has been committed;

- (b) that there are reasonable grounds for believing that the material is likely to be relevant to the investigation for the purpose of which the application is made;
 - (c) that there are reasonable grounds for believing that it is in the public interest that the material should be produced or that access to it should be given, having regard to—
 - (i) the benefit likely to accrue to the investigation if the material is obtained; and
 - (ii) the circumstances under which the person in possession of the material holds, or will hold, it; and
 - (d) for an application relating to material of a particular description—that an application in relation to particular material is not reasonably practicable.
- (4) The period to be specified in the order must be—
- (a) for subsection (2)(a)—a period of 7 days after the date on which the order is served on the person concerned; or
 - (b) for subsection (2)(b)—a period of 7 days after the later of the following dates—
 - (i) the date on which the order is served on the person concerned;
 - (ii) the date on which the person concerned comes into possession of the material,
- unless it appears to the judge that a longer or shorter period would be appropriate in the particular circumstances of the application.

- (5) If the application relates to material outside the HKSAR, it may be made only by the Secretary for Justice.
- (6) The application must be heard in camera.
- (7) As soon as practicable after an order is made under subsection (2), the Secretary for Justice or authorized officer must serve the order personally on the person who is subject to the order.

23C. Supplementary provisions to section 23B

- (1) An order under section 23B(2), in so far as it is in terms of paragraph (b) of that section, ceases to have effect on the expiry of—
 - (a) 3 months after the date on which the order is made; or
 - (b) any lesser period specified in the order.
- (2) However, subsection (1) does not—
 - (a) affect any obligation incurred under the order before it ceases to have effect; or
 - (b) prevent, whether before or after the order (*first order*) ceases to have effect, the making of any further order under section 23B(2) in respect of the person who is subject to the first order.
- (3) If a judge makes an order under section 23B(2)(a)(ii) or (b)(ii) in relation to material on any premises, a judge may, on the same application or a subsequent application by the Secretary for Justice or an authorized officer, order any person who appears to the judge to be entitled to grant entry to the premises to allow an authorized officer to enter the premises to obtain access to the material.

-
- (4) If the material to which an application under section 23B(1) relates consists of information recorded otherwise than in a legible form—
 - (a) an order under section 23B(2)(a)(i) or (b)(i) has effect as an order to produce the material in a form in which it can be taken away; and
 - (b) an order under section 23B(2)(a)(ii) or (b)(ii) has effect as an order to give access to the material in a form in which it is visible and legible.
 - (5) If an order under section 23B(2)(a)(i) or (b)(i) relates to information recorded otherwise than in a legible form, an authorized officer may, by notice in writing served on the person concerned—
 - (a) require the person to produce the material in a form in which it is visible and legible and can be taken away; and
 - (b) release the person from any obligation under the order to produce the material in the form in which it was recorded.
 - (6) An authorized officer may photograph or make copies of any material produced under this section or section 23B.
 - (7) Subject to section 23F, a person is not excused from producing any material in relation to which an order under section 23B(2) is made on the ground that to do so would breach an obligation as to secrecy or another restriction on the disclosure of information imposed by statute or otherwise.
 - (8) An application under subsection (3) must be heard in camera.

23D. Revocation or variation of order under section 23B or 23C

- (1) A person who is subject to an order under section 23B(2) or 23C(3) may apply for the revocation or variation of the order.
- (2) The application must be made to a judge by a summons supported by an affidavit.
- (3) The summons and affidavit in support must state the grounds on which the applicant seeks the revocation or variation of the order and the relevant facts.
- (4) The summons and a copy of the affidavit in support must be served on the Secretary for Justice not less than 3 clear days before the date fixed for the hearing of the application.
- (5) At the hearing of the application, the judge may revoke or vary the order as the judge considers appropriate.

23E. Procedures for application under section 23B, 23C or 23D

- (1) This section applies to an application made under section 23B, 23C or 23D.
- (2) At the hearing of the application, a judge may receive evidence.
- (3) All documents and information relating to the application must be treated as confidential.
- (4) All documents, and anything containing any information, relating to the application must, immediately after the application is determined, be placed in a packet and sealed by order of the judge hearing the application.
- (5) The packet—

- (a) must be kept in the custody of the court in a place to which the public has no access or in another place authorized by the judge;
- (b) must not be opened, and its contents must not be removed, except by order of a judge; and
- (c) must not be destroyed except by order of a judge.

23F. Privileges

- (1) An order under section 23B(2) does not—
 - (a) confer any right to production of, or access to, any item subject to legal professional privilege; or
 - (b) restrict the privilege against self-incrimination.
- (2) If, in the course of the exercise of powers conferred by an order under section 23B(2), a claim of legal professional privilege is made in respect of any material, the person making the claim must—
 - (a) in the presence of an authorized officer, secure the material in a sealed container;
 - (b) deposit the sealed container with a judge as soon as practicable or handle the sealed container in another way as directed by a judge;
 - (c) within 3 days of so depositing or handling the sealed container, apply to a judge by a summons supported by an affidavit for a declaration that the material is an item subject to legal professional privilege; and

- (d) not less than 3 clear days before the date fixed for the hearing of the application, serve the summons and a copy of the affidavit in support on the Secretary for Justice.

23G. Offence for failure to comply with order under section 23B

A person who, without reasonable excuse, fails to comply with an order under section 23B(2) commits an offence and is liable on conviction to a fine at level 6 and to imprisonment for 6 months.

23H. Investigation not to be prejudiced

- (1) This section applies if an order under section 23B(2) has been made, or has been applied for and has not been refused.
- (2) A person who knows or suspects that an investigation in relation to which the order has been made or applied for is taking place must not—
 - (a) without lawful authority or reasonable excuse, make any disclosure intending to prejudice the investigation; or
 - (b) falsify, conceal, destroy or otherwise dispose of, or cause or permit the falsification, concealment, destruction or disposal of, any material—
 - (i) knowing or suspecting that the material is likely to be relevant to the investigation; and
 - (ii) intending to conceal the facts disclosed by the material from persons carrying out the investigation.

- (3) If a person has been arrested in connection with an investigation referred to in subsection (2), that subsection does not apply as regards any disclosure in respect of the investigation made after the arrest.
- (4) A person who contravenes subsection (2) commits an offence and is liable—
 - (a) on conviction on indictment—to a fine and to imprisonment for 2 years; or
 - (b) on summary conviction—to a fine at level 6 and to imprisonment for 6 months.

Division 3—Search Warrant”.

44. Section 24 amended (power of magistrate or judge to grant warrant)

- (1) Section 24(1)(b)—

Repeal

“, or on any ship, aircraft or vehicle so specified.”.

- (2) Section 24(2)—

Repeal

everything after “to enter”

Substitute

“the premises specified in the information at any time within one month from the date of the warrant, and to search the premises.”.

- (3) Section 24(3)—

Repeal

“, ship, aircraft or vehicle may”

Substitute

Section 44

“may”.

- (4) Section 24(3)(a)—

Repeal

“, ship, aircraft or vehicle”.

- (5) Section 24(3)(b)—

Repeal

“any document, cargo or article”

Substitute

“anything”.

- (6) Section 24(3)(b)—

Repeal

“, ship, aircraft or vehicle”.

- (7) Section 24(3)(c)—

Repeal

“any document, cargo or article”

Substitute

“anything”.

- (8) Section 24(3)(c)—

Repeal

“the document, cargo or article”

Substitute

“it”.

Section 45

- (9) Section 24(5)—
Repeal
“, ship, aircraft or vehicle”.

45. Part 6, Division 4 heading added

Before section 24A—

Add

**“Division 4—Forfeiture and Detention of Seized
Property”.**

46. Section 24A amended (seized articles, etc. liable to forfeiture)

- (1) Section 24A, heading—

Repeal

“articles, etc.”

Substitute

“property”.

- (2) Section 24A(1)—

Repeal

“document, cargo or article seized under section 24(3)”

Substitute

“seized property”.

- (3) Section 24A(1)—

Repeal

“the document, cargo or article”

Substitute

“the seized property”.

- (4) Section 24A(2)(c)—

Repeal

“document, cargo or article”

Substitute

“seized property”.

- (5) Section 24A(3)—

Repeal

“document, cargo or article” (wherever appearing)

Substitute

“seized property”.

- (6) Section 24A(5)—

Repeal

“document, cargo or article”

Substitute

“property”.

47. Section 24B amended (power of magistrate or judge to make order for forfeiture and disposal)

- (1) Section 24B—

Repeal subsection (1)

Substitute

- “(1) If an application is made to a magistrate or judge for an order for forfeiture of any seized property, the magistrate or judge may, if satisfied that the seized property is a prohibited item or a document relating to the provision, manufacture, maintenance or use of a prohibited item, make such order as the magistrate or judge considers appropriate for the forfeiture of the seized property and its subsequent destruction or disposal.”.

Section 48

- (2) Section 24B(2)—

Repeal

“seized document, cargo or article”

Substitute

“seized property”.

- (3) Section 24B(2)—

Repeal

“the document, cargo or article”

Substitute

“the seized property”.

- (4) Section 24B(3)—

Repeal

“seized document, cargo or article”

Substitute

“seized property”.

- (5) Section 24B(3)—

Repeal

“the document, cargo or article”

Substitute

“the seized property”.

48. Section 25 amended (detention of documents, cargoes or articles seized)

- (1) Section 25, heading—

Repeal

“documents, cargoes or articles seized”

Substitute

“seized property”.

- (2) Section 25(1)—

Repeal

“document, cargo or article seized under section 24(3)”

Substitute

“seized property”.

- (3) Section 25(2)—

Repeal

“If the document, cargo or article is”

Substitute

“If the seized property is”.

- (4) Section 25(2)—

Repeal

“the document, cargo or article may”

Substitute

“it may”.

49. Section 29 amended (offences in relation to evasion of this Regulation)

- (1) Section 29—

Repeal

“any document, cargo or article”

Substitute

“anything”.

- (2) Section 29(a), English text—

Repeal

“indictment to a fine”

Substitute

“indictment—to a fine”.

- (3) Section 29(b), English text—

Repeal

“conviction to a fine”

Substitute

“conviction—to a fine”.

50. Section 31 substituted

Section 31—

Repeal the section

Substitute

“31. Publication of list of individuals and entities by Secretary

- (1) The Secretary may publish on the website of the Commerce and Economic Development Bureau a list of individuals and entities for the purposes of the definitions of *relevant person* and *relevant entity* in section 1.
- (2) The Secretary may include in the list the name of—
 - (a) an individual or entity designated by the Committee or the Security Council for the purposes of paragraph 8(d) of Resolution 1718;
 - (b) an individual or entity to whom measures referred to in paragraph 8(d) of Resolution 1718 apply under a decision of the Committee or the Security Council; or
 - (c) an entity of the Government of the DPRK or of the Worker's Party of Korea determined by the instructing authority as an entity associated

with the DPRK's nuclear or ballistic missile programmes or other activities prohibited by Resolution 1718, Resolution 1874, Resolution 2087, Resolution 2094 or Resolution 2270.

- (3) The list may also contain other information that the Secretary considers appropriate.
- (4) The Secretary may remove the name of an individual or entity from the list if the individual or entity no longer meets the description under subsection (2).
- (5) If a list is published under subsection (1), the Secretary is to make a copy of the list available for inspection by the public free of charge at the office of the Secretary during normal office hours.
- (6) In any legal proceedings, a document purporting to be a copy printed from the website referred to in subsection (1)—
 - (a) is admissible in evidence on production without further proof; and
 - (b) unless the contrary is proved, is evidence of the information contained in the list of individuals and entities referred to in that subsection.”.

51. Section 31A added

Before section 32—

Add

“31A. Publication of list of ships by Secretary

- (1) The Secretary may publish on the website of the Commerce and Economic Development Bureau a list of ships for the purposes of the definition of *relevant ship* in section 10A(4).

-
- (2) The Secretary may include in the list the name of—
 - (a) a ship designated by the Committee or the Security Council for the purposes of paragraph 8(d) of Resolution 1718, paragraph 12 of Resolution 2270 or paragraph 12 of Resolution 2321; or
 - (b) a ship to which measures referred to in paragraph 8(d) of Resolution 1718, paragraph 12 of Resolution 2270 or paragraph 12 of Resolution 2321 apply under a decision of the Committee or the Security Council.
 - (3) The list may also contain other information that the Secretary considers appropriate.
 - (4) The Secretary may remove the name of a ship from the list if the ship no longer meets the description under subsection (2).
 - (5) If a list is published under subsection (1), the Secretary is to make a copy of the list available for inspection by the public free of charge at the office of the Secretary during normal office hours.
 - (6) In any legal proceedings, a document purporting to be a copy printed from the website referred to in subsection (1)—
 - (a) is admissible in evidence on production without further proof; and
 - (b) unless the contrary is proved, is evidence of the information contained in the list of ships referred to in that subsection.”.

52. Section 32 amended (access to Security Council document S/2006/814, etc.)

(1) Section 32, heading—

Repeal

“document S/2006/814,”

Substitute

“Resolutions”.

(2) Before section 32(a)—

Add

“(aa) the Security Council Resolutions;”.

(3) Section 32(l)—

Repeal the full stop

Substitute a semicolon.

(4) After section 32(l)—

Add

“(m) the Security Council document S/2016/308;

(n) the Security Council document S/2016/1069;

(o) the Security Council document S/2017/728;

(p) the Security Council document S/2017/760;

(q) the Security Council document S/2017/822;

(r) the Security Council document S/2017/829.”.

53. Section 33 amended (exercise of powers of Chief Executive)

Section 33(3)—

Repeal

“thinks fit”

Substitute

“considers appropriate”.

54. Sections 34 and 35 added

Part 8, after section 33—

Add

“34. Exercise of powers of Secretary

- (1) The Secretary may delegate any of the Secretary's powers or functions under this Regulation to any person or class or description of person.
- (2) A delegation under subsection (1) may be subject to any restrictions or conditions that the Secretary considers appropriate.

35. Transitional provision for United Nations Sanctions (Democratic People's Republic of Korea) (Amendment) Regulation 2018

During the period from the commencement date of the United Nations Sanctions (Democratic People's Republic of Korea) (Amendment) Regulation 2018 to 31 July 2018, section 5F(1) does not apply in relation to a bank account that was maintained by a financial institution immediately before that commencement date.”.

55. Schedule 1 amended (luxury goods)

- (1) Schedule 1, after section 2(2)—

Add

- “(3) An aquatic recreational vehicle (such as a personal watercraft).
- (4) A snowmobile valued greater than US\$2,000.”.
- (2) Schedule 1, after section 2—

Add

“3. Others

- (1) A wrist watch, pocket watch, or any other watch, with a case of precious metal or of metal clad with precious metal.
- (2) An item of lead crystal.
- (3) Sporting goods or equipment.
- (4) A rug or tapestry valued greater than US\$500.
- (5) Tableware of porcelain or bone china valued greater than US\$100.”.

56. Schedule 2 amended (specified item)

- (1) Schedule 2, English text, heading—

Repeal

“Item”

Substitute

“Items”.

- (2) Schedule 2—

Add

- “23. Isocyanates (TDI (Toluene diisocyanate), MDI (Methylene bis(phenyl isocyanate)), IPDI (Isophorone diisocyanate), HNMDI or HDI (Hexamethylene diisocyanate) and DDI (Dimeryl diisocyanate)) and production equipment.
24. Ammonium nitrate that is chemically pure or in phase stabilized version (PSAN).

25. Non-destructive test chamber with a 1 m or more critical internal dimension.
26. Turbo-pump for a liquid or hybrid rocket engine.
27. Polymeric substances (Hydroxyl Terminated Poly-Ether (HTPE), Hydroxyl Terminated Caprolactone Ether (HTCE), Polypropylene glycol (PPG), Polydiethyleneglycol adipate (PGA) and Polyethylene glycol (PEG)).
28. Inertial equipment for any application, particularly for civilian aircraft, satellite, geophysical survey applications and their associated test equipment.
29. Countermeasure Subsystem and Penetration Aid (e.g. a jammer, chaff, decoy) designed to saturate, confuse or evade missile defence.
30. Manganese metal brazing foil.
31. Hydroforming machine.
32. Thermal treatment furnace with temperature over 850°C and 1 dimension over 1 m.
33. Electrical Discharge Machine (EDM).
34. Friction stir welding machine.
35. Modelling and design software related to the modelling of aerodynamic and thermodynamic analysis of rocket or unmanned aerial vehicle system.

36. High-speed imaging camera (except one used in a medical imaging system).
37. Truck chassis with 6 or more axles.
38. Floor-mounted fume hood (walk-in style) with a minimum nominal width of 2.5 m.
39. Batch centrifuge with a rotor capacity of 4 L or greater that is usable with biological material.
40. Fermenter with an internal volume of 10 L to 20 L that is usable with biological material.
41. Any item, material, equipment, goods or technology set out in the Security Council document S/2016/308.
42. Any item, material, equipment, goods or technology set out in the Security Council document S/2016/1069.
43. Any item, material, equipment, goods or technology set out in the Security Council document S/2017/728.
44. Any item, material, equipment, goods or technology set out in the Security Council document S/2017/760.
45. Any item, material, equipment, goods or technology set out in the Security Council document S/2017/822.
46. Any item, material, equipment, goods or technology set out in the Security Council document S/2017/829.”.

57. Schedules 3 and 4 added

After Schedule 2—

Add

“Schedule 3

[ss. 1 & 10J]

Supply-sanctioned Items

1. Any specified item.
2. Aviation fuel.
3. New helicopter.
4. New or used ship.
5. Condensate oil.
6. Natural gas liquid.
7. Refined petroleum product.
8. Crude oil.
9. An item that is assigned, under the Classification List, a code that falls within any of the following Chapters in the Classification List—
 - (a) Chapter 72 (Iron and steel);
 - (b) Chapter 73 (Articles of iron or steel);
 - (c) Chapter 74 (Copper and articles thereof);

- (d) Chapter 75 (Nickel and articles thereof);
- (e) Chapter 76 (Aluminium and articles thereof);
- (f) Chapter 78 (Lead and articles thereof);
- (g) Chapter 79 (Zinc and articles thereof);
- (h) Chapter 80 (Tin and articles thereof);
- (i) Chapter 81 (Other base metals; cermets; articles thereof);
- (j) Chapter 82 (Tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal);
- (k) Chapter 83 (Miscellaneous articles of base metal);
- (l) Chapter 84 (Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof);
- (m) Chapter 85 (Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles);
- (n) Chapter 86 (Railway or tramway locomotives, rolling-stock and parts thereof; railway or tramway track fixtures and fittings and parts thereof; mechanical (including electro-mechanical) traffic signalling equipment of all kinds);
- (o) Chapter 87 (Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof);
- (p) Chapter 88 (Aircraft, spacecraft, and parts thereof);

(q) Chapter 89 (Ships, boats and floating structures).

Note—

The title of a Chapter in the Classification List, which is specified after the Chapter number, is for ease of reference only.

Schedule 4

[ss. 1 & 10K]

Procurement-sanctioned Items

1. Any specified item.
2. Coal.
3. Iron or iron ore.
4. Gold.
5. Titanium ore.
6. Vanadium ore.
7. Any of the following items (commonly known as rare earth minerals)—
 - (a) mineral substance of cerium, dysprosium, erbium, europium, gadolinium, holmium, lanthanum, lutetium, neodymium, praseodymium, promethium, samarium, scandium, terbium, thulium, ytterbium or yttrium;

- (b) an item that is assigned, under the Classification List, a code that falls within any of the following headings in the Classification List—
- (i) heading 2612 (Uranium or thorium ores and concentrates);
 - (ii) heading 2617 (Other ores and concentrates);
 - (iii) heading 2805 (Alkali or alkaline-earth metals; rare-earth metals, scandium and yttrium, whether or not intermixed or interalloyed; mercury);
 - (iv) heading 2844 (Radioactive chemical elements and radioactive isotopes (including the fissile or fertile chemical elements and isotopes) and their compounds; mixtures and residues containing these products).

Note—

The description of a heading in the Classification List, which is specified after the heading, is for ease of reference only.

- 8. Copper.
- 9. Nickel.
- 10. Silver.
- 11. Zinc.
- 12. Statue.
- 13. Seafood.

14. Lead or lead ore.
15. Textiles (including fabric and a partially or fully completed apparel product).
16. An item that is assigned, under the Classification List, a code that falls within any of the following Chapters in the Classification List—
 - (a) Chapter 7 (Edible vegetables and certain roots and tubers);
 - (b) Chapter 8 (Edible fruit and nuts; peel of citrus fruit or melons);
 - (c) Chapter 12 (Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder);
 - (d) Chapter 25 (Salt; sulphur; earths and stone; plastering materials, lime and cement);
 - (e) Chapter 44 (Wood and articles of wood; wood charcoal);
 - (f) Chapter 84 (Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof);
 - (g) Chapter 85 (Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles);
 - (h) Chapter 89 (Ships, boats and floating structures).

Note—

The title of a Chapter in the Classification List, which is specified after the Chapter number, is for ease of reference only.”.

United Nations Sanctions (Democratic People's Republic of Korea) (Amendment)
Regulation 2018

L.N. 122 of 2018

B4083

Matthew CHEUNG Kin-chung
Acting Chief Executive

19 June 2018

Explanatory Note

This Regulation amends the United Nations Sanctions (Democratic People's Republic of Korea) Regulation (Cap. 537 sub. leg. AE) (*principal Regulation*) to give effect to certain decisions in the following Resolutions adopted by the Security Council of the United Nations in respect of the Democratic People's Republic of Korea (*DPRK*)—

- (a) Resolution 2270 (2016) adopted on 2 March 2016;
- (b) Resolution 2321 (2016) adopted on 30 November 2016;
- (c) Resolution 2371 (2017) adopted on 5 August 2017;
- (d) Resolution 2375 (2017) adopted on 11 September 2017; and
- (e) Resolution 2397 (2017) adopted on 22 December 2017.

2. The amendments of the principal Regulation provide for—
- (a) the prohibition against the supply, sale, transfer or carriage of certain items;
 - (b) the prohibition against the procurement of certain items and services;
 - (c) the prohibition against engaging in certain financial transactions;
 - (d) the prohibition against certain banking activities in the HKSAR;
 - (e) the prohibition against certain activities of financial institutions in the DPRK or in connection with banks related to the DPRK;

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- (f) the prohibition against opening or maintaining certain bank accounts;
 - (g) the prohibition against the provision of financial support for trade with the persons connected with the DPRK;
 - (h) the prohibition against the provision of certain training, services, assistance and advice;
 - (i) the prohibition against the provision of certain specialized teaching and training;
 - (j) the prohibition against engaging in certain scientific or technical co-operation;
 - (k) the prohibition against certain activities in connection with ships and aircraft;
 - (l) the prohibition against ship-to-ship transfer;
 - (m) the directions to be given by the Director of Marine to certain ships;
 - (n) the prohibition against certain aircraft from taking off, landing and flying;
 - (o) the prohibition against certain activities in connection with immovable property;
 - (p) the prohibition against certain joint ventures or co-operative entities; and
 - (q) certain new enforcement powers.
3. The Regulation also makes certain minor textual amendments to the principal Regulation.