

香港特別行政區政府
商務及經濟發展局
工商及旅遊科



COMMERCE, INDUSTRY AND TOURISM BRANCH
COMMERCE AND ECONOMIC
DEVELOPMENT BUREAU
GOVERNMENT OF THE HONG KONG
SPECIAL ADMINISTRATIVE REGION

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LEVEL 23, WEST WING
CENTRAL GOVERNMENT OFFICES
2 TIM MEI AVENUE
TAMAR, HONG KONG

17 May 2012

Clerk to the Subcommittee
to Examine the Implementation in Hong Kong of Resolutions
of the United Nations Security Council in relation to Sanctions
Legislative Council Complex
1 Legislative Council Road
Central, Hong Kong
(Attn: Ms YUE Tin Po)
(Fax No.: 2869 6794)

Dear Ms Yue,

**Subcommittee to Examine the Implementation in Hong Kong of Resolution
of the United Nations Security Council in relation to Sanctions**

United Nations Sanctions (Iran)(Amendment) Regulation 2011

At the tenth meeting of the Subcommittee to Examine the Implementation in Hong Kong of Resolutions of the United Nations Security Council in relation to Sanctions of 19 April 2011, the Administration was requested to provide the following information –

- (a) the definition of the word “Iran” in Section 8AA(9)(a) of the United Nations Sanctions (Iran)(Amendment) Regulation 2011 (the Regulation); and
- (b) ways to notify relevant parties affected by the Regulation, including those involved in the provision of professional and financial services.

Our responses are set out at the ensuing paragraphs –

Definition of “Iran” in Section 8AA(9)(a) of the Regulation

United Nations Security Council Resolutions in relation to Iran to date (the Resolutions) have not made a distinction between Iran as a country in its geographical sense or Iran as a political entity (meaning its government and governmental authorities). The meaning of the word “Iran” would therefore have to be interpreted in the light of the context of the provisions in which it appeared.

Section 2 of the Regulation pertains to the supply, sale or transfer of prohibited items. It is thus reasonable to conclude that the word “Iran” appearing in subsection (1A)(a) thereof means Iran as a destination and therefore in its geographical sense.

Section 8AA of the Regulation, on the other hand, pertains to acquisition of interest in commercial activities involving uranium mining. Such acquisition requires interaction between a vendor and a purchaser and where the purchaser is said to be Iran (as provided for in subsection (9)), it is reasonable to conclude that the word “Iran” is used in the sense of a political entity (meaning its government and governmental authorities) as it is only in this sense that Iran (the country) could be party to a commercial transaction. With this in context and in such a transaction, Iran would be represented by “Iranian authorities / Iranian Government”.

Notification Arrangement

Apart from issuing press releases, it is the standing practice for the Commerce and Economic Development Bureau, upon the gazettal of relevant Regulations which implement sanctions against certain places imposed by the United Nations Security Council, to disseminate such information to bureaux / departments concerned, such as the Financial Services and the Treasury Bureau, the Civil Aviation Department, the Hong Kong Police Force, the Immigration Department, the Marine Department, the Trade and Industry Department, etc. These bureaux / departments will then notify the stakeholders under their purview (e.g. financial regulators, the industry and trade sector, ship owners, ship managers and masters, etc) as appropriate. The notification arrangement effectively ensures timely dissemination of information as well as implementation of relevant Regulations. Samples of relevant circulars / information notes issued by the Hong Kong Monetary Authority, the Trade and

Industry Department and the Marine Department are enclosed at Annex for Members' reference.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Jerry JI', written in a cursive style.

(Jerry JI)

for Secretary for Commerce and Economic Development

Encl.



HONG KONG MONETARY AUTHORITY
香港金融管理局

Our Ref.: B10/1C
B1/15C

25 March 2011

The Chief Executive
All authorized institutions

Dear Sir/Madam,

United Nations Sanctions Ordinance

I am writing to inform you of the following developments:

(i) *United Nations Sanctions (Democratic Republic of the Congo) Regulation 2011*

The Chief Executive-in-Council has approved the United Nations Sanctions (Democratic Republic of the Congo) Regulation 2011 under the United Nations Sanctions Ordinance (Cap. 537). The Regulation was published in the Government Gazette (L.N. 46 of 2011) on 25 March 2011 and is available on the government's website (<http://www.gld.gov.hk/egazette/>).

The Regulation implements sanctions against Democratic Republic of the Congo imposed by the United Nations Security Council under Resolution 1952. We would like to draw AIs' attention to section 5 of the Regulation which prohibits making available funds or other financial assets or economic resources to certain persons or entities, or dealing with funds or other financial assets or economic resources belonging to such persons or entities, except with a licence.

(ii) *United Nations Sanctions (Liberia) Regulation 2011 and United Nations Sanctions Regulation 2010 (Repeal) Regulation*

The Chief Executive-in-Council has approved the United Nations Sanctions (Liberia) Regulation 2011 ("the Regulation") and the United Nations Sanctions Regulation 2010 (Repeal) Regulation under the United Nations Sanctions Ordinance (Cap. 537). The Regulations were published in the Government Gazette (L.N. 47 & 48 of 2011) on 25 March 2011 and is available on the government's website (<http://www.gld.gov.hk/egazette/>).

The Regulation implements sanctions against Liberia imposed by the United Nations Security Council under Resolution 1961 and continues the implementation of the existing financial sanctions against Liberia under the United Nations Security Council Resolution 1532. We would like to draw AIs' attention to section 6 of the Regulation which prohibits making available funds or other financial assets or economic resources to certain persons or entities, or dealing with funds or other financial assets or economic resources belonging to such persons or entities, except with a licence.

(iii) United Nations Sanctions (Iran) (Amendment) Regulation 2011

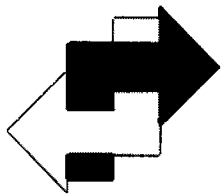
The Chief Executive-in-Council has approved the United Nations Sanctions (Iran) (Amendment) Regulation 2011 under the United Nations Sanctions Ordinance (Cap. 537). The Regulation was published in the Government Gazette (L.N. 49 of 2011) on 25 March 2011 and is available on the government's website (<http://www.gld.gov.hk/egazette/>).

The amendments expand the existing United Nations Sanctions (Iran) Regulation, Cap.537AF, to give effect to certain decisions of the United Nations Security Council under Resolution 1929. The following provisions in the amended Regulation are of particular relevance to AIs:-

- section 7 which prohibits making available funds or other financial assets or economic resources to certain persons or entities, or dealing with funds or other financial assets or economic resources belonging to such persons or entities, except with a licence; and
- section 8AA which prohibits the provisions of financial services to facilitate the acquisition of any interest in commercial activity that involves uranium mining by certain persons.

Yours faithfully,

Nelson Man
Executive Director (Banking Supervision)



香港特別行政區政府 工業貿易署

Trade and Industry Department
The Government of the Hong Kong Special Administrative Region

香港九龍彌敦道 700 號工業貿易署大樓
Trade and Industry Department Tower, 700 Nathan Road, Kowloon, Hong Kong



24-hour hotline : 23 922 922

e-mail address : enquiry@tid.gov.hk

Ref. : TRA CR 1006/14

25 March 2011

Dear Sirs,

TRADE AND INDUSTRY DEPARTMENT CIRCULAR

UNITED NATIONS SANCTIONS (IRAN) (AMENDMENT) REGULATION 2011

This is to announce for general information that on 25 March 2011 the Government gazetted the United Nations Sanctions (Iran) (Amendment) Regulation 2011 (L.N. 49 of 2011).

2. This Regulation, made under section 3 of the United Nations Sanctions Ordinance (Cap. 537, Laws of Hong Kong), amends the existing sanctions against Iran to implement the decisions of the United Nations Security Council under Resolution 1929. The Regulation covers, amongst others, the following:

- a. an amended scope of regulated prohibited items, specified items and specified prohibited items to cover additional items and technologies;
- b. prohibition against the transfer to Iran and certain persons of any technology or technical assistance related to any activity that relates to ballistic missiles capable of delivering nuclear weapons;
- c. prohibition against the sale to, and acquisition by, certain persons of any interest in a commercial activity which involves uranium mining and the provision of financial services to facilitate the acquisition of such interest by certain persons;
- d. prohibition against the provision of bunkering and other services to a ship owned or contracted by, or chartered to, certain persons under certain circumstances; and
- e. an expanded scope of persons and entities subject to financial sanctions and travel ban.

WARNING

3. Contravention to the prohibitions imposed by the Regulation attracts substantial penalties which may amount in some cases to imprisonment for 7 years and/or a fine.



On 17.11.2011,
ROGARS will become mandatory.
Please visit www.rogars.gov.hk
or call 3669 0000 for details.



IMPORTANT NOTE

4. This circular is NOT a statement of the Laws of Hong Kong and has NO legal status. Anyone interested in the Regulation should refer to the Government Gazette for details. The prohibitions in the Regulation will apply to any person and company/registered business irrespective of and notwithstanding the possession of valid licences issued by the Director-General of Trade and Industry under the Import and Export Ordinance (Cap. 60) and its subsidiary legislation and other Enactments.

ENQUIRIES

5. Enquiries concerning this circular can be directed to the undersigned at tel. no. 2398 5766.

Yours faithfully,



(Andrew SHIU)
for Director-General of Trade and Industry

**For online access to selected Trade Information Circulars, please visit
Trade and Industry Department's Internet Homepage at <http://www.tid.gov.hk>**

Note : While every effort is made to ensure the accuracy of the above information, the Department cannot guarantee this to be so and will not be held liable for any reliance placed on the same.



香 港 商 船 資 訊

HONG KONG MERCHANT SHIPPING INFORMATION NOTE

United Nations Sanctions (Iran)(Amendment) Regulation 2011

To : *Shipowners, Ship Managers and Masters*

Summary

The Government of the Hong Kong Special Administrative Region (HKSAR) gazetted the United Nations Sanctions (Iran)(Amendment) Regulation 2011 (L.N. 49 of 2011) on 25 March 2011 to give effect to the decisions of the Security Council of the United Nations in Resolution 1929 adopted on 9 June 2010.

1. Further to the United Nations Sanctions (Iran) Regulation (L.N. 179 of 2007 and L.N. 111 of 2008) promulgated by the Merchant Shipping Information Note Nos. 34/2007 and 17/2008, HKSAR gazetted the United Nations Sanctions (Iran)(Amendment) Regulation 2011 (L.N. 49 of 2011) on 25 March 2011. The amendment regulation, made under section 3 of the United Nations Sanctions Ordinance (Cap. 537), gives effect to the decisions of the Security Council of the United Nations in Resolution 1929 of 9 June 2010 to expand the current sanctions regime to cover :

- (a) an amended scope of regulated prohibited items, specified items and specified prohibited items to cover additional items and technologies;
- (b) prohibition against the transfer to Iran and certain persons of any technology or technical assistance related to any activity that relates to ballistic missiles capable of delivering nuclear weapons;
- (c) prohibition against the sale to, and acquisition by, certain persons of any interest in a commercial activity which involves uranium mining and the provision of financial services to facilitate the acquisition of such interest by certain persons;
- (d) prohibition against the provision of bunkering and other services to a ship owned or contracted by, or chartered to, certain persons under certain circumstances; and
- (e) an expanded scope of persons and entities subject to financial sanctions and travel ban.

2. Details of the L.N. 49 of 2011 can be found on the website of Marine Department (<http://www.mardep.gov.hk/en/msnote/msin.html>) as an annex to this Note.
3. Owners, managers and masters of Hong Kong registered ships should abide by the regulation mentioned above.

Marine Department
Multi-lateral Policy Division

28 March 2011