

Statutory Document No. 2016/0139



European Communities (Isle of Man) Act 1973

EUROPEAN UNION (NORTH KOREA SANCTIONS) (AMENDMENT) ORDER 2016

*Approved by Tynwald: 17th May 2016
Coming into Operation in accordance with article 2*

The Council of Ministers makes the following Order under section 2A and 2C of the European Communities (Isle of Man) Act 1973.

1 Title

This Order is the European Union (North Korea Sanctions) (Amendment) Order 2016.

2 Commencement

This Order comes into operation immediately after it is made.

3 Application of EU instrument

Subject to the modifications set out in the Schedule, Council Regulation (EU) 2016/465¹ of 31 March 2016 amending Regulation (EC) No 329/2007² concerning restrictive measures against the Democratic People's Republic of Korea applies as part of the law of the Island.

¹ OJ L 85, 1.4.2016, p. 1

² OJ L 88, 29.3.2007, p. 1, Council Regulation (EC) No 329/2007 and subsequent amendments were applied to the Island with modifications by SD 0333/13.

MADE 08:00 11TH APRIL 2016

W GREENHOW
Chief Secretary

SCHEDULE

[Article 3]

LIST OF MODIFICATIONS TO THE APPLIED EU INSTRUMENT

COUNCIL REGULATION (EU) 2016/465 of 31 March 2016 amending Regulation (EC) No 329/2007 concerning restrictive measures against the Democratic People’s Republic of Korea.

- (1) Except where otherwise provided below, references in the Regulation to “Member State”, “Member States”, and “the Union” shall be read as if the Island were itself a Member State, its territory were included within the territory of the Union and for the purposes of European Union law, were a separate country from the United Kingdom.
- (2) In the preamble the reference to “the Union” in “High Representative of the Union for Foreign Affairs and Security Policy” does not include the Island.
- (3) In Article 1, in the inserted Article 8a 4(c) for “shall inform the other Member States and the Commission” substitute **“may inform such other Member States or the Commission as it considers appropriate”**.
- (4) Omit Article 2.
- (5) After Article 2, omit the statement of application and effect.

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

This Order applies the provisions of Council Regulation (EU) 2016/465 of 31 March 2016 amending Regulation (EC) No 329/2007 concerning restrictive measures against the Democratic People's Republic of Korea, as amended by the Schedule to the Order, as part of the law of the Island.

This EU Regulation amends Council Regulation (EC) No 329/2007 to provide for derogations to allow persons and entities to obtain insurance from Korea National Insurance Corporation (KNIC) for activities to be carried out in North Korea; for EU persons or entities to be allowed to receive payments by KNIC derived from such insurance or in respect of damage caused within the territory of the Union; and permit the unfreezing of KNIC's funds needed for payments due under a prior contract.

A copy of Council Regulation (EU) 2016/465 as amended is attached as an Annex but the Annex does not form part of the Order.

Annex
COUNCIL REGULATION (EU) 2016/465
of 31 March 2016

amending Regulation (EC) No 329/2007 concerning restrictive measures against the Democratic People's Republic of Korea

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 215 thereof,

Having regard to Council Decision 2013/183/CFSP of 22 April 2013 concerning restrictive measures against the Democratic People's Republic of Korea and repealing Decision 2010/800/CFSP¹¹ adopted in accordance with Chapter 2 of Title V of the Treaty on European Union

Having regard to the joint proposal of the High Representative of the Union for Foreign Affairs and Security Policy and of the European Commission,

Whereas:

- (1) Regulation (EC) No 329/2007² gives effect to measures provided for in Decision 2013/183/CFSP concerning restrictive measures against the Democratic People's Republic of Korea which repealed and replaced Decision 2010/800/CFSP.
- (2) On 31 March 2016, the Council adopted Decision (CFSP) 2016/475³, listing the Korea National Insurance Corporation (KNIC) and providing for derogations to allow EU persons and entities to obtain insurance from KNIC for activities to be carried out in North Korea. The Council also decided that EU persons or entities should be allowed to receive payments by KNIC derived from such insurance or in respect of damage caused within the territory of the Union. In addition, Decision (CFSP) 2016/475 allows to unfreeze KNIC's funds needed for payments due under a prior contract.
- (3) Regulation (EC) No 329/2007 should therefore be amended accordingly,

HAS ADOPTED THIS REGULATION:

Article 1

In Regulation (EC) No 329/2007, the following Article is inserted:

'Article 8a

1. By way of derogation from Article 6(4), the competent authorities of the Member States as indicated on the websites listed in Annex II, may authorise making certain funds or economic resources available to the Korea National Insurance Corporation (KNIC) where that is necessary for the payment of premiums under an insurance contract with a national of a Member State or a legal person, entity or body incorporated or constituted under the law of a Member State, provided that the payment:

- (a) is exclusively for the purposes of activities which are not prohibited by this Regulation to be carried out in North Korea by a national of a Member State or a legal person, entity or body incorporated or constituted under the law of a Member State;
- (b) is not directly or indirectly for the benefit of a person, entity or body listed in Annex IV, V or Va except KNIC.

¹ OJ L 111, 23.4.2013, p. 52.

² Regulation (EC) No 329/2007 of 27 March 2007 concerning restrictive measures against the Democratic People's Republic of Korea (OJ L 88, 29.3.2007, p. 1).

³ Council Decision (CFSP) 2016/475 of 31 March 2016 amending Decision 2013/183/CFSP concerning restrictive measures against the Democratic People's Republic of Korea (see page 34 of this Official Journal).

2. A national of a Member State and legal persons, entities or bodies incorporated or constituted under the law of a Member State may receive payments by KNIC subject to prior authorisation by the competent authorities of the Member States as indicated on the websites listed in Annex II. Such authorisation may be granted provided that the payment:

- (a) is due in accordance with a contract for insurance services mentioned in point (a) of paragraph 1, or in accordance with a contract for insurance services provided by KNIC in respect of damage caused within the territory of the Union by any party to such contract;
- (b) is not directly or indirectly for the benefit of a person, entity or body listed in Annex IV, V or Va;
- (c) will not contribute to an activity prohibited under this Regulation; and
- (d) does not result in the release of funds or economic resources of KNIC located outside North Korea.

3. The authorisations set out in paragraphs 1 and 2 of this Article shall not be required where the payment to or by KNIC is necessary for the official purposes of a diplomatic or consular mission of a Member State in North Korea.

4. By way of derogation from Article 6(2), the competent authorities of the Member States, as indicated on the websites listed in Annex II, may authorise the release of certain frozen funds or economic resources of KNIC, under such conditions as they deem appropriate, after having determined that:

- (a) the funds or economic resources shall be used exclusively for a payment by KNIC due under a contract concluded before 1 April 2016;
- (b) the contract is not related, directly or indirectly, to an activity prohibited under this Regulation;
- (c) the payment is not directly or indirectly for the benefit of a person, entity or body listed in Annex IV, V or Va.

The Member State concerned ~~shall inform the other Member States and the Commission~~ **may inform such other Member States or the Commission as it considers appropriate** of any authorisation granted under this paragraph.⁷

Article 2

~~This Regulation shall enter into force on the day of its publication in the *Official Journal of the European Union*.~~

~~This Regulation shall be binding in its entirety and directly applicable in all Member States.~~

Done at Brussels, 31 March 2016.

For the Council
The President
A.G. KOENDERS