

DECISIONS

COUNCIL DECISION (CFSP) 2017/1860

of 16 October 2017

amending Decision (CFSP) 2016/849 concerning restrictive measures against the Democratic People's Republic of Korea

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on European Union, and in particular Article 29 thereof,

Having regard to Council Decision (CFSP) 2016/849 of 27 May 2016 concerning restrictive measures against the Democratic People's Republic of Korea and repealing Decision 2013/183/CFSP ⁽¹⁾,

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

Whereas:

- (1) On 27 May 2016, the Council adopted Decision (CFSP) 2016/849 concerning restrictive measures against the Democratic People's Republic of Korea (DPRK).
- (2) On 17 July 2017, the Council adopted Conclusions on the DPRK condemning the DPRK's continued and accelerated nuclear and ballistic missile programmes, noted the option of additional autonomous EU sanctions, and expressed concern that the DPRK's activities continue to raise hard currency to fuel its nuclear and ballistic programmes.
- (3) The Council also reaffirmed its policy of Critical Engagement with the DPRK, which combines pressure with sanctions and other measures while keeping communication and dialogue channels open.
- (4) On 5 August 2017, the United Nations Security Council (UNSC) adopted Resolution 2371 (2017), imposing further sanctions on the DPRK in response to the ballistic missile launches by the DPRK on 3 and 28 July 2017. In that Resolution, the UNSC expressed concern that, *inter alia*, DPRK nationals frequently work in other States for the purpose of generating foreign export earnings that the DPRK uses to support its prohibited nuclear and ballistic missile programmes.
- (5) On 11 September 2017, the UNSC adopted Resolution 2375 (2017), imposing further restrictive measures in response to the nuclear test by the DPRK on 2 September 2017 and the ongoing danger it poses to the peace and stability of the region.
- (6) In view of the continuing threat to international peace and stability posed by the DPRK, further restrictive measures should be adopted to apply pressure on the DPRK to comply with its obligations, as set out in several UNSC Resolutions. Furthermore, three persons and six entities should be added to the list of persons and entities in Annex II and III of Decision (CFSP) 2016/849.
- (7) Further action by the Union is necessary to implement certain measures in this Decision.
- (8) Decision (CFSP) 2016/849 should therefore be amended accordingly,

HAS ADOPTED THIS DECISION:

Article 1

Decision (CFSP) 2016/849 is amended as follows:

- (1) Article 9 is replaced by the following:

'Article 9

1. The import, purchase or transfer of petroleum products from the DPRK shall be prohibited.

⁽¹⁾ OJ L 141, 28.5.2016, p. 79.

2. The direct or indirect supply, sale or transfer of all refined petroleum products to the DPRK by nationals of Member States, through or from the territories of Member States, or using the flag vessels or aircraft of Member States shall be prohibited, regardless of whether those refined petroleum products originate in the territories of those Member States.

3. By derogation from the prohibition in paragraph 2, where the amount of refined petroleum products supplied, sold or transferred to the DPRK does not exceed 500 000 barrels during the period from 1 October 2017 to 31 December 2017, or 2 000 000 barrels per year during a period of twelve months beginning on 1 January 2018, and annually thereafter, the Competent Authority of a Member State may authorise on a case-by-case basis the supply, sale or transfer to the DPRK of refined petroleum products where the Competent Authority has determined that the supply, sale or transfer is exclusively for humanitarian purposes, and provided that:

- (a) the Member State notifies the Sanctions Committee every 30 days of the amount of such supply, sale or transfer of refined petroleum products to the DPRK, along with information about all the parties to the transaction;
- (b) the supply, sale or transfer of such refined petroleum products do not involve individuals or entities that are associated with the DPRK's nuclear or ballistic missile programmes or other activities prohibited by UNSC Resolutions 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016), 2321 (2016), 2356 (2017), 2371 (2017) or 2375 (2017), including designated individuals or entities; and
- (c) the transaction is unrelated to generating revenue for the DPRK's nuclear or ballistic missile programmes or other activities prohibited by UNSCR 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016), 2321 (2016), 2356 (2017), 2371 (2017) or 2375 (2017).

4. The Union shall take the necessary measures in order to determine the relevant items to be covered by this Article.;

(2) Article 9b is replaced by the following:

'Article 9b

1. The direct or indirect supply, sale or transfer of crude oil to the DPRK by nationals of Member States or through or from the territories of Member States or using the flag vessels or aircraft of Member States shall be prohibited.

2. By derogation from paragraph 1, the prohibition in paragraph 1 shall not apply where a Member State determines that the supply, sale or transfer of crude oil to the DPRK is exclusively for humanitarian purposes and the Sanctions Committee has approved that shipment in advance on a case-by case basis in accordance with paragraph 15 of UNSCR 2375 (2017).

3. The Union shall take the necessary measures in order to determine the relevant items to be covered by this Article.;

(3) Article 11(2) is replaced by the following:

'2. The following shall be prohibited:

- (a) the acquisition, maintenance or extension of a participation in any entities in the DPRK, or in DPRK entities or DPRK-owned entities outside the DPRK, including the acquisition in full of such entities and the acquisition of shares or other securities of a participatory nature, or in activities or assets in the DPRK;
- (b) the granting of any financing or financial assistance to entities in the DPRK, or to DPRK entities or DPRK-owned entities outside the DPRK, or for the documented purpose of financing such entities in the DPRK;
- (c) the opening, maintenance and operation of all joint ventures or cooperative entities, new and existing, by Member States' nationals or in their territories with DPRK entities or individuals whether or not acting for or on behalf of the government of the DPRK; and
- (d) the provision of investment services directly related to the activities referred to in points (a) to (c).;

(4) in Article 11 the following paragraph is added:

'5. Point a of Paragraph 2 a shall not apply to investments which the competent authority of the Member State concerned has determined are exclusively for humanitarian purposes, and provided that they are not in the sectors of mining, refining and chemical industries, metallurgy and metalworking and aerospace.;

(5) point (4) of Article 13 is replaced by the following:

‘(4) Any transfer of funds to or from DPRK for the transactions referred to in point (3)(a) and points (3)(c) to (g) shall require prior authorisation by the competent authority of the Member State if above EUR 15 000. Any transfer of funds to or from the DPRK for the transactions referred to in point (3) (b) shall require prior authorisation by the competent authority of the Member State if above EUR 5 000. The relevant Member State shall inform the other Member States of any authorisations granted.’;

(6) in Article 26a, the following paragraph is added:

‘4. With a view to eliminating remittances to DPRK, and subject to applicable national legal requirements and procedures, Member States shall not renew work authorisations for DPRK nationals present on their territory, except for refugees and other persons benefiting from international protection.’;

(7) Annexes II and III are amended as set out in the Annex to this Decision.

Article 2

This Decision shall enter into force on the date of its publication in the *Official Journal of the European Union*.

Done at Luxembourg, 16 October 2017.

For the Council
The President
F. MOGHERINI

ANNEX

1. Annex II to Council Decision (CFSP) 2016/849, under the heading 'I. Persons and entities responsible for the DPRK's nuclear-related, ballistic-missile-related or other weapons of mass destruction-related programmes or persons or entities acting on their behalf or at their direction, or entities owned or controlled by them', subheading 'A. Persons', is amended as follows:

(a) the existing entries are renumbered 1-30;

(b) the following entries are added:

	Name	Identifying information	Date of designation	Statement of Reasons
'31.	KIM Jong Sik	Vice Director, Munitions Industry Department in Military Industry Ministry	16.10.2017	As Vice Director of the Munitions Industry Department, provides support for DPRK's nuclear-related and ballistic missile-related programmes, including being present at nuclear and ballistic missile related events in 2016 and a presentation in March 2016 of what the DPRK claimed to be a miniaturised nuclear device.
32.	RI Pyong Chol	DOB: 1948 First Vice Director, Munitions Industry Department	16.10.2017	As First Vice Director of the Munitions Industry Department, holds a pivotal position within the DPRK's ballistic missile programme. Present at most ballistic missile tests and provides briefings to Kim Jong Un, including the nuclear test and ceremony in January 2016.'

2. In Annex II to Decision (CFSP) 2016/849, under the heading 'I. Persons and entities responsible for the DPRK's nuclear-related, ballistic-missile-related or other weapons of mass destruction-related programmes or persons or entities acting on their behalf or at their direction, or entities owned or controlled by them', subheading 'B. Entities', the following entries are added:

	Name	Location	Date of designation	Other Information
'5.	Ministry of People's Armed Forces		16.10.2017	Responsible for providing support and direction to the DPRK's Strategic Rocket Force which controls the DPRK's nuclear and conventional strategic missile units. The Strategic Rocket Force has been listed by the United Nations Security Council Resolution 2356 (2017).
6.	Korean People's Army		16.10.2017	The Korean People's Army includes the Strategic Rocket Force, which controls the DPRK's nuclear and conventional strategic missile units. The Strategic Rocket Force has been listed by the United Nations Security Council Resolution 2356 (2017).'

3. The following text is added in Annex III to Decision (CFSP) 2016/849, after the heading 'List of persons and entities referred to in point (c) of Article 23(1) and point (c) of Article 27(1)':

'A. Persons

	Name	Identifying information	Date of designation	Reasons
1.	KIM Hyok Chan	Date of birth: 9.6.1970 Passport number: 563410191 Secretary DPRK Embassy Luanda	16.10.2017	Kim Hyok Chan has served as a representative of Green Pine, a UN listed entity, including negotiating contracts for the refurbishment of Angolan naval vessels in violation of the prohibitions imposed by United Nations Security Council Resolutions.

B. Entities

	Name (and possible aliases)	Identifying information	Date of designation	Reasons
1.	Korea International Exhibition Corporation		16.10.2017	The Korea International Exhibition Corporation has assisted designated entities in the evasion of sanctions by hosting the Pyongyang International Trade Fair which provides designated entities with the opportunity to breach UN sanctions by continuing economic activity.
2.	Korea Rungrado General Trading Corporation a.k.a. Rungrado Trading Corporation	Address: Segori-dong, Pothonggang District, Pyongyang, DPRK Telephone: 850-2-18111-3818022 Fax: 850-2-3814507 Email address: rrd@co.chesin.com	16.10.2017	Korea Rungrado General Trading Corporation has assisted in violating sanctions imposed by the United Nations Security Council Resolutions through the sale of Scud missiles to Egypt.
3.	Maritime Administrative Bureau a.k.a. North Korea Maritime Administration Bureau	Address: Ryonhwa-2Dong, Central District, Pyongyang, DPRK PO Box 416 Tel 850-2-18111 Ex 8059 Fax: 850 2 381 4410 email: mab@silibank.net.kp Website: www.ma.gov.kp	16.10.2017	The Maritime Administrative Bureau has assisted in the evasion of sanctions imposed by the United Nations Security Council including by renaming and re-registering assets of designated entities and providing false documentation to vessels subject to United Nations sanctions.
4.	Pan Systems Pyongyang a.k.a. Wonbang Trading Co.	Address: Room 818, Pothonggang Hotel, Ansan-Dong, Pyongchon district, Pyongyang, DPRK.	16.10.2017	Pan Systems has assisted in the evasion of sanctions imposed by the United Nations Security Council through the attempted sale of arms and related materiel to Eritrea. Pan Systems is also controlled by and works on behalf of the Reconnaissance General Bureau which has been designated by the United Nations.'