

# Democratic People's Republic of Korea Sanctions - Guidance



**Isle of Man**  
**Government**

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## **Introduction**

The Treasury has issued this guidance to assist in the implementation of, and compliance with the Democratic People's Republic of Korea (Sanctions) (EU Exit) Regulations 2019, as those Regulations have effect in the Isle of Man.

The policy of the Isle of Man Government is to maintain the implementation of international sanctions measures in the Isle of Man in line with such measures have effect in the United Kingdom from time to time.

## **Legislation**

The Democratic People's Republic of Korea (Sanctions) (EU Exit) Regulations 2019 have effect in the Isle of Man by the Democratic People's Sanctions (Application) Regulations 2020 [[SD 2020/0502](#)] ("the Regulations").

This document contains guidance on the prohibitions and requirements imposed by the Regulations. In addition it provides guidance on best practice from complying with the prohibitions and requirements; the enforcement of them; and circumstances where they do not apply.

## **Further guidance**

This document should be read alongside the [Financial Sanctions - General Guidance](#).

## **Contact details for enquiries**

Enquiries may be made by –

- Email [customs@gov.im](mailto:customs@gov.im)
- Phone 01624 648109

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## **1. Prohibitions and requirements imposed by the Regulations**

These Regulations impose financial, trade, transport and immigration sanctions for the purpose of bringing about the complete and irreversible denuclearisation of the Democratic People's Republic of Korea (DPRK). In order to achieve their stated purposes, the Regulations impose a number of prohibitions and requirements in order to enforce these, the Regulations establish penalties and offences. These are set out in detail in the Annex.

The sanctions imposed by these Regulations apply within the territory of the Isle of Man (IOM) and in relation to the conducts of all Island persons wherever they are in the world. Island person includes a

- (a) a British citizen, a British overseas territories citizen, a British National (Overseas) or a British overseas citizen who is resident in the Isle of Man;
- (b) a person who under the British Nationality Act 1981 (of Parliament)<sup>1</sup> is a British subject who is resident in the Isle of Man;
- (c) a British protected person within the meaning of that Act who is resident in the Isle of Man; or
- (d) a body incorporated under the law of the Isle of Man;

It is prohibited to intentionally participate in any activities if you know that the object or effect of them is to directly or indirectly circumvent the prohibitions imposed by these Regulations or to enable or facilitate the contravention of those prohibitions.

If you are unclear about any aspects of the Regulations, in particular about whether action you are considering taking could contravene these Regulations, you are advised to seek independent legal advice.

Prohibitions and requirements for the financial, trade, transport and immigration sanctions contained in these Regulations are set out below.

### **1.1 Designation of persons**

Where the UK Secretary of State has designated a person, that designation also has effect in the Isle of Man from the same time, and any variation or revocation of the designation will also have effect in the Island. The reasons for designation include, persons who are, or have been involved in the facilitation of any of the DPRK's military programmes.

When these Regulations are in force a list of those persons designated under these Regulations and details of the sanctions in respect of which they have been designated, will be on [GOV.UK](https://www.gov.uk)

### **1.2 Financial sanctions**

#### **Asset Freeze**

The Regulations impose financial sanctions through a targeted asset freeze on designated persons. This involves the freezing of funds and economic resources (non-monetary assets, such as property or vehicles) of designated persons and ensuring that funds and economic resources are not made available to or for the benefit of designated persons or entities, either directly or indirectly.

More information on asset freezes can be found in the [Financial Sanctions - General Guidance](#).

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<sup>1</sup> 1981 Chapter 61.

## **Investment and financial services and markets**

The Regulations also impose sectoral sanctions, by restricting certain investment and financial services activities and access to markets.

Some of these restrictions relate to dealings with credit or financial institutions domiciled in the DPRK, their branches and subsidiaries (wherever located) and other credit or financial institutions not domiciled in the DPRK but owned or controlled by persons domiciled there (DPRK-connected credit or financial institutions).

The Regulations, for example, impose restrictions on UK/IOM credit or financial institutions establishing a banking or correspondent banking relationship with DPRK-connected credit or financial institutions, or on opening representative offices or establishing branches or subsidiaries in the DPRK. UK/IOM credit or financial institutions must also sever existing financial relationships with DPRK-connected credit or financial institutions, such as terminating joint ventures and relinquishing ownership interests. Nor can a UK/IOM credit or financial institution open a bank account for DPRK diplomatic missions or a DPRK diplomat.

There are restrictions relating to branches, subsidiaries and representative offices of DPRK-connected credit or financial institutions, such as on the opening of representative offices or branches in the UK/IOM. It is also prohibited for DPRK-connected credit or financial institutions to acquire or extend any ownership interests in UK/IOM credit or financial institutions and prohibited for any person to participate in joint ventures and other business arrangements with a designated person.

The Regulations also impose sectoral restrictions prohibiting persons from accepting or approving investments in commercial activities where the investment is made by the Government of the DPRK, DPRK nationals and companies and others acting on their behalf or owned or controlled by such persons. These sectoral restrictions also include accepting or approving investments and prohibitions on the provision of financial services with and making funds available to such persons (with the exception of DPRK nationals), joint ventures and ownership interests with such persons. It is also prohibited for any person to transfer any funds to, or receive funds from, the DPRK.

Any sale or purchase of certain bonds must not be made to or from the DPRK Government, Central Bank or DPRK-connected credit or financial institutions. Nor must any person provide brokering, advertising or other services which assist the DPRK Government and other bodies to issue such bonds.

There is a prohibition on the leasing to, or otherwise making available of any land to, the Government of DPRK, any member of the Government of DPRK, or anyone that is known or suspected of acting on behalf of the Government of DPRK, or leasing any land from such a person.

Insurance or reinsurance in relation to ships is prohibited, where that ship is owned, controlled or operated by a person connected with the DPRK, if it is registered with the DPRK, flying the flag of DPRK or is a "specified" ship under regulation 11(1) or (2).

### **1.3 Trade Sanctions**

The Regulations impose trade prohibitions relating to:

- military goods and military technology (as specified in [Schedule 2 to the Export Control Order 2008](#))

- anything which falls within Chapter 93 of the [Goods Classification Table](#), other than military goods
- dual-use goods and technology (as specified in [Annex I to Council Regulation 428/2009](#) as retained by the European Union (Withdrawal) Act 2018 ('the Dual-Use Regulation'))
- other arms- and WMD-related goods and technology (specified in Schedule 2 of the Regulation and in a number of lists adopted by the UN, as set out at regulation 64)
- goods and technology for the armed forces of DPRK, as set out in regulation 43
- "armed forces goods" and "armed forces technology", as defined in regulation 44
- certain other goods - namely aviation fuel; condensates and natural gas liquids; crude oil; helicopters and vessels; industrial machinery, vehicles, iron, steel and other metals; luxury goods; and refined petroleum products; coal, iron and iron ore; copper, nickel, silver and zinc; earth and stone; food and agricultural products; gold ores and concentrates, titanium ore, vanadium ore and rare-earth minerals; lead and lead ore; machinery and electrical equipment; petroleum products; seafood; statues; textiles and wood
- fishing rights
- bank notes and coinage
- gold, precious metals and diamonds
- provision of mining, manufacturing and computer services
- the provision of certain services relating to ships and aircraft

Many of these goods and services are specified by reference to annexes in EU Regulation 2017/1509 of 30 August 2017 concerning restrictive measures against the Democratic People's Republic of Korea as in force immediately prior to IP completion day.

There are circumstances (set out in the relevant lists of controlled items) in which certain items are not controlled, for example when body armour or a helmet is accompanying a person for that person's own protection. Please check the relevant lists as applicable.

Further detail on these trade prohibitions, including key terminology used, is explained below. Please have regard to the relevant legislation which contains full definitions of terms used here.

## **Export of goods**

The concept of "export" is set out in customs legislation, but is further detailed in the Regulations, which clarifies that "export" means export from the Isle of Man, but does not capture where goods are removed to the United Kingdom from the Isle of Man.

The export prohibitions in the regulations cover exports to DPRK as well as exports that are for use in DPRK. This means that, even if the immediate destination is not DPRK, the prohibition may still apply. Exporters should check the ultimate end use of goods and may apply for a licence or contact the [Export Control Joint Unit \(ECJU\)](#) if you know or think the items may be used in DPRK.

For general guidance on export controls and trade sanctions, visit the [Export Control Joint Unit](#) website (the Isle of Man imposes the same export and trade controls as the UK).



## **Import of goods**

The concept of “import” is set out in customs legislation, but is further detailed in the Regulations, which clarifies in particular that goods moving from the United Kingdom to the Isle of Man are not to be regarded as imported.

The import prohibitions cover imports that are consigned from DPRK and goods that originated in DPRK. This covers imports of gold, precious metal or diamonds consigned from a ‘DPRK Government person’. This means that even if the immediate place the goods were shipped from was not DPRK, the prohibition may still apply. Therefore, importers should check the original place and person goods were consigned from or contact Customs and Excise if they think the items may have originated in or have been consigned from DPRK.

A sanctions licence is not required for imports of non-military goods covered by the Regulations from an EU Member State which originate in or are consigned from the DPRK. You will however have to comply with any licensing requirements that apply in the relevant EU Member State for the original import into the customs territory of the EU. You will also have to comply with any other licensing requirements under IOM/UK import control legislation as applicable.

## **Supply and delivery of goods**

Supply and delivery prohibitions in the Regulations prohibit the direct or indirect supply or delivery of certain goods. For the purposes of this regulation a third country is a country that is not the UK, Isle of Man or DPRK.

Regulations concern the movement of:

- certain goods from a third country to a place in DPRK and from a place in DPRK to a third country.
- goods from a third country to or for the benefit of the armed forces of the DPRK.
- certain goods from a third country to a place in the DPRK.
- certain goods from a place in the DPRK to a third country.
- bank notes or coinage from a third country to or for the benefit of the Central Bank of the DPRK.
- gold, precious metals or diamonds from a third country to a ‘DPRK Government person’ as defined in the regulations, and from a ‘DPRK Government person’ to a place in a ‘non-UK/non-IOM country’.

## **Making available goods and technology**

Prohibitions in the regulations on making restricted goods or technology available (e.g. through a sale) include directly or indirectly making them available for use in DPRK or to a person “connected with” DPRK. Regulation 43 covers making goods or technology available to or for the benefit of the armed forces of the DPRK. Regulation 44 covers making certain goods or technology available to a person connected with the DPRK. Regulation 51 covers making certain goods available to or for the benefit of the Central Bank of the DPRK. Regulation 52 covers making certain goods available to a ‘DPRK Government person’ as

defined in regulation 64(1). Regulation 2(2) sets out when a person is to be regarded as “connected with” DPRK.

### **Acquisition of goods and technology**

Prohibitions in regulations on acquiring certain goods or technology cover directly or indirectly acquiring them 1) from a person connected with the DPRK 2) where they originate in the DPRK or 3) where they are located in the DPRK. Regulation 44 concerns the direct or indirect acquisition of armed forces goods or armed forces technology 1) from a person connected with the DPRK or 2) located in the DPRK. Regulation 52 covers acquiring goods from a ‘DPRK Government person’ as defined in Regulation 64(1).

### **Acquisition or transfer of fishing rights**

Regulation 50(3) prohibits the direct or indirect acquisition or transfer of fishing rights where these are from a person connected with the DPRK, or where they are exercisable in DPRK waters. ‘Fishing rights’ is defined in Regulation 50(7).

### **Transfer of technology**

Prohibitions in the Regulations on the transfer of certain technology (other than in Regulation 43) include transfer to a place in DPRK or a person connected with DPRK. They also include transfer of restricted technology to persons outside the IOM/UK or to a place outside the IOM/UK, where the transfer is from a place in DPRK. Regulation 43 covers the transfer of technology to or for the benefit of the armed forces of the DPRK.

The term ‘transfer’ means a transfer by any means (or combination of means), including oral communication and the transfer of goods on which the technology is recorded or from which it can be derived, other than the export of such goods.

Where restricted technology is contained within a good, it would be classified as a restricted good under the accompanying goods-related provisions. This includes information contained on USB memory devices, laptops, tablets and the like.

### **Technical assistance**

The term ‘technical assistance’ in relation to goods or technology is defined in regulation 64, which states that it means:

- technical support relating to the repair, development, production, assembly, testing, use or maintenance of the goods or technology, or
- any other technical service relating to the goods or technology

Prohibitions apply where the technical assistance relates to certain specified goods or technology.

The prohibitions at regulation 40 apply to the direct or indirect provision of such technical assistance (1) to persons connected with DPRK or (2) for use in DPRK; and to the procurement of such technical assistance (1) from persons connected with the DPRK or (2) for use in the DPRK.

This means that, even if the person to or from whom you are providing or procuring technical assistance, is not in or “connected with DPRK”, the prohibition may still apply if the goods or technology to which the technical assistance relates are for use in DPRK. Therefore, if you are

providing or procuring technical assistance you should check whether the goods or technology may be used in DPRK and apply for a licence or contact [ECJU](#) if so.

Regulation 53 prohibits the direct or indirect provision of technical assistance relating to gold, precious metals or diamonds to a DPRK Government person.

### **Financial services and funds related to goods and technology**

'Financial services' refer to any services of a financial nature in many different forms including insurance and banking. Financial services include payment and money transmission services. The full definition of 'financial services' can be found in [Section 61 of the Sanctions Act](#).

'Funds' means financial assets and benefits of every kind, including cash, securities and interest. The full definition of 'funds' can be found in [Section 60 of the Sanctions Act](#).

Trade sanctions prohibitions on the provision of financial services and funds apply where they relate to certain specified goods or technology.

The prohibitions in the regulations apply to the direct or indirect provision of financial services, and the direct or indirect making available of funds to persons connected with DPRK in pursuance of or in connection with specific arrangements set out in the regulations. The Regulations also prohibit the direct or indirect procurement of financial services from a person connected with the DPRK in pursuance of or in connection with specific arrangements set out in the regulations. This captures arrangements related to the goods or technology controlled by the Regulations, for example, an arrangement for the export of goods or the direct or indirect supply or delivery of goods.

These prohibitions also prohibit the direct or indirect provision of financial services or funds to anyone, and the procurement of financial services from anyone, where this is in pursuance of or in connection with specific arrangements, as set out in the regulations. This captures arrangements the object or effect of which falls into one of the prohibitions, for example an arrangement for the export of restricted goods to or for use in the DPRK.

The prohibition in the Regulations also applies to the direct or indirect provision of financial services, and the direct or indirect making available of funds, to a DPRK Government person in pursuance of or in connection with specific arrangements set out in the regulations. The Regulations also prohibit the direct or indirect provision of financial services or funds, to a DPRK Government person in pursuance of or in connection with arrangements set out in the regulations.

In addition, regulation 57 prohibits the provision of financial services or funds for the purpose of trade with the DPRK. This does not apply to any provision of financial service or funds which is prohibited under Chapter 1 of Part 6, or elsewhere in Chapter 2 of Part 6, of the Regulations.

### **Brokering services**

The definition of 'brokering services' is set out in Regulation 2, which states that it means any service to secure, or otherwise in relation to, an arrangement, including (but not limited to):

- the selection or introduction of persons as parties or potential parties to the arrangement
- the negotiation of the arrangement
- the facilitation of anything that enables the arrangement to be entered into, and



- the provision of any assistance that in any way promotes or facilitates the arrangement

The Regulations prohibit the direct or indirect provision of brokering services where they relate to specific arrangements. Those arrangements are set out in regulation 42.

The Regulation also contains prohibitions at regulation 55 on the direct or indirect provision of brokering services to a DPRK Government person, and prohibitions on the direct or indirect provision of brokering services in relation to arrangements set out at regulation 55(2).

### **Other service provisions**

Certain other services are prohibited in the Regulations. These include the provision of mining, manufacturing and computer services, and services relating to certain ships and aircraft.

Prohibitions relating to mining and manufacturing services are set out in Regulation 56 and relate to the provision of services incidental to mining, or to manufacturing in certain industries, to a person connected with the DPRK or where the mining or manufacturing is carried on in the DPRK.

Prohibitions relating to computer and related services are also set out in Regulation 56 and relate to the provision of such services to or for the benefit of a person connected with the DPRK.

Prohibitions relating to the leasing or chartering of ships and aircraft and provision of crew services are set out in regulations 58 and 59. These relate to the provision of such services to designated persons, those acting on their behalf or direction, those owned or controlled (directly or indirectly) by them, and to persons connected with the DPRK. It is also prohibited to procure crew services from persons connected with the DPRK.

Prohibitions relating to ship classification services are set out in regulation 60 and relate to the provision of such services where they relate to ships specified under regulation 11(1) or (2), ships registered in the DPRK, or ships flying the flag of the DPRK.

Prohibitions relating to bunkering or ship supply services are set out in regulation 61 and relate to the provision of such services to ships specified under regulation 11(1) or (2).

For general guidance on export controls and trade sanctions, visit the [Export Control Joint Unit](#) website (the Isle of Man imposes the same export and trade controls as the UK).

## **1.4 Immigration Sanctions**

The effect of the Regulations is to impose a travel ban on persons who are designated by the UK Secretary of State. Such persons are excluded persons for the purposes of section 8B of the Immigration Act 1971 (as that Act has effect in the Isle of Man).

This means that those individuals will be refused leave to enter or remain in the UK/IOM. Any applications they make for a visa to travel to the UK/IOM, including for transit purposes, will be refused. A foreign national who is subject to a travel ban under the Regulations, and is currently in the UK/IOM, will have their permission to stay in the UK/IOM cancelled and steps will be taken to remove them.

If you are the subject of an immigration sanction and try to travel to the UK/IOM, carriers are required to deny you boarding.

## **1.5 Transport Sanctions**

The Regulations provide the UK Secretary of State with the power to issue a direction in relation to aircraft and ships.

## **1.6 Information and Record Keeping**

Part 10 of the Regulations places obligations on relevant firms (the definition of which is set out in the Regulations) to report information to the Treasury about known or suspected designated persons or about persons who may have committed an offence under specified provisions of the Regulations. The Treasury has designated the Financial Intelligence Unit (FIU) as the body to whom reports should be made, via THEMIS.

It also grants powers to the Treasury to request information from, amongst others, a designated person, including powers to request the production of documents. It also establishes offences for failing to comply with these requests (including providing false information in respect of licences).

Part 10 also establishes information powers and record-keeping responsibilities in relation to the trade sanctions contained in the Regulations. It provides for offences for failing to comply with any of those requirements or intentionally obstructing an official in the exercise of those powers.

If you have obligations or responsibilities under Part 10 of these Regulations, it is important that you familiarise yourself with them. If you are unclear of your obligations or responsibilities, you are advised to seek independent legal advice.

## **2. How will these sanctions measures be enforced?**

The Regulations make it a criminal offence to contravene the financial sanctions, as well as to enable or facilitate a contravention of, or to circumvent, any of the prohibitions in these Regulations. They also set out the penalties that apply to such offences.

In addition to the below, further details on offences and penalties can be found in the Annex.

### **2.1. Financial Sanctions**

Breaches of financial sanctions are a serious criminal offence. Any breach of the main financial prohibitions in the Regulations carries a maximum sentence of 7 years' custody or a fine (or both).

Committing an offence under regulations 99 or 104 (information offences in connection with financial sanctions under the Regulations) carries a maximum sentence of 6 months' custody or a fine (or both).

The Treasury is responsible for monitoring compliance with financial sanctions and investigating suspected breaches.

The Treasury works with other parts of government, supervisory bodies and regulators to consider all cases reported to it, sharing relevant information accordingly.

If you find out that a person or organisation you are dealing with is subject to the financial sanctions detailed in the Regulations, you must immediately:

- stop dealing with them
- freeze any assets you're holding for them
- inform the FIU as soon as possible.

More detailed information on the Treasury's approach to compliance and enforcement can be found in the [Financial Sanctions - General Guidance](#)

## **2.2. Trade Sanctions**

Any breach of the prohibitions relating to the trade sanctions contained in the Regulations is triable either way and carries a maximum sentence of 10 years' custody or a fine (or both).

The Treasury is responsible for enforcing the trade prohibitions and investigating suspected offences.

If you discover that you have breached any of the trade prohibitions, you should report the irregularity to the FIU as soon as possible.

You should provide:

- details of the export or transaction, including dates
- any relevant documents, such as export documentation and commercial invoices
- details of how the breach was discovered, why it occurred and what steps you have put in place to ensure it does not happen again.

## **2.3 Transport Sanctions**

Any breach of the prohibitions relating to the transport sanctions contained in the Regulations is triable either way and carries a maximum sentence of 10 years' custody or a fine (or both).

## **3. Are there circumstances when I can get an authorisation or licence for a sanctioned activity?**

Licensing and exception provisions contained in Part 9 of these Regulations.

### **3.1 Exceptions**

The Regulations set out exceptions to some of the sanctions prohibitions which apply within certain defined circumstances. An exception applies automatically, and does not require you to obtain a licence issued in accordance with the Regulations.

The Regulations establish exceptions relating to financial sanctions including for the crediting of a frozen account by a relevant institution (any such interest or other earnings are frozen in accordance with the relevant legislation underpinning the asset freeze). An exception also exists from the prohibition on making funds available to a designated person, when funds are transferred to a frozen account in discharge (or partial discharge) of an obligation which arose before the recipient became a designated person.

Exceptions are also in place for conducting transactions with the Foreign Trade Bank of the DPRK or with the Korean National Insurance Company, if the transaction is for the sole purpose of the operation of a diplomatic mission or consular post in the DPRK, or humanitarian assistance activities undertaken by, or in co-ordination with, the UN.

For one limited category of designated persons (certain entities of the Government of the DPRK or the Workers' Party of Korea), the asset-freeze provisions do not apply to actions necessary for the operation of any DPRK mission to the UN and other diplomatic missions and consular posts of the DPRK.

It is permitted to lease or make available property to the Government of the DPRK for diplomatic missions or consular posts. The prohibition on activities linked to the use of land does not apply to the provision of goods or services which are necessary for the operation of a diplomatic mission or consular post as long as they cannot be used to generate income or profit, directly or indirectly, for the Government of the DPRK.

An exception exists for transfers of funds in relation to transactions amounting to a value of £13,000 or less:

- related to foodstuffs, healthcare or medical equipment
- for agricultural and humanitarian purposes
- which fall within a specified exception set out in Part 9 of the Regulations or which is permitted under a Treasury issued licence or a Trade licence issued under part 9
- related to trade activities which are not prohibited by Part 6 of the Regulations
- for the official purposes of a diplomatic or consular mission of the DPRK
- required exclusively for development projects addressing the needs of the civilian population or promotion of denuclearisation of the DPRK, which are funded by any part of the UK government

The Regulations include an exception for making or receiving a transfer of funds with a value of £4,000 or less for a personal remittance.

Exceptions are also in place for transferring funds for the official purposes of a diplomatic mission or consular post in the DPRK, or an international organisation that has immunities in the DPRK in accordance with international law.

The Regulations establish exceptions relating to trade sanctions. These are contained in regulation 84.

There are exceptions for the export, supply, delivery or making available of aviation fuel in a third country, for consumption by a civilian passenger aircraft flying to or from the DPRK.

The prohibitions on the import, export, supply, delivery, making available or acquisition of luxury goods do not apply in relation to the personal effects of someone travelling to or from the DPRK, or non-commercial goods for personal use contained in their luggage. They also do not apply to goods which are necessary for the official purposes of a diplomatic post or consular mission in the DPRK, or international mission enjoying immunities in the DPRK; or the personal effects of a member of a diplomatic mission or consular post in the DPRK.

The prohibition on the provision of computer and related services does not apply where those services are provided for the official purposes of a diplomatic mission or consular post in the DPRK, or international mission enjoying immunities in the DPRK. They also do not apply where they are provided by persons that receive funding from any part of the IOM/UK governments to provide them for development projects addressing the needs of the civilian population or the promotion of denuclearisation of the DPRK.

The prohibitions on the provision of bunkering or ship supply services do not apply where a failure to provide those services would endanger the lives of persons on board a ship.

The Regulations establish exceptions relating to transport sanctions. An aircraft which is normally prohibited from overflying or landing in the IOM/UK is allowed to do so if failing to land would endanger the lives of persons on board or the safety of the aircraft itself. A ship which is normally prohibiting from entering IOM/UK ports is allowed to enter in the case of an emergency or if a direction to that effect has been issued to the master or pilot.

Regulation 86A establishes an exception to regulations 88 to 92 which provides that prohibitions are not contravened if conduct is authorised by a licence which is issued under the law of the United Kingdom, the Channel Islands or any British Overseas Territory for the purpose of disapplying a prohibition in that jurisdiction which corresponds to the relevant prohibition.

There is an exception to regulations 13 to 17 in respect of "relevant activity" (being any activity which would otherwise be prohibited by regulations 13 to 17) which is necessary to ensure the timely delivery of humanitarian assistance or to support other activities that support basic human needs by:

- (a) the United Nations, including its –
  - (i) programmes and funds,
  - (ii) other entities and bodies, and
  - (iii) specialised agencies and related organisations,
- (b) international organisations,
- (c) humanitarian organisations having observer status with the United Nations General Assembly and members of those humanitarian organisations,
- (d) bilaterally or multilaterally funded non-governmental organisations participating in the United Nations Humanitarian Response Plans, Refugee Response Plans, other United Nations appeals or humanitarian clusters coordinated by the United Nations Office for the Coordination of Humanitarian Affairs,
- (e) any grantee, subsidiary, or implementing partner of any organisation falling within sub-paragraphs (a) to (d) while and to the extent that they are acting in those capacities (reference in the regulations to an organisation (or entity) includes reference to the employees of that organisation while acting in that capacity),
- (f) any other persons authorised by the Committee for the purposes of resolution 2664.

This exception means the prohibitions of the asset freeze are not contravened by a person carrying out relevant activity which is necessary to ensure the timely delivery of humanitarian assistance or to carry out other activities that support basic human needs. This includes the provision, processing and payment of funds, other financial assets or economic resources, and the provision of goods and services necessary to ensure the timely delivery of such assistance or to support such activities.

The prohibitions of the asset freeze are not contravened where the person undertaking the relevant activity believes carrying it out is necessary to ensure the timely delivery of humanitarian assistance, or to carry it out other activities that support basic human needs and there is no reasonable cause for them to suspect otherwise.

The Regulations also include an exception in relation to any prohibition or requirement imposed by the Regulations for acts done for the purposes of national security, or the prevention or detection of serious crime.

If you are unsure whether an exception applies in your circumstances, you are advised to seek independent legal advice.

## **3.2 Licensing**

### **Licensing for financial sanctions**

Where a person has been designated for the purposes of financial sanctions and had their assets frozen, the designated person or a representative may apply for a licence from the Treasury in order to be able to utilise their funds or economic resources (non-monetary assets, such as property or vehicles). Schedule 3 to the Regulations sets out the purposes pursuant to which, or for which activities, the Treasury may grant an individual licence. In summary these are:

- basic needs
- reasonable legal fees or reasonable expenses associated with the provision of legal services
- reasonable fees for the routine holding or maintenance of frozen funds and economic resources
- extraordinary expenses
- pre-existing judicial decisions etc.
- prior obligations
- diplomatic missions
- extraordinary situations

Specifically, in respect of the prohibitions on the transfer of funds in regulation 28, a licence can be granted, where considered appropriate, in the following circumstances:

- transfer of funds of a value over £13,000 relating to a transaction mentioned in regulation 83(2) and which includes transactions:
  - relating to foodstuffs, healthcare or medical equipment
  - for agricultural or humanitarian purposes
  - for the official purposes of a diplomatic or consular mission of the DPRK
  - required exclusively for the implementation of projects which are funded by any part of the Government of the United Kingdom/Isle of Man which are for—
    - development purposes directly addressing the needs of the civilian population of the DPRK, or
    - the promotion of denuclearisation of the DPRK
- transfer of funds of a value over £4,000, which relates to a transaction regarding a personal remittance
- to enable anything to be done in connection with the performance of—
  - any humanitarian assistance activity, or
  - any activity whose purpose is consistent with the objectives of UNSCRs 1718, 1874, 2087, 2094, 2270, 2321, 2356, 2371, 2375 or 2397

OFSI may need to notify, or in some cases seek approval from the relevant United Nations Sanctions Committee before issuing a licence. These requirements are set out in the relevant UN Security Council Resolutions. These requirements will lengthen the processing time for such licence applications and may in some cases prevent a licence from being issued.



Further information on exemptions and licensing grounds can be found in the [Financial Sanctions - General Guidance](#).

## **Directions**

A Treasury direction may provide an exception to the requirements in regulations 19 (severance of existing financial relationships), 23 (closure of representative offices) and 26(7) (closure of joint venture or co-operative entity).

### **3.3 Licensing for trade sanctions**

Licenses may also be issued for certain trade activities that would otherwise be prohibited by the Regulations.

The Treasury is responsible for administering the licensing provisions for all trade sanctions. In exercising these powers, the Treasury seeks and considers advice from other Isle of Man and United Kingdom government departments.

In making decisions on whether to grant a licence to permit something which would otherwise be prohibited under Part 6 of the Regulations, the Treasury will consider each application on a case-by-case basis to determine whether granting a licence would be consistent with the stated purposes of the sanctions regime and any UN or other relevant international law obligations.

For some prohibitions there are specific activities which the UK's Department for International Trade considers are likely to be consistent with the aims of the sanctions. These can be found [here](#) (section 3.3). If you think that your proposed activity falls within one of these specific descriptions you should make this clear and explain why you believe this to be the case in your application for a licence.

Some of the licensing grounds set out include requirements relating to the UN Security Council Sanctions Committee on DPRK ('UNSC'):

- where the Secretary of State is required to give the UNSC notice of a licence granted under this sanctions regime, Treasury will first determine whether granting a licence would be consistent with the purposes set out in the Regulations. If Treasury determines that granting a licence would be consistent with those purposes and goes on to grant a licence, the IOM/UK (via the FCDO) will notify the UNSC
- where approval from the UNSC is required in order to grant a licence, Treasury will first determine whether granting that the licence would be consistent with the purposes set out in the Regulations. If Treasury determines that granting a licence would be consistent with those purposes, the IOM/UK (via the FCDO) will submit the necessary information to the UNSC to seek the approval of the committee. Treasury will only grant a licence when confirmation of the UNSC's approval has been received

You should not assume that a licence will be granted or engage in any activities prohibited by trade sanctions until your licence has been granted.

Applications for trade sanctions licences can be made through [SPIRE](#). Enquiries for applications for certain items and services that are not processed on SPIRE can be made to [tradesanctions@trade.gov.uk](mailto:tradesanctions@trade.gov.uk).

When you export goods, you may need to submit an electronic export declaration via the National Export System (NES), part of the Customs Handling of Import and Export Freight (CHIEF) system. Guidance is available on [how to make an export declaration](#)

Licence applications for import of armed forces goods and coal can be made through the online import licensing system [ICMS](#), managed by DIT's Import Licensing Branch (ILB). The DIT Import Licensing Branch will, to the extent possible, aim to inform the trader of the application outcome within 30 days. However, in some circumstances, for operational or legal reasons, DIT may need to take longer than the 30 day period. We will inform the applicant if this is the case.

When you import goods, you may need to submit an import declaration through Her Majesty's Revenue and Customs' (HMRC) Customs Handling of Import and Export Freight (CHIEF) system. Guidance is available on [how to make an import declaration](#).

### **3.4 Overlap with strategic export licensing**

#### **Military goods and military technology**

Please note that the export of and trade in military goods and military technology are also controlled under the Export Control Order 2008 and so you may also need a licence which is valid under that legislation. This means that all licence applications relating to military goods and military technology will also need to be considered against the [strategic export licensing criteria](#). A licence under the Regulations is unlikely to be granted if a licence is refused for the same activity under the Export Control Order 2008.

The way this will work in practice is that we will consider an application for a licence which relates to activities that are licensable under both the Regulations and the Export Control Order 2008 as an application for a licence under both pieces of legislation. This means that only a single licence application is required.

The application will be considered against the relevant licensing criteria. If a licence is granted it will be valid under both the Export Control Order 2008 and the Regulations.

#### **Dual-use goods and technology**

Please note that the export of and trade in dual-use goods and technology are also controlled under the Dual-Use Regulation. Authorisations under that Regulation are granted by the Secretary of State for International Trade under licensing powers in the Export Control Order 2008.

This means that all licence applications relating to items which are controlled dual-use goods and technology will also need to be considered against the [strategic export licensing criteria](#). A licence under the Regulations is unlikely to be granted if an authorisation is refused for the same activity under the Dual-Use Regulation.

As explained above in relation to military goods and technology, only a single licence application will be required in relation to dual-use goods and technology which falls within the scope of both the Regulations and the Dual-Use Regulation. If the application is compatible with both criteria, a licence will be granted which will be valid under the Dual-Use Regulation and the Export Control Order 2008 as well as the Regulations.

#### **Overlap between trade sanctions and financial sanctions**

If you import or export goods, you need to consider if financial sanctions apply to you. You may need a licence from the Treasury as well as from the UK's [Export Control Joint Unit](#)

### **Transit control**

Certain goods transiting the IOM/UK are still regarded as being exported when they leave the country and are therefore subject to control. Article 17 of the Export Control Order 2008 includes a transit and transshipment exception meaning that in many situations a licence is not required. This exception does not apply to goods destined for DPRK, meaning that a licence is required to transit goods through the UK or to tranship them in the IOM/UK with a view to re-exportation to DPRK.

## **3.5 Licensing for transport sanctions**

Where an exception does not apply, a licence may be issued by the Department for Transport in particular circumstances to allow for time-limited and specific actions to take place which would otherwise be prohibited by the Regulations.

The activities for which a licence may be granted are:

- for overflying IOM/UK airspace, entering IOM/UK airspace, landing at a IOM/UK airport or for taking off from a IOM/UK airport for reasons not related to an emergency (for example to take on board medicines or emergency food supplies)
- to allow for the ownership, control, chartering or operation of a DPRK ship
- to enable the transfer of goods to or from a DPRK ship
- to permit the registration of a ship in the DPRK or for a person to obtain authorisation for a ship to fly the flag of the DPRK

A licence may be general or be issued to a particular category of person or to a particular person. Licences may contain conditions and they may be of a defined duration or of indefinite duration.

Information on [how to apply for a transport sanctions licence](#) is available on GOV.UK.

## **3.6 Directions in respect of immigration sanctions**

If you are subject to immigration sanctions the Home Office may direct, on a case by case basis, that the sanction does not apply in particular circumstances, such as for travel to, or through, the IOM/UK for a UN sponsored meeting. You can check how to [apply for a UK visa](#), and find further information about [travelling to the UK](#) on GOV.UK.

## **4. Further Information**

Sign up to receive [Notices to Exporters](#) for updates on trade sanctions.

To receive an email alerting you to any changes to the consolidated list of financial sanctions targets, you can subscribe to the RSS feed for Customs and Excise news releases by copying and pasting this URL: <https://www.gov.im/categories/tax-vat-and-your-money/customs-and-excise/news/RssCategorisedNews> into your RSS feed reader or Microsoft Outlook RSS feeds folder. You can also view our [guidance on how to use RSS Feeds](#).

## Annex A

### Table of financial sanctions offences

Type of Sanctions offences	Specific offence	Relevant prohibition or requirement	Maximum penalty
Breach of sanctions (asset-freeze etc.)	<ol style="list-style-type: none"> <li>1. Dealing with funds or economic resources owned, held or controlled by a designated person</li> <li>2. Making funds available directly or indirectly to a designated person</li> <li>3. Making funds available for the benefit of a designated person</li> <li>4. Making economic resources available directly or indirectly to a designated person</li> <li>5. Making economic resources available for benefit of a designated person</li> </ol>	<ol style="list-style-type: none"> <li>1. reg. 13</li> <li>2. reg. 14</li> <li>3. reg. 15</li> <li>4. reg. 16</li> <li>5. reg. 17</li> </ol>	<p>Liable on summary conviction -</p> <ul style="list-style-type: none"> <li>• to custody for a term not exceeding 12 months, or to a fine not exceeding level 5 on the standard scale, or to both.</li> </ul> <p>Liable on conviction on information -</p> <ul style="list-style-type: none"> <li>• to custody for a term not exceeding 7 years or to a fine, or to both.</li> </ul>
Breach of sanctions (Investment, financial services and financial markets)	<ol style="list-style-type: none"> <li>1. Opening accounts or establishing correspondent banking relationships.</li> <li>2. Failure to sever existing financial relationships.</li> <li>3. Opening or taking up of business by a representative office, branch or subsidiary of DPRK credit or financial institution.</li> <li>4. Operating branches, subsidiaries, and representative offices or DPRK credit or financial institution.</li> <li>5. Acquisition or extension of ownership interest by a DPRK credit or financial institution.</li> <li>6. Failure to close representative offices in the UK.</li> <li>7. Participating in business arrangements with designated persons.</li> <li>8. Opening bank accounts for diplomatic missions etc.</li> </ol>	<ol style="list-style-type: none"> <li>1.reg. 18</li> <li>2.reg. 19</li> <li>3.reg. 20</li> <li>4. reg.21</li> <li>5.reg.22</li> <li>6.reg.23</li> <li>7. reg.24</li> <li>8.reg.25</li> <li>9. reg. 26</li> <li>10. reg.26</li> <li>11. reg.26</li> <li>12.reg.26</li> <li>13. reg.27</li> <li>14. reg.28</li> <li>15. reg.29</li> <li>16.reg.30</li> <li>17. reg.30</li> <li>18. reg. 30</li> </ol>	

	<p>9. Accepting or approving commercial investments from, acquiring interests in or being involved in joint ventures with specified persons; or providing them with funds or financial services.</p> <p>10. Acquiring assets in the DPRK.</p> <p>11. Failure to close joint ventures with those listed in reg.26.</p> <p>12. Leasing or making available, land, directly or indirectly to or from the Government of the DPRK etc., engaging in linked activities.</p> <p>13. Making transfers of funds to or from the DPRK.</p> <p>14. Participating in transactions with persons falling within reg. 18 (2).</p> <p>15. Provision of insurance or reinsurance services in relation to ships.</p> <p>16. Sale or purchase of public bonds issued after 19 February 2013.</p> <p>17. Provision of brokering services for public bonds issued after 19 February 2013.</p> <p>18. Provision of brokering, advertising or other types of services which help persons in the DPRK issue public bonds.</p>		
Circumvention etc. of prohibitions	Circumventing directly or indirectly any of the prohibitions in Chapter 1 or 2 of Part 4 Finance or enabling the contravention of prohibitions.	reg. 31	

Breach of requirements under Treasury licences	<ol style="list-style-type: none"> <li>1. Knowingly or recklessly providing false information or providing a document that is not what it purports to be for the purpose of obtaining a Treasury licence or direction.</li> <li>2. Failing to comply with the conditions of a Treasury licence or direction.</li> </ol>	<ol style="list-style-type: none"> <li>1. reg. 95</li> <li>2. reg. 95</li> </ol>	<p>Liable on summary conviction to custody for a term not exceeding 12 months or a fine not exceeding level 5 on the standard scale, or to both.</p> <p>Liable on conviction on information to custody for a term not exceeding 10 years or to a fine, or to both.</p>
Breach of reporting obligations	<ol style="list-style-type: none"> <li>1. Failure to inform the Treasury about knowledge or reasonable cause to suspect that a person is a designated person or has committed an offence under Part 4 of the Regulations, reg 70 (asset freeze on UN-designated ships) or regulation 95 (finance: licensing offences).</li> <li>2. Failure to provide the Treasury with information on which the knowledge or suspicion is based or information by which the person can be identified.</li> <li>3. Failure to provide the Treasury with information about any funds or economic resources it holds for a designated person at the time when it first had knowledge or suspicion.</li> <li>4. Failure to inform the Treasury about knowledge or reasonable grounds to suspect a person is providing proliferation finance, or carrying out related activity without following instructions from the relevant authority.</li> </ol>	<ol style="list-style-type: none"> <li>1.reg. 99</li> <li>2.reg. 99</li> <li>3. reg.99</li> </ol>	<p>Liable on summary conviction -</p> <ul style="list-style-type: none"> <li>• to custody for a term not exceeding 6 months, or to a fine not exceeding level 5 on the standard scale, or to both.</li> </ul>
Failure to comply with requests for information	<ol style="list-style-type: none"> <li>1. Failure to provide information in the time and manner requested under reg. 102.</li> <li>2. Knowingly and recklessly providing false information in respect of</li> </ol>	<ol style="list-style-type: none"> <li>1. reg.104</li> <li>2. reg.104</li> <li>3. reg.104</li> <li>4. reg.104</li> </ol>	



	<p>information requested under reg. 102.</p> <p>3. Evasion of requests made under reg. 102 or reg. 103.</p> <p>4. Obstruction of Treasury requests for information made under reg. 102 or reg. 103.</p>		
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## ANNEX B

**Table of trade sanctions offences**

<b>Type of Sanctions offences</b>	<b>Specific offence</b>	<b>Relevant prohibition or requirement</b>	<b>Maximum penalty</b>
Breach of controls on exporting goods.	<ol style="list-style-type: none"> <li>1. Exporting restricted goods (as defined in regulation 64), goods for armed forces of the DPRK, armed forces goods (as defined in regulation 44 (7)) and certain goods (as defined in regulation 45)</li> <li>2. Exporting bank notes or coinage.</li> <li>3. Exporting gold, precious metals or diamonds.</li> </ol>	<ol style="list-style-type: none"> <li>1.Reg. 35, 43, 44, 45</li> <li>2. Reg.51</li> <li>3. Reg.52</li> </ol> <p>Offence contained within Customs and Excise Management Act 1986 s69 (1)</p>	<p>Liable on summary conviction To a penalty of £5,000 or of three times the value of the goods whichever is the greater, or to custody for a term not exceeding 6 months, or to both.</p> <p>Liable on conviction to indictment</p> <p>To a penalty of any amount, or to custody for a term not exceeding 10 years (this a modification to the 7 year maximum set out in the Customs and Excise Management Act 1986</p>
Breach of controls on importing goods	<ol style="list-style-type: none"> <li>1. Importing arms and related materiel, dual-use goods and WMD-related goods, armed forces goods and certain goods.</li> <li>2. Importing gold, precious metals or diamonds.</li> </ol>	<ol style="list-style-type: none"> <li>1. Reg 36, 44 and 48</li> <li>2. Reg.52</li> </ol> <p>Offence contained within Customs and Excise Management Act s 47 (1)</p>	<p>Liable on summary conviction</p> <p>To custody to a term not exceeding 12 months or a fine (or both).</p> <p>Liable on conviction to indictment</p> <p>To custody for a term not exceeding 10 years or a fine (or both).</p>
Breach of controls on supply and delivery of goods.	<ol style="list-style-type: none"> <li>1. Supply or delivery of restricted goods.</li> <li>2. Supply and delivery of goods for armed forces of the DPRK, 'armed forces goods' and 'certain goods'.</li> <li>3. Supply and delivery of bank notes or coinage from a third country to</li> </ol>	<ol style="list-style-type: none"> <li>1. Reg. 37</li> <li>2. Reg.43, 44, 46 and 49.</li> <li>3. Reg.51</li> <li>4. Reg.52</li> </ol>	<p>Liable on summary conviction</p> <p>To custody to a term not exceeding 12 months or a fine (or both).</p> <p>Liable on conviction to indictment</p>

	<p>the Central Bank of the DPRK.</p> <p>4. Supply and delivery of gold, precious metals or diamonds to or from the DPRK.</p>		To custody for a term not exceeding 10 years or a fine (or both).
Breach of controls on the making available and acquisition of goods and technology	<p>1. Making available restricted goods and technology for the armed forces of the DPRK, 'armed forces goods and technology' and 'certain goods'.</p> <p>2. Acquiring 'certain goods'</p> <p>3. Making available bank notes and coinage to the Central Bank of the DPRK.</p> <p>4. Making available gold, precious metals or diamonds</p>	<p>1. Reg. 38, 43, 44, 47.</p> <p>2. Reg.50</p> <p>3. Reg.51</p> <p>4. Reg.52</p>	<p>Liabe on summary conviction</p> <p>To custody to a term not exceeding 12 months or a fine (or both).</p> <p>Liabe on conviction to indictment</p> <p>To custody for a term not exceeding 10 years or a fine (or both).</p>
Breach of controls on the acquisition or transfer of fishing rights	<p>1. Acquiring or transferring fishing rights</p>	<p>1. Reg.50</p>	<p>Liabe on summary conviction</p> <p>To custody to a term not exceeding 12 months or a fine (or both).</p> <p>Liabe on conviction to indictment</p> <p>To custody for a term not exceeding 10 years or a fine (or both).</p>
Breach of controls on transferring technology	<p>1. Transferring restricted technology.</p> <p>2. Transferring technology for the armed forces of the DPRK.</p> <p>3. Transferring 'armed forces technology'.</p>	<p>1. Reg.39</p> <p>2. Reg.43</p> <p>3. Reg.44</p>	<p>Liabe on summary conviction</p> <p>To custody to a term not exceeding 12 months or a fine (or both).</p> <p>Liabe on conviction to indictment</p> <p>To custody for a term not exceeding 10 years or a fine (or both).</p>

Services and assistance related to goods and technology	<ol style="list-style-type: none"> <li>1. Providing technical assistance, financial services and funds or brokering services relating to restricted goods and technology.</li> <li>2. Providing technical assistance, financial services and funds or brokering services and funds or brokering services relating to gold, precious metals or diamonds.</li> <li>3. Providing services incidental to mining, manufacturing or computer services.</li> </ol>	<ol style="list-style-type: none"> <li>1. Reg.40-42</li> <li>2. Reg.53-55</li> <li>3. Reg.56</li> </ol>	<p>Liable on summary conviction</p> <p>To custody to a term not exceeding 12 months or a fine (or both).</p> <p>Liable on conviction to indictment</p> <p>To custody for a term not exceeding 10 years or a fine (or both).</p>
Financial services or funds related to trade with DPRK	<ol style="list-style-type: none"> <li>1. Providing financial services or funds for the purpose of trade with DPRK.</li> </ol>	1 Reg.57	<p>Liable on summary conviction</p> <p>To custody for a term not exceeding 12 months or a fine (or both).</p> <p>Liable on conviction to indictment</p> <p>To custody for a term not exceeding 10 years or a fine (or both).</p>
Circumvention etc. of prohibitions	Circumventing directly or indirectly the prohibitions of regs. 35-61 (Trade) or enabling the contravention of prohibitions.	Reg. 62.	<p>Liable on summary conviction</p> <p>To custody to a term not exceeding 12 months or a fine (or both).</p> <p>Liable on conviction on indictment</p> <p>To custody for a term not exceeding 10 years or a fine (or both).</p>
Licensing Offences	<ol style="list-style-type: none"> <li>1. Knowingly or recklessly: <ol style="list-style-type: none"> <li>i. Providing information that is false in a material respect, or</li> <li>ii. Providing or producing a document that is not</li> </ol> </li> </ol>	<ol style="list-style-type: none"> <li>1.Reg.68 (1)(a) and (b)</li> <li>2. Reg 68 (2)</li> </ol>	<p>Liable on summary conviction</p> <p>To custody to a term not exceeding 12 months or a fine (or both).</p>

	<p>what it purports to be, for the purpose of obtaining a trade licence.</p> <p>2. Purporting to act under the authority of a trade licence but failing to comply with any condition contained in the licence.</p>		<p>Liable on conviction on indictment</p> <p>To custody for a term not exceeding 10 years or a fine (or both).</p>
Information Offences	<p>1. Failing to comply with record keeping requirements in Reg. 106.</p> <p>2. (a) Intentionally obstructing an official in performance of any of the official's functions under Regulation 107. or (b) Failing to produce a register, record or document when reasonably required to do so by an official under Regulation 107.</p>	<p>1. Reg.106</p> <p>2. Reg.107</p>	<p>Liable on summary conviction</p> <p>To custody to a term not exceeding 12 months or a fine (or both).</p> <p>Liable on conviction on indictment</p> <p>To custodyt for a term not exceeding 10 years or a fine (or both).</p>

## ANNEX C

### Table of transport sanctions offences

<b>Type of Sanctions offences</b>	<b>Specific offence</b>	<b>Relevant prohibition or requirement</b>	<b>Maximum penalty</b>
Breach of aircraft sanctions	Being the operator or pilot in command of a DPRK aircraft which overflies the Isle of Man, or lands in the Isle of Man, except for the purposes for which a permission is required under articles 250 or 252 of the Air Navigation Order (Isle of Man) Order 2015 (of Parliament)	Reg 65 and Reg. 67	<p>Liable on summary conviction</p> <p>To custody to a term not exceeding 12 months or a fine (or both).</p> <p>Liable on conviction on indictment</p> <p>To custody for a term not exceeding 7 years or a fine (or both).</p>
Breach of shipping sanctions	<ol style="list-style-type: none"> <li>1. Owning, controlling, chartering or operating a DPRK ship.</li> <li>2. Dealing with a UN-designated ship subject to an asset freeze having knowledge or reasonable cause to suspect that is such a ship.</li> <li>3. Providing the ships described in regulation 71(5) with access to a port, or causing or permitting such ships to enter any port, or causing or permitting such ships to enter any port, knowing or having reasonable cause to suspect that the ship is a ship to which the prohibition applies.</li> <li>4. Transferring any goods (a) from a ship to a DPRK ship; or (b) from a DPRK ship to another ship, if the goods originated in, or are destined for, the DPRK.</li> <li>5. Registering a ship in the DPRK or obtaining authorisation to fly the flag of the DPRK.</li> </ol>	<ol style="list-style-type: none"> <li>1. Reg.69</li> <li>2. Reg.70</li> <li>3. Reg.71</li> <li>4. Reg.74.</li> <li>5. Reg.76</li> </ol>	<p>Liable on summary conviction</p> <p>To custody to a term not exceeding 12 months or a fine (or both).</p> <p>Liable on conviction on indictment</p> <p>To custody for a term not exceeding 7 years or a fine (or both).</p>



Circumvention etc. of prohibitions	Intentionally participating in activities knowing that the object or effect of them is, whether directly or indirectly: (a) to circumvent (i) the prohibition in regulation 69 (dealing with UN-designated ships subject to an asset freeze); or (ii) the prohibition in regulation 74 (DPRK ships: transfers of goods); or (b) to enable or facilitate the contravention of any prohibition.	Reg.78	<p>Liable on summary conviction</p> <p>To custody to a term not exceeding 12 months or a fine (or both).</p> <p>Liable on conviction on indictment</p> <p>To custody for a term not exceeding 7 years or a fine (or both).</p>
Failure to comply with a detention direction	<ol style="list-style-type: none"> <li>1. Causing a ship to proceed to sea (or being party or privy to the ship proceeding to sea) when a detention direction has been served, before the ship has been released by a competent authority.</li> <li>2. Failure to comply with any requirement imposed by a detention direction.</li> </ol>	Reg. 75 and section 284 of the Merchant Shipping Act 1995 (of Parliament)	<p>Liable on summary conviction</p> <p>To custody to a term not exceeding 12 months or a fine (or both).</p> <p>Liable on conviction on indictment</p> <p>To custody for a term not exceeding 7 years or a fine (or both).</p>
Failure to comply with directions	<ol style="list-style-type: none"> <li>1. Failing to comply with a direction given under Regulation 65.</li> <li>2. Failing to comply with a port barring direction given under regulation 72 (1).</li> <li>3. Failing to comply with a port entry direction or a movement direction given under regulation 73 (1)</li> </ol>	<ol style="list-style-type: none"> <li>1. Reg 67</li> <li>2. Reg.72</li> <li>3. Reg.73</li> </ol>	<p>Liable on summary conviction</p> <p>To custody to a term not exceeding 12 months or a fine (or both).</p> <p>Liable on conviction on indictment</p> <p>To custody for a term not exceeding 7 years or a fine (or both).</p>
Breach of confidentiality requirement	<ol style="list-style-type: none"> <li>1. Disclosing the existence or content of a direction, or anything done under such a direction, given under regulation 65 (movement of aircraft when the UK Secretary of State has notified that the information should remain confidential.</li> <li>2. Disclosing the existence or content of a port</li> </ol>	<ol style="list-style-type: none"> <li>1. Reg.67</li> <li>2. Reg.72</li> <li>3. Reg.73</li> </ol>	<p>Liable on summary conviction</p> <p>To custody to a term not exceeding 12 months or a fine (or both).</p> <p>Liable on n indictment</p>

	<p>barring direction , or anything done under such a direction, given under regulation 72 (directions prohibiting port entry) when the UK Secretary of State has notified that the information should remain confidential.</p> <p>3. Disclosing the existence or content of a port entry or movement direction, or anything done under such a direction, given under regulation 73 (movement of ships) when the UK Secretary of State has notified that the information should remain confidential.</p>		To custody for a term not exceeding 7 years or a fine (or both).
Licensing offences	<p>1. Knowingly or recklessly: (i) providing information that is false in a material respect, or (ii) providing or producing a document that is not what it purports to be, for the purpose of obtaining a transport licence.</p> <p>2. Purporting to act under the authority of a transport licence but failing to comply with any condition of the licence.</p>	Reg.97	<p>Liabie on summary conviction</p> <p>To custody to a term not exceeding 12 months or a fine (or both).</p> <p>Liabie on conviction on indictment</p> <p>To custody for a term not exceeding 2 years or a fine (or both).</p>

## ANNEX D

### Table of other offences

Breach of confidential information provision	Disclosure of information specified by the Secretary of State as confidential, where knowledge or reasonable cause to suspect that the information is to be treated as confidential	reg. 9	<p>Liable on summary conviction -</p> <ul style="list-style-type: none"><li>• to custody for a term not exceeding 12 months, or to a fine not exceeding level 5 on the standard scale, or to both.</li></ul> <p>Liable on conviction on information -</p> <ul style="list-style-type: none"><li>• to custody for a term not exceeding 2 years or to a fine, or to both.</li></ul>
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