
STATUTORY INSTRUMENTS

2017 No. 883

**The Democratic People's Republic of Korea (European Union
Financial Sanctions) (Amendment) (No. 2) Regulations 2017**

Amendments to the 2017 Regulations

- 2.—(1) The 2017 Regulations are amended as follows.
- (2) In regulation 2 (interpretation)—
- (a) in the definition of “the Council Regulation”, for “Council Regulation (EC) No 329/2007 of 27th March 2007 concerning restrictive measures against the Democratic People's Republic of Korea” substitute “Council Regulation (EU) 2017/1509 of 30th August 2017 concerning restrictive measures against the Democratic People's Republic of Korea and repealing Regulation (EC) No 329/2007”;
 - (b) in the definition of “designated person”, for “Annex IV, V or Va” substitute “Annex XIII, XV, XVI or XVII”.
- (3) Omit regulation 8 (funds and economic resources: Government of Democratic People's Republic of Korea and Worker's Party of Korea).
- (4) After regulation 8 insert—

“Persons listed in Annex XVII of the Council Regulation, the Foreign Trade Bank and the Korean National Insurance Company

- 8A.**—(1) The prohibitions in regulations 3 to 7, as they relate to persons, entities or bodies listed in Annex XVII of the Council Regulation, do not apply where the funds or economic resources are required to carry out the activities of a diplomatic or consular mission of the Democratic People's Republic of Korea, including its missions to the United Nations and its specialised agencies and related organisations.
- (2) The prohibitions in regulations 3 to 7 do not apply with regard to funds and economic resources belonging or made available to the Foreign Trade Bank of the Democratic People's Republic of Korea or to the Korean National Insurance Company provided that such funds and economic resources are intended to be used exclusively for the official purposes of a diplomatic or consular mission in the Democratic People's Republic of Korea or for humanitarian assistance activities undertaken by, or in coordination with, the United Nations.”
- (5) In regulation 10 (credit and financial institutions: accounts and correspondent banking relationships)—
- (a) in paragraph (1), for “Article 16” substitute “Article 1”;
 - (b) in paragraph (2)(b), omit “as listed in Annex VI of the Council Regulation”;
 - (c) for paragraph (2)(c) substitute—
 - “(c) a credit or financial institution that is not domiciled in the Democratic People's Republic of Korea but is controlled by a person, entity or body domiciled in the Democratic People's Republic of Korea.”;
 - (d) in paragraph (3), for “Article 16” substitute “Article 1”.

- (6) In regulation 12 (acquisition or extension of ownership interest), for “Article 16” substitute “Article 1”.
- (7) In regulation 15 (severance of existing financial relationships), in both places it occurs, for “Article 16” substitute “Article 1”.
- (8) In regulation 16 (business directly or indirectly with designated persons), for “Annex IV” substitute “Annex XIII”.
- (9) In regulation 18(2), (3), (4) and (6)(f) (investment and commercial activities), omit “legal”.
- (10) In regulation 19 (transfers of funds)—
- (a) in paragraph (1), after “paragraph (3)” insert “or paragraph (5)”;
 - (b) in paragraph (2), before sub-paragraph (a)—
 - (i) after “paragraph (3)” insert “or paragraph (5)”;
 - (ii) for “Article 16” substitute “Article 1”;
 - (c) in paragraph (2)(b), omit “, as listed in Annex VI to the Council Regulation”;
 - (d) for paragraph (2)(c) substitute—
 - “(c) credit or financial institutions that are not domiciled in the Democratic People’s Republic of Korea but are controlled by persons, entities or bodies domiciled in the Democratic People’s Republic of Korea.”;
 - (e) in paragraph (3)(b)(ii), omit “prior”;
 - (f) for paragraph (4)(g) substitute—
 - “(g) transactions regarding the official purposes of a diplomatic or consular mission or an international organisation enjoying immunities in accordance with international law.”;
 - (g) omit paragraphs (4)(h), (4)(i), (4)(k) and (4)(l);
 - (h) for paragraph (5) substitute—
 - “(5) The prohibitions in paragraphs (1) and (2) do not apply to a transfer of funds or transaction which is necessary for the official purposes of a diplomatic or consular mission of a Member State in the Democratic People’s Republic of Korea or an international organisation enjoying immunities in the Democratic People’s Republic of Korea in accordance with international law.”.
- (11) In regulation 21 (bank accounts for diplomats and diplomatic missions of the Democratic People’s Republic of Korea), in both places it occurs, for “Article 16” substitute “Article 1”.
- (12) In regulation 23(1) (licences), for “3 to 8” substitute “3 to 7”.
- (13) In regulation 24 (contravention and circumvention of prohibitions), in both places, for “3 to 8” substitute “3 to 7”.