



REPUBLIC OF CYPRUS
MINISTRY OF TRANSPORT,
COMMUNICATIONS AND WORKS



DEPARTMENT
OF MERCHANT SHIPPING
LEMESOS

Circular No. 11/2016

15 April 2016

TEN 5.13.09
TEN 4.2.12.3.06

To all Registered owners, Registered bareboat charterers
Managers and Representatives of ships flying the Cyprus Flag

To all Owners, Managers, Representatives and Agents in Cyprus of Ships, irrespective of
flag they are flying, calling at Cyprus ports
c/o Cyprus Shipping Chamber
c/o Cyprus Union of Shipowners
c/o Cyprus Shipping Association

Subject: New UN and EU instruments concerning restrictive measures against the Democratic People's Republic of Korea

1. I refer to the above subject and further to DMS Circulars No.6/2010, No. 18/2011, No. 13/2013, No. 18/2013 and No. 44/2014 I wish to inform you of the adoption by the United Nations and the European Union of the following instruments concerning restrictive measures against the Democratic People's Republic of Korea (DPRK):

- **UN Security Council Resolution 2270(2016);**
- **EU Council Decisions (CFSP) 2016/319, 2016/475, 2016/476 (dated 4th and 31st March 2016 respectively) amending EU Council Decision 2013/183/CFSP;**
- **Council Regulations (EU) No. 2016/315 and 2016/465 (dated 4th and 31st March 2016 respectively) amending Council Regulation (EC) No. 329/2007.**

2. Under the aforesaid instruments as well as previously adopted **EU Council Decision 2013/183/CFSP** and **Council Regulation (EC) No. 329/2007 as amended**, as well as UNCSRs 1718 (2006), 1874 (2009), 2087 (2013) and 2094 (2013) the following prohibitions on transportation, are in force:

(A) Arms and related materiel

The transportation of the following arms and related materiel, from and to the DPRK, irrespective of origin, is prohibited:

(a) arms and related materiel of all types, including weapons and ammunition, military vehicles and equipment, paramilitary equipment and spare parts for the aforementioned, including arms and related materiel as described in paragraphs 8 (a) and (b) of UNSCR 1718 (2006) Annex III of UNSCR 2094 (2013), as well as



Annex I of **Council Regulation (EC) No. 329/2007 as amended**, with the exception of non-combat vehicles which have been manufactured or fitted with materials to provide ballistic protection, intended solely for protective use of personnel of the Union and its Member States in the DPRK;

(b) all items, materials, equipment, goods and technology as determined by the Security Council or the Committee established pursuant to paragraph 12 of UNSCR 1718 (2006) (the 'Sanctions Committee') in accordance with paragraph 8(a)(ii) of UNSCR 1718 (2006), paragraph 5(b) of UNSCR 2087 (2013) and paragraph 20 of UNSCR 2094 (2013), which could contribute to the DPRK's nuclear-related, ballistic missile-related or other weapons of mass destruction-related programmes;

(c) certain other items, materials, equipment, goods and technology which could contribute to the DPRK's nuclear-related, ballistic missile-related or other weapons of mass destruction-related programmes or which could contribute to its military activities, which shall include all dual-use goods and technology listed in Annex I to Council Regulation (EC) No 428/2009 of 5 May 2009 setting up a Community regime for the control of exports, transfer, brokering and transit of dual-use items, as well as those listed in Annex Ia of **Council Regulation (EC) No. 329/2007 as amended**;

(d) certain key components for the ballistic-missile sector, such as certain types of aluminum used in ballistic-missile related systems, including those listed in Annex Ib of **Council Regulation (EC) No. 329/2007 as amended**;

(e) any other item that could contribute to the DPRK's nuclear or ballistic missile programmes or other weapons of mass destruction programmes, activities prohibited by UNSCR 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013) or 2270 (2016) or by **EU Council Decision 2013/183/CFSP as amended**, or to the evasion of measures imposed by these UNSCRs or by **EU Council Decision 2013/183/CFSP as amended**;

(f) any other item, except food or medicine, if it is determined that it could directly contribute to the development of DPRK's operational capabilities of its armed forces, or to exports that support or enhance the operational capabilities of armed forces of another state outside the DPRK.

The prohibition of paragraph 2 (A) (f) below shall not apply if such activity is determined to be exclusively for humanitarian purposes or exclusively for livelihood purposes which will not be used by DPRK persons or entities to generate revenue, and also not related to any activity prohibited by UNSCR 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016) or **EU Council Decision 2013/183/CFSP as amended**, provided that the Sanctions Committee is notified in advance of such determination and is informed of measures taken to prevent the diversion of the item for such other purposes; or (b) the Sanctions Committee has determined on a case-by-case basis that a particular supply, sale or transfer would not be contrary to the objectives of UNSCR 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013) or 2270 (2016).

(B) Luxury Goods

The transportation by Cyprus ships to the DPRK, of luxury goods, irrespective of origin, including those set out in Annex III of **Council Regulation (EC) No. 329/2007 as amended**, as well as in Annex IV of UNSCR 2094 (2013) is prohibited.

(C) Gold, precious metals and diamonds

The transportation by Cyprus ships of gold and precious metals, as well as of diamonds, including those set out in Annex VII of **Council Regulation (EC) No. 329/2007 as amended**, to, from or for the Government of the DPRK, its public bodies, corporations and agencies, the Central Bank of the DPRK, as well as to, from or for persons and entities acting on their behalf or at their direction, or entities owned or controlled by them is prohibited.

(D) North Korean denominated banknotes and coinage

The transportation by Cyprus ships of newly printed or minted or unissued DPRK denominated banknotes and coinage to or for the benefit of the Central Bank of the DPRK is prohibited.

(E) Gold, titanium ore, vanadium ore and rare minerals

The procurement from the DPRK by Cyprus ships of gold, titanium ore, vanadium ore, and rare earth minerals, shall be prohibited, whether or not originating in the territory of the DPRK.

(F) Coal, iron and iron ore

The procurement from the DPRK by Cyprus ships of coal, iron and iron ore shall be prohibited, whether or not originating in the territory of the DPRK. However this prohibition shall not apply:

(i) with respect to coal that the procuring Member State confirms on the basis of credible information has originated outside the DPRK and was transported through the DPRK solely for export from the Port of Rajin (Rason), provided that the Member State notifies the Sanctions Committee in advance and such transactions are 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) or 2270 (2016) or **EU Council Decision 2013/183/CFSP as amended**;

(ii) with respect to transactions that are determined to be exclusively for livelihood purposes and 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) or 2270 (2016) or **EU Council Decision 2013/183/CFSP as amended**.

(G) Aviation fuel

The transportation by Cyprus ships of aviation fuel, including aviation gasoline, naphtha-type jet fuel, kerosene-type jet fuel, and kerosene-type rocket fuel, irrespective of origin, to the DPRK shall be prohibited, unless:

(i) the Sanctions Committee has approved in advance on an exceptional case-by-case basis the transfer to the DPRK of such products for verified essential humanitarian needs and subject to specified arrangements for effective monitoring of delivery and use.

(ii) with respect to aviation fuel to civilian passenger aircraft outside the DPRK such fuel is exclusively for consumption during its flight to the DPRK and its return flight.

3. The aforementioned instruments also set out further obligations related to cargo information and inspection as well as further prohibitions relating to insurance and reinsurance and to bunkering and other services. In particular:

(a) With respect to cargo information:

The merchant vessels sailing to and from DPRK shall be required to submit **pre-arrival or pre-departure information**, for all goods brought into or out of the Union, to the competent authorities of the EU Member State concerned;

(b) With respect to cargo inspection:

(i) the competent authorities of the EU Member States shall inspect, in accordance with their national authorities and legislation and consistent with international law, including the Vienna Conventions on Diplomatic and Consular Relations, all cargo to and from the DPRK in their **territory, or transiting through their territory, including their ports and free trade zones**, or cargo brokered or facilitated by the DPRK or DPRK nationals, or persons or entities acting on their behalf or at their direction, or entities owned or controlled by them, or by persons or entities listed in Annex I of ***EU Council Decision 2013/183/CFSP as amended***, or cargo that is being transported on DPRK-flagged aircraft or maritime vessels, for the purposes of ensuring that no items are transferred in violation of UNSCR 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013) and 2270 (2016);

(ii) the competent authorities of the EU Member States shall inspect, in accordance with their national authorities and legislation and consistent with international law, including the Vienna Conventions on Diplomatic and Consular Relations, all cargo to and from the DPRK in **their territory, or transiting through their territory**, or cargo brokered or facilitated by the DPRK or DPRK nationals, or persons or entities acting on their behalf, including their **seaports**, if they have information that provides reasonable grounds to believe that the cargo contains items whose supply, sale, transfer or export is prohibited under ***EU Council Decision 2013/183/CFSP as amended***;

(iii) the competent authorities of the EU Member States shall inspect vessels, with the consent of the flag State, on the **high seas**, if they have information that provides reasonable grounds to believe that the cargo of such vessels contains items whose supply, sale, transfer or export is prohibited under these instruments;

(iv) In cases where inspection referred to in paragraphs (b) (i) and (ii) is undertaken, the competent authorities of the EU Member States shall **seize and dispose** of items whose supply, sale, transfer or export is prohibited under these Instruments in accordance with paragraph 14 of UNSCR 1874 (2009) and paragraph 8 of UNSCR 2087 (2013).

(v) Member States shall **deny entry** into their ports of any vessel that has refused to allow an inspection after such an inspection has been authorized by the vessel's flag State, or if any DPRK-flagged vessel has refused to be inspected pursuant to paragraph 12 of UNSCR 1874 (2009).

The above paragraph shall not apply where entry is required for the purpose of an inspection, or in the case of an emergency or in the case of return to its port of origin.

(vi) Member States shall prohibit the entry into their ports of any vessel, if they have information that provides reasonable grounds to believe that the vessel is owned or controlled, directly or indirectly, by a person or entity listed in Annex I of **EU Council Decision 2013/183/CFSP as amended**, or contains cargo whose supply, sale, transfer or export is prohibited under UNSCR 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013) or 2270 (2016).

Paragraph (vi) above shall not apply in the case of emergency or in the case of return to its port of origination, or for inspection or if the Sanctions Committee determines in advance that such entry is required for humanitarian purposes or any other purposes consistent with the objectives of UNSCR 2270 (2016).

(c) With respect to bunkering and other services:

The provision by nationals of the Republic of Cyprus or from the territory of the Republic of Cyprus of bunkering or ship supply services, or other servicing of vessels, to DPRK vessels shall be prohibited if they have information that provides reasonable grounds to believe that the vessels carry items whose supply, sale, transfer or export is prohibited under these instruments unless provision of such services is necessary for humanitarian purposes or until the cargo has been inspected, and seized and disposed of if necessary, in accordance with section 10 paragraphs 1,2 and 5 of **EU Council Decision 2013/183/CFSP as amended** and as described above.

(d) With respect to leasing or chartering vessels:

It shall be prohibited to lease or charter flagged vessels or aircraft or provide crew services to the DPRK, any persons or entities listed in Annex I of **EU Council Decision 2013/183/CFSP as amended**, any other DPRK entities, any other persons or entities whom the Member State determines to have assisted in the evasion of sanctions or in violating the provisions of UNSCR 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013) or 2270 (2016), any persons or entities acting on behalf or at the direction of any of the aforementioned, and any entities owned or controlled by any of the aforementioned.

The above prohibition shall not apply to the leasing, chartering or provision of crew services provided that the relevant Member State has notified the Sanctions Committee in advance on a case-by-case basis and has provided the Sanctions Committee with the information demonstrating that such activities are exclusively for livelihood purposes which will not be used by DPRK persons or entities to generate revenue, and information on measures taken to prevent such activities from contributing to violations of the provisions of UNSCR 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013) or 2270 (2016).

(e) With respect to registration/deletion of vessels:

(i) Member States shall de-register any vessel that is owned, operated or crewed by the DPRK and shall not register any such vessel that is de-registered by another state pursuant to paragraph 19 of UNSCR 2270 (2016).

(ii) It shall be prohibited to register vessels in the DPRK, obtain authorisation for a vessel to use the DPRK flag, or to own, lease, operate, or provide any vessel classification, certification or associated service, or insure any vessel flagged by the DPRK.

(iii) The prohibition of subparagraph (iii) above shall not apply to activities notified in advance to the Sanctions Committee on a case-by-case basis, provided that the relevant Member State has provided the Sanctions Committee with detailed information on the activities, including the names of persons and entities involved in them, information demonstrating that such activities are exclusively for livelihood purposes which will not be used by DPRK persons or entities to generate revenue and information on measures taken to prevent such activities from contributing to violations of UNSCR 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013) or 2270 (2016).

(f) With respect to Insurance and Reinsurance:

It is prohibited to provide insurance and reinsurance, for any sale, supply, transfer or export of items and technology, the sale, supply, transfer or export is prohibited by the aforesaid instruments, directly or indirectly to any person, entity or body in, or for use in, the DPRK.

4. Your attention is also drawn to the listing of Chongchongang Shipping Company, as well as of a number of vessels of Ocean Maritime Management Company, Limited, set out in Annex I of ***EU Council Decision 2013/183/CFSP as amended***, which are subject to the asset freeze provisions. In this respect it is imperative that such sanctions lists must be studied thoroughly prior to entering into any agreement/transaction. DMS Circular No. 44/2014 is of relevance.
5. The text of the aforementioned European Union instrument may be found on <http://eur-lex.europa.eu> whereas the text of United Nations Security Resolution may be found on <http://www.un.org/Docs/sc/>.

A regularly updated list of all the European Union restrictive measures in force can be found at http://eeas.europa.eu/cfsp/sanctions/docs/measures_en.pdf

6. All recipients of the present Circular are invited to take note of its content and should strictly abide by the provisions of the aforementioned UN & EU Instruments as well as of relevant Prohibition Order P.I. 330/2013.

This Circular must be placed on board vessels flying the Cyprus flag.



Dr. Anthony A. Madella
For Director
Department of Merchant Shipping

Cc: - Permanent Secretary, Ministry of Transport, Communications and Works

- Attorney General of the Republic
- Permanent Secretary, Ministry of Foreign Affairs
- Permanent Secretary, Ministry of Defence
- Permanent Secretary, Ministry of Justice and Public Order
- Diplomatic Missions and Honorary Consular Officers of the Republic
- Maritime Offices of the Department of Merchant Shipping abroad
- General Manager, Cyprus Ports Authority
- Director, Department of Customs and Excise
- Registrar of Companies
- Commander, Cyprus Marine Police
- Cyprus Shipping Chamber
- Cyprus Union of Shipowners
- Cyprus Shipping Association
- Cyprus Bar Association

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