

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

**UNITED NATIONS SANCTIONS (IRAN)
(AMENDMENT) REGULATION 2011**

INTRODUCTION

A At the meeting of the Executive Council on 22 March 2011, the Council advised and the Chief Executive (“the CE”) ordered that the United Nations Sanctions (Iran) (Amendment) Regulation 2011 (“the Amendment Regulation”), at Annex A, should be made under section 3 of the United Nations Sanctions Ordinance (Cap. 537) (“the Ordinance”), to give effect to the instruction from the Ministry of Foreign Affairs of the People's Republic of China (“MFA”). The Regulation was gazetted on 25 March 2011 and came into effect on the same day.

BACKGROUND

Obligation and Authority

B 2. Under section 3(1) of the Ordinance, the CE is required to make regulations to give effect to an instruction from the MFA to implement sanctions decided by the Security Council of the United Nations (“UNSC”). In June 2010, the CE received an instruction from the MFA requesting the Government of the Hong Kong Special Administrative Region (“HKSAR”) to implement UNSC Resolution (“UNSCR”) 1929 in respect of Iran. The Amendment Regulation was made pursuant to the instruction. A document issued by the Chief Secretary for Administration confirming the MFA’s instruction is at Annex B.

Sanctions against Iran

3. Noting with serious concerns that Iran has failed to comply fully with its international obligations concerning non-proliferation of nuclear weapons and suspension of enrichment-related activities, the UNSC passed UNSCR 1737 (at Annex C) and UNSCR 1747 (at Annex D) in December 2006 and March 2007 respectively to impose a range of sanctions against Iran. The sanctions regime was expanded in March 2008 vide UNSCR 1803 (at Annex E). These sanctions concern -

C & D

E

- (a) the prohibition against the supply, sale, transfer or carriage of certain nuclear-related items or technology to Iran (*paragraphs 3, 4 and 5 of UNSCR 1737, and paragraph 8 of UNSCR 1803 refer*);
- (b) the prohibition against the provision or transfer of certain technical assistance or training, financial assistance or other services, or financial resources or services, related to the supply, sale, transfer, manufacture or use of certain nuclear-related items to Iran (*paragraph 6 of UNSCR 1737 refers*);
- (c) the prohibition against the procurement of certain nuclear-related items, arms or related materials from Iran (*paragraph 7 of UNSCR 1737, and paragraph 5 of UNSCR 1747 refer*);
- (d) the prohibition against the making available of funds or other financial assets or economic resources to or for the benefit of certain persons or entities designated by the UNSC or the Committee established under paragraph 18 of UNSCR 1737 (“the Committee”), or by persons or entities acting on their behalf or at their direction, or by entities owned or controlled by them (*paragraphs 12, 13, 14 and 15 of UNSCR 1737, paragraph 4 of UNSCR 1747, and paragraph 7 of UNSCR 1803 refer*); and

- (e) the prohibition against the entry into or transit through the territories of Member States by persons designated by the UNSC or the Committee (*paragraph 5 of UNSCR 1803 refers*).

4. Pursuant to the instructions of the MFA, the HKSAR made the United Nations Sanctions (Iran) Regulation (Cap. 537 sub.leg. AF) (“the Regulation”) in September 2007 to implement sanctions specified in UNSCRs 1737 and 1747. The Regulation was amended in May 2008 to give effect to UNSCR 1803.

UNSCR 1929

5. In view of Iran’s continued refusal to cooperate with the International Atomic Energy Agency (“IAEA”) in respect of matters concerning non-proliferation of nuclear weapons and non-compliance with the UNSCRs referred to in paragraph 3 above, and the concerns with the security risks posed by the Iranian nuclear programme, the UNSC adopted UNSCR 1929 (at Annex F) on 9 June 2010 to strengthen and expand the current sanctions against Iran. The UNSC decided, inter alia, that –

F

- (a) Iran shall not acquire an interest in any commercial activity in another State involving uranium mining, production or use of certain nuclear materials and technology, in particular uranium-enrichment and reprocessing activities, all heavy-water activities or technology related to ballistic missiles capable of delivering nuclear weapons, and all States shall prohibit such investment in territories under their jurisdiction by Iran, its nationals, and entities incorporated in Iran or subject to its jurisdiction, or by persons or entities acting on their behalf or at their direction, or by entities owned or controlled by them (*paragraph 7 of UNSCR 1929 refers*);
- (b) all States shall prevent the direct or indirect supply, sale or transfer to Iran of any battle tanks, armoured combat vehicles, large calibre artillery systems, combat aircraft, attack

helicopters, warships, missiles or missile systems or related materiel, including spare parts, or items as determined by the UNSC or the Committee, and all States shall prevent the provision to Iran of technical training, financial resources or services, advice, other services or assistance related to the supply, sale, transfer, provision, manufacture, maintenance or use of such arms and related materiel (*paragraph 8 of UNSCR 1929 refers*);

- (c) all States shall take all necessary measures to prevent the transfer to Iran of technology or technical assistance related to any activity that relates to ballistic missiles capable of delivering nuclear weapons, including launches using ballistic missile technology (*paragraph 9 of UNSCR 1929 refers*);
- (d) all States shall prevent the entry into or transit through their territories of individuals designated in Annexes C, D and E of UNSCR 1737, Annex I of UNSCR 1747, Annex I of UNSCR 1803 and Annexes I and II of UNSCR 1929, or by the UNSC or the Committee (*paragraph 10 of UNSCR 1929 refers*);
- (e) the financial measures specified in paragraphs 12, 13, 14 and 15 of UNSCR 1737 shall apply also to the individuals and entities listed in Annex I of UNSCR 1929 and to any individuals or entities acting on their behalf or at their direction, and to entities owned or controlled by them, and to any individuals and entities determined by the UNSC or the Committee to have assisted designated individuals or entities in evading sanctions of, or in violating the provision of, UNSCRs 1737, 1747, 1803 or 1929 (*paragraph 11 of UNSCR 1929 refers*);
- (f) the financial measures specified in paragraphs 12, 13, 14 and 15 of UNSCR 1737 shall apply also to the Islamic Revolutionary Guard Corps (IRGC, also known as “Army of the Guardians of the Islamic Revolution”) individuals and entities specified in Annex II of UNSCR 1929, and to any individuals or entities acting on their behalf or at their

direction, and to entities owned or controlled by them (*paragraph 12 of UNSCR 1929 refers*);

- (g) for the purposes of the measures specified in paragraphs 3, 4, 5, 6 and 7 of UNSCR 1737 ^{Note (1)}, the list of items in the UNSC document S/2006/814 shall be superseded by the list of items in the IAEA documents INFCIRC/254/Rev.9/Part 1 and INFCIRC/254/Rev. 7/ Part 2, and for the purposes of the measures specified in paragraphs 3, 4, 5, 6 and 7 of UNSCR 1737, the list of items contained in the UNSC document S/2006/815 shall be superseded by the list of items contained in UNSC document S/2010/263 (*paragraph 13 of UNSCR 1929 refers*);
- (h) all States shall seize and dispose of items the supply, sale, transfer, or export of which is prohibited by paragraphs 3, 4 or 7 of UNSCR 1737, paragraph 5 of UNSCR 1747 ^{Note (2)}, paragraph 8 of UNSCR 1803 ^{Note (3)} or paragraphs 8 or 9 of UNSCR 1929 that are identified in inspections pursuant to paragraphs 14 or 15 of UNSCR 1929 ^{Note (4)}, in a manner that is not inconsistent with their obligations under the applicable UNSCRs, including UNSCR 1540, as well as any obligations of parties to the Treaty on the Non-Proliferation of Nuclear

Note (1) Paragraphs 3, 4, 5, 6 and 7 of UNSCR 1737 prohibit (i) the supply, sale or transfer of certain nuclear-related items or technology (*paragraph 3(a) of this paper refers*); (ii) the provision to Iran of any technical assistance or training related to certain nuclear-related items (*paragraph 3(b) of this paper refers*); and (iii) the procurement of certain nuclear-related items (*paragraph 3(c) of this paper refers*).

Note (2) Paragraph 5 of UNSCR 1747 concerns the prohibition against the procurement of arms or related materiel (*paragraph 3(c) of this paper refers*).

Note (3) Paragraph 8 of UNSCR 1803 concerns the prohibition against the supply, sale or transfer of additional nuclear-related items, materials, equipment, goods and technology (*paragraph 3(a) of this paper refers*).

Note (4) Paragraphs 14 and 15 of UNSCR 1929 call upon States to inspect, and cooperate in inspections of, in accordance with their national authorities and legislation and consistent with international law, in particular the law of the sea and relevant international civil aviation agreements, all cargo to and from Iran, in their territory, including seaports and airports, if the State concerned has information that provides reasonable grounds to believe the cargo contains items the supply, sale, transfer or export of which is prohibited by paragraphs 3, 4 or 7 of UNSCR 1737, paragraph 5 of UNSCR 1747, paragraph 8 of UNSCR 1803 or paragraphs 8 or 9 of UNSCR 1929, for the purpose of ensuring strict implementation of those provisions.

Weapons, and all States shall cooperate in such efforts (*paragraph 16 of UNSCR 1929 refers*);

- (i) all States shall prohibit the provision by their nationals or from their territory of bunkering services, such as provision of fuel or supplies, or other servicing of vessels, to Iranian-owned or -contracted vessels, including chartered vessels, if they have information that provides reasonable grounds to believe they are carrying items the supply, sale, transfer, or export of which is prohibited by paragraphs 3, 4 or 7 of UNSCR 1737, paragraph 5 of UNSCR 1747, paragraph 8 of UNSCR 1803 or paragraphs 8 or 9 of UNSCR 1929, unless provision of such services is necessary for humanitarian purposes or until such time as the cargo has been inspected, and seized and disposed of if necessary (*paragraph 18 of UNSCR 1929 refers*); and
- (j) the financial measures specified in paragraphs 12, 13, 14 and 15 of UNSCR 1737 shall also apply to the entities of the Islamic Republic of Iran Shipping Lines (“IRISL”) as specified in Annex III of UNSCR 1929 and to any person or entity acting on their behalf or at their direction, and to entities owned or controlled by them, or determined by the UNSC or the Committee to have assisted them in evading the sanctions of, or in violating the provisions of, UNSCRs 1737, 1747, 1803 or 1929 (*paragraph 19 of UNSCR 1929 refers*).

THE AMENDMENT REGULATION

6. The Amendment Regulation, at Annex A, seeks to amend the Regulation to implement the expanded sanctions against Iran as decided by UNSCR 1929. The main provisions of the Amendment Regulation include –

- (a) section 3, which amends the definitions of “regulated prohibited item”, “specified item” and “specified prohibited item” to cover those items, material, equipment, goods or technology set out in the UNSC document S/2010/263 and

the IAEA documents INFCIRC/254/Rev. 9/Part 1 and INFCIRC/254/Rev. 7/Part 2;

- (b) sections 8 and 11, which expand the prohibition against the carriage and procurement of certain items using ships, aircraft or vehicles to cover foreign vessels and aircraft in Hong Kong;
- (c) section 14, which prohibits the transfer of any technology or assistance related to any activity that relates to ballistic missiles capable of delivering nuclear weapons to Iran or certain persons;
- (d) section 16, which provides for prohibitions against making available to certain persons or entities any funds or other financial assets or economic resources, or dealing with funds or other financial assets or economic resources of certain persons or entities;
- (e) section 18, which prohibits the sale to, and acquisition by, certain persons of any interest in a commercial activity that involves uranium mining and the provision of financial services to facilitate the acquisition of such interest by certain persons;
- (f) section 20, which extends the prohibition against the entry into or transit through the HKSAR to additional persons;
- (g) section 22, which prohibits the provision of bunkering and other services to a ship which is owned or contracted by, or chartered to, a person connected with Iran or a national of Iran;
- (h) sections 51, which empowers the magistrate or judge to make an order for forfeiture and disposal of seized items on application by an authorized officer, and provides for procedures for the owner (or authorized agent of the owner) of the seized items to object to the proposed forfeiture; and

- (i) section 60, which provides that the CE may by notice published in the Gazette specify additional persons or entities as a relevant person or a relevant entity for the purpose of the financial sanctions under the Regulation.

G

A mark-up version showing amendments to the Regulation is at Annex G for easy reference by Members.

IMPLICATIONS OF THE PROPOSAL

7. The proposal is in conformity with the Basic Law, including the provisions concerning human rights. It will not affect the binding effect of the Ordinance. It has no financial, economic, productivity, environmental or sustainability implications. Additional work arising from the enforcement of the Regulation as amended by the Amendment Regulation will be absorbed within the relevant departments.

PUBLICITY

8. A press release was issued on 25 March 2011 when the Amendment Regulation was published in the Gazette.

INFORMATION ON IRAN AND RELATION WITH THE HKSAR

9. For information on Iran, background of the sanctions regime against the country as well as its bilateral trade relation with the HKSAR, please refer to Annex H.

H

ADVICE SOUGHT

10. Members are invited to note the implementation of the UNSCR 1929 in the HKSAR by the Regulation as amended by the Amendment Regulation.

**Commerce and Economic Development Bureau
March 2011**

UNITED NATIONS SANCTIONS ORDINANCE (CAP. 537)

**UNITED NATIONS SANCTIONS (IRAN) (AMENDMENT)
REGULATION 2011**

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United Nations Sanctions (Iran) (Amendment) Regulation 2011

(Made by the Chief Executive under section 3 of the United Nations Sanctions Ordinance (Cap. 537) on the instruction of the Ministry of Foreign Affairs of the People's Republic of China and after consultation with the Executive Council)

1. United Nations Sanctions (Iran) Regulation amended

The United Nations Sanctions (Iran) Regulation (Cap. 537 sub. leg. AF) is amended as set out in sections 2 to 62.

2. Part 1 heading substituted

Part 1, heading—

Repeal the heading

Substitute

“Part 1

Preliminary”.

3. Section 1 amended

(1) Section 1—

Repeal

“, unless the context otherwise requires”.

(2) Section 1, English text, definition of *armoured combat vehicle*, paragraph (a)—

Repeal

“infantrymen”

Substitute

“infantry personnel”.

- (3) Section 1, definition of *Commissioner*—

Repeal

“the Deputy”

Substitute

“any Deputy”.

- (4) Section 1, definition of *Committee*—

Repeal

“pursuant to”

Substitute

“under”.

- (5) Section 1—

Repeal the definition of *conventional arms***Substitute**

“*conventional arms* (常規武器) means any armoured combat vehicle, attack helicopter, battle tank, combat aircraft, large-calibre artillery system, missile and missile system or warship, or its related materiel (including spare parts);”.

- (6) Section 1, definition of *person connected with Iran*—

- (a) Chinese text, paragraphs (b) and (c)—

Repeal

“任何”;

- (b) **Repeal paragraphs (d) and (e)**

Substitute

“(d) any body, wherever incorporated or constituted, which is controlled by—

- (i) the Government mentioned in paragraph (a);
- (ii) a person mentioned in paragraph (b); or
- (iii) a body mentioned in paragraph (c); or

(c) any person acting on behalf of—

- (i) the Government mentioned in paragraph (a);
- (ii) a person mentioned in paragraph (b); or
- (iii) a body mentioned in paragraph (c) or (d);”.

- (7) Section 1—

Repeal the definition of *regulated prohibited item***Substitute**

“*regulated prohibited item* (受規管禁制項目) means—

- (a) any item, material, equipment, goods or technology covered by section B.2, B.3, B.4, B.5, B.6 or B.7 of the International Atomic Energy Agency document INFCIRC/254/Rev. 9/Part 1;
- (b) any item, material, equipment, goods or technology covered by sections A.1 and B.1 of the International Atomic Energy Agency document INFCIRC/254/Rev. 9/Part 1, except—
 - (i) any equipment covered by section B.1 of the International Atomic Energy Agency document INFCIRC/254/Rev. 9/Part 1 when such equipment is for exclusive use in light water reactors; and
 - (ii) any low-enriched uranium covered by section A.1.2 of the International Atomic Energy Agency document INFCIRC/254/Rev. 9/Part 1 when it is incorporated in assembled nuclear fuel elements for light water reactors;

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- (c) any item, material, equipment, goods or technology covered by the Security Council document S/2010/263;
 - (d) any item, material, equipment, goods or technology covered by the International Atomic Energy Agency document INFCIRC/254/Rev. 7/Part 2, except any item, material, equipment, goods or technology covered by sections 1 to 6 of the Annex to the International Atomic Energy Agency document INFCIRC/254/Rev. 7/Part 2 when it is for exclusive use in light water reactors; or
 - (e) conventional arms;”.
- (8) Section 1—
Repeal the definition of *relevant entity*
Substitute
“relevant entity (有關實體) means—
 (a) an entity specified by the Chief Executive as a relevant entity in accordance with section 31(a), (aa) or (b); or
 (b) an entity acting on behalf of, or at the direction of, or owned or controlled by, a person or entity specified by the Chief Executive as a relevant person or relevant entity in accordance with section 31(a) or (aa);”.
- (9) Section 1—
Repeal the definition of *relevant person*
Substitute

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- “relevant person (有關人士) means—*
 (a) a person specified by the Chief Executive as a relevant person in accordance with section 31(a), (aa) or (b); or
 (b) a person acting on behalf of, or at the direction of, a person or entity specified by the Chief Executive as a relevant person or relevant entity in accordance with section 31(a) or (aa);”.
- (10) Section 1—
Repeal the definition of *specified item*
Substitute
“specified item (指明項目) means—
 (a) any item, material, equipment, goods or technology covered by the International Atomic Energy Agency document INFCIRC/254/Rev. 9/Part 1 or the International Atomic Energy Agency document INFCIRC/254/Rev. 7/Part 2;
 (b) any item, material, equipment, goods or technology covered by the Security Council document S/2010/263; or
 (c) any arms or related materiel;”.
- (11) Section 1—
Repeal the definition of *specified prohibited item*
Substitute
“specified prohibited item (指明禁制項目) means any item, material, equipment, goods or technology that—
 (a) is covered by the International Atomic Energy Agency document INFCIRC/254/Rev. 9/Part 1 or the International Atomic Energy Agency document INFCIRC/254/Rev. 7/Part 2 or the Security Council document S/2010/263; and

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(b) is not a regulated prohibited item;”.

(12) Section 1—

Repeal the definitions of *commander, missile and missile launcher and ship*.

(13) Section 1—

Add in alphabetical order

“*economic resources* (經濟資源) means assets of every kind, whether tangible or intangible, movable or immovable, which are not funds but can be used to obtain funds, goods or services;

missile and missile system (導彈及導彈系統) means—

(a) any guided or unguided rocket, ballistic or cruise missile or remotely piloted vehicle capable of delivering a warhead or weapon of destruction to a range of at least 25 km;

(b) any means, other than any armoured combat vehicle, attack helicopter, battle tank, combat aircraft, large-calibre artillery system or warship, designed or modified specifically for launching any rocket or missile described in paragraph (a), including any missile launcher; or

(c) any Man-portable Air-Defence Systems (MANPADS),

but does not include any ground-to-air missile;

pilot in command (機長), in relation to an aircraft, means the pilot designated by the operator or the owner, as appropriate, as being in charge of the aircraft without being under the direction of any other pilot in the aircraft and charged with the safe conduct of a flight;

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Resolution 1929 (《第 1929 號決議》) means Resolution 1929 (2010) adopted by the Security Council on 9 June 2010;”.

4. Part 2 heading substituted

Part 2, heading—

Repeal the heading

Substitute

“Part 2

Prohibitions”.

5. Cross-heading before section 2 repealed

Cross-heading before section 2—

Repeal the cross-heading.

6. Section 2 amended

(1) Section 2, heading—

Repeal

“Prohibition against supply, delivery or transfer of certain items to Iran”

Substitute

“Prohibition against supply, sale or transfer of certain items”.

(2) Section 2—

Repeal subsection (1)

Substitute

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- “(1) This section applies to—
- (a) a person acting in the HKSAR; and
 - (b) a person acting outside the HKSAR who is—
 - (i) both a Hong Kong permanent resident and a Chinese national; or
 - (ii) a body incorporated or constituted under the law of the HKSAR.
- (1A) Except under the authority of a licence granted under section 9(1)(a), a person must not supply, sell or transfer, or agree to supply, sell or transfer, directly or indirectly, or do any act likely to promote the supply, sale or transfer of, any regulated prohibited item or specified prohibited item—
- (a) to Iran;
 - (b) to, or to the order of, a person connected with Iran;
 - (c) to a destination or person for the purpose of delivery or transfer, directly or indirectly, to Iran or to, or to the order of, a person connected with Iran; or

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- (d) for the use in or benefit of Iran.”.
- (3) Section 2(2)—
- Repeal**
- “(1)”
- Substitute**
- “(1A)”.
- (4) Section 2—
- Repeal subsection (3)**
- Substitute**
- “(3) It is a defence for a person charged with an offence under subsection (2) to prove that the person did not know and had no reason to believe—
- (a) that the item concerned was a regulated prohibited item or specified prohibited item; or
 - (b) that the item concerned was or was to be supplied, sold or transferred—
 - (i) to Iran;
 - (ii) to, or to the order of, a person connected with Iran;
 - (iii) to a destination or person for the purpose of delivery or transfer, directly or indirectly, to Iran or to, or to the order of, a person connected with Iran; or
 - (iv) for the use in or benefit of Iran.”.

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(5) Section 2—

Repeal subsection (4).**7. Cross-heading before section 3 repealed**

Cross-heading before section 3—

Repeal the cross-heading.**8. Section 3 amended**

(1) Section 3, heading—

Repealeverything after “**items**”.

(2) After section 3(1)(a)—

Add

“(aa) a ship that is not registered in the HKSAR and is within the waters of Hong Kong;”.

(3) After section 3(1)(b)—

Add

“(ba) an aircraft that is not registered in the HKSAR and is within Hong Kong air space;”.

(4) Section 3—

Repeal subsection (2)**Substitute**

“(2) Without limiting section 2, except under the authority of a licence granted under section 9(1)(b), a ship, aircraft or vehicle must not be used for the carriage of any regulated prohibited item or specified prohibited item if the carriage is, or forms part of, a carriage—

(a) from a place outside Iran to a place in Iran;

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(b) to, or to the order of, a person connected with Iran;

(c) to a destination for the purpose of delivery or transfer, directly or indirectly, to Iran or to, or to the order of, a person connected with Iran; or

(d) for the use in or benefit of Iran.”.

(5) Section 3(3)(a) and (b)—

Repeal

“delivery”

Substitute

“sale”.

(6) After section 3(3)—

Add

“(3A) If a ship, aircraft or vehicle is used in contravention of subsection (2), each of the following persons commits an offence—

(a) in the case of a ship registered in the HKSAR, the charterer, the operator and the master of the ship;

(b) in the case of any other ship—

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- (i) the charterer of the ship, if the charterer is in the HKSAR, or is both a Hong Kong permanent resident and a Chinese national, or is a body incorporated or constituted under the law of the HKSAR;
- (ii) the operator of the ship, if the operator is in the HKSAR, or is both a Hong Kong permanent resident and a Chinese national, or is a body incorporated or constituted under the law of the HKSAR; and
- (iii) the master of the ship, if the master is in the HKSAR or is both a Hong Kong permanent resident and a Chinese national;
- (c) in the case of an aircraft registered in the HKSAR, the charterer, the operator and the pilot in command of the aircraft;
- (d) in the case of any other aircraft—
 - (i) the charterer of the aircraft, if the charterer is in the HKSAR, or is both a Hong Kong permanent resident and a Chinese national, or is a body incorporated or constituted under the law of the HKSAR;
 - (ii) the operator of the aircraft, if the operator is in the HKSAR, or is both a Hong Kong permanent resident and a Chinese national, or is a body incorporated or constituted under the law of the HKSAR; and
 - (iii) the pilot in command of the aircraft, if the pilot in command is in the HKSAR or is both a Hong Kong permanent resident and a Chinese national;
- (e) in the case of a vehicle, the operator and the driver of the vehicle.”.

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(7) Section 3—

Repeal subsections (4) and (5)**Substitute**

- “(4) A person who commits an offence under subsection (3A) is liable—
- (a) on conviction on indictment to a fine and to imprisonment for 7 years; or
 - (b) on summary conviction to a fine at level 6 and to imprisonment for 6 months.
- (5) It is a defence for a person charged with an offence under subsection (3A) to prove that the person did not know and had no reason to believe—
- (a) that the item concerned was a regulated prohibited item or specified prohibited item; or
 - (b) that the carriage of the item concerned was, or formed part of, a carriage—
 - (i) from a place outside Iran to a place in Iran;
 - (ii) to, or to the order of, a person connected with Iran;
 - (iii) to a destination for the purpose of delivery or transfer, directly or indirectly, to Iran or to, or to the order of, a person connected with Iran; or
 - (iv) for the use in or benefit of Iran.”.

(8) Section 3—

Repeal subsection (6).**9. Cross-heading before section 4 repealed**

Cross-heading before section 4—

Repeal the cross-heading.

10. Section 4 amended

- (1) Section 4, heading—

Repeal

“from Iran”.

- (2) Section 4—

Repeal subsection (1)

Substitute

“(1) This section applies to—

- (a) a person acting in the HKSAR; and
- (b) a person acting outside the HKSAR who is—
 - (i) both a Hong Kong permanent resident and a Chinese national; or
 - (ii) a body incorporated or constituted under the law of the HKSAR.

(1A) A person must not procure, agree to procure, directly or indirectly, or do any act likely to promote the procurement of any specified item—

- (a) from Iran; or
- (b) from a person connected with Iran.”.

- (3) Section 4(2)—

Repeal

“(1)”

Substitute

“(1A)”.

- (4) Section 4—

Repeal subsection (3)

Substitute

“(3) It is a defence for a person charged with an offence under subsection (2) to prove that the person did not know and had no reason to believe—

- (a) that the item concerned was a specified item; or
- (b) that the item concerned was—
 - (i) from Iran; or
 - (ii) from a person connected with Iran.”.

- (5) Section 4—

Repeal subsection (4).

11. Section 5 amended

- (1) Section 5, heading—

Repeal

“from Iran”.

- (2) After section 5(1)(a)—

Add

“(aa) a ship that is not registered in the HKSAR and is within the waters of Hong Kong;”.

- (3) After section 5(1)(b)—

Add

“(ba) an aircraft that is not registered in the HKSAR and is within Hong Kong air space;”.

- (4) Section 5—

Repeal subsection (2)

Substitute

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“(2) Without limiting section 4, a ship, aircraft or vehicle must not be used for or in connection with the procurement of any specified item—

- (a) from Iran; or
- (b) from a person connected with Iran.”.

(5) After section 5(2)—

Add

“(2A) If a ship, aircraft or vehicle is used in contravention of subsection (2), each of the following persons commits an offence—

- (a) in the case of a ship registered in the HKSAR, the charterer, the operator and the master of the ship;
- (b) in the case of any other ship—
 - (i) the charterer of the ship, if the charterer is in the HKSAR, or is both a Hong Kong permanent resident and a Chinese national, or is a body incorporated or constituted under the law of the HKSAR;
 - (ii) the operator of the ship, if the operator is in the HKSAR, or is both a Hong Kong permanent resident and a Chinese national, or is a body incorporated or constituted under the law of the HKSAR; and
 - (iii) the master of the ship, if the master is in the HKSAR or is both a Hong Kong permanent resident and a Chinese national;
- (c) in the case of an aircraft registered in the HKSAR, the charterer, the operator and the pilot in command of the aircraft;

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(d) in the case of any other aircraft—

- (i) the charterer of the aircraft, if the charterer is in the HKSAR, or is both a Hong Kong permanent resident and a Chinese national, or is a body incorporated or constituted under the law of the HKSAR;
- (ii) the operator of the aircraft, if the operator is in the HKSAR, or is both a Hong Kong permanent resident and a Chinese national, or is a body incorporated or constituted under the law of the HKSAR; and
- (iii) the pilot in command of the aircraft, if the pilot in command is in the HKSAR or is both a Hong Kong permanent resident and a Chinese national;

(e) in the case of a vehicle, the operator and the driver of the vehicle.”.

(6) Section 5—

Repeal subsections (3) and (4)**Substitute**

“(3) A person who commits an offence under subsection (2A) is liable—

- (a) on conviction on indictment to a fine and to imprisonment for 7 years; or
- (b) on summary conviction to a fine at level 6 and to imprisonment for 6 months.

(4) It is a defence for a person charged with an offence under subsection (2A) to prove that the person did not know and had no reason to believe—

- (a) that the item concerned was a specified item; or
- (b) that the item concerned was—

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- (i) from Iran; or
- (ii) from a person connected with Iran.”.

(7) Section 5—

Repeal subsection (5).

12. Cross-heading before section 6 repealed

Cross-heading before section 6—

Repeal the cross-heading.

13. Section 6 amended

(1) Section 6, heading—

Repeal

“Prohibition against provision or transfer of certain assistance, training, services or resources to Iran”

Substitute

“Prohibition against provision of certain training, services or assistance”.

(2) Section 6—

Repeal subsection (1)

Substitute

“(1) This section applies to—

- (a) a person acting in the HKSAR; and
- (b) a person acting outside the HKSAR who is—
 - (i) both a Hong Kong permanent resident and a Chinese national; or
 - (ii) a body incorporated or constituted under the law of the HKSAR.

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(1A) Except under the authority of a licence granted under section 10(1), a person must not provide, directly or indirectly, any technical training, financial resources or services, advice, other services or assistance related to the supply, sale, transfer, provision, manufacture, maintenance or use of any regulated prohibited item—

(a) to Iran;

(b) to, or to the order of, a person connected with Iran; or

(c) to a destination or person for the purpose of provision, directly or indirectly, to Iran or to, or to the order of, a person connected with Iran.”.

(3) Section 6—

Repeal subsection (2).

(4) Section 6(3)—

Repeal

“(1)”

Substitute

“(1A)”.

(5) Section 6—

Repeal subsection (4).

(6) Section 6—

Repeal subsection (5)

Substitute

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“(5) It is a defence for a person charged with an offence under subsection (3) to prove that the person did not know and had no reason to believe—

(a) that the technical training, financial resources or services, advice, other services or assistance concerned were or were to be provided—

(i) to Iran;

(ii) to, or to the order of, a person connected with Iran; or

(iii) to a destination or person for the purpose of provision, directly or indirectly, to Iran or to, or to the order of, a person connected with Iran; or

(b) that the technical training, financial resources or services, advice, other services or assistance concerned related to the supply, sale, transfer, provision, manufacture, maintenance or use of the regulated prohibited item concerned.”.

(7) Section 6—

Repeal subsections (6) and (7).

14. Section 6A added

After section 6—

Add

“6A. Prohibition against transfer of technology or assistance related to ballistic missiles

(1) This section applies to—

(a) a person acting in the HKSAR; and

(b) a person acting outside the HKSAR who is—

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(i) both a Hong Kong permanent resident and a Chinese national; or

(ii) a body incorporated or constituted under the law of the HKSAR.

(2) A person must not transfer, directly or indirectly, any technology or technical assistance related to any activity that relates to ballistic missiles capable of delivering nuclear weapons, including launches using ballistic missile technology—

(a) to Iran;

(b) to, or to the order of, a person connected with Iran; or

(c) to a destination or person for the purpose of transfer, directly or indirectly, to Iran or to, or to the order of, a person connected with Iran.

(3) A person who contravenes subsection (2) commits an offence and is liable—

(a) on conviction on indictment to a fine and to imprisonment for 7 years; or

(b) on summary conviction to a fine at level 6 and to imprisonment for 6 months.

(4) It is a defence for a person charged with an offence under subsection (3) to prove that the person did not know and had no reason to believe—

(a) that the technology or assistance concerned were or were to be transferred—

(i) to Iran;

(ii) to, or to the order of, a person connected with Iran; or

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- (iii) to a destination or person for the purpose of transfer, directly or indirectly, to Iran or to, or to the order of, a person connected with Iran; or
- (b) that the technology or assistance concerned related to an activity that relates to ballistic missiles capable of delivering nuclear weapons.”.

15. Cross-heading before section 7 repealed

Cross-heading before section 7—

Repeal the cross-heading.**16. Section 7 amended**

(1) Section 7, heading—

Repeal**“Prohibition against making available funds, etc. to certain persons or entities”****Substitute****“Prohibition against making available funds, etc. or dealing with funds, etc.”.**

(2) Section 7—

Repeal subsection (1)**Substitute****“(1) This section applies to—**

- (a) a person acting in the HKSAR; and
- (b) a person acting outside the HKSAR who is—
 - (i) both a Hong Kong permanent resident and a Chinese national; or

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- (ii) a body incorporated or constituted under the law of the HKSAR.

(1A) Without limiting section 6, except under the authority of a licence granted under section 11(1)—

- (a) a person must not make available, directly or indirectly, any funds or other financial assets or economic resources to, or for the benefit of, a relevant person or a relevant entity; and
- (b) a person (*first-mentioned person*) must not deal with, directly or indirectly, any funds or other financial assets or economic resources owned by or otherwise belonging to, or held by, a relevant person or a relevant entity, and if the first-mentioned person is a relevant person or a relevant entity, including any funds and other financial assets or economic resources owned by or otherwise belonging to, or held by, the first-mentioned person.”.

(3) Section 7(2)—

Repeal**“(1)”****Substitute****“(1A)”.**

(4) Section 7—

Repeal subsection (3)**Substitute****“(3) It is a defence for a person charged with an offence under subsection (2) to prove that the person did not know and had no reason to believe—**

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- (a) that the funds or other financial assets or economic resources concerned were or were to be made available to, or for the benefit of, a relevant person or a relevant entity; or
 - (b) that the person was dealing with funds or other financial assets or economic resources owned by or otherwise belonging to, or held by, a relevant person or a relevant entity.”.
- (5) Section 7—
Repeal subsection (4).
- (6) Section 7—
Add
- “(5) A person is not to be regarded as having contravened subsection (1A) by reason only of having credited an account owned by or otherwise belonging to, or held by, a relevant person or a relevant entity with—
- (a) interest or other earnings due on that account; or
 - (b) payment due under contracts, agreements or obligations that arose before the date on which the person or entity became a relevant person or a relevant entity.
- (6) In this section—
deal with (處理) means—
- (a) in respect of funds—
 - (i) use, alter, move, allow access to or transfer;
 - (ii) deal with in any other way that would result in any change in volume, amount, location, ownership, possession, character or destination; or

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- (iii) make any other change that would enable use, including portfolio management; and
 - (b) in respect of other financial assets or economic resources, use to obtain funds, goods or services in any way, including by selling, hiring or mortgaging the assets or resources.”.
- 17. Section 8 repealed**
Section 8—
Repeal the section.
- 18. Section 8AA added**
Before section 8A—
Add
- “8AA. Prohibition against sale and acquisition of interest in commercial activity involving uranium mining**
- (1) A specified person must not sell or otherwise make available, directly or indirectly, an interest in a specified commercial activity to a prohibited person.
 - (2) A specified person must not knowingly provide, directly or indirectly, any financial services or related services that facilitate the acquisition of an interest in a specified commercial activity by a prohibited person.
 - (3) A prohibited person must not, directly or indirectly, acquire an interest in a specified commercial activity.
 - (4) A person who contravenes subsection (1) commits an offence and is liable—
 - (a) on conviction on indictment to a fine and to imprisonment for 7 years; or

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- (b) on summary conviction to a fine at level 6 and to imprisonment for 6 months.
- (5) A person who contravenes subsection (2) commits an offence and is liable—
 - (a) on conviction on indictment to a fine and to imprisonment for 7 years; or
 - (b) on summary conviction to a fine at level 6 and to imprisonment for 6 months.
- (6) A person who contravenes subsection (3) commits an offence and is liable—
 - (a) on conviction on indictment to a fine and to imprisonment for 7 years; or
 - (b) on summary conviction to a fine at level 6 and to imprisonment for 6 months.
- (7) It is a defence for a person charged with an offence under subsection (1) to prove that the person did not know and had no reason to believe—
 - (a) that the interest concerned was an interest in a specified commercial activity; or
 - (b) that the interest concerned was sold or otherwise made available to a prohibited person.
- (8) It is a defence for a person charged with an offence under subsection (3) to prove that the person did not know and had no reason to believe that the interest concerned was an interest in a specified commercial activity.
- (9) In this section—

prohibited person (受禁制人士) means—

 - (a) Iran;
 - (b) a national of Iran;

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- (c) an entity incorporated in Iran or subject to Iranian jurisdiction;
- (d) a person or entity acting on behalf of, or at the direction of, Iran, a national of Iran or an entity mentioned in paragraph (c); or
- (e) an entity owned or controlled by Iran, a national of Iran or an entity mentioned in paragraph (c).

specified commercial activity (指明商業活動) means a commercial activity that involves uranium mining, or the production or use of nuclear materials or technology listed in the International Atomic Energy Agency document INFCIRC 254/Rev. 9/Part 1, including—

- (a) uranium-enrichment and reprocessing activities;
- (b) all heavy-water activities; and
- (c) activities that involve technology related to ballistic missiles capable of delivering nuclear weapons.

specified person (指明人士) means—

- (a) a person acting in the HKSAR; and
- (b) a person acting outside the HKSAR who is—
 - (i) both a Hong Kong permanent resident and a Chinese national; or
 - (ii) a body incorporated or constituted under the law of the HKSAR.”.

19. Cross-heading before section 8A repealed

Cross-heading before section 8A—

Repeal the cross-heading.

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20. Section 8A substituted

Section 8A—

Repeal the section**Substitute****“8A. Prohibition against entry or transit by certain persons**

- (1) Subject to section 8B, specified person must not enter or transit through the HKSAR.
- (2) A person who contravenes subsection (1) commits an offence and is liable on conviction to a fine at level 4 and to imprisonment for 2 years.
- (3) This section does not apply to a person having the right of abode or the right to land in the HKSAR.
- (4) In this section—

specified person (指明人士) means a person designated by the Security Council or the Committee under paragraph 10 of Resolution 1737, including a person designated in Annex C, D or E of Resolution 1737, Annex I of Resolution 1747, Annex I of Resolution 1803, or Annex I or II of Resolution 1929.”.

21. Section 8B substituted

Section 8B—

Repeal the section**Substitute****“8B. Exceptions to prohibition against entry or transit by certain persons**

Section 8A does not apply—

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- (a) if the relevant entry into or transit through the HKSAR is for activities directly related to the provision to Iran of—
 - (i) any equipment covered by section B.1 of the International Atomic Energy Agency document INFCIRC/254/Rev. 9/Part 1 when such equipment is for exclusive use in light water reactors; or
 - (ii) any low-enriched uranium covered by section A.1.2 of the International Atomic Energy Agency document INFCIRC/254/Rev. 9/Part 1 when it is incorporated in assembled nuclear fuel elements for light water reactors;
- (b) to a case in respect of which the Committee has determined that the relevant entry into or transit through the HKSAR is justified on the ground of humanitarian need, including religious obligation; or
- (c) to a case in respect of which the Committee has determined that the relevant entry into or transit through the HKSAR would otherwise further the objectives of Resolution 1929.”.

22. Sections 8C and 8D added

After section 8B—

Add**“8C. Prohibition against provision of certain services to certain ships**

- (1) This section applies to—
 - (a) a person acting in the HKSAR; and
 - (b) a person acting outside the HKSAR who is—

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- (i) both a Hong Kong permanent resident and a Chinese national; or
 - (ii) a body incorporated or constituted under the law of the HKSAR.
- (2) Subject to section 8D, a person must not provide, directly or indirectly, any specified services to a specified ship if the person knows or has reasonable grounds to believe that—
- (a) the ship concerned is a specified ship; and
 - (b) the ship concerned is carrying any regulated prohibited item, specified prohibited item or specified item.
- (3) A person who contravenes subsection (2) commits an offence and is liable—
- (a) on conviction on indictment to a fine and to imprisonment for 7 years; or
 - (b) on summary conviction to a fine at level 6 and to imprisonment for 6 months.
- (4) In this section—
- specified services** (指明服務), in relation to a ship, means the provision of any bunkering service to the ship or any of the following services—
- (a) the provision of fuel to the ship;
 - (b) the provision of tools or equipment for shipboard maintenance;
 - (c) the provision of lubricants, chemicals, expendable parts, spare parts, supplies or any other requirements that are necessary for the safe operation of the ship;
 - (d) the servicing or repair of any part of the ship or any item referred to in paragraphs (b) and (c);

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specified ship (指明船舶) means a ship which is owned or contracted by, or chartered to, a person connected with Iran or a national of Iran.

8D. Exception to prohibition under section 8C

Section 8C does not apply if the provision of the specified services concerned is necessary for humanitarian purposes.”.

23. Part 3 heading substituted

Part 3, heading—

Repeal the heading

Substitute

“Part 3

Licences”.

24. Section 9 substituted

Section 9—

Repeal the section

Substitute

“9. Licence for supply, sale, transfer or carriage of certain items

- (1) If satisfied on application that the applicable requirements in subsections (2), (3) and (4) are met, the Chief Executive must grant, as appropriate—
 - (a) a licence for the supply, sale or transfer of, or the doing of an act likely to promote the supply, sale or transfer of, any regulated prohibited item (except conventional arms) or any specified prohibited item—

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- (i) to Iran;
- (ii) to, or to the order of, a person connected with Iran;
- (iii) to a destination or person for the purpose of delivery or transfer, directly or indirectly, to Iran or to, or to the order of, a person connected with Iran; or
- (iv) for the use in or benefit of Iran; or
- (b) a licence for the carriage of any regulated prohibited item (except conventional arms) or any specified prohibited item which is, or forms part of, a carriage—
 - (i) from a place outside Iran to a place in Iran;
 - (ii) to, or to the order of, a person connected with Iran;

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- (iii) to a destination for the purpose of delivery or transfer, directly or indirectly, to Iran or to, or to the order of, a person connected with Iran; or
- (iv) for the use in or benefit of Iran.
- (2) The following requirements apply to all regulated prohibited items (except conventional arms)—
 - (a) the Committee has determined in advance and on a case-by-case basis that the supply, sale, transfer or carriage of the regulated prohibited item (including any item that is for food, agricultural, medical or other humanitarian purposes) would clearly not contribute to the development of Iran's technologies in support of—
 - (i) Iran's proliferation sensitive nuclear activities; or
 - (ii) the development of Iran's nuclear weapon delivery systems;
 - (b) the applicant has submitted to the Chief Executive such information in relation to the end-use of the regulated prohibited item as the Chief Executive may require, and the Chief Executive has determined that the supply, sale, transfer or carriage of the regulated prohibited item would clearly not contribute to the development of Iran's technologies in support of—
 - (i) Iran's proliferation sensitive nuclear activities; or
 - (ii) the development of Iran's nuclear weapon delivery systems;
 - (c) the Government of Iran has committed not to use the regulated prohibited item—

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- (i) in Iran's proliferation sensitive nuclear activities; or
 - (ii) for the development of Iran's nuclear weapon delivery systems.
- (3) The following requirements apply to all specified prohibited items—
 - (a) the requirements, as appropriate, of the guidelines as set out in the International Atomic Energy Agency document INFCIRC/254/Rev. 9/Part 1, the International Atomic Energy Agency document INFCIRC/254/Rev. 7/Part 2 and the Security Council document S/2006/985 are met;
 - (b) the Chief Executive has obtained and is in a position to exercise effectively a right to verify the end-use and end-use location of the specified prohibited item.
- (4) If the specified prohibited item is an item covered by sections 1 to 6 of the Annex to the International Atomic Energy Agency document INFCIRC/254/Rev. 7/Part 2, in addition to the requirements in subsection (3), it must also be proved to the satisfaction of the Chief Executive that—
 - (a) in all cases, the supply, sale, transfer or carriage of the item is necessary for technical cooperation provided to Iran by the International Atomic Energy Agency or under its auspices as provided in paragraph 16 of Resolution 1737; and
 - (b) in the case of an item covered by sections 3 to 6 of that Annex, the supply, sale, transfer or carriage of the item has been notified in advance to the Committee.”.

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25. Section 10 substituted

Section 10—

Repeal the section**Substitute****“10. Licence for provision of certain training, services or assistance**

- (1) If satisfied on application that all the requirements in subsection (2) are met, the Chief Executive must grant a licence for the provision of any technical training, financial resources or services, advice, other services or assistance related to the supply, sale, transfer, provision, manufacture, maintenance or use of any regulated prohibited item (except conventional arms)—
 - (a) to Iran;
 - (b) to, or to the order of, a person connected with Iran; or
 - (c) to a destination or person for the purpose of provision, directly or indirectly, to Iran or to, or to the order of, a person connected with Iran.
- (2) The requirements referred to in subsection (1) are as follows—
 - (a) the Committee has determined in advance and on a case-by-case basis that the provision of the technical training, financial resources or services, advice, other services or assistance (including any provision for food, agricultural, medical or other humanitarian purposes) would clearly not contribute to the development of Iran's technologies in support of—
 - (i) Iran's proliferation sensitive nuclear activities; or

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- (ii) the development of Iran's nuclear weapon delivery systems;
- (b) the applicant has submitted to the Chief Executive such information in relation to the end-use of the technical training, financial resources or services, advice, other services or assistance to be provided, as the Chief Executive may require, and the Chief Executive has determined that the provision would clearly not contribute to the development of Iran's technologies in support of—
 - (i) Iran's proliferation sensitive nuclear activities; or
 - (ii) the development of Iran's nuclear weapon delivery systems;
- (c) the Government of Iran has committed not to use the regulated prohibited item—
 - (i) in Iran's proliferation sensitive nuclear activities; or
 - (ii) for the development of Iran's nuclear weapon delivery systems.”.

26. Section 11 substituted

Section 11—

Repeal the section**Substitute**

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“11. Licence for making available funds, etc. to certain persons or entities or dealing with funds, etc. of certain persons or entities

- (1) If on application the Chief Executive determines that any of the requirements in subsection (2) is met, the Chief Executive must, subject to subsection (3), grant, as appropriate, a licence for—
 - (a) making available funds or other financial assets or economic resources to, or for the benefit of, a relevant person or a relevant entity; or
 - (b) dealing with funds or other financial assets or economic resources owned by or otherwise belonging to, or held by, a relevant person or a relevant entity.
- (2) The requirements referred to in subsection (1) are as follows—
 - (a) the funds or other financial assets or economic resources are—
 - (i) necessary for basic expenses, including payment for foodstuffs, rents, mortgages, medicines, medical treatments, taxes, insurance premiums and public utility charges; or
 - (ii) exclusively for the payment of reasonable professional fees or reimbursement of incurred expenses associated with the provision of legal services; or
 - (iii) fees or service charges, under the law of the HKSAR, for the routine holding or maintenance of funds or other financial assets or economic resources owned by or otherwise belonging to, or held by, a relevant person or a relevant entity;

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- (b) the funds or other financial assets or economic resources are necessary for extraordinary expenses;
- (c) the funds or other financial assets or economic resources—
 - (i) are the subject of a judicial, administrative or arbitral lien or judgment that was entered before 23 December 2006 and is not for the benefit of a relevant person or a relevant entity; and
 - (ii) are to be used to satisfy the lien or judgment;
- (d) the funds or other financial assets or economic resources are necessary for activities directly related to—
 - (i) any equipment covered by section B.1 of the International Atomic Energy Agency document INFCIRC/254/Rev. 9/Part 1 when such equipment is for exclusive use in light water reactors; or
 - (ii) any low-enriched uranium covered by section A.1.2 of the International Atomic Energy Agency document INFCIRC/254/Rev. 9/Part 1 when it is incorporated in assembled nuclear fuel elements for light water reactors;
- (e) the funds or other financial assets or economic resources are for making payment due under a contract entered into before the date on which such person or entity became a relevant person or a relevant entity, and the contract is not related to—
 - (i) any regulated prohibited item; or

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- (ii) any technical training, financial resources or services, advice, other services or assistance related to the supply, sale, transfer, provision, manufacture, maintenance or use of any regulated prohibited item,
and the payment is not received, directly or indirectly, by a relevant person or a relevant entity.
- (3) If the Chief Executive determines that—
 - (a) the requirement in subsection (2)(a) is met, the Chief Executive—
 - (i) must cause the Committee to be notified of the intention to grant a licence under subsection (1); and
 - (ii) must grant the licence in the absence of a negative decision by the Committee within 5 working days of the notification;
 - (b) the requirement in subsection (2)(b) is met, the Chief Executive—
 - (i) must cause the Committee to be notified of the determination; and
 - (ii) must not grant the licence unless the Committee approves the determination;
 - (c) the requirement in subsection (2)(c) is met, before granting the licence, the Chief Executive must cause the Committee to be notified of the determination;
 - (d) the requirement in subsection (2)(d) is met, before granting the licence, the Chief Executive must cause the Committee to be notified of the determination;

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- (e) the requirement in subsection (2)(e) is met, the Chief Executive must cause the Committee to be notified of the intention to grant the licence not less than 10 working days before the grant of the licence.”.

27. Section 12 substituted

Section 12—

Repeal the section**Substitute****“12. Provision of false information or documents for purpose of obtaining licences**

- (1) A person who, for the purpose of obtaining a licence, makes any statement or provides or produces any information or document that the person knows to be false in a material particular commits an offence and is liable—
- (a) on conviction on indictment to a fine and to imprisonment for 2 years; or
- (b) on summary conviction to a fine at level 6 and to imprisonment for 6 months.
- (2) A person who, for the purpose of obtaining a licence, recklessly makes any statement or provides or produces any information or document that is false in a material particular commits an offence and is liable—
- (a) on conviction on indictment to a fine and to imprisonment for 2 years; or
- (b) on summary conviction to a fine at level 6 and to imprisonment for 6 months.”.

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28. Part 4 heading substituted

Part 4, heading—

Repeal the heading**Substitute****“Part 4****Things Done outside HKSAR”.****29. Section 13 substituted**

Section 13—

Repeal the section**Substitute****“13. Licence or permission granted by authorities of places outside HKSAR**

- (1) If the circumstances described in subsection (2) apply, a provision of this Regulation that prohibits the doing of a thing by a person except under the authority of a licence does not have effect in relation to any such thing done in a place outside the HKSAR by the person.
- (2) For the purposes of subsection (1), the circumstances are that the thing is done by the person under the authority of a licence or with permission granted, in accordance with any law in force in that place outside the HKSAR (being a law substantially corresponding to the relevant provision of this Regulation), by the authority competent in that behalf under that law.”.

30. Part 5 heading substituted

Part 5, heading—

Repeal the heading

Substitute

“Part 5

Enforcement of Regulation”.

31. Cross-heading before section 14 repealed

Cross-heading before section 14—

Repeal the cross-heading.

32. Part 5, Division 1 heading added

Before section 14—

Add

“Division 1

Investigation, etc. of Suspected Ships”.

33. Section 14 substituted

Section 14—

Repeal the section

Substitute

“14. Investigation of suspected ships

- (1) If an authorized officer has reason to suspect that a ship to which section 3 or 5 applies has been, is being or is about to be used in contravention of section 3(2) or 5(2), the officer may—
 - (a) either alone or accompanied and assisted by any person acting under the officer’s authority, board the ship and search it and, for that purpose, use or authorize the use of reasonable force; and
 - (b) request the charterer, operator or master of the ship to provide any information relating to the ship or its cargo, or produce for inspection any of its cargo or any document relating to the ship or its cargo, that the officer may specify.
- (2) If an authorized officer has reason to suspect that a ship to which section 3 or 5 applies is being or is about to be used in contravention of section 3(2) or 5(2), the officer may, for the purpose of stopping or preventing the use of the ship in contravention of section 3(2) or 5(2) or to pursue enquiries, either there and then or on consideration of any information provided or cargo or document produced in response to a request made under subsection (1)(b), do one or more of the following—
 - (a) direct the charterer, operator or master of the ship to refrain, except with the consent of an authorized officer, from landing, at any port specified by the authorized officer, any part of the ship’s cargo that is so specified;
 - (b) request the charterer, operator or master of the ship to take any of the following steps—

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- (i) to cause the ship and any of its cargo not to proceed with the voyage on which the ship is then engaged or about to be engaged until the charterer, operator or master is notified by an authorized officer that the ship and its cargo may so proceed;
 - (ii) if the ship is in the HKSAR, to cause the ship and any of its cargo to remain in the HKSAR until the charterer, operator or master is notified by an authorized officer that the ship and its cargo may depart;
 - (iii) if the ship is in any other place, to take the ship and any of its cargo to a port specified by an authorized officer, and to cause the ship and its cargo to remain in that place until the charterer, operator or master is notified by an authorized officer that the ship and its cargo may depart;
 - (iv) to take the ship and any of its cargo to another destination specified by an authorized officer in agreement with the charterer, operator or master.
- (3) A power conferred by this section to request a person to provide any information or produce any cargo or document for inspection includes a power to—
- (a) specify whether the information should be provided orally or in writing and in what form; and
 - (b) specify the time by which, and the place in which, the information should be provided or the cargo or document should be produced for inspection.”.

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34. Section 15 substituted

Section 15—

Repeal the section**Substitute****“15. Offences by charterer, operator or master of ship**

- (1) A charterer, operator or master of a ship who disobeys any direction given under section 14(2)(a), or, without reasonable excuse, refuses or fails to comply with a request made under section 14(1)(b) or (2)(b) within the time specified by an authorized officer or, if no time is specified, within a reasonable time, commits an offence and is liable on conviction to a fine at level 6 and to imprisonment for 6 months.
- (2) A charterer, operator or master of a ship who, in response to a request made under section 14(1)(b) or (2)(b), provides or produces to an authorized officer any information or document that the charterer, operator or master knows to be false in a material particular, or recklessly provides or produces to an authorized officer any information or document that is false in a material particular, commits an offence and is liable on conviction to a fine at level 6 and to imprisonment for 6 months.”.

35. Section 16 substituted

Section 16—

Repeal the section**Substitute**

“16. Power of authorized officers to enter and detain ships

- (1) Without limiting section 15, if an authorized officer has reason to suspect that a request that has been made under section 14(2)(b) may not be complied with, the officer may take any steps that appear to the officer to be necessary to secure compliance with that request including, in particular, any of the following steps—
 - (a) enter or authorize the entry on any land or the ship concerned;
 - (b) detain or authorize the detention of that ship or any of its cargo;
 - (c) use or authorize the use of reasonable force.
- (2) Subject to subsection (3), subsection (1) does not authorize the detention of a ship for more than 12 hours.
- (3) The Chief Secretary for Administration may, by order in writing, authorize the detention of a ship for further periods of not more than 12 hours each, and the order must state the time from which, and period for which, the order is effective.”.

36. Cross-heading before section 17 repealed

Cross-heading before section 17—

Repeal the cross-heading.**37. Part 5, Division 2 heading added**

Before section 17—

Add**“Division 2****Investigation, etc. of Suspected Aircraft”.****38. Section 17 substituted**

Section 17—

Repeal the section**Substitute****“17. Investigation of suspected aircraft**

- (1) If an authorized officer has reason to suspect that an aircraft to which section 3 or 5 applies has been, is being or is about to be used in contravention of section 3(2) or 5(2), the officer may—
 - (a) either alone or accompanied and assisted by any person acting under the officer’s authority, board the aircraft and search it and, for that purpose, use or authorize the use of reasonable force; and
 - (b) request the charterer, operator or pilot in command of the aircraft to provide any information relating to the aircraft or its cargo, or produce for inspection any of its cargo or any document relating to the aircraft or its cargo, that the officer may specify.
- (2) If the aircraft referred to in subsection (1) is in the HKSAR, an authorized officer may, either there and then or on consideration of any information provided or cargo or document produced in response to a request made under subsection (1)(b), further request the charterer, operator or pilot in command of the aircraft to cause the aircraft and any of its cargo to remain in the HKSAR until the charterer, operator or pilot in command is notified by an authorized officer that the aircraft and its cargo may depart.

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- (3) A power conferred by this section to request a person to provide any information or produce any cargo or document for inspection includes a power to—
- (a) specify whether the information should be provided orally or in writing and in what form; and
 - (b) specify the time by which, and the place in which, the information should be provided or the cargo or document should be produced for inspection.”.

39. Section 18 substituted

Section 18—

Repeal the section**Substitute****“18. Offences by charterer, operator or pilot in command of aircraft**

- (1) A charterer, operator or pilot in command of an aircraft who, without reasonable excuse, refuses or fails to comply with a request made under section 17(1)(b) or (2) within the time specified by an authorized officer or, if no time is specified, within a reasonable time, commits an offence and is liable on conviction to a fine at level 6 and to imprisonment for 6 months.
- (2) A charterer, operator or pilot in command of an aircraft who, in response to a request made under section 17(1)(b) or (2), provides or produces to an authorized officer any information or document that the charterer, operator or pilot in command knows to be false in a material particular, or recklessly provides or produces to an authorized officer any information or document that is false in a material particular,

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commits an offence and is liable on conviction to a fine at level 6 and to imprisonment for 6 months.”.

40. Section 19 substituted

Section 19—

Repeal the section**Substitute****“19. Power of authorized officers to enter and detain aircraft**

- (1) Without limiting section 18, if an authorized officer has reason to suspect that a request that has been made under section 17(2) may not be complied with, the officer may take any steps that appear to the officer to be necessary to secure compliance with that request including, in particular, any of the following steps—
 - (a) enter or authorize the entry on any land or the aircraft concerned;
 - (b) detain or authorize the detention of that aircraft or any of its cargo;
 - (c) use or authorize the use of reasonable force.
- (2) Subject to subsection (3), subsection (1) does not authorize the detention of an aircraft for more than 6 hours.
- (3) The Chief Secretary for Administration may, by order in writing, authorize the detention of an aircraft for further periods of not more than 6 hours each, and the order must state the time from which, and period for which, the order is effective.”.

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41. Cross-heading before section 20 repealed

Cross-heading before section 20—

Repeal the cross-heading.**42. Part 5, Division 3 heading added**

Before section 20—

Add**“Division 3****Investigation, etc. of Suspected Vehicles”.****43. Section 20 substituted**

Section 20—

Repeal the section**Substitute****“20. Investigation of suspected vehicles**

- (1) If an authorized officer has reason to suspect that a vehicle in the HKSAR has been, is being or is about to be used in contravention of section 3(2) or 5(2), the officer may—
 - (a) either alone or accompanied and assisted by any person acting under the officer's authority, board the vehicle and search it and, for that purpose, use or authorize the use of reasonable force;
 - (b) request the operator or driver of the vehicle to provide any information relating to the vehicle or any article carried on it, or produce for inspection any article carried on it or any document relating

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to the vehicle or any article carried on it, that the officer may specify; and

- (c) further request, either there and then or on consideration of any information provided or article or document produced in response to a request made under paragraph (b), the operator or driver to take the vehicle and any article carried on it to a place specified by an authorized officer, and to cause the vehicle and the article to remain in that place until the operator or driver is notified by an authorized officer that the vehicle and the article may depart.
- (2) A power conferred by this section to request a person to provide any information or produce any article or document for inspection includes a power to—
 - (a) specify whether the information should be provided orally or in writing and in what form; and
 - (b) specify the time by which, and the place in which, the information should be provided or the article or document should be produced for inspection.”.

44. Section 21 substituted

Section 21—

Repeal the section**Substitute****“21. Offences by operator or driver of vehicle**

- (1) An operator or driver of a vehicle who, without reasonable excuse, refuses or fails to comply with a request made under section 20(1)(b) or (c) within the time specified by an authorized officer or, if no time is specified, within a reasonable time, commits an offence

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and is liable on conviction to a fine at level 6 and to imprisonment for 6 months.

- (2) An operator or driver of a vehicle who, in response to a request made under section 20(1)(b) or (c), provides or produces to an authorized officer any information or document that the operator or driver knows to be false in a material particular, or recklessly provides or produces to an authorized officer any information or document that is false in a material particular, commits an offence and is liable on conviction to a fine at level 6 and to imprisonment for 6 months.”.

45. Section 22 substituted

Section 22—

Repeal the section**Substitute****“22. Power of authorized officers to enter and detain vehicles**

- (1) Without limiting section 21, if an authorized officer has reason to suspect that a request that has been made under section 20(1)(c) may not be complied with, the officer may take any steps that appear to the officer to be necessary to secure compliance with that request including, in particular, any of the following steps—
- (a) enter or authorize the entry on any land or enter or authorize the entry into the vehicle concerned;
 - (b) detain or authorize the detention of that vehicle or any article carried on it;
 - (c) use or authorize the use of reasonable force.

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- (2) Subject to subsection (3), subsection (1) does not authorize the detention of a vehicle for more than 12 hours.
- (3) The Commissioner may, by order in writing, authorize the detention of a vehicle for further periods of not more than 12 hours each, and the order must state the time from which, and period for which, the order is effective.”.

46. Cross-heading before section 23 repealed

Cross-heading before section 23—

Repeal the cross-heading.

47. Part 5, Division 4 heading added

Before section 23—

Add**“Division 4****Proof of Identity”.**

48. Section 23 substituted

Section 23—

Repeal the section**Substitute****“23. Production of proof of identity**

Before or on exercising a power conferred by section 14, 16, 17, 19, 20 or 22, an authorized officer must, if requested by any person so to do, produce proof of the officer’s identity to the person for inspection.”.

49. Part 6 heading substituted

Part 6, heading—

Repeal the heading

Substitute

“Part 6

Evidence”.

50. Section 24 amended

(1) Section 24(1), English text—

Repeal

“he is”.

(2) Section 24—

Repeal subsection (3)

Substitute

“(3) A person authorized by a warrant to search any premises, ship, aircraft or vehicle may exercise any or all of the following powers—

- (a) search any person who is found on, or whom the authorized person has reasonable grounds to believe to have recently left or to be about to enter, the premises, ship, aircraft or vehicle;
- (b) seize and detain any document, cargo or article found on the premises, ship, aircraft or vehicle or on any person referred to in paragraph (a) that the authorized person has reasonable grounds to believe to be evidence in relation to the commission of an offence under this Regulation;

- (c) take in relation to any document, cargo or article seized under paragraph (b) any other steps that may appear necessary for preserving the document, cargo or article and preventing interference with it.”.

(3) Section 24—

Repeal subsection (5)

Substitute

“(5) If a person is empowered under this section to enter any premises, ship, aircraft or vehicle, the person may use any force that is reasonably necessary for that purpose.”.

51. Sections 24A and 24B added

After section 24—

Add

“24A. Seized articles, etc. liable to forfeiture

- (1) If an authorized officer intends to apply to a magistrate or judge under section 24B for an order for forfeiture of any document, cargo or article seized under section 24(3), the officer must, within 30 days from the date of the seizure, serve notice of that intention on every person who was, to the knowledge of the officer at the time of, or immediately after, the seizure, an owner of the document, cargo or article.
- (2) A notice under subsection (1) is to be regarded as having been duly served on a person if—
 - (a) it is delivered personally to the person;
 - (b) it is sent by registered post addressed to the person at any place of residence or business of the person known to the authorized officer; or

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- (c) where the notice cannot be served in accordance with paragraph (a) or (b), the notice is exhibited at the offices of the Customs and Excise Department, in a place to which the public have access, for a period of not less than 7 days commencing within 30 days from the date of the seizure of the document, cargo or article.
- (3) An owner, or the authorized agent of an owner, of the document, cargo or article referred to in a notice served under subsection (1), or a person who was in possession of the document, cargo or article at the time of seizure, or a person who has a legal or equitable interest in the document, cargo or article, may object to the proposed forfeiture by serving a notice in writing on the Commissioner.
- (4) A notice of objection under subsection (3)—
 - (a) must be served on the Commissioner by a person referred to in subsection (3) (*claimant*) within 30 days from—
 - (i) if the notice under subsection (1) is delivered personally to the person named in the notice, the date of delivery;
 - (ii) if the notice under subsection (1) is sent by registered post, 2 days after the date of posting; or
 - (iii) if the notice under subsection (1) is exhibited as described in subsection (2)(c), the first day it is so exhibited;
 - (b) must state the claimant's full name and address for service in Hong Kong; and
 - (c) if the claimant does not have a permanent address in Hong Kong, must state the name and address of a solicitor who is qualified to practise under

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- the Legal Practitioners Ordinance (Cap. 159) and is authorized to accept service on behalf of the claimant in relation to any forfeiture proceedings.
- (5) An authorized officer may apply to a magistrate or judge for an order for forfeiture of any seized document, cargo or article in respect of which a notice has been served under subsection (1)—
 - (a) after the expiration of the appropriate period of time specified in subsection (4)(a) for the serving of a notice of objection; or
 - (b) if a notice of objection is served in accordance with subsections (3) and (4), after the receipt of the notice.

24B. Power of magistrate or judge to make order for forfeiture and disposal

- (1) If an application is made to a magistrate or judge for an order for forfeiture of any seized document, cargo or article, the magistrate or judge may, if satisfied that the seized document is a document relating to the provision, manufacture, maintenance or use of a regulated prohibited item, specified prohibited item or specified item, or that the seized cargo or article is a regulated prohibited item, specified prohibited item or specified item, make such order as the magistrate or judge thinks fit for the forfeiture of the document, cargo or article and its subsequent destruction or disposal.
- (2) An order under subsection (1) may be made in respect of any seized document, cargo or article whether or not any person has been convicted of any offence in connection with the document, cargo or article.
- (3) Before making an order for forfeiture of any seized document, cargo or article, a magistrate or judge must

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issue a summons to any person who serves a notice of objection in accordance with section 24A(3) and (4) to appear on a day specified in the summons to show cause why the document, cargo or article should not be forfeited.

- (4) If any summons issued under subsection (3) has not for any reason been served and the magistrate or judge is satisfied that all reasonable efforts have been made to serve the summons on the person named in the summons, the magistrate or judge may make an order for forfeiture under this section despite the fact that the summons has not been served on that person.”.

52. Section 25 substituted

Section 25—

Repeal the section**Substitute****“25. Detention of documents, cargoes or articles seized**

- (1) Subject to subsection (2) and any order made under section 24B, any document, cargo or article seized under section 24(3) may not be detained for more than 3 months.
- (2) If the document, cargo or article is relevant to an offence under this Regulation, and proceedings for the offence have begun, the document, cargo or article may be detained until the completion of those proceedings.”.

53. Part 7 heading substituted

Part 7, heading—

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Repeal the heading**Substitute****“Part 7****Disclosure of Information or Documents”.**

54. Section 26 substituted

Section 26—

Repeal the section**Substitute****“26. Disclosure of information or documents**

- (1) Any information or document provided, produced or seized under this Regulation may be disclosed only if—
- (a) the person who provided or produced the information or document or from whom the document was seized has given consent to the disclosure;
- (b) the information or document is disclosed to a person who would have been empowered under this Regulation to request that it be provided or produced;
- (c) the information or document is disclosed on the authority of the Chief Executive, subject to the information or document being transmitted through and with the approval of the instructing authority, to—
- (i) any organ of the United Nations;

- (ii) any person in the service of the United Nations; or
 - (iii) the Government of any place outside the People's Republic of China,
for the purpose of assisting the United Nations or that Government in securing compliance with, or detecting evasion of, measures in relation to Iran decided on by the Security Council; or
 - (d) the information or document is disclosed with a view to the institution of, or otherwise for the purposes of, any proceedings for an offence under this Regulation.
- (2) For the purposes of subsection (1)(a)—
- (a) a person may not give consent to the disclosure if the person has obtained the information or possessed the document only in the person's capacity as servant or agent of another person; and
 - (b) a person may give consent to the disclosure if the person is entitled to the information or to the possession of the document in the person's own right.”.

55. Part 8 heading substituted

Part 8, heading—

Repeal the heading**Substitute****“Part 8****Other Offences and Miscellaneous Matters”.****56. Section 27 amended**

- (1) Section 27, English text, heading—

Repeal**“Liability of person other than principal offender”****Substitute****“Liability of persons other than principal offenders”.**

- (2) Section 27(1) and (2), English text—

Repeal**“Where”****Substitute****“If”.****57. Section 28 substituted**

Section 28—

Repeal the section**Substitute****“28. Offences in relation to obstruction of authorized persons, etc.**

A person who obstructs another person (including a person acting under the authority of an authorized officer) in the exercise of the powers of that other person under this Regulation commits an offence and is liable on conviction to a fine at level 6 and to imprisonment for 6 months.”.

58. Section 29 amended

Section 29, after “document”—

Add

“, cargo”.

59. Section 30 amended

(1) Section 30, heading—

Repeal

“Proceedings to be instituted”

Substitute

“Consent and time limit for proceedings”.

(2) Section 30—

Repeal subsection (2)

Substitute

“(2) Summary proceedings for an offence under this Regulation that is alleged to have been committed outside the HKSAR may be commenced at any time not later than 12 months from the date on which the person charged first enters the HKSAR after the alleged commission of the offence.”.

60. Section 31 amended

(1) Section 31—

Repeal

“specify any of the following persons or entities as a relevant person or a relevant entity”

Substitute

“specify as a relevant person or a relevant entity any of the following persons or entities”.

(2) Section 31—

Repeal paragraph (a)

Substitute

“(a) a person or entity designated by the Security Council or the Committee for the purposes of the measures imposed by paragraph 12 of Resolution 1737, including a person or entity listed in the Annex to Resolution 1737, Annex I to Resolution 1747, Annex I or III to Resolution 1803, Annex I to Resolution 1929, or any of the entities of the Islamic Republic of Iran Shipping Lines specified in Annex III to Resolution 1929;”.

(3) After section 31(a)—

Add

“(aa) any of the persons or entities of the Islamic Revolutionary Guard Corps (also known as Army of the Guardians of the Islamic Revolution) specified in Annex II to Resolution 1929;”.

(4) Section 31—

Repeal paragraph (b)

Substitute

“(b) a person or entity determined by the Security Council or the Committee to have assisted a person or entity mentioned in paragraph (a) in evading sanctions of, or in violating the provisions of, Resolution 1737, Resolution 1747, Resolution 1803 or Resolution 1929.”.

61. Section 32 substituted

Section 32—

Repeal the section

Substitute

“32. Access to Security Council documents

The Director-General of Trade and Industry is to make available at his or her office, for inspection by the public during normal office hours, free of charge, an English version and a Chinese version of each of the following documents—

- (a) the Security Council document S/2006/263;
- (b) the International Atomic Energy Agency document INFCIRC/254/Rev. 9/Part 1;
- (c) the International Atomic Energy Agency document INFCIRC/254/Rev. 7/Part 2.”.

62. Section 33 substituted

Section 33—

Repeal the section

Substitute

“33. Exercise of powers of Chief Executive

- (1) The Chief Executive may delegate any of the Chief Executive’s powers or functions under this Regulation to any person or class or description of person.
- (2) The Chief Executive may authorize a person to whom a power or function is delegated to sub-delegate it to any other person or class or description of person.
- (3) A delegation or authorization under subsection (1) or (2) may be subject to any restrictions or conditions that the Chief Executive thinks fit.”.

Donald TSANG
Chief Executive

22 March 2011

Explanatory Note

This Regulation amends the United Nations Sanctions (Iran) Regulation (Cap. 537 sub. leg. AF) (*principal Regulation*) to give effect to certain decisions of the Security Council of the United Nations (*Security Council*) in Resolution 1929 (2010) as adopted by the Security Council on 9 June 2010 by—

- (a) amending the definition of *regulated prohibited item*, *specified item* and *specified prohibited item* in section 1 of the principal Regulation to cover additional items and technologies;
- (b) extending to additional persons and entities the prohibitions against—
 - (i) making available to, or for the benefit of, certain persons or entities any funds or other financial assets or economic resources; and
 - (ii) dealing with funds or other financial assets or economic resources owned by or otherwise belonging to, or held by, certain persons or entities;
- (c) extending the prohibition against the entry into or transit through the HKSAR to additional persons; and
- (d) providing for the prohibitions against—
 - (i) the transfer to Iran and certain persons of technology or technical assistance related to an activity that relates to ballistic missiles capable of delivering nuclear weapons;
 - (ii) the sale to, and acquisition by, certain persons of an 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; and

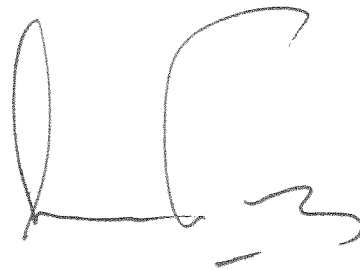
-
- (iii) the provision of certain services to ships under certain circumstances.

United Nations Sanctions Ordinance (Cap. 537)

United Nations Sanctions (Iran) (Amendment) Regulation 2011

This is to confirm that the Chief Executive received specific instruction from the Ministry of Foreign Affairs of the People's Republic of China in June 2010 which requested the Government of the Hong Kong Special Administrative Region to fully implement Resolution No. 1929 of the Security Council of the United Nations, and that the United Nations Sanctions (Iran) (Amendment) Regulation 2011 was made in pursuance of that instruction.

Dated this 22 day of March 2011

A handwritten signature in black ink, consisting of a large, stylized 'H' followed by a horizontal line and a small flourish.

(Henry Tang)
Chief Secretary for Administration

United Nations

S/RES/1737 (2006)*

**Security Council**Distr.: General
27 December 2006

Resolution 1737 (2006)**Adopted by the Security Council at its 5612th meeting, on
23 December 2006***The Security Council,**Recalling* the Statement of its President, S/PRST/2006/15, of 29 March 2006, and its resolution 1696 (2006) of 31 July 2006,*Reaffirming* its commitment to the Treaty on the Non-Proliferation of Nuclear Weapons, and recalling the right of States Party, in conformity with Articles I and II of that Treaty, to develop research, production and use of nuclear energy for peaceful purposes without discrimination,*Reiterating* its serious concern over the many reports of the IAEA Director General and resolutions of the IAEA Board of Governors related to Iran's nuclear programme, reported to it by the IAEA Director General, including IAEA Board resolution GOV/2006/14,*Reiterating* its serious concern that the IAEA Director General's report of 27 February 2006 (GOV/2006/15) lists a number of outstanding issues and concerns on Iran's nuclear programme, including topics which could have a military nuclear dimension, and that the IAEA is unable to conclude that there are no undeclared nuclear materials or activities in Iran,*Reiterating* its serious concern over the IAEA Director General's report of 28 April 2006 (GOV/2006/27) and its findings, including that, after more than three years of Agency efforts to seek clarity about all aspects of Iran's nuclear programme, the existing gaps in knowledge continue to be a matter of concern, and that the IAEA is unable to make progress in its efforts to provide assurances about the absence of undeclared nuclear material and activities in Iran,*Noting* with serious concern that, as confirmed by the IAEA Director General's reports of 8 June 2006 (GOV/2006/38), 31 August 2006 (GOV/2006/53) and 14 November 2006 (GOV/2006/64), Iran has not established full and sustained suspension of all enrichment-related and reprocessing activities as set out in resolution 1696 (2006), nor resumed its cooperation with the IAEA under the Additional Protocol, nor taken the other steps required of it by the IAEA Board of Governors, nor complied with the provisions of Security Council resolution

* Reissued for technical reasons.

06-68142* (E)



1696 (2006) and which are essential to build confidence, and *deploring* Iran's refusal to take these steps,

Emphasizing the importance of political and diplomatic efforts to find a negotiated solution guaranteeing that Iran's nuclear programme is exclusively for peaceful purposes, and *noting* that such a solution would benefit nuclear non-proliferation elsewhere, and *welcoming* the continuing commitment of China, France, Germany, the Russian Federation, the United Kingdom and the United States, with the support of the European Union's High Representative to seek a negotiated solution,

Determined to give effect to its decisions by adopting appropriate measures to persuade Iran to comply with resolution 1696 (2006) and with the requirements of the IAEA, and also to constrain Iran's development of sensitive technologies in support of its nuclear and missile programmes, until such time as the Security Council determines that the objectives of this resolution have been met,

Concerned by the proliferation risks presented by the Iranian nuclear programme and, in this context, by Iran's continuing failure to meet the requirements of the IAEA Board of Governors and to comply with the provisions of Security Council resolution 1696 (2006), *mindful* of its primary responsibility under the Charter of the United Nations for the maintenance of international peace and security,

Acting under Article 41 of Chapter VII of the Charter of the United Nations,

1. *Affirms* that Iran shall without further delay take the steps required by the IAEA Board of Governors in its resolution GOV/2006/14, which are essential to build confidence in the exclusively peaceful purpose of its nuclear programme and to resolve outstanding questions;

2. *Decides*, in this context, that Iran shall without further delay suspend the following proliferation sensitive nuclear activities:

(a) all enrichment-related and reprocessing activities, including research and development, to be verified by the IAEA; and

(b) work on all heavy water-related projects, including the construction of a research reactor moderated by heavy water, also to be verified by the IAEA;

3. *Decides* that all States shall take the necessary measures to prevent the supply, sale or transfer directly or indirectly from their territories, or by their nationals or using their flag vessels or aircraft to, or for the use in or benefit of, Iran, and whether or not originating in their territories, of all items, materials, equipment, goods and technology which could contribute to Iran's enrichment-related, reprocessing or heavy water-related activities, or to the development of nuclear weapon delivery systems, namely:

(a) those set out in sections B.2, B.3, B.4, B.5, B.6 and B.7 of INFCIRC/254/Rev.8/Part 1 in document S/2006/814;

(b) those set out in sections A.1 and B.1 of INFCIRC/254/Rev.8/Part 1 in document S/2006/814, except the supply, sale or transfer of:

(i) equipment covered by B.1 when such equipment is for light water reactors;

(ii) low-enriched uranium covered by A.1.2 when it is incorporated in assembled nuclear fuel elements for such reactors;

(c) those set out in document S/2006/815, except the supply, sale or transfer of items covered by 19.A.3 of Category II;

(d) any additional items, materials, equipment, goods and technology, determined as necessary by the Security Council or the Committee established by paragraph 18 below (herein “the Committee”), which could contribute to enrichment-related, or reprocessing, or heavy water-related activities, or to the development of nuclear weapon delivery systems;

4. *Decides* that all States shall take the necessary measures to prevent the supply, sale or transfer directly or indirectly from their territories, or by their nationals or using their flag vessels or aircraft to, or for the use in or benefit of, Iran, and whether or not originating in their territories, of the following items, materials, equipment, goods and technology:

(a) those set out in INFCIRC/254/Rev.7/Part2 of document S/2006/814 if the State determines that they would contribute to enrichment-related, reprocessing or heavy water-related activities;

(b) any other items not listed in documents S/2006/814 or S/2006/815 if the State determines that they would contribute to enrichment-related, reprocessing or heavy water-related activities, or to the development of nuclear weapon delivery systems;

(c) any further items if the State determines that they would contribute to the pursuit of activities related to other topics about which the IAEA has expressed concerns or identified as outstanding;

5. *Decides* that, for the supply, sale or transfer of all items, materials, equipment, goods and technology covered by documents S/2006/814 and S/2006/815 the export of which to Iran is not prohibited by subparagraphs 3 (b), 3 (c) or 4 (a) above, States shall ensure that:

(a) the requirements, as appropriate, of the Guidelines as set out in documents S/2006/814 and S/2006/985 have been met; and

(b) they have obtained and are in a position to exercise effectively a right to verify the end-use and end-use location of any supplied item; and

(c) they notify the Committee within ten days of the supply, sale or transfer; and

(d) in the case of items, materials, equipment, goods and technology contained in document S/2006/814, they also notify the IAEA within ten days of the supply, sale or transfer;

6. *Decides* that all States shall also take the necessary measures to prevent the provision to Iran of any technical assistance or training, financial assistance, investment, brokering or other services, and the transfer of financial resources or services, related to the supply, sale, transfer, manufacture or use of the prohibited items, materials, equipment, goods and technology specified in paragraphs 3 and 4 above;

7. *Decides* that Iran shall not export any of the items in documents S/2006/814 and S/2006/815 and that all Member States shall prohibit the procurement of such items from Iran by their nationals, or using their flag vessels or aircraft, and whether or not originating in the territory of Iran;

8. *Decides* that Iran shall provide such access and cooperation as the IAEA requests to be able to verify the suspension outlined in paragraph 2 and to resolve all outstanding issues, as identified in IAEA reports, and *calls upon* Iran to ratify promptly the Additional Protocol;

9. *Decides* that the measures imposed by paragraphs 3, 4 and 6 above shall not apply where the Committee determines in advance and on a case-by-case basis that such supply, sale, transfer or provision of such items or assistance would clearly not contribute to the development of Iran's technologies in support of its proliferation sensitive nuclear activities and of development of nuclear weapon delivery systems, including where such items or assistance are for food, agricultural, medical or other humanitarian purposes, provided that:

(a) contracts for delivery of such items or assistance include appropriate end-user guarantees; and

(b) Iran has committed not to use such items in proliferation sensitive nuclear activities or for development of nuclear weapon delivery systems;

10. *Calls upon* all States to exercise vigilance regarding the entry into or transit through their territories of individuals who are engaged in, directly associated with or providing support for Iran's proliferation sensitive nuclear activities or for the development of nuclear weapon delivery systems, and *decides* in this regard that all States shall notify the Committee of the entry into or transit through their territories of the persons designated in the Annex to this resolution (herein "the Annex"), as well as of additional persons designated by the Security Council or the Committee as being engaged in, directly associated with or providing support for Iran's proliferation sensitive nuclear activities and for the development of nuclear weapon delivery systems, including through the involvement in procurement of the prohibited items, goods, equipment, materials and technology specified by and under the measures in paragraphs 3 and 4 above, except where such travel is for activities directly related to the items in subparagraphs 3 (b) (i) and (ii) above;

11. *Underlines* that nothing in the above paragraph requires a State to refuse its own nationals entry into its territory, and that all States shall, in the implementation of the above paragraph, take into account humanitarian considerations as well as the necessity to meet the objectives of this resolution, including where Article XV of the IAEA Statute is engaged;

12. *Decides* that all States shall freeze the funds, other financial assets and economic resources which are on their territories at the date of adoption of this resolution or at any time thereafter, that are owned or controlled by the persons or entities designated in the Annex, as well as those of additional persons or entities designated by the Security Council or by the Committee as being engaged in, directly associated with or providing support for Iran's proliferation sensitive nuclear activities or the development of nuclear weapon delivery systems, or by persons or entities acting on their behalf or at their direction, or by entities owned or controlled by them, including through illicit means, and that the measures in this paragraph shall cease to apply in respect of such persons or entities if, and at such

time as, the Security Council or the Committee removes them from the Annex, and *decides further* that all States shall ensure that any funds, financial assets or economic resources are prevented from being made available by their nationals or by any persons or entities within their territories, to or for the benefit of these persons and entities;

13. *Decides* that the measures imposed by paragraph 12 above do not apply to funds, other financial assets or economic resources that have been determined by relevant States:

(a) to be necessary for basic expenses, including payment for foodstuffs, rent or mortgage, medicines and medical treatment, taxes, insurance premiums, and public utility charges or exclusively for payment of reasonable professional fees and reimbursement of incurred expenses associated with the provision of legal services, or fees or service charges, in accordance with national laws, for routine holding or maintenance of frozen funds, other financial assets and economic resources, after notification by the relevant States to the Committee of the intention to authorize, where appropriate, access to such funds, other financial assets or economic resources and in the absence of a negative decision by the Committee within five working days of such notification;

(b) to be necessary for extraordinary expenses, provided that such determination has been notified by the relevant States to the Committee and has been approved by the Committee;

(c) to be the subject of a judicial, administrative or arbitral lien or judgement, in which case the funds, other financial assets and economic resources may be used to satisfy that lien or judgement provided that the lien or judgement was entered into prior to the date of the present resolution, is not for the benefit of a person or entity designated pursuant to paragraphs 10 and 12 above, and has been notified by the relevant States to the Committee;

(d) to be necessary for activities directly related to the items specified in subparagraphs 3 (b) (i) and (ii) and have been notified by the relevant States to the Committee;

14. *Decides* that States may permit the addition to the accounts frozen pursuant to the provisions of paragraph 12 above of interests or other earnings due on those accounts or payments due under contracts, agreements or obligations that arose prior to the date on which those accounts became subject to the provisions of this resolution, provided that any such interest, other earnings and payments continue to be subject to these provisions and are frozen;

15. *Decides* that the measures in paragraph 12 above shall not prevent a designated person or entity from making payment due under a contract entered into prior to the listing of such a person or entity, provided that the relevant States have determined that:

(a) the contract is not related to any of the prohibited items, materials, equipment, goods, technologies, assistance, training, financial assistance, investment, brokering or services referred to in paragraphs 3, 4 and 6 above;

(b) the payment is not directly or indirectly received by a person or entity designated pursuant to paragraph 12 above;

and after notification by the relevant States to the Committee of the intention to make or receive such payments or to authorize, where appropriate, the unfreezing of funds, other financial assets or economic resources for this purpose, ten working days prior to such authorization;

16. *Decides* that technical cooperation provided to Iran by the IAEA or under its auspices shall only be for food, agricultural, medical, safety or other humanitarian purposes, or where it is necessary for projects directly related to the items specified in subparagraphs 3 (b) (i) and (ii) above, but that no such technical cooperation shall be provided that relates to the proliferation sensitive nuclear activities set out in paragraph 2 above;

17. *Calls upon* all States to exercise vigilance and prevent specialized teaching or training of Iranian nationals, within their territories or by their nationals, of disciplines which would contribute to Iran's proliferation sensitive nuclear activities and development of nuclear weapon delivery systems;

18. *Decides* to establish, in accordance with rule 28 of its provisional rules of procedure, a Committee of the Security Council consisting of all the members of the Council, to undertake the following tasks:

(a) to seek from all States, in particular those in the region and those producing the items, materials, equipment, goods and technology referred to in paragraphs 3 and 4 above, information regarding the actions taken by them to implement effectively the measures imposed by paragraphs 3, 4, 5, 6, 7, 8, 10 and 12 of this resolution and whatever further information it may consider useful in this regard;

(b) to seek from the secretariat of the IAEA information regarding the actions taken by the IAEA to implement effectively the measures imposed by paragraph 16 of this resolution and whatever further information it may consider useful in this regard;

(c) to examine and take appropriate action on information regarding alleged violations of measures imposed by paragraphs 3, 4, 5, 6, 7, 8, 10 and 12 of this resolution;

(d) to consider and decide upon requests for exemptions set out in paragraphs 9, 13 and 15 above;

(e) to determine as may be necessary additional items, materials, equipment, goods and technology to be specified for the purpose of paragraph 3 above;

(f) to designate as may be necessary additional individuals and entities subject to the measures imposed by paragraphs 10 and 12 above;

(g) to promulgate guidelines as may be necessary to facilitate the implementation of the measures imposed by this resolution and include in such guidelines a requirement on States to provide information where possible as to why any individuals and/or entities meet the criteria set out in paragraphs 10 and 12 and any relevant identifying information;

(h) to report at least every 90 days to the Security Council on its work and on the implementation of this resolution, with its observations and recommendations, in particular on ways to strengthen the effectiveness of the measures imposed by paragraphs 3, 4, 5, 6, 7, 8, 10 and 12 above;

19. *Decides* that all States shall report to the Committee within 60 days of the adoption of this resolution on the steps they have taken with a view to implementing effectively paragraphs 3, 4, 5, 6, 7, 8, 10, 12 and 17 above;

20. *Expresses* the conviction that the suspension set out in paragraph 2 above as well as full, verified Iranian compliance with the requirements set out by the IAEA Board of Governors, would contribute to a diplomatic, negotiated solution that guarantees Iran's nuclear programme is for exclusively peaceful purposes, *underlines* the willingness of the international community to work positively for such a solution, *encourages* Iran, in conforming to the above provisions, to re-engage with the international community and with the IAEA, and *stresses* that such engagement will be beneficial to Iran;

21. *Welcomes* the commitment of China, France, Germany, the Russian Federation, the United Kingdom and the United States, with the support of the European Union's High Representative, to a negotiated solution to this issue and encourages Iran to engage with their June 2006 proposals (S/2006/521), which were endorsed by the Security Council in resolution 1696 (2006), for a long-term comprehensive agreement which would allow for the development of relations and cooperation with Iran based on mutual respect and the establishment of international confidence in the exclusively peaceful nature of Iran's nuclear programme;

22. *Reiterates* its determination to reinforce the authority of the IAEA, strongly supports the role of the IAEA Board of Governors, *commends* and *encourages* the Director General of the IAEA and its secretariat for their ongoing professional and impartial efforts to resolve all remaining outstanding issues in Iran within the framework of the IAEA, *underlines* the necessity of the IAEA continuing its work to clarify all outstanding issues relating to Iran's nuclear programme;

23. *Requests* within 60 days a report from the Director General of the IAEA on whether Iran has established full and sustained suspension of all activities mentioned in this resolution, as well as on the process of Iranian compliance with all the steps required by the IAEA Board and with the other provisions of this resolution, to the IAEA Board of Governors and in parallel to the Security Council for its consideration;

24. *Affirms* that it shall review Iran's actions in the light of the report referred to in paragraph 23 above, to be submitted within 60 days, and:

(a) that it shall suspend the implementation of measures if and for so long as Iran suspends all enrichment-related and reprocessing activities, including research and development, as verified by the IAEA, to allow for negotiations;

(b) that it shall terminate the measures specified in paragraphs 3, 4, 5, 6, 7, 10 and 12 of this resolution as soon as it determines that Iran has fully complied with its obligations under the relevant resolutions of the Security Council and met the requirements of the IAEA Board of Governors, as confirmed by the IAEA Board;

(c) that it shall, in the event that the report in paragraph 23 above shows that Iran has not complied with this resolution, adopt further appropriate measures under Article 41 of Chapter VII of the Charter of the United Nations to persuade Iran to comply with this resolution and the requirements of the IAEA, and *underlines* that further decisions will be required should such additional measures be necessary;

25. *Decides* to remain seized of the matter.

Annex

A. Entities involved in the nuclear programme

1. Atomic Energy Organisation of Iran
2. Mesbah Energy Company (provider for A40 research reactor — Arak)
3. Kala-Electric (aka Kalaye Electric) (provider for PFEP — Natanz)
4. Pars Trash Company (involved in centrifuge programme, identified in IAEA reports)
5. Farayand Technique (involved in centrifuge programme, identified in IAEA reports)
6. Defence Industries Organisation (overarching MODAFL-controlled entity, some of whose subordinates have been involved in the centrifuge programme making components, and in the missile programme)
7. 7th of Tir (subordinate of DIO, widely recognized as being directly involved in the nuclear programme)

B. Entities involved in the ballistic missile programme

1. Shahid Hemmat Industrial Group (SHIG) (subordinate entity of AIO)
2. Shahid Bagheri Industrial Group (SBIG) (subordinate entity of AIO)
3. Fajr Industrial Group (formerly Instrumentation Factory Plant, subordinate entity of AIO)

C. Persons involved in the nuclear programme

1. Mohammad Qannadi, AEOI Vice President for Research & Development
2. Behman Asgarpour, Operational Manager (Arak)
3. Dawood Agha-Jani, Head of the PFEP (Natanz)
4. Ehsan Monajemi, Construction Project Manager, Natanz
5. Jafar Mohammadi, Technical Adviser to the AEOI (in charge of managing the production of valves for centrifuges)
6. Ali Hajinia Leilabadi, Director General of Mesbah Energy Company
7. Lt Gen Mohammad Mehdi Nejad Nouri, Rector of Malek Ashtar University of Defence Technology (chemistry dept, affiliated to MODALF, has conducted experiments on beryllium)

D. Persons involved in the ballistic missile programme

1. Gen Hosein Salimi, Commander of the Air Force, IRGC (Pasdaran)
2. Ahmad Vahid Dastjerdi, Head of the AIO

3. Reza-Gholi Esmaeli, Head of Trade & International Affairs Dept, AIO
4. Bahmanyar Morteza Bahmanyar, Head of Finance & Budget Dept, AIO

E. Persons involved in both the nuclear and ballistic missile programmes

1. Maj Gen Yahya Rahim Safavi, Commander, IRGC (Pasdaran)
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United Nations

S/RES/1747 (2007)

**Security Council**Distr.: General
24 March 2007

Resolution 1747 (2007)**Adopted by the Security Council at its 5647th meeting on
24 March 2007***The Security Council,*

Recalling the Statement of its President, S/PRST/2006/15, of 29 March 2006, and its resolution 1696 (2006) of 31 July 2006, and its resolution 1737 (2006) of 23 December 2006, and *reaffirming* their provisions,

Reaffirming its commitment to the Treaty on the Non-Proliferation of Nuclear Weapons, the need for all States Party to that Treaty to comply fully with all their obligations, and recalling the right of States Party, in conformity with Articles I and II of that Treaty, to develop research, production and use of nuclear energy for peaceful purposes without discrimination,

Recalling its serious concern over the reports of the IAEA Director General as set out in its resolutions 1696 (2006) and 1737 (2006),

Recalling the latest report by the IAEA Director General (GOV/2007/8) of 22 February 2007 and *deploring* that, as indicated therein, Iran has failed to comply with resolution 1696 (2006) and resolution 1737 (2006),

Emphasizing the importance of political and diplomatic efforts to find a negotiated solution guaranteeing that Iran's nuclear programme is exclusively for peaceful purposes, and *noting* that such a solution would benefit nuclear non-proliferation elsewhere, and *welcoming* the continuing commitment of China, France, Germany, the Russian Federation, the United Kingdom and the United States, with the support of the European Union's High Representative to seek a negotiated solution,

Recalling the resolution of the IAEA Board of Governors (GOV/2006/14), which states that a solution to the Iranian nuclear issue would contribute to global non-proliferation efforts and to realizing the objective of a Middle East free of weapons of mass destruction, including their means of delivery,

Determined to give effect to its decisions by adopting appropriate measures to persuade Iran to comply with resolution 1696 (2006) and resolution 1737 (2006) and with the requirements of the IAEA, and also to constrain Iran's development of sensitive technologies in support of its nuclear and missile programmes, until such



time as the Security Council determines that the objectives of these resolutions have been met,

Recalling the requirement on States to join in affording mutual assistance in carrying out the measures decided upon by the Security Council,

Concerned by the proliferation risks presented by the Iranian nuclear programme and, in this context, by Iran's continuing failure to meet the requirements of the IAEA Board of Governors and to comply with the provisions of Security Council resolutions 1696 (2006) and 1737 (2006), *mindful* of its primary responsibility under the Charter of the United Nations for the maintenance of international peace and security,

Acting under Article 41 of Chapter VII of the Charter of the United Nations,

1. *Reaffirms* that Iran shall without further delay take the steps required by the IAEA Board of Governors in its resolution GOV/2006/14, which are essential to build confidence in the exclusively peaceful purpose of its nuclear programme and to resolve outstanding questions, and, in this context, *affirms* its decision that Iran shall without further delay take the steps required in paragraph 2 of resolution 1737 (2006);

2. *Calls upon* all States also to exercise vigilance and restraint regarding the entry into or transit through their territories of individuals who are engaged in, directly associated with or providing support for Iran's proliferation sensitive nuclear activities or for the development of nuclear weapon delivery systems, and *decides* in this regard that all States shall notify the Committee established pursuant to paragraph 18 of resolution 1737 (2006) (herein "the Committee") of the entry into or transit through their territories of the persons designated in the Annex to resolution 1737 (2006) or Annex I to this resolution, as well as of additional persons designated by the Security Council or the Committee as being engaged in, directly associated with or providing support for Iran's proliferation sensitive nuclear activities or for the development of nuclear weapon delivery systems, including through the involvement in procurement of the prohibited items, goods, equipment, materials and technology specified by and under the measures in paragraphs 3 and 4 of resolution 1737 (2006), except where such travel is for activities directly related to the items in subparagraphs 3 (b) (i) and (ii) of that resolution;

3. *Underlines* that nothing in the above paragraph requires a State to refuse its own nationals entry into its territory, and that all States shall, in the implementation of the above paragraph, take into account humanitarian considerations, including religious obligations, as well as the necessity to meet the objectives of this resolution and resolution 1737 (2006), including where Article XV of the IAEA Statute is engaged;

4. *Decides* that the measures specified in paragraphs 12, 13, 14 and 15 of resolution 1737 (2006) shall apply also to the persons and entities listed in Annex I to this resolution;

5. *Decides* that Iran shall not supply, sell or transfer directly or indirectly from its territory or by its nationals or using its flag vessels or aircraft any arms or related materiel, and that all States shall prohibit the procurement of such items from Iran by their nationals, or using their flag vessels or aircraft, and whether or not originating in the territory of Iran;

6. *Calls upon* all States to exercise vigilance and restraint in the supply, sale or transfer directly or indirectly from their territories or by their nationals or using their flag vessels or aircraft of any battle tanks, armoured combat vehicles, large calibre artillery systems, combat aircraft, attack helicopters, warships, missiles or missile systems as defined for the purpose of the United Nations Register on Conventional Arms to Iran, and in the provision to Iran of any technical assistance or training, financial assistance, investment, brokering or other services, and the transfer of financial resources or services, related to the supply, sale, transfer, manufacture or use of such items in order to prevent a destabilizing accumulation of arms;

7. *Calls upon* all States and international financial institutions not to enter into new commitments for grants, financial assistance, and concessional loans, to the Government of the Islamic Republic of Iran, except for humanitarian and developmental purposes;

8. *Calls upon* all States to report to the Committee within 60 days of the adoption of this resolution on the steps they have taken with a view to implementing effectively paragraphs 2, 4, 5, 6 and 7 above;

9. *Expresses* the conviction that the suspension set out in paragraph 2 of resolution 1737 (2006) as well as full, verified Iranian compliance with the requirements set out by the IAEA Board of Governors would contribute to a diplomatic, negotiated solution that guarantees Iran's nuclear programme is for exclusively peaceful purposes, *underlines* the willingness of the international community to work positively for such a solution, *encourages* Iran, in conforming to the above provisions, to re-engage with the international community and with the IAEA, and *stresses* that such engagement will be beneficial to Iran;

10. *Welcomes* the continuous affirmation of the commitment of China, France, Germany, the Russian Federation, the United Kingdom and the United States, with the support of the European Union's High Representative, to a negotiated solution to this issue and *encourages* Iran to engage with their June 2006 proposals (S/2006/521), attached in Annex II to this resolution, which were endorsed by the Security Council in resolution 1696 (2006), and *acknowledges* with appreciation that this offer to Iran remains on the table, for a long-term comprehensive agreement which would allow for the development of relations and cooperation with Iran based on mutual respect and the establishment of international confidence in the exclusively peaceful nature of Iran's nuclear programme;

11. *Reiterates* its determination to reinforce the authority of the IAEA, strongly supports the role of the IAEA Board of Governors, *commends and encourages* the Director General of the IAEA and its secretariat for their ongoing professional and impartial efforts to resolve all outstanding issues in Iran within the framework of the IAEA, *underlines* the necessity of the IAEA, which is internationally recognized as having authority for verifying compliance with safeguards agreements, including the non-diversion of nuclear material for non-peaceful purposes, in accordance with its Statute, to continue its work to clarify all outstanding issues relating to Iran's nuclear programme;

12. *Requests* within 60 days a further report from the Director General of the IAEA on whether Iran has established full and sustained suspension of all activities mentioned in resolution 1737 (2006), as well as on the process of Iranian

compliance with all the steps required by the IAEA Board and with the other provisions of resolution 1737 (2006) and of this resolution, to the IAEA Board of Governors and in parallel to the Security Council for its consideration;

13. *Affirms* that it shall review Iran's actions in light of the report referred to in paragraph 12 above, to be submitted within 60 days, and:

(a) that it shall suspend the implementation of measures if and for so long as Iran suspends all enrichment-related and reprocessing activities, including research and development, as verified by the IAEA, to allow for negotiations in good faith in order to reach an early and mutually acceptable outcome;

(b) that it shall terminate the measures specified in paragraphs 3, 4, 5, 6, 7 and 12 of resolution 1737 (2006) as well as in paragraphs 2, 4, 5, 6 and 7 above as soon as it determines, following receipt of the report referred to in paragraph 12 above, that Iran has fully complied with its obligations under the relevant resolutions of the Security Council and met the requirements of the IAEA Board of Governors, as confirmed by the IAEA Board;

(c) that it shall, in the event that the report in paragraph 12 above shows that Iran has not complied with resolution 1737 (2006) and this resolution, adopt further appropriate measures under Article 41 of Chapter VII of the Charter of the United Nations to persuade Iran to comply with these resolutions and the requirements of the IAEA, and underlines that further decisions will be required should such additional measures be necessary;

14. *Decides* to remain seized of the matter.

Annex I

Entities involved in nuclear or ballistic missile activities

1. Ammunition and Metallurgy Industries Group (AMIG) (aka Ammunition Industries Group) (AMIG controls 7th of Tir, which is designated under resolution 1737 (2006) for its role in Iran's centrifuge programme. AMIG is in turn owned and controlled by the Defence Industries Organisation (DIO), which is designated under resolution 1737 (2006))
2. Esfahan Nuclear Fuel Research and Production Centre (NFRPC) and Esfahan Nuclear Technology Centre (ENTC) (Parts of the Atomic Energy Organisation of Iran's (AEOI) Nuclear Fuel Production and Procurement Company, which is involved in enrichment-related activities. AEOI is designated under resolution 1737 (2006))
3. Kavoshyar Company (Subsidiary company of AEOI, which has sought glass fibres, vacuum chamber furnaces and laboratory equipment for Iran's nuclear programme)
4. Parchin Chemical Industries (Branch of DIO, which produces ammunition, explosives, as well as solid propellants for rockets and missiles)
5. Karaj Nuclear Research Centre (Part of AEOI's research division)
6. Novin Energy Company (aka Pars Novin) (Operates within AEOI and has transferred funds on behalf of AEOI to entities associated with Iran's nuclear programme)
7. Cruise Missile Industry Group (aka Naval Defence Missile Industry Group) (Production and development of cruise missiles. Responsible for naval missiles including cruise missiles)
8. Bank Sepah and Bank Sepah International (Bank Sepah provides support for the Aerospace Industries Organisation (AIO) and subordinates, including Shahid Hemmat Industrial Group (SHIG) and Shahid Bagheri Industrial Group (SBIG), both of which were designated under resolution 1737 (2006))
9. Sanam Industrial Group (subordinate to AIO, which has purchased equipment on AIO's behalf for the missile programme)
10. Ya Mahdi Industries Group (subordinate to AIO, which is involved in international purchases of missile equipment)

Iranian Revolutionary Guard Corps entities

1. Qods Aeronautics Industries (Produces unmanned aerial vehicles (UAVs), parachutes, para-gliders, para-motors, etc. Iranian Revolutionary Guard Corps (IRGC) has boasted of using these products as part of its asymmetric warfare doctrine)
2. Pars Aviation Services Company (Maintains various aircraft including MI-171, used by IRGC Air Force)
3. Sho'a' Aviation (Produces micro-lights which IRGC has claimed it is using as part of its asymmetric warfare doctrine)

Persons involved in nuclear or ballistic missile activities

1. Fereidoun Abbasi-Davani (Senior Ministry of Defence and Armed Forces Logistics (MODAFL) scientist with links to the Institute of Applied Physics, working closely with Mohsen Fakhrizadeh-Mahabadi, designated below)
2. Mohsen Fakhrizadeh-Mahabadi (Senior MODAFL scientist and former head of the Physics Research Centre (PHRC). The IAEA have asked to interview him about the activities of the PHRC over the period he was head but Iran has refused)
3. Seyed Jaber Safdari (Manager of the Natanz Enrichment Facilities)
4. Amir Rahimi (Head of Esfahan Nuclear Fuel Research and Production Center, which is part of the AEOI's Nuclear Fuel Production and Procurement Company, which is involved in enrichment-related activities)
5. Mohsen Hojati (Head of Fajr Industrial Group, which is designated under resolution 1737 (2006) for its role in the ballistic missile programme)
6. Mehrdada Akhlaghi Ketabachi (Head of SBIG, which is designated under resolution 1737 (2006) for its role in the ballistic missile programme)
7. Naser Maleki (Head of SHIG, which is designated under resolution 1737 (2006) for its role in Iran's ballistic missile programme. Naser Maleki is also a MODAFL official overseeing work on the Shahab-3 ballistic missile programme. The Shahab-3 is Iran's long range ballistic missile currently in service)
8. Ahmad Derakhshandeh (Chairman and Managing Director of Bank Sepah, which provides support for the AIO and subordinates, including SHIG and SBIG, both of which were designated under resolution 1737 (2006))

Iranian Revolutionary Guard Corps key persons

1. Brigadier General Morteza Rezaie (Deputy Commander of IRGC)
2. Vice Admiral Ali Akbar Ahmadian (Chief of IRGC Joint Staff)
3. Brigadier General Mohammad Reza Zahedi (Commander of IRGC Ground Forces)
4. Rear Admiral Morteza Safari (Commander of IRGC Navy)
5. Brigadier General Mohammad Hejazi (Commander of Bassij resistance force)
6. Brigadier General Qasem Soleimani (Commander of Qods force)
7. General Zolqadr (IRGC officer, Deputy Interior Minister for Security Affairs)

Annex II

Elements of a long-term agreement

Our goal is to develop relations and cooperation with Iran, based on mutual respect and the establishment of international confidence in the exclusively peaceful nature of the nuclear programme of the Islamic Republic of Iran. We propose a fresh start in the negotiation of a comprehensive agreement with Iran. Such an agreement would be deposited with the International Atomic Energy Agency (IAEA) and endorsed in a Security Council resolution.

To create the right conditions for negotiations,

We will:

- Reaffirm Iran's right to develop nuclear energy for peaceful purposes in conformity with its obligations under the Treaty on the Non-Proliferation of Nuclear Weapons (hereinafter, NPT), and in this context reaffirm our support for the development by Iran of a civil nuclear energy programme.
- Commit to support actively the building of new light water reactors in Iran through international joint projects, in accordance with the IAEA statute and NPT.
- Agree to suspend discussion of Iran's nuclear programme in the Security Council upon the resumption of negotiations.

Iran will:

- Commit to addressing all of the outstanding concerns of IAEA through full cooperation with IAEA.
- Suspend all enrichment-related and reprocessing activities to be verified by IAEA, as requested by the IAEA Board of Governors and the Security Council, and commit to continue this during these negotiations.
- Resume the implementation of the Additional Protocol.

Areas of future cooperation to be covered in negotiations on a long-term agreement

1. Nuclear

We will take the following steps:

Iran's rights to nuclear energy

- Reaffirm Iran's inalienable right to nuclear energy for peaceful purposes without discrimination and in conformity with articles I and II of NPT, and cooperate with Iran in the development by Iran of a civil nuclear power programme.
- Negotiate and implement a Euratom/Iran nuclear cooperation agreement.

Light water reactors

- Actively support the building of new light water power reactors in Iran through international joint projects, in accordance with the IAEA statute and NPT, using state-of-the-art technology, including by authorizing the transfer of necessary goods and the provision of advanced technology to make its power reactors safe against earthquakes.
- Provide cooperation with the management of spent nuclear fuel and radioactive waste through appropriate arrangements.

Research and development in nuclear energy

- Provide a substantive package of research and development cooperation, including possible provision of light water research reactors, notably in the fields of radioisotope production, basic research and nuclear applications in medicine and agriculture.

Fuel guarantees

- Give legally binding, multilayered fuel assurances to Iran, based on:
 - Participation as a partner in an international facility in Russia to provide enrichment services for a reliable supply of fuel to Iran's nuclear reactors. Subject to negotiations, such a facility could enrich all uranium hexafluoride (UF₆) produced in Iran.
 - Establishment on commercial terms of a buffer stock to hold a reserve of up to five years' supply of nuclear fuel dedicated to Iran, with the participation and under supervision of IAEA.
 - Development with IAEA of a standing multilateral mechanism for reliable access to nuclear fuel, based on ideas to be considered at the next meeting of the Board of Governors.

Review of moratorium

The long-term agreement would, with regard to common efforts to build international confidence, contain a clause for review of the agreement in all its aspects, to follow:

- Confirmation by IAEA that all outstanding issues and concerns reported by it, including those activities which could have a military nuclear dimension, have been resolved;
- Confirmation that there are no undeclared nuclear activities or materials in Iran and that international confidence in the exclusively peaceful nature of Iran's civil nuclear programme has been restored.

2. Political and economic

Regional security cooperation

Support for a new conference to promote dialogue and cooperation on regional security issues.

International trade and investment

Improving Iran's access to the international economy, markets and capital, through practical support for full integration into international structures, including the World Trade Organization and to create the framework for increased direct investment in Iran and trade with Iran (including a trade and economic cooperation agreement with the European Union). Steps would be taken to improve access to key goods and technology.

Civil aviation

Civil aviation cooperation, including the possible removal of restrictions on United States and European manufacturers in regard to the export of civil aircraft to Iran, thereby widening the prospect of Iran renewing its fleet of civil airliners.

Energy partnership

Establishment of a long-term energy partnership between Iran and the European Union and other willing partners, with concrete and practical applications.

Telecommunications infrastructure

Support for the modernization of Iran's telecommunication infrastructure and advanced Internet provision, including by possible removal of relevant United States and other export restrictions.

High technology cooperation

Cooperation in fields of high technology and other areas to be agreed upon.

Agriculture

Support for agricultural development in Iran, including possible access to United States and European agricultural products, technology and farm equipment.

United Nations

S/RES/1803 (2008)

**Security Council**Distr.: General
3 March 2008

Resolution 1803 (2008)**Adopted by the Security Council at its 5848th meeting,
on 3 March 2008***The Security Council,*

Recalling the Statement of its President, S/PRST/2006/15, of 29 March 2006, and its resolution 1696 (2006) of 31 July 2006, its resolution 1737 (2006) of 23 December 2006 and its resolution 1747 (2007) of 24 March 2007, and *reaffirming* their provisions,

Reaffirming its commitment to the Treaty on the Non-Proliferation of Nuclear Weapons, the need for all States Party to that Treaty to comply fully with all their obligations, and recalling the right of States Party, in conformity with Articles I and II of that Treaty, to develop research, production and use of nuclear energy for peaceful purposes without discrimination,

Recalling the resolution of the IAEA Board of Governors (GOV/2006/14), which states that a solution to the Iranian nuclear issue would contribute to global non-proliferation efforts and to realizing the objective of a Middle East free of weapons of mass destruction, including their means of delivery,

Noting with serious concern that, as confirmed by the reports of 23 May 2007 (GOV/2007/22), 30 August 2007 (GOV/2007/48), 15 November 2007 (GOV/2007/58) and 22 February 2008 (GOV/2008/4) of the Director General of the International Atomic Energy Agency (IAEA), Iran has not established full and sustained suspension of all enrichment related and reprocessing activities and heavy water-related projects as set out in resolution 1696 (2006), 1737 (2006), and 1747 (2007), nor resumed its cooperation with the IAEA under the Additional Protocol, nor taken the other steps required by the IAEA Board of Governors, nor complied with the provisions of Security Council resolution 1696 (2006), 1737 (2006) and 1747 (2007) and which are essential to build confidence, and *deploring* Iran's refusal to take these steps,

Noting with concern that Iran has taken issue with the IAEA's right to verify design information which had been provided by Iran pursuant to the modified Code 3.1, *emphasizing* that in accordance with Article 39 of Iran's Safeguards Agreement Code 3.1 cannot be modified nor suspended unilaterally and that the Agency's right to verify design information provided to it is a continuing right,



which is not dependent on the stage of construction of, or the presence of nuclear material at, a facility,

Reiterating its determination to reinforce the authority of the IAEA, strongly supporting the role of the IAEA Board of Governors, *commending* the IAEA for its efforts to resolve outstanding issues relating to Iran's nuclear programme in the work plan between the Secretariat of the IAEA and Iran (GOV/2007/48, Attachment), *welcoming* the progress in implementation of this work plan as reflected in the IAEA Director General's reports of 15 November 2007 (GOV/2007/58) and 22 February 2008 (GOV/2008/4), *underlining* the importance of Iran producing tangible results rapidly and effectively by completing implementation of this work plan including by providing answers to all the questions the IAEA asks so that the Agency, through the implementation of the required transparency measures, can assess the completeness and correctness of Iran's declaration,

Expressing the conviction that the suspension set out in paragraph 2 of resolution 1737 (2006) as well as full, verified Iranian compliance with the requirements set out by the IAEA Board of Governors would contribute to a diplomatic, negotiated solution, that guarantees Iran's nuclear programme is for exclusively peaceful purposes,

Stressing that China, France, Germany, the Russian Federation, the United Kingdom and the United States are willing to take further concrete measures on exploring an overall strategy of resolving the Iranian nuclear issue through negotiation on the basis of their June 2006 proposals (S/2006/521), and *noting* the confirmation by these countries that once the confidence of the international community in the exclusively peaceful nature of Iran's nuclear programme is restored, it will be treated in the same manner as that of any Non-Nuclear Weapon State party to the Treaty on the Non-Proliferation of Nuclear Weapons,

Having regard to States' rights and obligations relating to international trade,

Welcoming the guidance issued by the Financial Actions Task Force (FATF) to assist States in implementing their financial obligations under resolution 1737 (2006),

Determined to give effect to its decisions by adopting appropriate measures to persuade Iran to comply with resolution 1696 (2006), resolution 1737 (2006), resolution 1747 (2007) and with the requirements of the IAEA, and also to constrain Iran's development of sensitive technologies in support of its nuclear and missile programmes, until such time as the Security Council determines that the objectives of these resolutions have been met,

Concerned by the proliferation risks presented by the Iranian nuclear programme and, in this context, by Iran's continuing failure to meet the requirements of the IAEA Board of Governors and to comply with the provisions of Security Council resolutions 1696 (2006), 1737 (2006) and 1747 (2007), *mindful* of its primary responsibility under the Charter of the United Nations for the maintenance of international peace and security,

Acting under Article 41 of Chapter VII of the Charter of the United Nations,

1. *Reaffirms* that Iran shall without further delay take the steps required by the IAEA Board of Governors in its resolution GOV/2006/14, which are essential to

build confidence in the exclusively peaceful purpose of its nuclear programme and to resolve outstanding questions, and, in this context, *affirms* its decision that Iran shall without delay take the steps required in paragraph 2 of resolution 1737 (2006), and *underlines* that the IAEA has sought confirmation that Iran will apply Code 3.1 modified;

2. *Welcomes* the agreement between Iran and the IAEA to resolve all outstanding issues concerning Iran's nuclear programme and progress made in this regard as set out in the Director General's report of 22 February 2008 (GOV/2008/4), *encourages* the IAEA to continue its work to clarify all outstanding issues, *stresses* that this would help to re-establish international confidence in the exclusively peaceful nature of Iran's nuclear programme, and *supports* the IAEA in strengthening its safeguards on Iran's nuclear activities in accordance with the Safeguards Agreement between Iran and the IAEA;

3. *Calls upon* all States to exercise vigilance and restraint regarding the entry into or transit through their territories of individuals who are engaged in, directly associated with or providing support for Iran's proliferation sensitive nuclear activities or for the development of nuclear weapon delivery systems, and *decides* in this regard that all States shall notify the Committee established pursuant to paragraph 18 of resolution 1737 (2006) (herein "the Committee") of the entry into or transit through their territories of the persons designated in the Annex to resolution 1737 (2006), Annex I to resolution 1747 (2007) or Annex I to this resolution, as well as of additional persons designated by the Security Council or the Committee as being engaged in, directly associated with or providing support for Iran's proliferation sensitive nuclear activities or for the development of nuclear weapon delivery systems, including through the involvement in procurement of the prohibited items, goods, equipment, materials and technology specified by and under the measures in paragraphs 3 and 4 of resolution 1737 (2006), except where such entry or transit is for activities directly related to the items in subparagraphs 3 (b) (i) and (ii) of resolution 1737 (2006);

4. *Underlines* that nothing in paragraph 3 above requires a State to refuse its own nationals entry into its territory, and that all States shall, in the implementation of the above paragraph, take into account humanitarian considerations, including religious obligations, as well as the necessity to meet the objectives of this resolution, resolution 1737 (2006) and resolution 1747 (2007), including where Article XV of the IAEA Statute is engaged;

5. *Decides* that all States shall take the necessary measures to prevent the entry into or transit through their territories of individuals designated in Annex II to this resolution as well as of additional persons designated by the Security Council or the Committee as being engaged in, directly associated with or providing support for Iran's proliferation sensitive nuclear activities or for the development of nuclear weapon delivery systems, including through the involvement in procurement of the prohibited items, goods, equipment, materials and technology specified by and under the measures in paragraphs 3 and 4 of resolution 1737 (2006), except where such entry or transit is for activities directly related to the items in subparagraphs 3 (b) (i) and (ii) of resolution 1737 (2006) and provided that nothing in this paragraph shall oblige a State to refuse its own nationals entry into its territory;

6. *Decides* that the measures imposed by paragraph 5 above shall not apply where the Committee determines on a case-by-case basis that such travel is justified

on the grounds of humanitarian need, including religious obligations, or where the Committee concludes that an exemption would otherwise further the objectives of the present resolution;

7. *Decides* that the measures specified in paragraphs 12, 13, 14 and 15 of resolution 1737 (2006) shall apply also to the persons and entities listed in Annexes I and III to this resolution, and any persons or entities acting on their behalf or at their direction, and to entities owned or controlled by them and to persons and entities determined by the Council or the Committee to have assisted designated persons or entities in evading sanctions of, or in violating the provisions of, this resolution, resolution 1737 (2006) or resolution 1747 (2007);

8. *Decides* that all States shall take the necessary measures to prevent the supply, sale or transfer directly or indirectly from their territories or by their nationals or using their flag vessels or aircraft to, or for use in or benefit of, Iran, and whether or not originating in their territories, of:

(a) all items, materials, equipment, goods and technology set out in INFCIRC/254/Rev.7/Part 2 of document S/2006/814, except the supply, sale or transfer, in accordance with the requirements of paragraph 5 of resolution 1737 (2006), of items, materials, equipment, goods and technology set out in sections 1 and 2 of the Annex to that document, and sections 3 to 6 as notified in advance to the Committee, only when for exclusive use in light water reactors, and where such supply, sale or transfer is necessary for technical cooperation provided to Iran by the IAEA or under its auspices as provided for in paragraph 16 of resolution 1737 (2006);

(b) all items, materials, equipment, goods and technology set out in 19.A.3 of Category II of document S/2006/815;

9. *Calls upon* all States to exercise vigilance in entering into new commitments for public provided financial support for trade with Iran, including the granting of export credits, guarantees or insurance, to their nationals or entities involved in such trade, in order to avoid such financial support contributing to the proliferation sensitive nuclear activities, or to the development of nuclear weapon delivery systems, as referred to in resolution 1737 (2006);

10. *Calls upon* all States to exercise vigilance over the activities of financial institutions in their territories with all banks domiciled in Iran, in particular with Bank Melli and Bank Saderat, and their branches and subsidiaries abroad, in order to avoid such activities contributing to the proliferation sensitive nuclear activities, or to the development of nuclear weapon delivery systems, as referred to in resolution 1737 (2006);

11. *Calls upon* all States, in accordance with their national legal authorities and legislation and consistent with international law, in particular the law of the sea and relevant international civil aviation agreements, to inspect the cargoes to and from Iran, of aircraft and vessels, at their airports and seaports, owned or operated by Iran Air Cargo and Islamic Republic of Iran Shipping Line, provided there are reasonable grounds to believe that the aircraft or vessel is transporting goods prohibited under this resolution or resolution 1737 (2006) or resolution 1747 (2007);

12. *Requires* all States, in cases when inspection mentioned in the paragraph above is undertaken, to submit to the Security Council within five working days a

written report on the inspection containing, in particular, explanation of the grounds for the inspection, as well as information on its time, place, circumstances, results and other relevant details;

13. *Calls upon* all States to report to the Committee within 60 days of the adoption of this resolution on the steps they have taken with a view to implementing effectively paragraphs 3, 5, 7, 8, 9, 10 and 11 above;

14. *Decides* that the mandate of the Committee as set out in paragraph 18 of resolution 1737 (2006) shall also apply to the measures imposed in resolution 1747 (2007) and this resolution;

15. *Stresses* the willingness of China, France, Germany, the Russian Federation, the United Kingdom and the United States to further enhance diplomatic efforts to promote resumption of dialogue, and consultations on the basis of their offer to Iran, with a view to seeking a comprehensive, long-term and proper solution of this issue which would allow for the development of all-round relations and wider cooperation with Iran based on mutual respect and the establishment of international confidence in the exclusively peaceful nature of Iran's nuclear programme, and inter alia, starting direct talks and negotiation with Iran as long as Iran suspends all enrichment-related and reprocessing activities, including research and development, as verified by the IAEA;

16. *Encourages* the European Union High Representative for the Common Foreign and Security Policy to continue communication with Iran in support of political and diplomatic efforts to find a negotiated solution including relevant proposals by China, France, Germany, the Russian Federation, the United Kingdom and the United States with a view to create necessary conditions for resuming talks;

17. *Emphasizes* the importance of all States, including Iran, taking the necessary measures to ensure that no claim shall lie at the instance of the Government of Iran, or of any person or entity in Iran, or of persons or entities designated pursuant to resolution 1737 (2006) and related resolutions, or any person claiming through or for the benefit of any such person or entity, in connection with any contract or other transaction where its performance was prevented by reason of the measures imposed by the present resolution, resolution 1737 (2006) or resolution 1747 (2007);

18. *Requests* within 90 days a further report from the Director General of the IAEA on whether Iran has established full and sustained suspension of all activities mentioned in resolution 1737 (2006), as well as on the process of Iranian compliance with all the steps required by the IAEA Board and with the other provisions of resolution 1737 (2006), resolution 1747 (2007) and of this resolution, to the IAEA Board of Governors and in parallel to the Security Council for its consideration;

19. *Reaffirms* that it shall review Iran's actions in light of the report referred to in the paragraph above, and:

(a) that it shall suspend the implementation of measures if and for so long as Iran suspends all enrichment-related and reprocessing activities, including research and development, as verified by the IAEA, to allow for negotiations in good faith in order to reach an early and mutually acceptable outcome;

(b) that it shall terminate the measures specified in paragraphs 3, 4, 5, 6, 7 and 12 of resolution 1737 (2006), as well as in paragraphs 2, 4, 5, 6 and 7 of resolution 1747 (2007), and in paragraphs 3, 5, 7, 8, 9, 10 and 11 above, as soon as it determines, following receipt of the report referred to in the paragraph above, that Iran has fully complied with its obligations under the relevant resolutions of the Security Council and met the requirements of the IAEA Board of Governors, as confirmed by the IAEA Board;

(c) that it shall, in the event that the report shows that Iran has not complied with resolution 1696 (2006), resolution 1737 (2006), resolution 1747 (2007) and this resolution, adopt further appropriate measures under Article 41 of Chapter VII of the Charter of the United Nations to persuade Iran to comply with these resolutions and the requirements of the IAEA, and underlines that further decisions will be required should such additional measures be necessary;

20. *Decides* to remain seized of the matter.

Annex I

1. Amir Moayyed Alai (involved in managing the assembly and engineering of centrifuges)
2. Mohammad Fedai Ashiani (involved in the production of ammonium uranyl carbonate and management of the Natanz enrichment complex)
3. Abbas Rezaee Ashtiani (a senior official at the AEOI Office of Exploration and Mining Affairs)
4. Haleh Bakhtiar (involved in the production of magnesium at a concentration of 99.9%)
5. Morteza Behzad (involved in making centrifuge components)
6. Dr. Mohammad Eslami (Head of Defence Industries Training and Research Institute)
7. Seyyed Hussein Hosseini (AEOI official involved in the heavy water research reactor project at Arak)
8. M. Javad Karimi Sabet (Head of Novin Energy Company, which is designated under resolution 1747 (2007))
9. Hamid-Reza Mohajerani (involved in production management at the Uranium Conversion Facility (UCF) at Esfahan)
10. Brigadier-General Mohammad Reza Naqdi (former Deputy Chief of Armed Forces General Staff for Logistics and Industrial Research/Head of State Anti-Smuggling Headquarters, engaged in efforts to get round the sanctions imposed by resolutions 1737 (2006) and 1747 (2007))
11. Houshang Nobari (involved in the management of the Natanz enrichment complex)
12. Abbas Rashidi (involved in enrichment work at Natanz)
13. Ghasem Soleymani (Director of Uranium Mining Operations at the Saghand Uranium Mine)

Annex II**A. Individuals listed in resolution 1737 (2006)**

1. Mohammad Qannadi, AEOI Vice President for Research & Development
2. Dawood Agha-Jani, Head of the PFEP (Natanz)
3. Behman Asgarpour, Operational Manager (Arak)

B. Individuals listed in resolution 1747 (2007)

1. Seyed Jaber Safdari (Manager of the Natanz Enrichment Facilities)
2. Amir Rahimi (Head of Esfahan Nuclear Fuel Research and Production Center, which is part of the AEOI's Nuclear Fuel Production and Procurement Company, which is involved in enrichment-related activities)

Annex III

1. Abzar Boresh Kaveh Co. (BK Co.) (involved in the production of centrifuge components)
2. Barzagani Tejarat Tavanmad Saccal companies (subsidiary of Saccal System companies) (this company tried to purchase sensitive goods for an entity listed in resolution 1737 (2006))
3. Electro Sanam Company (E. S. Co./E. X. Co.) (AIO front-company, involved in the ballistic missile programme)
4. Ettihad Technical Group (AIO front-company, involved in the ballistic missile programme)
5. Industrial Factories of Precision (IFP) Machinery (aka Instrumentation Factories Plant) (used by AIO for some acquisition attempts)
6. Jabber Ibn Hayan (AEOI laboratory involved in fuel-cycle activities)
7. Joza Industrial Co. (AIO front-company, involved in the ballistic missile programme)
8. Khorasan Metallurgy Industries (subsidiary of the Ammunition Industries Group (AMIG) which depends on DIO. Involved in the production of centrifuges components)
9. Niru Battery Manufacturing Company (subsidiary of the DIO. Its role is to manufacture power units for the Iranian military including missile systems)
10. Pishgam (Pioneer) Energy Industries (has participated in construction of the Uranium Conversion Facility at Esfahan)
11. Safety Equipment Procurement (SEP) (AIO front-company, involved in the ballistic missile programme)
12. TAMAS Company (involved in enrichment-related activities. TAMAS is the overarching body, under which four subsidiaries have been established, including one for uranium extraction to concentration and another in charge of uranium processing, enrichment and waste)

United Nations

S/RES/1929 (2010)*



Security Council

Distr.: General
9 June 2010

Resolution 1929 (2010)

**Adopted by the Security Council at its 6335th meeting, on
9 June 2010**

The Security Council,

Recalling the Statement of its President, S/PRST/2006/15, and its resolutions 1696 (2006), 1737 (2006), 1747 (2007), 1803 (2008), 1835 (2008), and 1887 (2009) and *reaffirming* their provisions,

Reaffirming its commitment to the Treaty on the Non-Proliferation of Nuclear Weapons, the need for all States Party to that Treaty to comply fully with all their obligations, and *recalling* the right of States Party, in conformity with Articles I and II of that Treaty, to develop research, production and use of nuclear energy for peaceful purposes without discrimination,

Recalling the resolution of the IAEA Board of Governors (GOV/2006/14), which states that a solution to the Iranian nuclear issue would contribute to global non-proliferation efforts and to realizing the objective of a Middle East free of weapons of mass destruction, including their means of delivery,

Noting with serious concern that, as confirmed by the reports of 27 February 2006 (GOV/2006/15), 8 June 2006 (GOV/2006/38), 31 August 2006 (GOV/2006/53), 14 November 2006 (GOV/2006/64), 22 February 2007 (GOV/2007/8), 23 May 2007 (GOV/2007/22), 30 August 2007 (GOV/2007/48), 15 November 2007 (GOV/2007/58), 22 February 2008 (GOV/2008/4), 26 May 2008 (GOV/2008/15), 15 September 2008 (GOV/2008/38), 19 November 2008 (GOV/2008/59), 19 February 2009 (GOV/2009/8), 5 June 2009 (GOV/2009/35), 28 August 2009 (GOV/2009/55), 16 November 2009 (GOV/2009/74), 18 February 2010 (GOV/2010/10) and 31 May 2010 (GOV/2010/28) of the Director General of the International Atomic Energy Agency (IAEA), Iran has not established full and sustained suspension of all enrichment-related and reprocessing activities and heavy water-related projects as set out in resolutions 1696 (2006), 1737 (2006), 1747 (2007) and 1803 (2008) nor resumed its cooperation with the IAEA under the Additional Protocol, nor cooperated with the IAEA in connection with the remaining issues of concern, which need to be clarified to exclude the possibility of military dimensions of Iran's nuclear programme, nor taken the other steps required by the IAEA Board of Governors, nor complied with the provisions of Security Council

* Reissued for technical reasons.

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resolutions 1696 (2006), 1737 (2006), 1747 (2007) and 1803 (2008) and which are essential to build confidence, and *deploring* Iran's refusal to take these steps,

Reaffirming that outstanding issues can be best resolved and confidence built in the exclusively peaceful nature of Iran's nuclear programme by Iran responding positively to all the calls which the Council and the IAEA Board of Governors have made on Iran,

Noting with serious concern the role of elements of the Islamic Revolutionary Guard Corps (IRGC, also known as "Army of the Guardians of the Islamic Revolution"), including those specified in Annex D and E of resolution 1737 (2006), Annex I of resolution 1747 (2007) and Annex II of this resolution, in Iran's proliferation sensitive nuclear activities and the development of nuclear weapon delivery systems,

Noting with serious concern that Iran has constructed an enrichment facility at Qom in breach of its obligations to suspend all enrichment-related activities, and that Iran failed to notify it to the IAEA until September 2009, which is inconsistent with its obligations under the Subsidiary Arrangements to its Safeguards Agreement,

Also noting the resolution of the IAEA Board of Governors (GOV/2009/82), which urges Iran to suspend immediately construction at Qom, and to clarify the facility's purpose, chronology of design and construction, and calls upon Iran to confirm, as requested by the IAEA, that it has not taken a decision to construct, or authorize construction of, any other nuclear facility which has as yet not been declared to the IAEA,

Noting with serious concern that Iran has enriched uranium to 20 per cent, and did so without notifying the IAEA with sufficient time for it to adjust the existing safeguards procedures,

Noting with concern that Iran has taken issue with the IAEA's right to verify design information which had been provided by Iran pursuant to the modified Code 3.1, and *emphasizing* that in accordance with Article 39 of Iran's Safeguards Agreement Code 3.1 cannot be modified nor suspended unilaterally and that the IAEA's right to verify design information provided to it is a continuing right, which is not dependent on the stage of construction of, or the presence of nuclear material at, a facility,

Reiterating its determination to reinforce the authority of the IAEA, strongly supporting the role of the IAEA Board of Governors, and *commending* the IAEA for its efforts to resolve outstanding issues relating to Iran's nuclear programme,

Expressing the conviction that the suspension set out in paragraph 2 of resolution 1737 (2006) as well as full, verified Iranian compliance with the requirements set out by the IAEA Board of Governors would contribute to a diplomatic, negotiated solution that guarantees Iran's nuclear programme is for exclusively peaceful purposes,

Emphasizing the importance of political and diplomatic efforts to find a negotiated solution guaranteeing that Iran's nuclear programme is exclusively for peaceful purposes and *noting* in this regard the efforts of Turkey and Brazil towards an agreement with Iran on the Tehran Research Reactor that could serve as a confidence-building measure,

Emphasizing also, however, in the context of these efforts, the importance of Iran addressing the core issues related to its nuclear programme,

Stressing that China, France, Germany, the Russian Federation, the United Kingdom and the United States are willing to take further concrete measures on exploring an overall strategy of resolving the Iranian nuclear issue through negotiation on the basis of their June 2006 proposals (S/2006/521) and their June 2008 proposals (INFCIRC/730), and *noting* the confirmation by these countries that once the confidence of the international community in the exclusively peaceful nature of Iran's nuclear programme is restored it will be treated in the same manner as that of any Non-Nuclear Weapon State Party to the Treaty on the Non-Proliferation of Nuclear Weapons,

Welcoming the guidance issued by the Financial Action Task Force (FATF) to assist States in implementing their financial obligations under resolutions 1737 (2006) and 1803 (2008), and *recalling* in particular the need to exercise vigilance over transactions involving Iranian banks, including the Central Bank of Iran, so as to prevent such transactions contributing to proliferation-sensitive nuclear activities, or to the development of nuclear weapon delivery systems,

Recognizing that access to diverse, reliable energy is critical for sustainable growth and development, while noting the potential connection between Iran's revenues derived from its energy sector and the funding of Iran's proliferation-sensitive nuclear activities, and *further noting* that chemical process equipment and materials required for the petrochemical industry have much in common with those required for certain sensitive nuclear fuel cycle activities,

Having regard to States' rights and obligations relating to international trade,

Recalling that the law of the sea, as reflected in the United Nations Convention on the Law of the Sea (1982), sets out the legal framework applicable to ocean activities,

Calling for the ratification of the Comprehensive Nuclear-Test-Ban Treaty by Iran at an early date,

Determined to give effect to its decisions by adopting appropriate measures to persuade Iran to comply with resolutions 1696 (2006), 1737 (2006), 1747 (2007) and 1803 (2008) and with the requirements of the IAEA, and also to constrain Iran's development of sensitive technologies in support of its nuclear and missile programmes, until such time as the Security Council determines that the objectives of these resolutions have been met,

Concerned by the proliferation risks presented by the Iranian nuclear programme and mindful of its primary responsibility under the Charter of the United Nations for the maintenance of international peace and security,

Stressing that nothing in this resolution compels States to take measures or actions exceeding the scope of this resolution, including the use of force or the threat of force,

Acting under Article 41 of Chapter VII of the Charter of the United Nations,

1. *Affirms* that Iran has so far failed to meet the requirements of the IAEA Board of Governors and to comply with resolutions 1696 (2006), 1737 (2006), 1747 (2007) and 1803 (2008);

2. *Affirms* that Iran shall without further delay take the steps required by the IAEA Board of Governors in its resolutions GOV/2006/14 and GOV/2009/82, which are essential to build confidence in the exclusively peaceful purpose of its nuclear programme, to resolve outstanding questions and to address the serious concerns raised by the construction of an enrichment facility at Qom in breach of its obligations to suspend all enrichment-related activities, and, in this context, *further affirms* its decision that Iran shall without delay take the steps required in paragraph 2 of resolution 1737 (2006);

3. *Reaffirms* that Iran shall cooperate fully with the IAEA on all outstanding issues, particularly those which give rise to concerns about the possible military dimensions of the Iranian nuclear programme, including by providing access without delay to all sites, equipment, persons and documents requested by the IAEA, and *stresses* the importance of ensuring that the IAEA have all necessary resources and authority for the fulfilment of its work in Iran;

4. *Requests* the Director General of the IAEA to communicate to the Security Council all his reports on the application of safeguards in Iran;

5. *Decides* that Iran shall without delay comply fully and without qualification with its IAEA Safeguards Agreement, including through the application of modified Code 3.1 of the Subsidiary Arrangement to its Safeguards Agreement, *calls upon* Iran to act strictly in accordance with the provisions of the Additional Protocol to its IAEA Safeguards Agreement that it signed on 18 December 2003, *calls upon* Iran to ratify promptly the Additional Protocol, and *reaffirms* that, in accordance with Articles 24 and 39 of Iran's Safeguards Agreement, Iran's Safeguards Agreement and its Subsidiary Arrangement, including modified Code 3.1, cannot be amended or changed unilaterally by Iran, and *notes* that there is no mechanism in the Agreement for the suspension of any of the provisions in the Subsidiary Arrangement;

6. *Reaffirms* that, in accordance with Iran's obligations under previous resolutions to suspend all reprocessing, heavy water-related and enrichment-related activities, Iran shall not begin construction on any new uranium-enrichment, reprocessing, or heavy water-related facility and shall discontinue any ongoing construction of any uranium-enrichment, reprocessing, or heavy water-related facility;

7. *Decides* that Iran shall not acquire an interest in any commercial activity in another State involving uranium mining, production or use of nuclear materials and technology as listed in INFCIRC/254/Rev.9/Part 1, in particular uranium-enrichment and reprocessing activities, all heavy-water activities or technology-related to ballistic missiles capable of delivering nuclear weapons, and *further decides* that all States shall prohibit such investment in territories under their jurisdiction by Iran, its nationals, and entities incorporated in Iran or subject to its jurisdiction, or by persons or entities acting on their behalf or at their direction, or by entities owned or controlled by them;

8. *Decides* that all States shall prevent the direct or indirect supply, sale or transfer to Iran, from or through their territories or by their nationals or individuals subject to their jurisdiction, or using their flag vessels or aircraft, and whether or not originating in their territories, of any battle tanks, armoured combat vehicles, large calibre artillery systems, combat aircraft, attack helicopters, warships, missiles or

missile systems as defined for the purpose of the United Nations Register of Conventional Arms, or related materiel, including spare parts, or items as determined by the Security Council or the Committee established pursuant to resolution 1737 (2006) (“the Committee”), *decides* further that all States shall prevent the provision to Iran by their nationals or from or through their territories of technical training, financial resources or services, advice, other services or assistance related to the supply, sale, transfer, provision, manufacture, maintenance or use of such arms and related materiel, and, in this context, *calls upon* all States to exercise vigilance and restraint over the supply, sale, transfer, provision, manufacture and use of all other arms and related materiel;

9. *Decides* that Iran shall not undertake any activity related to ballistic missiles capable of delivering nuclear weapons, including launches using ballistic missile technology, and that States shall take all necessary measures to prevent the transfer of technology or technical assistance to Iran related to such activities;

10. *Decides* that all States shall take the necessary measures to prevent the entry into or transit through their territories of individuals designated in Annex C, D and E of resolution 1737 (2006), Annex I of resolution 1747 (2007), Annex I of resolution 1803 (2008) and Annexes I and II of this resolution, or by the Security Council or the Committee pursuant to paragraph 10 of resolution 1737 (2006), except where such entry or transit is for activities directly related to the provision to Iran of items in subparagraphs 3(b)(i) and (ii) of resolution 1737 (2006) in accordance with paragraph 3 of resolution 1737 (2006), *underlines* that nothing in this paragraph shall oblige a State to refuse its own nationals entry into its territory, and *decides* that the measures imposed in this paragraph shall not apply when the Committee determines on a case-by-case basis that such travel is justified on the grounds of humanitarian need, including religious obligations, or where the Committee concludes that an exemption would otherwise further the objectives of this resolution, including where Article XV of the IAEA Statute is engaged;

11. *Decides* that the measures specified in paragraphs 12, 13, 14 and 15 of resolution 1737 (2006) shall apply also to the individuals and entities listed in Annex I of this resolution and to any individuals or entities acting on their behalf or at their direction, and to entities owned or controlled by them, including through illicit means, and to any individuals and entities determined by the Council or the Committee to have assisted designated individuals or entities in evading sanctions of, or in violating the provisions of, resolutions 1737 (2006), 1747 (2007), 1803 (2008) or this resolution;

12. *Decides* that the measures specified in paragraphs 12, 13, 14 and 15 of resolution 1737 (2006) shall apply also to the Islamic Revolutionary Guard Corps (IRGC, also known as “Army of the Guardians of the Islamic Revolution”) individuals and entities specified in Annex II, and to any individuals or entities acting on their behalf or at their direction, and to entities owned or controlled by them, including through illicit means, and *calls upon* all States to exercise vigilance over those transactions involving the IRGC that could contribute to Iran’s proliferation-sensitive nuclear activities or the development of nuclear weapon delivery systems;

13. *Decides* that for the purposes of the measures specified in paragraphs 3, 4, 5, 6 and 7 of resolution 1737 (2006), the list of items in S/2006/814 shall be superseded by the list of items in INFCIRC/254/Rev.9/Part 1 and

INFCIRC/254/Rev.7/Part 2, and any further items if the State determines that they could contribute to enrichment-related, reprocessing or heavy water-related activities or to the development of nuclear weapon delivery systems, and further *decides* that for the purposes of the measures specified in paragraphs 3, 4, 5, 6 and 7 of resolution 1737 (2006), the list of items contained in S/2006/815 shall be superseded by the list of items contained in S/2010/263;

14. *Calls upon* all States to inspect, in accordance with their national authorities and legislation and consistent with international law, in particular the law of the sea and relevant international civil aviation agreements, all cargo to and from Iran, in their territory, including seaports and airports, if the State concerned has information that provides reasonable grounds to believe the cargo contains items the supply, sale, transfer, or export of which is prohibited by paragraphs 3, 4 or 7 of resolution 1737 (2006), paragraph 5 of resolution 1747 (2007), paragraph 8 of resolution 1803 (2008) or paragraphs 8 or 9 of this resolution, for the purpose of ensuring strict implementation of those provisions;

15. *Notes* that States, consistent with international law, in particular the law of the sea, may request inspections of vessels on the high seas with the consent of the flag State, and *calls upon* all States to cooperate in such inspections if there is information that provides reasonable grounds to believe the vessel is carrying items the supply, sale, transfer, or export of which is prohibited by paragraphs 3, 4 or 7 of resolution 1737 (2006), paragraph 5 of resolution 1747 (2007), paragraph 8 of resolution 1803 (2008) or paragraphs 8 or 9 of this resolution, for the purpose of ensuring strict implementation of those provisions;

16. *Decides* to authorize all States to, and that all States shall, seize and dispose of (such as through destruction, rendering inoperable, storage or transferring to a State other than the originating or destination States for disposal) items the supply, sale, transfer, or export of which is prohibited by paragraphs 3, 4 or 7 of resolution 1737 (2006), paragraph 5 of resolution 1747 (2007), paragraph 8 of resolution 1803 (2008) or paragraphs 8 or 9 of this resolution that are identified in inspections pursuant to paragraphs 14 or 15 of this resolution, in a manner that is not inconsistent with their obligations under applicable Security Council resolutions, including resolution 1540 (2004), as well as any obligations of parties to the NPT, and *decides* further that all States shall cooperate in such efforts;

17. *Requires* any State, when it undertakes an inspection pursuant to paragraphs 14 or 15 above to submit to the Committee within five working days an initial written report containing, in particular, explanation of the grounds for the inspections, the results of such inspections and whether or not cooperation was provided, and, if items prohibited for transfer are found, *further requires* such States to submit to the Committee, at a later stage, a subsequent written report containing relevant details on the inspection, seizure and disposal, and relevant details of the transfer, including a description of the items, their origin and intended destination, if this information is not in the initial report;

18. *Decides* that all States shall prohibit the provision by their nationals or from their territory of bunkering services, such as provision of fuel or supplies, or other servicing of vessels, to Iranian-owned or -contracted vessels, including chartered vessels, if they have information that provides reasonable grounds to believe they are carrying items the supply, sale, transfer, or export of which is prohibited by paragraphs 3, 4 or 7 of resolution 1737 (2006), paragraph 5 of

resolution 1747 (2007), paragraph 8 of resolution 1803 (2008) or paragraphs 8 or 9 of this resolution, unless provision of such services is necessary for humanitarian purposes or until such time as the cargo has been inspected, and seized and disposed of if necessary, and *underlines* that this paragraph is not intended to affect legal economic activities;

19. *Decides* that the measures specified in paragraphs 12, 13, 14 and 15 of resolution 1737 (2006) shall also apply to the entities of the Islamic Republic of Iran Shipping Lines (IRISL) as specified in Annex III and to any person or entity acting on their behalf or at their direction, and to entities owned or controlled by them, including through illicit means, or determined by the Council or the Committee to have assisted them in evading the sanctions of, or in violating the provisions of, resolutions 1737 (2006), 1747 (2007), 1803 (2008) or this resolution;

20. *Requests* all Member States to communicate to the Committee any information available on transfers or activity by Iran Air's cargo division or vessels owned or operated by the Islamic Republic of Iran Shipping Lines (IRISL) to other companies that may have been undertaken in order to evade the sanctions of, or in violation of the provisions of, resolutions 1737 (2006), 1747 (2007), 1803 (2008) or this resolution, including renaming or re-registering of aircraft, vessels or ships, and requests the Committee to make that information widely available;

21. *Calls upon* all States, in addition to implementing their obligations pursuant to resolutions 1737 (2006), 1747 (2007), 1803 (2008) and this resolution, to prevent the provision of financial services, including insurance or re-insurance, or the transfer to, through, or from their territory, or to or by their nationals or entities organized under their laws (including branches abroad), or persons or financial institutions in their territory, of any financial or other assets or resources if they have information that provides reasonable grounds to believe that such services, assets or resources could contribute to Iran's proliferation-sensitive nuclear activities, or the development of nuclear weapon delivery systems, including by freezing any financial or other assets or resources on their territories or that hereafter come within their territories, or that are subject to their jurisdiction or that hereafter become subject to their jurisdiction, that are related to such programmes or activities and applying enhanced monitoring to prevent all such transactions in accordance with their national authorities and legislation;

22. *Decides* that all States shall require their nationals, persons subject to their jurisdiction and firms incorporated in their territory or subject to their jurisdiction to exercise vigilance when doing business with entities incorporated in Iran or subject to Iran's jurisdiction, including those of the IRGC and IRISL, and any individuals or entities acting on their behalf or at their direction, and entities owned or controlled by them, including through illicit means, if they have information that provides reasonable grounds to believe that such business could contribute to Iran's proliferation-sensitive nuclear activities or the development of nuclear weapon delivery systems or to violations of resolutions 1737 (2006), 1747 (2007), 1803 (2008) or this resolution;

23. *Calls upon* States to take appropriate measures that prohibit in their territories the opening of new branches, subsidiaries, or representative offices of Iranian banks, and also that prohibit Iranian banks from establishing new joint ventures, taking an ownership interest in or establishing or maintaining correspondent relationships with banks in their jurisdiction to prevent the provision

of financial services if they have information that provides reasonable grounds to believe that these activities could contribute to Iran's proliferation-sensitive nuclear activities or the development of nuclear weapon delivery systems;

24. *Calls upon* States to take appropriate measures that prohibit financial institutions within their territories or under their jurisdiction from opening representative offices or subsidiaries or banking accounts in Iran if they have information that provides reasonable grounds to believe that such financial services could contribute to Iran's proliferation-sensitive nuclear activities or the development of nuclear weapon delivery systems;

25. *Deplores* the violations of the prohibitions of paragraph 5 of resolution 1747 (2007) that have been reported to the Committee since the adoption of resolution 1747 (2007), and *commends* States that have taken action to respond to these violations and report them to the Committee;

26. *Directs* the Committee to respond effectively to violations of the measures decided in resolutions 1737 (2006), 1747 (2007), 1803 (2008) and this resolution, and *recalls* that the Committee may designate individuals and entities who have assisted designated persons or entities in evading sanctions of, or in violating the provisions of, these resolutions;

27. *Decides* that the Committee shall intensify its efforts to promote the full implementation of resolutions 1737 (2006), 1747 (2007), 1803 (2008) and this resolution, including through a work programme covering compliance, investigations, outreach, dialogue, assistance and cooperation, to be submitted to the Council within forty-five days of the adoption of this resolution;

28. *Decides* that the mandate of the Committee as set out in paragraph 18 of resolution 1737 (2006), as amended by paragraph 14 of resolution 1803 (2008), shall also apply to the measures decided in this resolution, including to receive reports from States submitted pursuant to paragraph 17 above;

29. *Requests* the Secretary-General to create for an initial period of one year, in consultation with the Committee, a group of up to eight experts ("Panel of Experts"), under the direction of the Committee, to carry out the following tasks: (a) assist the Committee in carrying out its mandate as specified in paragraph 18 of resolution 1737 (2006) and paragraph 28 of this resolution; (b) gather, examine and analyse information from States, relevant United Nations bodies and other interested parties regarding the implementation of the measures decided in resolutions 1737 (2006), 1747 (2007), 1803 (2008) and this resolution, in particular incidents of non-compliance; (c) make recommendations on actions the Council, or the Committee or State, may consider to improve implementation of the relevant measures; and (d) provide to the Council an interim report on its work no later than 90 days after the Panel's appointment, and a final report to the Council no later than 30 days prior to the termination of its mandate with its findings and recommendations;

30. *Urges* all States, relevant United Nations bodies and other interested parties, to cooperate fully with the Committee and the Panel of Experts, in particular by supplying any information at their disposal on the implementation of the measures decided in resolutions 1737 (2006), 1747 (2007), 1803 (2008) and this resolution, in particular incidents of non-compliance;

31. *Calls upon* all States to report to the Committee within 60 days of the adoption of this resolution on the steps they have taken with a view to implementing effectively paragraphs 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 21, 22, 23 and 24;

32. *Stresses* the willingness of China, France, Germany, the Russian Federation, the United Kingdom and the United States to further enhance diplomatic efforts to promote dialogue and consultations, including to resume dialogue with Iran on the nuclear issue without preconditions, most recently in their meeting with Iran in Geneva on 1 October 2009, with a view to seeking a comprehensive, long-term and proper solution of this issue on the basis of the proposal made by China, France, Germany, the Russian Federation, the United Kingdom and the United States on 14 June 2008, which would allow for the development of relations and wider cooperation with Iran based on mutual respect and the establishment of international confidence in the exclusively peaceful nature of Iran's nuclear programme and, inter alia, starting formal negotiations with Iran on the basis of the June 2008 proposal, and *acknowledges with appreciation* that the June 2008 proposal, as attached in Annex IV to this resolution, remains on the table;

33. *Encourages* the High Representative of the European Union for Foreign Affairs and Security Policy to continue communication with Iran in support of political and diplomatic efforts to find a negotiated solution, including relevant proposals by China, France, Germany, the Russian Federation, the United Kingdom and the United States with a view to create necessary conditions for resuming talks, and *encourages* Iran to respond positively to such proposals;

34. *Commends* the Director General of the IAEA for his 21 October 2009 proposal of a draft Agreement between the IAEA and the Governments of the Republic of France, the Islamic Republic of Iran and the Russian Federation for Assistance in Securing Nuclear Fuel for a Research Reactor in Iran for the Supply of Nuclear Fuel to the Tehran Research Reactor, *regrets* that Iran has not responded constructively to the 21 October 2009 proposal, and *encourages* the IAEA to continue exploring such measures to build confidence consistent with and in furtherance of the Council's resolutions;

35. *Emphasizes* the importance of all States, including Iran, taking the necessary measures to ensure that no claim shall lie at the instance of the Government of Iran, or of any person or entity in Iran, or of persons or entities designated pursuant to resolution 1737 (2006) and related resolutions, or any person claiming through or for the benefit of any such person or entity, in connection with any contract or other transaction where its performance was prevented by reason of the measures imposed by resolutions 1737 (2006), 1747 (2007), 1803 (2008) and this resolution;

36. *Requests* within 90 days a report from the Director General of the IAEA on whether Iran has established full and sustained suspension of all activities mentioned in resolution 1737 (2006), as well as on the process of Iranian compliance with all the steps required by the IAEA Board of Governors and with other provisions of resolutions 1737 (2006), 1747 (2007), 1803 (2008) and of this resolution, to the IAEA Board of Governors and in parallel to the Security Council for its consideration;

37. *Affirms* that it shall review Iran's actions in light of the report referred to in paragraph 36 above, to be submitted within 90 days, and: (a) that it shall suspend the implementation of measures if and for so long as Iran suspends all enrichment-related and reprocessing activities, including research and development, as verified by the IAEA, to allow for negotiations in good faith in order to reach an early and mutually acceptable outcome; (b) that it shall terminate the measures specified in paragraphs 3, 4, 5, 6, 7 and 12 of resolution 1737 (2006), as well as in paragraphs 2, 4, 5, 6 and 7 of resolution 1747 (2007), paragraphs 3, 5, 7, 8, 9, 10 and 11 of resolution 1803 (2008), and in paragraphs 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 21, 22, 23 and 24 above, as soon as it determines, following receipt of the report referred to in the paragraph above, that Iran has fully complied with its obligations under the relevant resolutions of the Security Council and met the requirements of the IAEA Board of Governors, as confirmed by the IAEA Board of Governors; (c) that it shall, in the event that the report shows that Iran has not complied with resolutions 1737 (2006), 1747 (2007), 1803 (2008) and this resolution, adopt further appropriate measures under Article 41 of Chapter VII of the Charter of the United Nations to persuade Iran to comply with these resolutions and the requirements of the IAEA, and *underlines* that further decisions will be required should such additional measures be necessary;

38. *Decides* to remain seized of the matter.

Annex I

Individuals and entities involved in nuclear or ballistic missile activities

Entities

1. **Amin Industrial Complex:** Amin Industrial Complex sought temperature controllers which may be used in nuclear research and operational/production facilities. Amin Industrial Complex is owned or controlled by, or acts on behalf of, the Defense Industries Organization (DIO), which was designated in resolution 1737 (2006).

Location: P.O. Box 91735-549, Mashad, Iran; Amin Industrial Estate, Khalage Rd., Seyedi District, Mashad, Iran; Kaveh Complex, Khalaj Rd., Seyedi St., Mashad, Iran

A.K.A.: Amin Industrial Compound and Amin Industrial Company

2. **Armament Industries Group:** Armament Industries Group (AIG) manufacturers and services a variety of small arms and light weapons, including large- and medium-calibre guns and related technology. AIG conducts the majority of its procurement activity through Hadid Industries Complex.

Location: Sepah Islam Road, Karaj Special Road Km 10, Iran; Pasdaran Ave., P.O. Box 19585/777, Tehran, Iran

3. **Defense Technology and Science Research Center:** Defense Technology and Science Research Center (DTSRC) is owned or controlled by, or acts on behalf of, Iran's Ministry of Defense and Armed Forces Logistics (MODAFL), which oversees Iran's defence R&D, production, maintenance, exports, and procurement.

Location: Pasdaran Ave, PO Box 19585/777, Tehran, Iran

4. **Doostan International Company:** Doostan International Company (DICO) supplies elements to Iran's ballistic missile program.

5. **Farasakht Industries:** Farasakht Industries is owned or controlled by, or act on behalf of, the Iran Aircraft Manufacturing Company, which in turn is owned or controlled by MODAFL.

Location: P.O. Box 83145-311, Kilometer 28, Esfahan-Tehran Freeway, Shahr Shahr, Esfahan, Iran

6. **First East Export Bank, P.L.C.:** First East Export Bank, PLC is owned or controlled by, or acts on behalf of, Bank Mellat. Over the last seven years, Bank Mellat has facilitated hundreds of millions of dollars in transactions for Iranian nuclear, missile, and defense entities.

Location: Unit Level 10 (B1), Main Office Tower, Financial Park Labuan, Jalan Merdeka, 87000 WP Labuan, Malaysia; Business Registration Number LL06889 (Malaysia)

7. **Kaveh Cutting Tools Company:** Kaveh Cutting Tools Company is owned or controlled by, or acts on behalf of, the DIO.

Location: 3rd Km of Khalaj Road, Seyyedi Street, Mashad 91638, Iran; Km 4 of Khalaj Road, End of Seyedi Street, Mashad, Iran; P.O. Box 91735-549, Mashad, Iran; Khalaj Rd., End of Seyyedi Alley, Mashad, Iran; Moqan St., Pasdaran St., Pasdaran Cross Rd., Tehran, Iran

8. **M. Babaie Industries:** M. Babaie Industries is subordinate to Shahid Ahmad Kazemi Industries Group (formally the Air Defense Missile Industries Group) of Iran's Aerospace Industries Organization (AIO). AIO controls the missile organizations Shahid Hemmat Industrial Group (SHIG) and the Shahid Bakeri Industrial Group (SBIG), both of which were designated in resolution 1737 (2006).

Location: P.O. Box 16535-76, Tehran, 16548, Iran

9. **Malek Ashtar University:** A subordinate of the DTRSC within MODAFL. This includes research groups previously falling under the Physics Research Center (PHRC). IAEA inspectors have not been allowed to interview staff or see documents under the control of this organization to resolve the outstanding issue of the possible military dimension to Iran's nuclear program.

Location: Corner of Imam Ali Highway and Babaei Highway, Tehran, Iran

10. **Ministry of Defense Logistics Export:** Ministry of Defense Logistics Export (MODLEX) sells Iranian-produced arms to customers around the world in contravention of resolution 1747 (2007), which prohibits Iran from selling arms or related materiel.

Location: PO Box 16315-189, Tehran, Iran; located on the west side of Dabestan Street, Abbas Abad District, Tehran, Iran

11. **Mizan Machinery Manufacturing:** Mizan Machinery Manufacturing (3M) is owned or controlled by, or acts on behalf of, SHIG.

Location: P.O. Box 16595-365, Tehran, Iran

A.K.A.: 3MG

12. **Modern Industries Technique Company:** Modern Industries Technique Company (MITEC) is responsible for design and construction of the IR-40 heavy water reactor in Arak. MITEC has spearheaded procurement for the construction of the IR-40 heavy water reactor.

Location: Arak, Iran

A.K.A.: Rahkar Company, Rahkar Industries, Rahkar Sanaye Company, Rahkar Sanaye Novin

13. **Nuclear Research Center for Agriculture and Medicine:** The Nuclear Research Center for Agriculture and Medicine (NFRPC) is a large research component of the Atomic Energy Organization of Iran (AEOI), which was designated in resolution 1737 (2006). The NFRPC is AEOI's center for the development of nuclear fuel and is involved in enrichment-related activities.

Location: P.O. Box 31585-4395, Karaj, Iran

A.K.A.: Center for Agricultural Research and Nuclear Medicine; Karaji Agricultural and Medical Research Center

14. **Pejman Industrial Services Corporation:** Pejman Industrial Services Corporation is owned or controlled by, or acts on behalf of, SBIG.

Location: P.O. Box 16785-195, Tehran, Iran

15. **Sabalan Company:** Sabalan is a cover name for SHIG.

Location: Damavand Tehran Highway, Tehran, Iran

16. **Sahand Aluminum Parts Industrial Company (SAPICO):** SAPICO is a cover name for SHIG.

Location: Damavand Tehran Highway, Tehran, Iran

17. **Shahid Karrazi Industries:** Shahid Karrazi Industries is owned or controlled by, or act on behalf of, SBIG.

Location: Tehran, Iran

18. **Shahid Satarri Industries:** Shahid Sattari Industries is owned or controlled by, or acts on behalf of, SBIG.

Location: Southeast Tehran, Iran

A.K.A.: Shahid Sattari Group Equipment Industries

19. **Shahid Sayyade Shirazi Industries:** Shahid Sayyade Shirazi Industries (SSSI) is owned or controlled by, or acts on behalf of, the DIO.

Location: Next To Nirou Battery Mfg. Co, Shahid Babaii Expressway, Nobonyad Square, Tehran, Iran; Pasharan St., P.O. Box 16765, Tehran 1835, Iran; Babaei Highway — Next to Niru M.F.G, Tehran, Iran

20. **Special Industries Group:** Special Industries Group (SIG) is a subordinate of DIO.

Location: Pasharan Avenue, PO Box 19585/777, Tehran, Iran

21. **Tiz Pars:** Tiz Pars is a cover name for SHIG. Between April and July 2007, Tiz Pars attempted to procure a five axis laser welding and cutting machine, which could make a material contribution to Iran's missile program, on behalf of SHIG.

Location: Damavand Tehran Highway, Tehran, Iran

22. **Yazd Metallurgy Industries:** Yazd Metallurgy Industries (YMI) is a subordinate of DIO.

Location: Pasharan Avenue, Next To Telecommunication Industry, Tehran 16588, Iran; Postal Box 89195/878, Yazd, Iran; P.O. Box 89195-678, Yazd, Iran; Km 5 of Taft Road, Yazd, Iran

A.K.A.: Yazd Ammunition Manufacturing and Metallurgy Industries, Directorate of Yazd Ammunition and Metallurgy Industries

Individuals

Javad Rahiqi: Head of the Atomic Energy Organization of Iran (AEOI) Esfahan Nuclear Technology Center (additional information: DOB: 24 April 1954; POB: Marshad).

Annex II

Entities owned, controlled, or acting on behalf of the Islamic Revolutionary Guard Corps

1. **Fater (or Faater) Institute:** Khatam al-Anbiya (KAA) subsidiary. Fater has worked with foreign suppliers, likely on behalf of other KAA companies on IRGC projects in Iran.
2. **Gharagahe Sazandegi Ghaem:** Gharagahe Sazandegi Ghaem is owned or controlled by KAA.
3. **Ghorb Karbala:** Ghorb Karbala is owned or controlled by KAA.
4. **Ghorb Nooh:** Ghorb Nooh is owned or controlled by KAA.
5. **Hara Company:** Owned or controlled by Ghorb Nooh.
6. **Imensazan Consultant Engineers Institute:** Owned or controlled by, or acts on behalf of, KAA.
7. **Khatam al-Anbiya Construction Headquarters:** Khatam al-Anbiya Construction Headquarters (KAA) is an IRGC-owned company involved in large scale civil and military construction projects and other engineering activities. It undertakes a significant amount of work on Passive Defense Organization projects. In particular, KAA subsidiaries were heavily involved in the construction of the uranium enrichment site at Qom/Fordow.
8. **Makin:** Makin is owned or controlled by or acting on behalf of KAA, and is a subsidiary of KAA.
9. **Omran Sahel:** Owned or controlled by Ghorb Nooh.
10. **Oriental Oil Kish:** Oriental Oil Kish is owned or controlled by or acting on behalf of KAA.
11. **Rah Sahel:** Rah Sahel is owned or controlled by or acting on behalf of KAA.
12. **Rahab Engineering Institute:** Rahab is owned or controlled by or acting on behalf of KAA, and is a subsidiary of KAA.
13. **Sahel Consultant Engineers:** Owned or controlled by Ghorb Nooh.
14. **Sepanir:** Sepanir is owned or controlled by or acting on behalf of KAA.
15. **Sepasad Engineering Company:** Sepasad Engineering Company is owned or controlled by or acting on behalf of KAA.

Annex III

Entities owned, controlled, or acting on behalf of the Islamic Republic of Iran Shipping Lines (IRISL)

1. **Irano Hind Shipping Company**

Location: 18 Mehrshad Street, Sadaghat Street, Opposite of Park Mellat, Vali-e-Asr Ave., Tehran, Iran; 265, Next to Mehrshad, Sedaghat St., Opposite of Mellat Park, Vali Asr Ave., Tehran 1A001, Iran

2. **IRISL Benelux NV**

Location: Noorderlaan 139, B-2030, Antwerp, Belgium; V.A.T. Number BE480224531 (Belgium)

3. **South Shipping Line Iran (SSL)**

Location: Apt. No. 7, 3rd Floor, No. 2, 4th Alley, Gandi Ave., Tehran, Iran; Qaem Magham Farahani St., Tehran, Iran

Annex IV

Proposal to the Islamic Republic of Iran by China, France, Germany, the Russian Federation, the United Kingdom of Great Britain and Northern Ireland, the United States of America and the European Union

Presented to the Iranian authorities on 14 June 2008 Teheran

Possible Areas of Cooperation with Iran

In order to seek a comprehensive, long-term and proper solution of the Iranian nuclear issue consistent with relevant UN Security Council resolutions and building further upon the proposal presented to Iran in June 2006, which remains on the table, the elements below are proposed as topics for negotiations between China, France, Germany, Iran, Russia, the United Kingdom, and the United States, joined by the High Representative of the European Union, as long as Iran verifiably suspends its enrichment-related and reprocessing activities, pursuant to OP 15 and OP 19(a) of UNSCR 1803. In the perspective of such negotiations, we also expect Iran to heed the requirements of the UNSC and the IAEA. For their part, China, France, Germany, Russia, the United Kingdom, the United States and the European Union High Representative state their readiness:

to recognize Iran's right to develop research, production and use of nuclear energy for peaceful purposes in conformity with its NPT obligations;

to treat Iran's nuclear programme in the same manner as that of any Non-nuclear Weapon State Party to the NPT once international confidence in the exclusively peaceful nature of Iran's nuclear programme is restored.

Nuclear Energy

- Reaffirmation of Iran's right to nuclear energy for exclusively peaceful purposes in conformity with its obligations under the NPT.
- Provision of technological and financial assistance necessary for Iran's peaceful use of nuclear energy, support for the resumption of technical cooperation projects in Iran by the IAEA.
- Support for construction of LWR based on state-of-the-art technology.
- Support for R&D in nuclear energy as international confidence is gradually restored.
- Provision of legally binding nuclear fuel supply guarantees.
- Cooperation with regard to management of spent fuel and radioactive waste.

Political

- Improving the six countries' and the EU's relations with Iran and building up mutual trust.
- Encouragement of direct contact and dialogue with Iran.
- Support Iran in playing an important and constructive role in international affairs.

- Promotion of dialogue and cooperation on non-proliferation, regional security and stabilization issues.
- Work with Iran and others in the region to encourage confidence-building measures and regional security.
- Establishment of appropriate consultation and cooperation mechanisms.
- Support for a conference on regional security issues.
- Reaffirmation that a solution to the Iranian nuclear issue would contribute to non-proliferation efforts and to realizing the objective of a Middle East free of weapons of mass destruction, including their means of delivery.
- Reaffirmation of the obligation under the UN Charter to refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any State or in any other manner inconsistent with the Charter of the United Nations.
- Cooperation on Afghanistan, including on intensified cooperation in the fight against drug trafficking, support for programmes on the return of Afghan refugees to Afghanistan; cooperation on reconstruction of Afghanistan; cooperation on guarding the Iran-Afghan border.

Economic

Steps towards the normalization of trade and economic relations, such as improving Iran's access to the international economy, markets and capital through practical support for full integration into international structures, including the World Trade Organization, and to create the framework for increased direct investment in Iran and trade with Iran.

Energy Partnership

Steps towards the normalization of cooperation with Iran in the area of energy: establishment of a long-term and wide-ranging strategic energy partnership between Iran and the European Union and other willing partners, with concrete and practical applications/measures.

Agriculture

- Support for agricultural development in Iran.

Facilitation of Iran's complete self-sufficiency in food through cooperation in modern technology.

Environment, Infrastructure

- Civilian Projects in the field of environmental protection, infrastructure, science and technology, and high-tech:
 - Development of transport infrastructure, including international transport corridors.
 - Support for modernization of Iran's telecommunication infrastructure, including by possible removal of relevant export restrictions.

Civil Aviation

- Civil aviation cooperation, including the possible removal of restrictions on manufacturers exporting aircraft to Iran:
 - Enabling Iran to renew its civil aviation fleet;
 - Assisting Iran to ensure that Iranian aircraft meet international safety standards.

Economic, social and human development/humanitarian issues

- Provide, as necessary, assistance to Iran's economic and social development and humanitarian need.
- Cooperation/technical support in education in areas of benefit to Iran:
 - Supporting Iranians to take courses, placements or degrees in areas such as civil engineering, agriculture and environmental studies;
 - Supporting partnerships between Higher Education Institutions e.g. public health, rural livelihoods, joint scientific projects, public administration, history and philosophy.
- Cooperation in the field of development of effective emergency response capabilities (e.g. seismology, earthquake research, disaster control etc.).
- Cooperation within the framework of a “dialogue among civilizations”.

Implementation mechanism

- Constitution of joint monitoring groups for the implementation of a future agreement.
-

**UNITED NATIONS SANCTIONS (IRAN) (AMENDMENT)
REGULATION ~~2008~~2011**

(MARK-UP VERSION)

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**UNITED NATIONS SANCTIONS (IRAN)
(AMENDMENT) REGULATION 20082011**

(MARK-UP VERSION)

(Made by the Chief Executive under section 3 of the United Nations Sanctions Ordinance (Cap. 537) on the instruction of the Ministry of Foreign Affairs of the People's Republic of China and after consultation with the Executive Council)

PART 1

PRELIMINARY

1. Interpretation

In this Regulation, ~~unless the context otherwise requires –~~

“armoured combat vehicle” (裝甲戰鬥車) means any tracked, semi-tracked or wheeled self-propelled vehicle, with armoured protection and cross-country capability, either –

- (a) designed and equipped to transport a squad of 4 or more ~~infantrymen~~ infantry personnel; or
- (b) armed with an integral or organic weapon of at least 12.5 mm calibre or a missile launcher;

“attack helicopter” (攻擊直昇機) –

- (a) means any rotary-wing aircraft designed, equipped or modified to engage targets by employing guided or unguided anti-armour, air-to-surface, air-to-subsurface, or air-to-air weapons and equipped with an integrated fire control and aiming system for those weapons; and
- (b) includes any version of an aircraft described in paragraph (a) that performs specialized reconnaissance or electronic warfare missions;

“authorized officer” (獲授權人員) means –

- (a) a police officer;
- (b) a member of the Customs and Excise Service holding an office specified in Schedule 1 to the Customs and Excise Service Ordinance (Cap. 342); or
- (c) a public officer employed in the Customs and Excise Department in the Trade Controls Officer Grade;

“battle tank” (作戰坦克) means any tracked or wheeled self-propelled armoured fighting vehicle with high cross-country mobility and a high-level of self-protection, weighing at least 16.5 metric tons unladen weight, with a high muzzle velocity direct fire main gun of at least 75 mm calibre;

“combat aircraft” (作戰飛機) –

- (a) means any fixed-wing or variable-geometry wing aircraft, or any primary trainer aircraft, designed, equipped or modified to engage targets by employing guided missiles, unguided rockets, bombs, guns, cannons or other weapons of destruction; and
- (b) includes any version of an aircraft described in paragraph (a) that performs specialized electronic warfare, suppression of air defence or reconnaissance missions;

~~“commander” (機長), in relation to an aircraft, means the member of the flight crew designated as the commander of the aircraft by the operator of the aircraft, or, failing such a person, the person who is for the time being the pilot in command of the aircraft;~~

“Commissioner” (關長) means the Commissioner of Customs and Excise, the any Deputy Commissioner of Customs and Excise or any Assistant Commissioner of Customs and Excise;

“Committee” (委員會) means the Committee of the Security Council established pursuant to under paragraph 18 of Resolution 1737;

“conventional arms” (常規武器) means any armoured combat vehicle, attack helicopter, battle tank, combat aircraft, large-calibre artillery system, missile and missile-launcher system or warship, or its related materiel (including spare parts):

“economic resources” (經濟資源) means assets of every kind, whether tangible or intangible, movable or immovable, which are not funds but can be used to obtain funds, goods or services;

“funds” (資金) includes –

- (a) gold coin, gold bullion, cash, cheques, claims on money, drafts, money orders and other payment instruments;
- (b) deposits with financial institutions or other entities, balances on accounts, debts and debt obligations;
- (c) securities and debt instruments (including stocks and shares, certificates representing securities, bonds, notes, warrants, debentures, debenture stock and derivatives contracts);
- (d) interest, dividends or other income on or value accruing from or generated by property;
- (e) credit, rights of set-off, guarantees, performance bonds or other financial commitments;
- (f) letters of credit, bills of lading and bills of sale; and
- (g) documents evidencing an interest in funds or financial resources, and any other instrument of export financing;

“large-calibre artillery system” (大口徑火炮) means any gun, howitzer, artillery piece combining the characteristics of a gun or howitzer, mortar or multiple-launch rocket system, capable of engaging surface targets by delivering primarily indirect fire, with a calibre of 75 mm and above;

“licence” (特許) means a licence granted under section 9(1), 10(1) or 11(1);

“master” (船長), in relation to a ship, includes any person (other than a pilot) for the time being in charge of the ship;

“missile and missile-launcher system” (導彈及導彈系統發射器) means –

- (a) any guided or unguided rocket, ballistic or cruise missile or remotely piloted vehicle capable of delivering a warhead or weapon of destruction to a range of at least 25 km;
- (b) any means, other than any armoured combat vehicle, attack helicopter, battle tank, combat aircraft, large-calibre artillery system or warship, designed or modified specifically for launching any rocket or missile described in paragraph (a), including any missile launcher; or
- (c) any Man-portable Air-Defence Systems (MANPADS),

but does not include any ground-to-air missile;

“operator” (營運人), in relation to a ship, aircraft or vehicle, means the person for the time being having the management of the ship, aircraft or vehicle;

“person connected with Iran” (有關連人士) means –

- (a) the Government of Iran;
- (b) any person in, or resident in, Iran;
- (c) any body incorporated or constituted under the law of Iran;
- (d) any body, wherever incorporated or constituted, which is controlled by –
 - (i) the Government mentioned in paragraph (a);
 - (ii) a person mentioned in paragraph (b); or
 - (iii) a body mentioned in paragraph (c); or
- (e) any person acting on behalf of –
 - (i) the Government mentioned in paragraph (a);
 - (ii) a person mentioned in paragraph (b); or
 - (iii) a body mentioned in paragraph (c) or (d);

“pilot in command” (機長), in relation to an aircraft, means the pilot designated by the operator or the owner, as appropriate, as being in charge of the aircraft without being under the direction of any other pilot in the aircraft and charged with the safe conduct of a flight;

“regulated prohibited item” (受規管禁制項目) means –

- (a) any item, material, equipment, goods or technology ~~set-out~~ incovered by section B.2, B.3, B.4, B.5, B.6 or B.7 of the International Atomic Energy Agency document INFCIRC/254/Rev. 89/Part 1 ~~in the Security Council document S/2006/814;~~
- (b) any item, material, equipment, goods or technology ~~set-out~~ incovered by sections A.1 and B.1 of the International Atomic Energy Agency document INFCIRC/254/Rev. 89/Part 1 ~~in the Security Council document S/2006/814,~~ except –
 - (i) any equipment covered by section B.1 of the International Atomic Energy Agency document INFCIRC/254/Rev. 89/Part 1 ~~in the Security Council document S/2006/814~~ when such equipment is for exclusive use in light water reactors; and
 - (ii) any low-enriched uranium covered by section A.1.2 of the International Atomic Energy Agency document INFCIRC/254/Rev. 89/Part 1 ~~in the Security Council document S/2006/814~~ when it is incorporated in assembled nuclear fuel elements for light water reactors;

- (c) any item, material, equipment, goods or technology ~~set out~~
~~incorporated by the Security Council document S/2006/815~~
~~S/2010/263; or~~
- (d) any item, material, equipment, goods or technology ~~set out~~
~~incorporated by the International Atomic Energy Agency~~
~~document INFCIRC/254/Rev. 7/Part 2 in the Security~~
~~Council document S/2006/814, except any item, material,~~
~~equipment, goods or technology set out in covered by~~
~~sections 1 to 6 of the Annex to the International Atomic~~
~~Energy Agency document INFCIRC/254/Rev. 7/Part 2 in~~
~~that document when it is for exclusive use in light water~~
~~reactors; or~~
- (e) conventional arms;

“relevant entity” (有關實體) means –

- (a) an entity specified by the Chief Executive as a relevant
entity in accordance with section 31(a), (aa) or (b); or
- (b) an entity acting on behalf of, or at the direction of, or
owned or controlled by, a person or entity specified by the
Chief Executive as a relevant person or relevant entity in
accordance with section 31(a) or (aa);

“relevant person” (有關人士) means –

- (a) a person specified by the Chief Executive as a relevant
person in accordance with section 31(a), (aa) or (b); or
- (b) a person acting on behalf of, or at the direction of, a
person or entity specified by the Chief Executive as a
relevant person or relevant entity in accordance with
section 31(a) or (aa);

“Resolution 1737” (《第 1737 號決議》) means Resolution 1737 (2006)
adopted by the Security Council on 23 December 2006;

“Resolution 1747” (《第 1747 號決議》) means Resolution 1747 (2007) adopted by the Security Council on 24 March 2007;

“Resolution 1803” (《第 1803 號決議》) means Resolution 1803 (2008) adopted by the Security Council on 3 March 2008;

“Resolution 1929” (《第 1929 號決議》) means Resolution 1929 (2010) adopted by the Security Council on 9 June 2010;

“Security Council” (安全理事會) means the Security Council of the United Nations;

“ship” (船舶) ~~includes every description of vessel used in navigation not propelled by oars;~~

“specified item” (指明項目) means –

- (a) any item, material, equipment, goods or technology ~~set out in~~ covered by the International Atomic Energy Agency document INFCIRC/254/Rev. 9/Part 1 or the International Atomic Energy Agency document INFCIRC/254/Rev. 7/Part 2 ~~the Security Council document S/2006/814;~~
- (b) any item, material, equipment, goods or technology ~~set out in~~ covered by the Security Council document S/2006/815 ~~S/2010/263;~~ or
- (c) any arms or related ~~material~~ materiel;

“specified prohibited item” (指明禁制項目) means any item, material, equipment, goods or technology that –

- (a) is covered by the International Atomic Energy Agency document INFCIRC/254/Rev. 9/Part 1 or the International Atomic Energy Agency document INFCIRC/254/Rev. 7/Part 2 ~~the Security Council document S/2006/814~~ or the Security Council document S/2006/815 ~~S/2010/263;~~ and
- (b) is not a regulated prohibited item;

“warship” (軍艦) means any vessel or submarine armed and equipped for military use with a standard displacement of 500 metric tons or above, or any vessel or submarine with a standard displacement of less than 500 metric tons, equipped for launching missiles with a range of at least 25 km or torpedoes with similar range.

PART 2

PROHIBITIONS

Supply, delivery or transfer of items

2. **Prohibition against supply, ~~delivery~~ sale or transfer of certain items to Iran**

(1) This section applies to –

(a) a person acting in the HKSAR; and

(b) a person acting outside the HKSAR who is –

(i) both a Hong Kong permanent resident and a Chinese national; or

(ii) a body incorporated or constituted under the law of the HKSAR.

(~~1~~1A) Except under the authority of a licence granted under section 9(1)(a), a person ~~shall~~ must not supply, ~~deliver~~ sell or transfer, or agree to supply, ~~deliver~~ sell or transfer, directly or indirectly, or do any act likely to promote the supply, ~~delivery~~ sale or transfer of, any regulated prohibited item or specified prohibited item –

(a) to Iran;

(b) to, or to the order of, a person connected with Iran;

(c) to a destination or person for the purpose of delivery or transfer, directly or indirectly, to Iran or to, or to the order of, a person connected with Iran; or

(d) for the use in or benefit of Iran.

(2) A person who contravenes subsection (~~1A~~) commits an offence and is liable –

- (a) on conviction on indictment to a fine and to imprisonment for 7 years; or
- (b) on summary conviction to a fine at level 6 and to imprisonment for 6 months.

(3) ~~In any proceedings for an offence under subsection (2), it~~ is a defence for a person charged with an offence under subsection (2) to prove that ~~he~~ the person did not know and had no reason to believe –

- (a) that the item concerned was a regulated prohibited item or specified prohibited item; or
- (b) that the item concerned was or was to be supplied, ~~delivered~~ sold or transferred –
 - (i) to Iran;
 - (ii) to, or to the order of, a person connected with Iran;
 - (iii) to a destination or person for the purpose of delivery or transfer, directly or indirectly, to Iran or to, or to the order of, a person connected with Iran; or
 - (iv) for the use in or benefit of Iran.

~~(4) This section applies to –~~

- ~~(a) a person in the HKSAR; and~~
- ~~(b) a person acting elsewhere who is –~~
 - ~~(i) both a Hong Kong permanent resident and a Chinese national; or~~
 - ~~(ii) a body incorporated or constituted under the law of the HKSAR.~~

Carriage of items

**3. Prohibition against carriage of certain items
to Iran**

- (1) This section applies to –
 - (a) a ship that is registered in the HKSAR;
 - (aa) a ship that is not registered in the HKSAR and is within the waters of Hong Kong;
 - (b) an aircraft that is registered in the HKSAR;
 - (ba) an aircraft that is not registered in the HKSAR and is within Hong Kong air space;
 - (c) any other ship or aircraft that is for the time being chartered to a person who is –
 - (i) in the HKSAR;
 - (ii) both a Hong Kong permanent resident and a Chinese national; or
 - (iii) a body incorporated or constituted under the law of the HKSAR; and
 - (d) a vehicle in the HKSAR.
- (2) ~~Without prejudice to the generality of~~limiting section 2, ~~a ship, aircraft or vehicle shall not, except under the authority of a licence granted under section 9(1)(b),~~ a ship, aircraft or vehicle must not be used for the carriage of any regulated prohibited item or specified prohibited item if the carriage is, or forms part of, a carriage –
 - (a) from a place outside Iran to a place in Iran;
 - (b) to, or to the order of, a person connected with Iran;
 - (c) to a destination for the purpose of delivery or transfer, directly or indirectly, to Iran or to, or to the order of, a person connected with Iran; or
 - (d) for the use in or benefit of Iran.
- (3) Subsection (2) does not apply if –

- (a) the carriage of the regulated prohibited item or specified prohibited item is performed in the course of the supply, ~~delivery-sale~~ or transfer of the regulated prohibited item or specified prohibited item; and
- (b) the supply, ~~delivery-sale~~ or transfer was authorized by a licence granted under section 9(1)(a).

(3A) If a ship, aircraft or vehicle is used in contravention of subsection (2), each of the following persons commits an offence –

- (a) in the case of a ship registered in the HKSAR, the charterer, the operator and the master of the ship;
- (b) in the case of any other ship –
 - (i) the charterer of the ship, if the charterer is in the HKSAR, or is both a Hong Kong permanent resident and a Chinese national, or is a body incorporated or constituted under the law of the HKSAR;
 - (ii) the operator of the ship, if the operator is in the HKSAR, or is both a Hong Kong permanent resident and a Chinese national, or is a body incorporated or constituted under the law of the HKSAR; and
 - (iii) the master of the ship, if the master is in the HKSAR or is both a Hong Kong permanent resident and a Chinese national;
- (c) in the case of an aircraft registered in the HKSAR, the charterer, the operator and the pilot in command of the aircraft;
- (d) in the case of any other aircraft –
 - (i) the charterer of the aircraft, if the charterer is in the HKSAR, or is both a Hong Kong permanent

resident and a Chinese national, or is a body incorporated or constituted under the law of the HKSAR;

(ii) the operator of the aircraft, if the operator is in the HKSAR, or is both a Hong Kong permanent resident and a Chinese national, or is a body incorporated or constituted under the law of the HKSAR; and

(iii) the pilot in command of the aircraft, if the pilot in command is in the HKSAR or is both a Hong Kong permanent resident and a Chinese national;

(e) in the case of a vehicle, the operator and the driver of the vehicle.

(4) ~~If a ship, aircraft or vehicle is used in contravention of subsection (2), each specified person~~ A person who commits an offence and under subsection (3A) is liable –

(a) on conviction on indictment to a fine and to imprisonment for 7 years; or

(b) on summary conviction to a fine at level 6 and to imprisonment for 6 months.

(5) ~~In any proceedings for an offence under subsection (4), it~~ It is a defence for a person charged with an offence under subsection (3A) to prove that he the person did not know and had no reason to believe –

(a) that the item concerned was a regulated prohibited item or specified prohibited item; or

(b) that the carriage of the item concerned was, or formed part of, a carriage –

(i) from a place outside Iran to a place in Iran;

(ii) to, or to the order of, a person connected with Iran;

- (iii) to a destination for the purpose of delivery or transfer, directly or indirectly, to Iran or to, or to the order of, a person connected with Iran; or
- (iv) for the use in or benefit of Iran.

(6) ~~In this section, “specified person” (指明人士) means—~~

- ~~(a) in relation to a ship registered in the HKSAR, the charterer, operator or master of the ship;~~
- ~~(b) in relation to any other ship—~~
 - ~~(i) the charterer of the ship;~~
 - ~~(ii) the operator of the ship, if the operator is in the HKSAR, or is both a Hong Kong permanent resident and a Chinese national, or is a body incorporated or constituted under the law of the HKSAR; or~~
 - ~~(iii) the master of the ship, if the master is in the HKSAR or is both a Hong Kong permanent resident and a Chinese national;~~
- ~~(c) in relation to an aircraft registered in the HKSAR, the charterer, operator or commander of the aircraft;~~
- ~~(d) in relation to any other aircraft—~~
 - ~~(i) the charterer of the aircraft;~~
 - ~~(ii) the operator of the aircraft, if the operator is in the HKSAR, or is both a Hong Kong permanent resident and a Chinese national, or is a body incorporated or constituted under the law of the HKSAR; or~~
 - ~~(iii) the commander of the aircraft, if the commander is in the HKSAR or is both a Hong Kong permanent resident and a Chinese national; or~~

~~(e) in relation to a vehicle, the operator or driver of the vehicle.~~

Procurement of items

4. Prohibition against procurement of certain items from Iran by certain persons

(1) This section applies to –

- (a) a person acting in the HKSAR; and
- (b) a person acting outside the HKSAR who is –
 - (i) both a Hong Kong permanent resident and a Chinese national; or
 - (ii) a body incorporated or constituted under the law of the HKSAR.

(1A) A person ~~shall~~ must not procure, agree to procure, directly or indirectly, or do any act likely to promote the procurement of any specified item –

- (a) from Iran; or
- (b) from a person connected with Iran.

(2) A person who contravenes subsection (1A) commits an offence and is liable –

- (a) on conviction on indictment to a fine and to imprisonment for 7 years; or
- (b) on summary conviction to a fine at level 6 and to imprisonment for 6 months.

(3) ~~In any proceedings for an offence under subsection (2), it~~ It is a defence for a person charged with an offence under subsection (2) to prove that ~~he the person~~ did not know and had no reason to believe –

- (a) that the item concerned was a specified item; or
- (b) that the item concerned was –
 - (i) from Iran; or

- (ii) from a person connected with Iran.

(4) ~~This section applies to –~~

- ~~(a) a person in the HKSAR; and~~
- ~~(b) a person acting elsewhere who is –~~
 - ~~(i) both a Hong Kong permanent resident and a Chinese national; or~~
 - ~~(ii) a body incorporated or constituted under the law of the HKSAR.~~

5. **Prohibition against procurement of certain items from Iran using ships, aircraft or vehicles**

(1) This section applies to –

- (a) a ship that is registered in the HKSAR;
- (aa) a ship that is not registered in the HKSAR and is within the waters of Hong Kong;
- (b) an aircraft that is registered in the HKSAR;
- (ba) an aircraft that is not registered in the HKSAR and is within Hong Kong air space;
- (c) any other ship or aircraft that is for the time being chartered to a person who is –
 - (i) in the HKSAR;
 - (ii) both a Hong Kong permanent resident and a Chinese national; or
 - (iii) a body incorporated or constituted under the law of the HKSAR; and
- (d) a vehicle in the HKSAR.

(2) Without prejudice to limiting section 4, a ship, aircraft or vehicle shall must not be used for or in connection with the procurement of any specified item –

- (a) from Iran; or

(b) from a person connected with Iran.

(2A) If a ship, aircraft or vehicle is used in contravention of subsection (2), each of the following persons commits an offence –

(a) in the case of a ship registered in the HKSAR, the charterer, the operator and the master of the ship;

(b) in the case of any other ship –

(i) the charterer of the ship, if the charterer is in the HKSAR, or is both a Hong Kong permanent resident and a Chinese national, or is a body incorporated or constituted under the law of the HKSAR;

(ii) the operator of the ship, if the operator is in the HKSAR, or is both a Hong Kong permanent resident and a Chinese national, or is a body incorporated or constituted under the law of the HKSAR; and

(iii) the master of the ship, if the master is in the HKSAR or is both a Hong Kong permanent resident and a Chinese national;

(c) in the case of an aircraft registered in the HKSAR, the charterer, the operator and the pilot in command of the aircraft;

(d) in the case of any other aircraft –

(i) the charterer of the aircraft, if the charterer is in the HKSAR, or is both a Hong Kong permanent resident and a Chinese national, or is a body incorporated or constituted under the law of the HKSAR;

(ii) the operator of the aircraft, if the operator is in the HKSAR, or is both a Hong Kong permanent

resident and a Chinese national, or is a body incorporated or constituted under the law of the HKSAR; and

(iii) the pilot in command of the aircraft, if the pilot in command is in the HKSAR or is both a Hong Kong permanent resident and a Chinese national;

(e) in the case of a vehicle, the operator and the driver of the vehicle.

(3) ~~If a ship, aircraft or vehicle is used in contravention of subsection (2), each specified person~~ A person who commits an offence and under subsection (2A) is liable –

(a) on conviction on indictment to a fine and to imprisonment for 7 years; or

(b) on summary conviction to a fine at level 6 and to imprisonment for 6 months.

(4) ~~In any proceedings for an offence under subsection (3), it~~ It is a defence for a person charged with an offence under subsection (2A) to prove that
he~~the person~~ did not know and had no reason to believe –

(a) that the item concerned was a specified item; or

(b) that the item concerned was –

(i) from Iran; or

(ii) from a person connected with Iran.

(5) ~~In this section, “specified person” (指明人士) means –~~

(a) ~~in relation to a ship registered in the HKSAR, the charterer, operator or master of the ship;~~

(b) ~~in relation to any other ship –~~

(i) ~~the charterer of the ship;~~

(ii) ~~the operator of the ship, if the operator is in the HKSAR, or is both a Hong Kong permanent resident and a Chinese national, or is a body~~

- ~~incorporated or constituted under the law of the HKSAR; or~~
- ~~(iii) the master of the ship, if the master is in the HKSAR or is both a Hong Kong permanent resident and a Chinese national;~~
- ~~(c) in relation to an aircraft registered in the HKSAR, the charterer, operator or commander of the aircraft;~~
- ~~(d) in relation to any other aircraft—~~
 - ~~(i) the charterer of the aircraft;~~
 - ~~(ii) the operator of the aircraft, if the operator is in the HKSAR, or is both a Hong Kong permanent resident and a Chinese national, or is a body incorporated or constituted under the law of the HKSAR; or~~
 - ~~(iii) the commander of the aircraft, if the commander is in the HKSAR or is both a Hong Kong permanent resident and a Chinese national; or~~
- ~~(e) in relation to a vehicle, the operator or driver of the vehicle.~~

~~*Provision or transfer of assistance, training, services or resources*~~

6. Prohibition against provision or transfer of certain assistance, training, services or ~~assistance~~resources to Iran

- (1) This section applies to –
 - (a) a person acting in the HKSAR; and
 - (b) a person acting outside the HKSAR who is –
 - (i) both a Hong Kong permanent resident and a Chinese national; or

(ii) a body incorporated or constituted under the law of the HKSAR.

(1A) Except under the authority of a licence granted under section 10(1)(a), a person shall ~~must~~ not provide, directly or indirectly, any technical assistance ~~or training~~, financial resources or services, ~~assistance~~, ~~investment~~, ~~brokering or advice~~, other services or assistance related to the supply, sale, transfer, provision, manufacture, maintenance or use of any regulated prohibited item ~~or conventional arms~~—

- (a) to Iran;
- (b) to, or to the order of, a person connected with Iran; or
- (c) to a destination or person for the purpose of provision, directly or indirectly, to Iran or to, or to the order of, a person connected with Iran.

~~(2) Except under the authority of a licence granted under section 10(1)(b), a person shall not transfer any financial resources or services related to the supply, sale, transfer, manufacture or use of any regulated prohibited item or conventional arms—~~

- ~~(a) to Iran;~~
- ~~(b) to, or to the order of, a person connected with Iran; or~~
- ~~(c) to a destination or person for the purpose of transfer, directly or indirectly, to Iran or to, or to the order of, a person connected with Iran.~~

(3) A person who contravenes subsection (1A) commits an offence and is liable —

- (a) on conviction on indictment to a fine and to imprisonment for 7 years; or
- (b) on summary conviction to a fine at level 6 and to imprisonment for 6 months.

~~(4) A person who contravenes subsection (2) commits an offence and is liable—~~

~~(a) — on conviction on indictment to a fine and to imprisonment for 7 years; or~~

~~(b) — on summary conviction to a fine at level 6 and to imprisonment for 6 months.~~

(5) ~~In any proceedings for an offence under subsection (3), it~~ It is a defence for a person charged with an offence under subsection (3) to prove that he the person did not know and had no reason to believe —

(a) ~~that the technical assistance or training, financial resources or services, assistance, investment, brokering or advice, other services or assistance concerned were or were to be provided —~~

(i) ~~to Iran;~~

(ii) ~~to, or to the order of, a person connected with Iran; or~~

(iii) ~~to a destination or person for the purpose of provision, directly or indirectly, to Iran or to, or to the order of, a person connected with Iran; or~~

(b) ~~that the technical assistance or training, financial resources or services, assistance, investment, brokering or advice, other services or assistance concerned related to the supply, sale, transfer, provision, manufacture, maintenance or use of the regulated prohibited item or conventional arms concerned.~~

~~(6) — In any proceedings for an offence under subsection (4), it is a defence for a person charged to prove that he did not know and had no reason to believe —~~

~~(a) — that the financial resources or services concerned were to be transferred —~~

~~(i) — to Iran;~~

- (ii) ~~to, or to the order of, a person connected with Iran; or~~
- (iii) ~~to a destination or person for the purpose of transfer, directly or indirectly, to Iran or to, or to the order of, a person connected with Iran; or~~
- (b) ~~that the financial resources or services concerned related to the supply, sale, transfer, manufacture or use of the regulated prohibited item or conventional arms concerned.~~
- (7) ~~This section applies to –~~
 - (a) ~~a person in the HKSAR; and~~
 - (b) ~~a person acting elsewhere who is –~~
 - (i) ~~both a Hong Kong permanent resident and a Chinese national; or~~
 - (ii) ~~a body incorporated or constituted under the law of the HKSAR.~~

6A. Prohibition against transfer of technology or assistance related to ballistic missiles

- (1) This section applies to –
 - (a) a person acting in the HKSAR; and
 - (b) a person acting outside the HKSAR who is –
 - (i) both a Hong Kong permanent resident and a Chinese national; or
 - (ii) a body incorporated or constituted under the law of the HKSAR.
- (2) A person must not transfer, directly or indirectly, any technology or technical assistance related to any activity that relates to ballistic missiles capable of delivering nuclear weapons, including launches using ballistic missile technology –
 - (a) to Iran;

- (b) to, or to the order of, a person connected with Iran; or
- (c) to a destination or person for the purpose of transfer, directly or indirectly, to Iran or to, or to the order of, a person connected with Iran.

(3) A person who contravenes subsection (2) commits an offence and is liable –

- (a) on conviction on indictment to a fine and to imprisonment for 7 years; or
- (b) on summary conviction to a fine at level 6 and to imprisonment for 6 months.

(4) It is a defence for a person charged with an offence under subsection (3) to prove that the person did not know and had no reason to believe –

- (a) that the technology or assistance concerned were or were to be transferred –
 - (i) to Iran;
 - (ii) to, or to the order of, a person connected with Iran; or
 - (iii) to a destination or person for the purpose of transfer, directly or indirectly, to Iran or to, or to the order of, a person connected with Iran; or
- (b) that the technology or assistance concerned related to an activity that relates to ballistic missiles capable of delivering nuclear weapons.

~~*Making available funds, etc. to certain
persons or entities*~~

**7. Prohibition against making available funds,
etc. to certain persons or entities or dealing
with funds, etc.**

(1) This section applies to –

(a) a person acting in the HKSAR; and

(b) a person acting outside the HKSAR who is –

(i) both a Hong Kong permanent resident and a
Chinese national; or

(ii) a body incorporated or constituted under the law
of the HKSAR.

(1A) Without prejudice to ~~limiting~~ section 6 but subject to section 8, a
person shall not, except under the authority of a licence granted under section
11(1), –

(a) a person must not make available, directly or indirectly,
any funds or other financial assets or economic resources
to, or for the benefit of, a relevant person or a relevant
entity; and

(b) a person (“first-mentioned person”) must not deal with,
directly or indirectly, any funds or other financial assets or
economic resources owned by or otherwise belonging to,
or held by, a relevant person or a relevant entity, and if the
first-mentioned person is a relevant person or a relevant
entity, including any funds and other financial assets or
economic resources owned by or otherwise belonging to,
or held by, the first-mentioned person.

(2) A person who contravenes subsection (1A) commits an offence
and is liable –

- (a) on conviction on indictment to a fine and to imprisonment for 7 years; or
- (b) on summary conviction to a fine at level 6 and to imprisonment for 6 months.

(3) ~~In any proceedings for an offence under subsection (2), it~~ It is a defence for a person charged with an offence under subsection (2) to prove that he the person did not know and had no reason to believe –

- (a) that the funds or other financial assets or economic resources concerned ~~were or~~ were to be made available to, or for the benefit of, a relevant person or a relevant entity; or
- (b) that the person was dealing with funds or other financial assets or economic resources owned by or otherwise belonging to, or held by, a relevant person or a relevant entity.

(4) ~~This section applies to –~~

- (a) ~~a person in the HKSAR; and~~
- (b) ~~a person acting elsewhere who is –~~
 - (i) ~~both a Hong Kong permanent resident and a Chinese national; or~~
 - (ii) ~~a body incorporated or constituted under the law of the HKSAR.~~

(5) A person is not to be regarded as having contravened subsection (1A) by reason only of having credited an account owned by or otherwise belonging to, or held by, a relevant person or a relevant entity with –

- (a) interest or other earnings due on that account; or
- (b) payment due under contracts, agreements or obligations that arose before the date on which the person or entity became a relevant person or a relevant entity.

(6) In this section, “deal with” (處理) means –

- (a) in respect of funds –
 - (i) use, alter, move, allow access to or transfer;
 - (ii) deal with in any other way that would result in any change in volume, amount, location, ownership, possession, character or destination; or
 - (iii) make any other change that would enable use, including portfolio management; and
- (b) in respect of other financial assets or economic resources, use to obtain funds, goods or services in any way, including by selling, hiring or mortgaging the assets or resources.

8. — ~~Exceptions to prohibition against making available funds, etc. to certain persons or entities~~

~~Section 7 does not prevent the addition to an account owned or controlled by a relevant person or a relevant entity of—~~

- ~~(a) — interest or other earnings due on that account; and~~
- ~~(b) — payments due under contracts, agreements or obligations that arose prior to the date on which such person or entity became a relevant person or a relevant entity;~~

~~but any such interest, other earnings and payments shall be subject to section 7(1).~~

8AA. Prohibition against sale and acquisition of interest in commercial activity involving uranium mining

(1) A specified person must not sell or otherwise make available, directly or indirectly, an interest in a specified commercial activity to a prohibited person.

(2) A specified person must not knowingly provide, directly or indirectly, any financial services or related services that facilitate the acquisition of an interest in a specified commercial activity by a prohibited person.

(3) A prohibited person must not, directly or indirectly, acquire an interest in a specified commercial activity.

(4) A person who contravenes subsection (1) commits an offence and is liable –

(a) on conviction on indictment to a fine and to imprisonment for 7 years; or

(b) on summary conviction to a fine at level 6 and to imprisonment for 6 months.

(5) A person who contravenes subsection (2) commits an offence and is liable –

(a) on conviction on indictment to a fine and to imprisonment for 7 years; or

(b) on summary conviction to a fine at level 6 and to imprisonment for 6 months.

(6) A person who contravenes subsection (3) commits an offence and is liable –

(a) on conviction on indictment to a fine and to imprisonment for 7 years; or

(b) on summary conviction to a fine at level 6 and to imprisonment for 6 months.

(7) It is a defence for a person charged with an offence under subsection (1) to prove that the person did not know and had no reason to believe –

(a) that the interest concerned was an interest in a specified commercial activity; or

(b) that the interest concerned was sold or otherwise made available to a prohibited person.

(8) It is a defence for a person charged with an offence under subsection (3) to prove that the person did not know and had no reason to believe that the interest concerned was an interest in a specified commercial activity.

(9) In this section –

“prohibited person” (受禁制人士) means –

- (a) Iran;
- (b) a national of Iran;
- (c) an entity incorporated in Iran or subject to Iranian jurisdiction;
- (d) a person or entity acting on behalf of, or at the direction of, Iran, a national of Iran or an entity mentioned in paragraph (c); or
- (e) an entity owned or controlled by Iran, a national of Iran or an entity mentioned in paragraph (c);

“specified commercial activity” (指明商業活動) means a commercial activity that involves uranium mining, or the production or use of nuclear materials or technology listed in the International Atomic Energy Agency document INFCIRC 254/Rev. 9/Part 1, including –

- (a) uranium-enrichment and reprocessing activities;
- (b) all heavy-water activities; and
- (c) activities that involve technology related to ballistic missiles capable of delivering nuclear weapons;

“specified person” (指明人士) means –

- (a) a person acting in the HKSAR; and
- (b) a person acting outside the HKSAR who is –
 - (i) both a Hong Kong permanent resident and a Chinese national; or

- (ii) a body incorporated or constituted under the law of the HKSAR.

Entry into or transit through HKSAR

8A. Prohibition against entry or transit by certain persons

(1) Subject to section 8B, a specified person ~~shall~~ must not enter or transit through the HKSAR.

(2) A person who contravenes subsection (1) commits an offence and is liable on conviction to a fine at level 4 and to imprisonment for 2 years.

(3) This section does not ~~prohibit~~ apply to a person having the right of abode or the right to land in the HKSAR ~~from entry into the HKSAR.~~

(4) In this section, “specified person” (指明人士) means a person designated by the Security Council or the Committee ~~for the purposes of the measures imposed by paragraph 5 of Resolution 1803, including a person listed in Annex II to Resolution 1803~~ under paragraph 10 of Resolution 1737, including a person designated in Annex C, D or E of Resolution 1737, Annex I of Resolution 1747, Annex I of Resolution 1803, or Annex I or II of Resolution 1929.

8B. Exceptions to prohibition against entry or transit by certain persons

Section 8A does not apply if –

- (a) if the relevant entry into or transit through the HKSAR is for activities directly related to the provision to Iran of–
- (i) any equipment covered by section B.1 of the International Atomic Energy Agency document INFCIRC/254/Rev. 89/Part 1 in the Security Council document S/2006/814 ~~when~~ such equipment is for exclusive use in light water reactors; or

- (ii) any low-enriched uranium covered by section A.1.2 of the International Atomic Energy Agency document INFCIRC/254/Rev. 89/Part 1 in the Security Council document S/2006/814 when it is incorporated in assembled nuclear fuel elements for light water reactors;
- (b) to a case in respect of which the Committee determines on a case-by-case basis ~~has determined~~ that the relevant entry into or transit through the HKSAR is justified on the ground of humanitarian need, including religious obligations; or
- (c) to a case in respect of which the Committee concludes ~~has determined~~ that the relevant entry into or transit through the HKSAR would otherwise further the objectives of Resolution ~~1803~~ 1929.

8C. Prohibition against provision of certain services to certain ships

(1) This section applies to –

- (a) a person acting in the HKSAR; and
- (b) a person acting outside the HKSAR who is –
 - (i) both a Hong Kong permanent resident and a Chinese national; or
 - (ii) a body incorporated or constituted under the law of the HKSAR.

(2) Subject to section 8D, a person must not provide, directly or indirectly, any specified services to a specified ship if the person knows or has reasonable grounds to believe that –

- (a) the ship concerned is a specified ship; and
- (b) the ship concerned is carrying any regulated prohibited item, specified prohibited item or specified item.

(3) A person who contravenes subsection (2) commits an offence and is liable –

(a) on conviction on indictment to a fine and to imprisonment for 7 years; or

(b) on summary conviction to a fine at level 6 and to imprisonment for 6 months.

(4) In this section –

“specified services” (指明服務), in relation to a ship, means the provision of any bunkering service to the ship or any of the following services –

(a) the provision of fuel to the ship;

(b) the provision of tools or equipment for shipboard maintenance;

(c) the provision of lubricants, chemicals, expendable parts, spare parts, supplies or any other requirements that are necessary for the safe operation of the ship;

(d) the servicing or repair of any part of the ship or any item referred to in paragraphs (b) and (c);

“specified ship” (指明船舶) means a ship which is owned or contracted by, or chartered to, a person connected with Iran or a national of Iran.

8D. Exception to prohibition under section 8C

Section 8C does not apply if the provision of the specified services concerned is necessary for humanitarian purposes.

PART 3

LICENCES

9. **Licence for supply, ~~delivery~~sale, transfer or carriage of certain items to Iran**

(1) ~~If it is proved to the satisfaction of the Chief Executive~~satisfied on application that the applicable requirements in subsections (2), (3) and (4) are met, the Chief Executive ~~shall, on application, must~~ grant, as appropriate –

- (a) a licence for the supply, ~~delivery~~ sale or transfer of, or the doing of an act likely to promote the supply, ~~delivery~~ sale or transfer of, any regulated prohibited item (except conventional arms) or any specified prohibited item –
 - (i) to Iran;
 - (ii) to, or to the order of, a person connected with Iran;
 - (iii) to a destination or person for the purpose of delivery or transfer, directly or indirectly, to Iran or to, or to the order of, a person connected with Iran; or
 - (iv) for the use in or benefit of Iran; or
- (b) a licence for the carriage of any regulated prohibited item (except conventional arms) or any specified prohibited item which is, or forms part of, a carriage –
 - (i) from a place outside Iran to a place in Iran;
 - (ii) to, or to the order of, a person connected with Iran;
 - (iii) to a destination for the purpose of delivery or transfer, directly or indirectly, to Iran or to, or to the order of, a person connected with Iran; or
 - (iv) for the use in or benefit of Iran.

(2) The following requirements apply to all regulated prohibited items
(except conventional arms) –

- (a) the Committee has determined in advance and on a case-by-case basis that the supply, ~~delivery~~sale, transfer or carriage of the regulated prohibited item (including any item that is for food, agricultural, medical or other humanitarian purposes) would clearly not contribute to the development of Iran's technologies in support of –
 - (i) Iran's proliferation sensitive nuclear activities; or
 - (ii) the development of Iran's nuclear weapon delivery systems;
- (b) the applicant has submitted to the Chief Executive such information in relation to the end-use of the regulated prohibited item as the Chief Executive may require, and the Chief Executive has determined that the supply, ~~delivery~~sale, transfer or carriage of the regulated prohibited item would clearly not contribute to the development of Iran's technologies in support of –
 - (i) Iran's proliferation sensitive nuclear activities; or
 - (ii) the development of Iran's nuclear weapon delivery systems;
- (c) the Government of Iran has committed not to use the regulated prohibited item –
 - (i) in Iran's proliferation sensitive nuclear activities; or
 - (ii) for the development of Iran's nuclear weapon delivery systems.

(3) The following requirements apply to all specified prohibited items –

- (a) the requirements, as appropriate, of the guidelines as set out in the ~~Security Council document S/2006/814~~ the International Atomic Energy Agency document INFCIRC/254/Rev. 9/Part 1, the International Atomic Energy Agency document INFCIRC/254/Rev. 7/Part 2 and the Security Council document S/2006/985 are met;
- (b) the Chief Executive ~~has determined that he has obtained~~ and is in a position to exercise effectively a right to verify the end-use and end-use location of the specified prohibited item.

(4) If the specified prohibited item is an item ~~set out in~~ covered by sections 1 to 6 of the Annex to the International Atomic Energy Agency document INFCIRC/254/Rev. 7/Part 2 ~~in the Security Council document S/2006/814~~, in addition to the requirements in subsection (3), it must also be proved to the satisfaction of the Chief Executive that –

- (a) in all cases, the supply, ~~delivery~~ sale, transfer or carriage of the item is necessary for technical cooperation provided to Iran by the International Atomic Energy Agency or under its auspices as provided in paragraph 16 of Resolution 1737; and
- (b) in the case of an item ~~set out in~~ covered by sections 3 to 6 of that Annex, the supply, ~~delivery~~ sale, transfer or carriage of the item has been notified in advance to the Committee.

**10. Licence for provision ~~or transfer of certain~~
assistance, ~~training, services or~~ assistance
resources
~~to Iran~~**

(1) If it is ~~proved to the satisfaction of the Chief Executive~~ satisfied on application that all the requirements in subsection (2) are met, the Chief Executive shall, ~~on application, must grant, as appropriate~~

~~(a) — a licence for the provision of any technical assistance or training, financial resources or services, assistance, investment, brokering or advice, other services or assistance related to the supply, sale, transfer, provision, manufacture, maintenance or use of any regulated prohibited item (except conventional arms) — or conventional arms —~~

~~(ia) to Iran;~~

~~(ib) to, or to the order of, a person connected with Iran; or~~

~~(ic) to a destination or person for the purpose of provision, directly or indirectly, to Iran or to, or to the order of, a person connected with Iran; or~~

~~(b) — a licence for the transfer of any financial resources or services related to the supply, sale, transfer, manufacture or use of any regulated prohibited item or conventional arms —~~

~~(i) — to Iran;~~

~~(ii) — to, or to the order of, a person connected with Iran; or~~

~~(iii) — to a destination or person for the purpose of transfer, directly or indirectly, to Iran or to, or to the order of, a person connected with Iran.~~

(2) The requirements referred to in subsection (1) are as follows –

(a) the Committee has determined in advance and on a case-by-case basis that the provision of the technical assistance ~~or training, financial resources or services, assistance, investment, brokering or advice, other services or assistance~~, or the transfer of the financial resources or services (including any provision ~~or transfer~~ for food,

agricultural, medical or other humanitarian purposes) would clearly not contribute to the development of Iran's technologies in support of –

- (i) Iran's proliferation sensitive nuclear activities; or
- (ii) the development of Iran's nuclear weapon delivery systems;

- (b) the applicant has submitted to the Chief Executive such information in relation to the end-use of the technical ~~assistance or training, financial resources or services, assistance, investment, brokering or advice, other services or assistance to be provided, or the financial resources or services to be transferred,~~ as the Chief Executive may require, and the Chief Executive has determined that the provision ~~or transfer~~ would clearly not contribute to the development of Iran's technologies in support of –

- (i) Iran's proliferation sensitive nuclear activities; or
- (ii) the development of Iran's nuclear weapon delivery systems;

- (c) the Government of Iran has committed not to use the regulated prohibited item ~~or conventional arms~~ –

- (i) in Iran's proliferation sensitive nuclear activities;
or
- (ii) for the development of Iran's nuclear weapon delivery systems;

- ~~(d) in the case of the provision of any technical assistance or training, financial assistance, investment, brokering or other services, or the transfer of any financial resources or services, related to the supply, sale, transfer, manufacture or use of any conventional arms, the Chief Executive has~~

~~determined that the provision or transfer would not contribute to the destabilizing accumulation of arms.~~

11. Licence for making available funds, etc. to certain persons or entities or dealing with funds, etc. of certain persons or entities

(1) ~~If it is proved to the satisfaction of~~ on application the Chief Executive ~~determines~~ that any one of the requirements in subsection (2) is met, the Chief Executive ~~shall~~ must, on application subject to subsection (3), grant, as appropriate, a licence for –

- (a) making available funds or other financial assets or economic resources to, or for the benefit of, a relevant person or a relevant entity; or
- (b) dealing with funds or other financial assets or economic resources owned by or otherwise belonging to, or held by, a relevant person or a relevant entity.

(2) The requirements referred to in subsection (1) are as follows –

- (a) the funds or other financial assets or economic resources ~~have been determined by the Chief Executive to be~~ are –
 - (i) necessary for basic expenses, including payment for foodstuffs, rents, mortgages, medicines, ~~and~~ medical treatments, taxes, insurance premiums, and public utility charges; or
 - (ii) exclusively for the payment of reasonable professional fees or reimbursement of incurred expenses associated with the provision of legal services; or
 - (iii) fees or service charges, under the law of the HKSAR, for the routine holding or maintenance of funds or other financial assets or economic

- resources owned by or otherwise belonging to, or held by, a relevant person or a relevant entity;
- ~~and the Committee has been notified by the Chief Executive of the intention to authorize, where appropriate, access to such funds or other financial assets or economic resources, and the Committee has not made a negative decision within 5 working days of such notification;~~
- (b) the funds or other financial assets or economic resources ~~have been determined by the Chief Executive to be~~ are necessary for extraordinary expenses; ~~and the Committee has been notified by the Chief Executive of the determination, and the Committee has approved the determination;~~
- (c) the funds or other financial assets or economic resources –
- (i) ~~have been determined by the Chief Executive to be~~ are the subject of a judicial, administrative or arbitral lien or judgment, ~~and the lien or judgment~~
- (i) ~~that~~ was entered prior to ~~before~~ 23 December 2006; and
- (ii) ~~is not for the benefit of a relevant person or a relevant entity; and~~
- (iii) ~~has been notified by the Chief Executive to the Committee;~~
- (ii) are to be used to satisfy the lien or judgment;
- (d) the funds or other financial assets or economic resources ~~have been determined by the Chief Executive to be~~ are necessary for activities directly related to –
- (i) any equipment covered by section B.1 of the International Atomic Energy Agency document

~~INFCIRC/254/Rev. 89/Part 1 in the Security Council document S/2006/814~~ when such equipment is for exclusive use in light water reactors; or

- (ii) any low-enriched uranium covered by section A.1.2 of the International Atomic Energy Agency document INFCIRC/254/Rev. 89/Part 1 in the Security Council document S/2006/814 when it is incorporated in assembled nuclear fuel elements for light water reactors;

~~and the Committee has been notified by the Chief Executive of the determination;~~

- (e) ~~the Chief Executive has determined that—~~

- (i) ~~the funds or other financial assets or economic resources are for making payment due under a contract entered into prior to~~before the date on which such person or entity became a relevant person or a relevant entity; and

- (ii) ~~the contract is not related to —~~

- (Ai) any regulated prohibited item; or

- (Bii) any technical assistance ~~or training, financial resources or services, assistance, investment, brokering or advice, other services or assistance related to the supply, sale, transfer, provision, manufacture, maintenance or use of any regulated prohibited item, or conventional arms; or~~

- (C) ~~any financial resources or services related to the supply, sale, transfer, manufacture or use of any regulated prohibited item or conventional arms; and~~

- (iii) ~~—~~

and the payment is not received, directly or indirectly, by a relevant person or a relevant entity;

~~and the Committee has been notified by the Chief Executive of the intention to authorize the payment not less than 10 working days prior to the authorization.~~

~~(3) — A licence granted by the Chief Executive under subsection (1), on his being satisfied that the requirements in subsection (2)(c) are met, shall only authorize that the funds or other financial assets or economic resources be used to satisfy the relevant lien or judgment.~~

(3) If the Chief Executive determines that —

(a) the requirement in subsection (2)(a) is met, the Chief Executive —

(i) must cause the Committee to be notified of the intention to grant a licence under subsection (1); and

(ii) must grant the licence in the absence of a negative decision by the Committee within 5 working days of the notification;

(b) the requirement in subsection (2)(b) is met, the Chief Executive —

(i) must cause the Committee to be notified of the determination; and

(ii) must not grant the licence unless the Committee approves the determination;

(c) the requirement in subsection (2)(c) is met, before granting the licence, the Chief Executive must cause the Committee to be notified of the determination;

(d) the requirement in subsection (2)(d) is met, before granting the licence, the Chief Executive must cause the Committee to be notified of the determination;

- (e) the requirement in subsection (2)(e) is met, the Chief Executive must cause the Committee to be notified of the intention to grant the licence not less than 10 working days before the grant of the licence.

12. Provision of false information or documents for purpose of obtaining licences

(1) ~~If~~A person who, for the purpose of obtaining a licence, ~~a person~~ makes any statement or provides or produces any information or document that ~~he the person~~ knows to be false in a material particular, ~~the person~~ commits an offence and is liable –

- (a) on conviction on indictment to a fine and to imprisonment for 2 years; or
- (b) on summary conviction to a fine at level 6 and to imprisonment for 6 months.

(2) ~~If~~A person who, for the purpose of obtaining a licence, ~~a person~~ recklessly makes any statement or provides or produces any information or document that is false in a material particular, ~~the person~~ commits an offence and is liable –

- (a) on conviction on indictment to a fine and to imprisonment for 2 years; or
- (b) on summary conviction to a fine at level 6 and to imprisonment for 6 months.

PART 4

THINGS DONE ~~OUTSIDE~~ OUTSIDE HKSAR

13. Licence or permission granted by authorities of places outside HKSAR

(1) If the circumstances described in subsection (2) apply, a provision of this Regulation ~~which that~~ prohibits the doing of a thing by a person except

under the authority of a licence ~~shall~~does not have effect in relation to any such thing done in a place outside the HKSAR by the person.—

- (a) ~~—a person who is ordinarily resident in that place; or~~
- (b) ~~—a body corporate incorporated or constituted under the law of that place.~~

(2) For the purposes of subsection (1), the circumstances are that the thing is done by the person under the authority of a licence or with permission granted, in accordance with any law in force in that place outside the HKSAR (being a law substantially corresponding to the relevant provision of this Regulation), by the authority competent in that behalf under that law.

PART 5

ENFORCEMENT OF REGULATION

Division 1 - Investigation, etc. of suspected shipsSuspected Ships

14. Investigation of suspected ships

(1) If an authorized officer has reason to suspect that a ship to which section 3 or 5 applies has been, is being or is about to be used in contravention of section 3(2) or 5(2), ~~he~~the officer may —

- (a) either alone or accompanied and assisted by any person acting under ~~his~~the officer's authority, board the ship and search it and, for that purpose, use or authorize the use of reasonable force; and
- (b) request the charterer, operator or master of the ship to provide ~~such~~any information relating to the ship ~~and~~or its cargo, ~~and~~or produce for ~~his~~ inspection ~~such documents so relating and such cargo carried on it, as~~any of its cargo or any document relating to the ship or its cargo, that the officer may specify.

(2) If an authorized officer has reason to suspect that a ship to which section 3 or 5 applies is being or is about to be used in contravention of section 3(2) or 5(2), he the officer may, for the purpose of stopping or preventing the use of the ship in contravention of section 3(2) or 5(2) or to pursue enquiries, (either there and then or on consideration of any information provided or document or cargo or document produced in response to a request made under subsection (1)(b)), with a view to preventing the commission, or the continued commission, of such a contravention or in order that enquiries may be pursued, do one or more of the following –

- (a) direct the charterer, operator or master of the ship to refrain, except with the consent of an authorized officer, from landing, at any port specified by the authorized officer, any part of the ship's cargo that is so specified;
- (b) request the charterer, operator or master of the ship to take one or more of the following steps –
 - (i) to cause the ship, including and any of its cargo, not to proceed with the voyage on which the ship is then engaged or about to be engaged until the charterer, operator or master is notified by an authorized officer that the ship and its cargo may so proceed;
 - (ii) ~~(if the ship is in the HKSAR),~~ to cause the ship and any of its cargo to remain in the HKSAR until the charterer, operator or master is notified by an authorized officer that the ship and its cargo may depart;
 - (iii) ~~(if the ship is in any other place),~~ to take the ship and any of its cargo to such a port as is specified by an authorized officer, and to cause the ship and its cargo to remain in that place until the charterer,

operator or master is notified by an authorized officer that the ship and its cargo may depart;

- (iv) to take the ship and any of its cargo to such ~~other~~another destination as ~~may be specified~~ by an authorized officer in agreement with the charterer, operator or master.

(3) A power conferred by this section to request the ~~provision of a person to provide any information or the production of any document or cargo~~produce any cargo or document for inspection includes a power to –

- (a) specify whether the information should be provided orally or in writing and in what form; and
- (b) specify the time by which, and the place in which, the information should be provided or the ~~document or cargo~~ or document should be produced for inspection.

15. Offences by charterer, operator or master of ship

(1) If ~~a~~A charterer, operator or master of a ship who disobeys any direction given under section 14(2)(a), or, without reasonable excuse, refuses or fails to comply with a request made under section 14(1)(b) or (2)(b) within the time specified by an authorized officer or, if no time is specified, within a reasonable time, ~~the charterer, operator or master~~ commits an offence and is liable on conviction to a fine at level 6 and to imprisonment for 6 months.

(2) If ~~a~~A charterer, operator or master of a ship who, in response to a request made under section 14(1)(b) or (2)(b), provides or produces to an authorized officer any information, ~~explanation~~ or document that ~~he the charterer, operator or master~~ knows to be false in a material particular, or recklessly provides or produces to an authorized officer any information, ~~explanation~~ or document that is false in a material particular, ~~the charterer, operator or master~~ commits an offence and is liable on conviction to a fine at level 6 and to imprisonment for 6 months.

16. Power of authorized officers to enter and detain ships

(1) Without ~~prejudice to~~limiting section 15, if an authorized officer has reason to suspect that a request that has been made under section 14(2)(b) may not be complied with, ~~he~~the officer may take ~~such any steps as that appear to him~~the officer to be necessary to secure compliance with that request and, without prejudice to the generality of the foregoing, may for that purpose ~~including, in particular, any of the following steps –~~

- (a) enter; or authorize the entry on; any land ~~and or~~the ship concerned;
- (b) detain; or authorize the detention of; that ship ~~and or~~any of its cargo; ~~and~~
- (c) use; or authorize the use of; reasonable force.

(2) Subject to subsection (3), subsection (1) does not authorize the detention of ~~any a~~ship for more than 12 hours.

(3) The Chief Secretary for Administration may, by order in writing, ~~signed by him,~~ authorize the detention of a ship referred to in subsection (1) for further periods of not more than 12 hours each, and ~~any such~~the order shall ~~must~~ state the times from which, and period for which, the order shall ~~be~~is effective.

Division 2 - Investigation, etc. of suspected aircraft Suspected Aircraft

17. Investigation of suspected aircraft

(1) If an authorized officer has reason to suspect that an aircraft to which section 3 or 5 applies has been, is being or is about to be used in contravention of section 3(2) or 5(2), ~~he~~the officer may –

- (a) either alone or accompanied and assisted by any person acting under ~~his~~the officer's authority, board the aircraft and search it and, for that purpose, use or authorize the use of reasonable force; and

- (b) request the charterer, operator or ~~commander~~pilot in command of the aircraft to provide such ~~any~~ information relating to the aircraft and ~~or~~ its cargo, and ~~or~~ produce for his inspection such ~~documents so relating and such cargo carried on it, as he~~ any of its cargo or any document relating to the aircraft or its cargo, that the officer may specify.

(2) If the aircraft referred to in subsection (1) is in the HKSAR, an authorized officer may, (either there and then or on consideration of any information provided or ~~document or cargo~~ or document produced in response to a request made under subsection (1)(b)), further request the charterer, operator or ~~commander~~pilot in command of the aircraft to cause the aircraft and any of its cargo to remain in the HKSAR until the charterer, operator or ~~commander~~pilot in command is notified by an authorized officer that the aircraft and its cargo may depart.

(3) A power conferred by this section to request the ~~provision of a person to provide~~ any information or the ~~production of any document or cargo~~produce any cargo or document for inspection includes a power to –

- (a) specify whether the information should be provided orally or in writing and in what form; and
- (b) specify the time by which, and the place in which, the information should be provided or the ~~document or cargo~~ or document should be produced for inspection.

18. Offences by charterer, operator or pilot in command~~commander~~ of aircraft

(1) If ~~a~~A charterer, operator or ~~commander~~pilot in command of an aircraft who, without reasonable excuse, refuses or fails to comply with a request made under section 17(1)(b) or (2) within the time specified by an authorized officer or, if no time is specified, within a reasonable time, ~~the charterer,~~

~~operator or commander~~ commits an offence and is liable on conviction to a fine at level 6 and to imprisonment for 6 months.

(2) If ~~a~~A charterer, operator or ~~commander~~pilot in command of an aircraft who, in response to a request made under section 17(1)(b) or (2), provides or produces to an authorized officer any information, ~~explanation or document that he~~the charterer, operator or pilot in command knows to be false in a material particular, or recklessly provides or produces to an authorized officer any information, ~~explanation or document that is false in a material particular,~~the charterer, operator or commander commits an offence and is liable on conviction to a fine at level 6 and to imprisonment for 6 months.

19. Power of authorized officers to enter and detain aircraft

(1) Without ~~prejudice to~~limiting section 18, if an authorized officer has reason to suspect that a request that has been made under section 17(2) may not be complied with, ~~he~~the officer may take ~~such any~~steps as that appear to ~~him~~the officer to be necessary to secure compliance with that request and, without ~~prejudice to the generality of the foregoing,~~may for that purpose including, in particular, any of the following steps –

- (a) enter, or authorize the entry on, any land ~~and or~~or the aircraft concerned;
- (b) detain, or authorize the detention of, that aircraft ~~and or~~or any of its cargo; and
- (c) use, or authorize the use of, reasonable force.

(2) Subject to subsection (3), subsection (1) does not authorize the detention of ~~any~~an aircraft for more than 6 hours.

(3) The Chief Secretary for Administration may, by order in writing signed by him, authorize the detention of an aircraft referred to in subsection (1) for further periods of not more than 6 hours each, and ~~any such~~the order shall must state the times from which, and period for which, the order shall ~~be~~is effective.

Division 3 - Investigation, etc. of suspected vehicles
Suspected Vehicles

20. Investigation of suspected vehicles

(1) If an authorized officer has reason to suspect that a vehicle in the HKSAR has been, is being or is about to be used in contravention of section 3(2) or 5(2), ~~he~~ the officer may –

- (a) either alone or accompanied and assisted by any person acting under ~~his~~ the officer's authority, board the vehicle and search it and, for that purpose, use or authorize the use of reasonable force;
- (b) request the operator or driver of the vehicle to provide ~~such~~ any information relating to the vehicle ~~and or~~ any article carried on it, ~~and or~~ produce for ~~his~~ inspection ~~such~~ any article carried on it or any documents so relating to the vehicle or any article and such articles carried on it, as ~~he~~ that the officer may specify; and
- (c) further request, ~~(either there and then or on consideration of any information provided or document or article or document produced in response to a request made under paragraph (b),)~~ further request the operator or driver to take the vehicle and any article carried on it to ~~such~~ a place ~~as is specified by an authorized officer, and to cause the vehicle and the article to remain in that place until the operator or driver is notified by an authorized officer that the vehicle and the article may depart.~~

(2) A power conferred by this section to request ~~the provision of a person to provide any information or the production of any document or article~~ produce any article or document for inspection includes a power to –

- (a) specify whether the information should be provided orally or in writing and in what form; and

- (b) specify the time by which, and the place in which, the information should be provided or the ~~document or article~~ or document should be produced for inspection.

21. Offences by operator or driver of vehicle

(1) ~~If an~~An operator or driver of a vehicle who, without reasonable excuse, refuses or fails to comply with a request made under section 20(1)(b) or (c) within the time specified by an authorized officer or, if no time is specified, within a reasonable time, ~~the operator or driver~~ commits an offence and is liable on conviction to a fine at level 6 and to imprisonment for 6 months.

(2) ~~If an~~An operator or driver of a vehicle who, in response to a request made under section 20(1)(b) or (c), provides or produces to an authorized officer any information, ~~explanation~~ or document that ~~he~~ the operator or driver knows to be false in a material particular, or recklessly provides or produces to an authorized officer any information, ~~explanation~~ or document that is false in a material particular, ~~the operator or driver~~ commits an offence and is liable on conviction to a fine at level 6 and to imprisonment for 6 months.

22. Power of authorized officers to enter and detain vehicles

(1) ~~Without prejudice to~~ limiting section 21, if an authorized officer has reason to suspect that a request that has been made under section 20(1)(c) may not be complied with, ~~he~~ the officer may take ~~such~~ any steps as ~~that~~ appear to ~~him~~ the officer to be necessary to secure compliance with that request and, ~~without prejudice to the generality of the foregoing, may for that purpose~~ including, in particular, any of the following steps –

- (a) enter, or authorize the entry on, any land ~~and~~ or enter, or authorize the entry into, the vehicle concerned;
- (b) detain, or authorize the detention of, that vehicle ~~and~~ or any article carried on it; and
- (c) use, or authorize the use of, reasonable force.

(2) Subject to subsection (3), subsection (1) does not authorize the detention of ~~any a~~ vehicle for more than 12 hours.

(3) The Commissioner may, by order in writing ~~signed by him,~~ authorize the detention of a vehicle ~~referred to in subsection (1) for~~ further periods of not more than 12 hours each, and ~~any such~~ the order shall must state the times from which, and period for which, the order shall ~~be~~ is effective.

Division 4 - Proof of identity~~Identity~~

23. Production of proof of identity

Before or on exercising a power conferred by section 14, 16, 17, 19, 20 or 22, an authorized officer ~~shall~~ must, if requested by any person so to do, produce ~~evidence~~ proof of his the officer's identity to the person for inspection.

PART 6

EVIDENCE

24. Power of magistrate or judge to grant warrant

(1) A magistrate or judge may grant a warrant if ~~he is~~ satisfied by information on oath given by an authorized officer that there are reasonable grounds for suspecting that –

- (a) an offence under this Regulation has been committed or is being committed; and
- (b) there is on any premises specified in the information, or on any ship, aircraft or vehicle so specified, evidence in relation to the commission of the offence.

(2) A warrant granted under subsection (1) may authorize any authorized officer, together with any other person named in the warrant, to enter the premises, ship, aircraft or vehicle specified in the information or any premises on which the ship, aircraft or vehicle so specified may be, at any time

within one month from the date of the warrant, and to search the premises, ship, aircraft or vehicle.

(3) A person authorized by a warrant to search any premises, ship, aircraft or vehicle may exercise any or all of the following powers –

- (a) ~~to~~ search any person who is found on, or whom ~~he~~ the authorized person has reasonable grounds to believe to have recently left or to be about to enter, the premises, ship, aircraft or vehicle;
- (b) ~~to~~ seize and detain any document, cargo or article found on the premises, ship, aircraft or vehicle or on ~~such~~ any person ~~that~~ referred to in paragraph (a) that the authorized person has reasonable grounds to believe to be evidence in relation to the commission of an offence under this Regulation;
- (c) ~~to~~ take in relation to any ~~such~~ document, cargo or article seized under paragraph (b) any other steps that may appear necessary for preserving the document, cargo or article seized and preventing interference with it.

(4) A person may only be searched under this section by a person who is of the same sex.

(5) If a person is empowered under this section to enter any premises, ship, aircraft or vehicle, ~~he~~ the person may use ~~such~~ any force ~~as that is~~ reasonably necessary for that purpose.

24A. Seized articles, etc. liable to forfeiture

(1) If an authorized officer intends to apply to a magistrate or judge under section 24B for an order for forfeiture of any document, cargo or article seized under section 24(3), the officer must, within 30 days from the date of the seizure, serve notice of that intention on every person who was, to the

knowledge of the officer at the time of, or immediately after, the seizure, an owner of the document, cargo or article.

(2) A notice under subsection (1) is to be regarded as having been duly served on a person if –

- (a) it is delivered personally to the person;
- (b) it is sent by registered post addressed to the person at any place of residence or business of the person known to the authorized officer; or
- (c) where the notice cannot be served in accordance with paragraph (a) or (b), the notice is exhibited at the offices of the Customs and Excise Department, in a place to which the public have access, for a period of not less than 7 days commencing within 30 days from the date of the seizure of the document, cargo or article.

(3) An owner, or the authorized agent of an owner, of the document, cargo or article referred to in a notice served under subsection (1), or a person who was in possession of the document, cargo or article at the time of seizure, or a person who has a legal or equitable interest in the document, cargo or article, may object to the proposed forfeiture by serving a notice in writing on the Commissioner.

(4) A notice of objection under subsection (3) –

- (a) must be served on the Commissioner by a person referred to in subsection (3) (“claimant”) within 30 days from –
 - (i) if the notice under subsection (1) is delivered personally to the person named in the notice, the date of delivery;
 - (ii) if the notice under subsection (1) is sent by registered post, 2 days after the date of posting; or

(iii) if the notice under subsection (1) is exhibited as described in subsection (2)(c), the first day it is so exhibited;

(b) must state the claimant's full name and address for service in Hong Kong; and

(c) if the claimant does not have a permanent address in Hong Kong, must state the name and address of a solicitor who is qualified to practise under the Legal Practitioners Ordinance (Cap. 159) and is authorized to accept service on behalf of the claimant in relation to any forfeiture proceedings.

(5) An authorized officer may apply to a magistrate or judge for an order for forfeiture of any seized document, cargo or article in respect of which a notice has been served under subsection (1) –

(a) after the expiration of the appropriate period of time specified in subsection (4)(a) for the serving of a notice of objection; or

(b) if a notice of objection is served in accordance with subsections (3) and (4), after the receipt of the notice.

24B. Power of magistrate or judge to make order for forfeiture and disposal

(1) If an application is made to a magistrate or judge for an order for forfeiture of any seized document, cargo or article, the magistrate or judge may, if satisfied that the seized document is a document relating to the provision, manufacture, maintenance or use of a regulated prohibited item, specified prohibited item or specified item, or that the seized cargo or article is a regulated prohibited item, specified prohibited item or specified item, make such order as the magistrate or judge thinks fit for the forfeiture of the document, cargo or article and its subsequent destruction or disposal.

(2) An order under subsection (1) may be made in respect of any seized document, cargo or article whether or not any person has been convicted of any offence in connection with the document, cargo or article.

(3) Before making an order for forfeiture of any seized document, cargo or article, a magistrate or judge must issue a summons to any person who serves a notice of objection in accordance with section 24A(3) and (4) to appear on a day specified in the summons to show cause why the document, cargo or article should not be forfeited.

(4) If any summons issued under subsection (3) has not for any reason been served and the magistrate or judge is satisfied that all reasonable efforts have been made to serve the summons on the person named in the summons, the magistrate or judge may make an order for forfeiture under this section despite the fact that the summons has not been served on that person.

25. Detention of documents, cargoes or articles seized

(1) Subject to subsection (2) and any order made under section 24B, any document, cargo or article seized under section 24(3) may not be detained for a period of more than 3 months.

(2) If the document, cargo or article is relevant to an offence under this Regulation, and proceedings for the offence have begun, the document, cargo or article may be detained until the completion of those proceedings.

PART 7

DISCLOSURE OF INFORMATION OR DOCUMENTS

26. Disclosure of information or documents

(1) Any information or document provided, produced or seized in pursuance of under this Regulation may be disclosed only if –

- (a) the person who provided or produced the information or document or ~~the person~~ from whom the document was seized has given consent to the disclosure;
- (b) the information or document is disclosed to a person who would have been empowered under this Regulation to request that it be provided or produced;
- (c) the information or document is disclosed on the authority of the Chief Executive, subject to the information or document being transmitted through and with the approval of the instructing authority, to –
 - (i) _____ any organ of the United Nations; ~~or to~~
 - (ii) _____ any person in the service of the United Nations; or
 - ~~to~~
 - (iii) _____ the Government of any place outside the People's Republic of China,
 for the purpose of assisting the United Nations or that Government in securing compliance with, or detecting evasion of, measures in relation to Iran decided on by the Security Council; or
- (d) the information or document is disclosed with a view to the institution of, or otherwise for the purposes of, any proceedings for an offence under this Regulation.

(2) For the purposes of subsection (1)(a) –

- (a) a person may not give consent to the disclosure if ~~he~~ the person has obtained the information or possessed the document only in ~~his~~ the person's capacity as servant or agent of another person; and
- (b) a person may give consent to the disclosure if ~~he~~ the person is entitled to the information or to the possession of the document in ~~his~~ the person's own right.

PART 8

OTHER OFFENCES AND MISCELLANEOUS MATTERS

27. Liability of persons other than principal offenders

(1) ~~Where~~If the person convicted of an offence under this Regulation is a body corporate and it is proved that the offence was committed with the consent or connivance of, or was attributable to any neglect on the part of, any director, manager, secretary or other similar officer of the body corporate, the director, manager, secretary or other similar officer is guilty of the like offence.

(2) ~~Where~~If the person convicted of an offence under this Regulation is a firm and it is proved that the offence was committed with the consent or connivance of, or was attributable to any neglect on the part of, any partner in the firm or any person concerned in the management of the firm, the partner or the person concerned in the management of the firm is guilty of the like offence.

28. Offences in relation to obstruction of authorized persons, etc.

A person who obstructs another person (including a person acting under the authority of an authorized officer) in the exercise of ~~his~~the powers of ~~that other person~~ under this Regulation commits an offence and is liable on conviction to a fine at level 6 and to imprisonment for 6 months.

29. Offences in relation to evasion of this Regulation

A person who destroys, mutilates, defaces, secretes or removes any document, cargo or article with intent to evade any of the provisions of this Regulation commits an offence and is liable –

- (a) on conviction on indictment to a fine and to imprisonment for 2 years; or
- (b) on summary conviction to a fine at level 6 and to imprisonment for 6 months.

30. ~~Proceedings to be instituted~~ Consent and time limit for proceedings

(1) Proceedings for an offence under this Regulation may only be instituted by or with the consent of the Secretary for Justice.

(2) Summary proceedings for an offence under this Regulation, ~~being an offence that is~~ alleged to have been committed outside the HKSAR, may be commenced at any time not later than 12 months from the date on which the person charged first enters the HKSAR after the alleged commission of the offence.

31. Specification of relevant person or relevant entity by Chief Executive

The Chief Executive may, by notice published in the Gazette, specify as a relevant person or a relevant entity any of the following persons or entities ~~as a relevant person or a relevant entity—~~

- (a) a person or ~~an~~ entity designated by the Security Council or the Committee for the purposes of the measures imposed by paragraph 12 of Resolution 1737, including a person or ~~an~~ entity listed in the Annex to Resolution 1737, Annex I to Resolution 1747, ~~or~~ Annex I or III to Resolution 1803, Annex I to Resolution 1929, or any of the entities of the Islamic Republic of Iran Shipping Lines specified in Annex III to Resolution 1929;
- (aa) any of the persons or entities of the Islamic Revolutionary Guard Corps (also known as “Army of the Guardians of the Islamic Revolution”) specified in Annex II to Resolution 1929;
- (b) a person or ~~an~~ entity determined by the Security Council or the Committee to have assisted a person or ~~an~~ entity mentioned in paragraph (a) in evading sanctions of, or in

violating the provisions of, Resolution 1737, Resolution 1747, ~~or~~ Resolution 1803 or Resolution 1929.

32. Access to Security Council documents

The Director-General of Trade and Industry is to make available at his or her office, for inspection by the public during normal office hours, free of charge, an English version and a Chinese version of each of the following documents –

- ~~(a) — the Security Council document S/2006/814;~~
- (a) the Security Council document S/2006/815S/2006/263;-
- (b) the International Atomic Energy Agency document INFCIRC/254/Rev. 9/Part 1;
- (c) the International Atomic Energy Agency document INFCIRC/254/Rev. 7/Part 2.

33. Exercise of powers of Chief Executive

(1) The Chief Executive may delegate any of the Chief Executive's powers or functions under this Regulation to any person or class or description of person.

(2) The Chief Executive may authorize a person to whom a power or function is delegated to sub-delegate it to any other person or class or description of person.

(3) A delegation or authorization under subsection (1) or (2) may be subject to any restrictions or conditions that the Chief Executive thinks fit.

~~The Chief Executive may, to such extent and subject to such restrictions and conditions as he may think proper, delegate or authorize the delegation of any of his powers or functions under this Regulation to any person, or class or description of persons, approved by him, and references in this Regulation to the Chief Executive shall be construed accordingly.~~

Explanatory Note

This Regulation amends the United Nations Sanctions (Iran) Regulation (Cap. 537 sub. leg. AF) (“principal Regulation”) to give effect to certain decisions of the Security Council of the United Nations (“Security Council”) in Resolution 1929 (2010) as adopted by the Security Council on 9 June 2010 by –

- (a) amending the definition of “regulated prohibited item”, “specified item” and “specified prohibited item” in section 1 of the principal Regulation to cover additional items and technologies;
- (b) extending to additional persons and entities the prohibitions against –
 - (i) making available to, or for the benefit of, certain persons or entities any funds or other financial assets or economic resources; and
 - (ii) dealing with funds or other financial assets or economic resources owned by or otherwise belonging to, or held by, certain persons or entities;
- (c) extending the prohibition against the entry into or transit through the HKSAR to additional persons; and
- (d) providing for the prohibitions against –
 - (i) the transfer to Iran and certain persons of technology or technical assistance related to an activity that relates to ballistic missiles capable of delivering nuclear weapons;
 - (ii) the sale to, and acquisition by, certain persons of an 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; and

- (iii) the provision of certain services to ships under certain circumstances.

~~This Regulation amends the United Nations Sanctions (Iran) Regulation (L.N. 179 of 2007) (“principal Regulation”) to give effect to certain decisions of the Security Council of the United Nations (“Security Council”) in Resolution 1803 (2008) as adopted by the Security Council on 3 March 2008 by—~~

~~(a) amending the definition of “regulated prohibited item” in section 1 of the principal Regulation to cover additional items and technologies;~~

~~(b) amending the requirements for the granting of a licence for the supply, delivery, transfer or carriage of certain “specified prohibited items” (defined in section 1 of the principal Regulation);~~

~~(c) extending the prohibition against making available to or for the benefit of certain persons and entities any funds or other financial assets or economic resources to additional persons and entities; and~~

~~(d) providing for the prohibition against the entry into or transit through the HKSAR by certain persons.~~

United Nations Sanctions (Iran) (Amendment) Regulation 2011

Information on Iran

Country Background

Iran is a country in the Middle East, bordering the Gulf of Oman, the Persian Gulf and the Caspian Sea, and lying between Afghanistan, Pakistan and Iraq. With its capital in Tehran, Iran has a total area of 1,628,750 sq. km. and a population of around 75.1 million. Enjoying an abundance of oil and natural gas, Iran relies heavily on its energy sector, which provides a majority of the state's revenues. Its GDP in 2008 was US\$346.6 billion (or HK\$2,703.5 billion)¹. Merchandise imports and exports of Iran in 2009 amounted to US\$ 50.4 billion (or HK\$393.1 billion) and US\$ 78.1 billion (or HK\$609.2 billion) respectively.² Known as Persia before 1935, Iran became an Islamic Republic in 1979 when the monarchy was overthrown and the religious clerics, under the leadership of the Supreme Leader, assumed political control. The Government is currently headed by the elected President Mahmoud Ahmadinejad, who came to power since August 2005.

United Nations Sanctions against Iran

2. Iran's nuclear programme has aroused much international concerns. A signatory to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT)³, Iran hid its uranium-enrichment programme for 18 years until discovery by the International Atomic Energy Agency (IAEA) in 2003. The concealed enrichment activities were seen as Iran's military ambitions that went beyond the

¹ Source: World Statistics Pocket Book published by United Nations Statistics Division at [http://data.un.org/CountryProfile.aspx?crName=Iran%20\(Islamic%20Republic%20of\)](http://data.un.org/CountryProfile.aspx?crName=Iran%20(Islamic%20Republic%20of))

² Source : WTO Statistics Database at <http://stat.wto.org/Home/WSDBHome.aspx?Language=E>

³ The NPT is an international treaty with an objective to prevent the spread of nuclear weapons and weapons technology, to promote cooperation in the peaceful uses of nuclear energy and to further the goal of achieving nuclear disarmament and general and complete disarmament. The Treaty represents the only binding commitment in a multilateral treaty to the goal of disarmament by the nuclear-weapon States. The Treaty entered into force in 1970 and a total of 190 parties have joined the Treaty.

permitted civil use of nuclear power. Found in violation of the obligations under the NPT, Iran refused to render full support to subsequent inspections by IAEA to verify Iran's compliance with the NPT's requirements and safeguards. In July 2006, the United Nations Security Council (UNSC) adopted Resolution 1696 to demand Iran's suspension of its nuclear enrichment and reprocessing activities, threatening sanctions for non-compliance.

3. Following Tehran's failure to comply, in December 2006 the UNSC imposed the first round of sanctions on Iran vide Resolution 1737, which banned trade with Iran in all items, materials, equipment, goods and technology which could contribute to the country's enrichment-related, reprocessing or heavy water-related activities, or to the development of nuclear-weapon delivery systems. Since then, the UNSC has imposed several rounds of sanctions on Iran, including Resolution 1747 in March 2007 which tightened the sanctions by banning arms sales and expanding the freeze on assets, and Resolution 1803 in March 2008 which extended the travel ban and asset freeze to more individuals and entities.

4. In view of Iran's continued defiance of UNSC decisions, in June 2010 the UNSC imposed the fourth round of sanctions through Resolution 1929, which sought to prevent Iran from acquiring materials, equipment, technology and finance to support its nuclear enrichment and heavy-water activities and ballistic missile development. Resolution 1929 also decided that Iran should not acquire an interest in any commercial activity in another State involving uranium mining, production or use of nuclear materials and technology.⁴

Trade Relation between Hong Kong and Iran

5. In 2010, Iran ranked 49th among Hong Kong's trading partners in the world, with a total trade of HK\$4,055 million. Of these, HK\$1,016 million worth of trade were exports to the Iran, and HK\$3,038 million imports. Hong Kong's trade with Iran are summarized as follows –

⁴ Source of information contained in paragraphs 2-4: UN News Centre at <http://www.un.org/apps/news/>

Hong Kong's Trade with Iran [Value in HK\$ (in million)]		
Item	2009	2010
(a) Total Exports to Iran	781	1,016
<i>(i) Domestic exports</i>	3 ⁵	7 ⁶
<i>(ii) Re-exports</i>	778 ⁷	1,009 ⁸
(b) Imports from Iran	1,210 ⁹	3,038 ¹⁰
Total Trade [(a) + (b)]	1,991	4,055

In 2010, HK\$1,678 million worth of goods, or 0.7% of the total trade between Iran and the Mainland, were routed through Hong Kong. Of these, HK\$1,053 million worth of goods were re-exports from Iran to Mainland. The remaining HK\$625 million were re-exports of Mainland origin to Iran via Hong Kong.

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- ⁵ In 2009, Hong Kong's major domestic export items to Iran were tobacco and tobacco manufactures (53%); plastics in non-primary forms (18%); and non-ferrous metals (14%).
- ⁶ In 2010, Hong Kong's major domestic export items to Iran were general industrial machinery and equipment and machine parts (73%); tobacco and tobacco manufactures (8%); and non-ferrous metals (6%). The increase was mainly due to the increase in domestic exports of "general industrial machinery and equipment and machine parts" to Iran. This product item accounted for 73% of total domestic exports to Iran in 2010, while there was no domestic export of this product item to Iran in 2009.
- ⁷ In 2009, Hong Kong's major re-export items to Iran were telecommunications and sound recording and reproducing apparatus and equipment (28%); electrical machinery, apparatus and appliances and electrical parts thereof (23%); and office machines and automatic data processing machines (9%).
- ⁸ In 2010, Hong Kong's major re-export items to Iran were telecommunications and sound recording and reproducing apparatus and equipment (33%); electrical machinery, apparatus and appliances and electrical parts thereof (17%); and office machines and automatic data processing machines (8%). The increase was mainly due to the increase in re-exports of "telecommunications and sound recording and reproducing apparatus and equipment" to Iran by 53% in 2010. This product item accounted for 28% of total re-exports to Iran in 2009.
- ⁹ In 2009, Hong Kong's major import items from Iran were vegetables and fruit (91%); meat and meat preparations (2%); and leather manufactures and dressed furskins (2%).
- ¹⁰ In 2010, Hong Kong's major import items from Iran were vegetables and fruit (92%); plastics in primary forms (4%); and leather manufactures and dressed furskins (2%). The increase was mainly due to the increase in imports of "fruit and nuts (not including oil nuts), fresh or dried" from Iran by 153% in 2010. This product item accounted for 91% of total imports from Iran in 2009.

6. The current arms embargo, travel ban, and financial sanctions against Iran imposed by the UNSC would unlikely affect the trade between Hong Kong and Iran adversely, as the major categories of commodities traded are not related to arms or nuclear-related materials. The UNSC sanctions against Iran would unlikely have any effect on the economy of Hong Kong.

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