

LEGISLATIVE COUNCIL BRIEF

United Nations Sanctions Ordinance
(Chapter 537)

UNITED NATIONS SANCTIONS (IRAN) (AMENDMENT) REGULATION 2013

INTRODUCTION

A At the meeting of the Executive Council on 11 June 2013, the Council advised and the Acting Chief Executive (“CE”) ordered that the United Nations Sanctions (Iran) (Amendment) Regulation 2013 (“the Amendment Regulation”), at Annex A, should be made under section 3 of the United Nations Sanctions Ordinance (Cap. 537) (“UNSO”) to give effect to the instructions from the Ministry of Foreign Affairs of the People's Republic of China (“MFA”). The Amendment Regulation was gazetted on 14 June 2013 and came into operation on the same day.

BACKGROUND

Obligation and Authority

2. Under section 3(1) of the UNSO, 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 April 2013, the CE received an instruction from the MFA requesting the Government of the Hong Kong Special Administrative Region (“HKSAR”) to give effect to the decision of the Committee (“the Committee”) established by paragraph 18 of the United Nations Security Council Resolution (“UNSCR”) 1737 to update the list of prohibited items subject to sanctions referred to in paragraph 13 of UNSCR 1929 to the new lists of items, materials, equipment, goods and technology as set out in documents INFCIRC/254/Rev.11/Part 1, INFCIRC/254/Rev.8/Part 2 and S/2012/947. The Amendment Regulation was made to give effect to the instruction. A document issued by the Chief Secretary for Administration confirming the MFA’s instruction and a copy of UNSCR 1737 and UNSCR 1929 are at Annexes B to D respectively.

Sanctions against Iran

3. In view of Iran's failure to comply fully with its international obligations concerning non-proliferation of nuclear weapons and suspension of enrichment-related activities, the UNSC passed UNSCR 1737 and UNSCR 1747 in December 2006 and March 2007 respectively to impose a range of sanctions against Iran. Paragraph 18 of UNSCR 1737 provided for the establishment of the Committee to, amongst other things, determine as may be necessary additional items, materials, equipment, goods and technology to be specified for the purpose of prohibition in accordance with paragraph 3 of the said UNSCR. Concerned by the proliferation risks presented by the Iranian nuclear programme and in response to Iran's continued refusal to comply with its international obligations, in March 2008 and June 2010, the UNSC expanded the sanctions regime vide UNSCR 1803 and UNSCR 1929. The sanctions against Iran imposed under the above UNSCRs, inter alia, include –

- (a) prohibition against the direct or indirect supply, sale, transfer and carriage of certain nuclear-related items, materials, equipment, goods and technologies to Iran (*paragraphs 3, 4 and 5 of UNSCR 1737, paragraph 8 of UNSCR 1803, and paragraphs 8 and 13 of UNSCR 1929 refer*);
- (b) prohibition against the provision or transfer of certain technical and financial assistance, training, services and financial resources related to the supply, sale, transfer, manufacture or use of prohibited items, and the transfer of technology or technical assistance related to nuclear activities to Iran (*paragraph 6 of UNSCR 1737, and paragraphs 9 and 13 of UNSCR 1929 refer*);
- (c) prohibition against the procurement of certain nuclear-related items or equipment, or arms or related materials from Iran (*paragraph 7 of UNSCR 1737, paragraph 5 of UNSCR 1747, and paragraph 13 of UNSCR 1929 refer*);
- (d) 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, 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, paragraph 7 of UNSCR 1803, and paragraphs 11, 12 and 19 of UNSCR 1929 refer);

- (e) prohibition against the entry into or transit through the territories of Member States by persons designated by the UNSC or the Committee (*paragraph 10 of UNSCR 1929 refers*);
- (f) prohibition against the investment in the territories of Member States commercial activities involving uranium mining, production or use of nuclear materials and technology listed in INFCIRC/254/Rev.9/Part 1 by certain persons (*paragraph 7 of UNSCR 1929 refers*); and
- (g) prohibition against the provision of bunkering and other services to Iranian-owned or -contracted vessels, including chartered vessels, if the vessels are carrying prohibited items (*paragraph 18 of UNSCR 1929 refers*).

E 4. Pursuant to the instructions of the MFA, the United Nations Sanctions (Iran) Regulation (Cap. 537AF) (at Annex E) was first made in September 2007 and subsequently amended in May 2008 and March 2011 to implement sanctions against Iran specified in the relevant UNSCRs.

INFCIRC/254/Rev.11/Part 1, INFCIRC/254/Rev.8/Part 2 and S/2012/947

5. On 4 March 2013, the Committee decided to update the lists of items referred to in paragraph 13 of UNSCR 1929 for the purpose of paragraphs 3 to 7 of UNSCR 1737 as follows –

- (a) the list of items in INFCIRC/254/Rev.9/Part 1 and INFCIRC/254/Rev.7/Part 2 are superseded by the lists of items in INFCIRC/254/Rev.11/Part 1 and INFCIRC/254/Rev.8/Part 2; and
- (b) the list of items in S/2010/263 is superseded by the list of items in S/2012/947.

THE AMENDMENT REGULATION

6. The Amendment Regulation, at Annex A, seeks to amend Cap.

537AF to implement sanctions against Iran in accordance with the new lists of prohibited items as a result of the Committee's recent decision. The Amendment Regulation mainly updates the scope of "regulated prohibited item", "specified item" and "specified prohibited item" as defined in section 1 as well as the sanctions imposed under sections 9 and 11 of Cap. 537AF to include all items, materials, equipment, goods and technology as set out in documents INFCIRC/254/Rev.11/Part 1, INFCIRC/254/Rev.8/Part 2 and S/2012/947. A mark-up version showing amendments to Cap. 537AF is at Annex F for easy reference by Members.

F

IMPLICATIONS OF THE PROPOSAL

7. The proposal is in conformity with the Basic Law, including the provisions concerning human rights. The Amendment Regulation will not affect the current binding effect of the UNSO. It has no financial, economic, productivity, environmental, sustainability or family implications. Additional work arising from the enforcement of Cap. 537AF as amended by the Amendment Regulation will be absorbed by the relevant departments with existing resources.

PUBLICITY

8. A press release was issued on 14 June 2013 when the Amendment Regulation was published in the Gazette.

INFORMATION ON IRAN AND RELATION WITH HKSAR

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

G

ADVICE SOUGHT

10. Members are invited to note the implementation of the decision of the Committee in the HKSAR by the Amendment Regulation.

Commerce and Economic Development Bureau
June 2013

United Nations Sanctions (Iran) (Amendment) Regulation 2013

L.N. 109 of 2013

Section 1

B3057

L.N. 109 of 2013

United Nations Sanctions (Iran) (Amendment) Regulation 2013

(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 11.
2. **Section 1 amended (interpretation)**
 - (1) Section 1, definition of *regulated prohibited item*, paragraph (a)—
Repeal
“INFCIRC/254/Rev. 9/Part 1”
Substitute
“INFCIRC/254/Rev. 11/Part 1”.
 - (2) Section 1, definition of *regulated prohibited item*, paragraph (b)—
Repeal
“INFCIRC/254/Rev. 9/Part 1” (wherever appearing)
Substitute
“INFCIRC/254/Rev. 11/Part 1”.
 - (3) Section 1, definition of *regulated prohibited item*, paragraph (c)—
Repeal

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Section 2

B3059

“S/2010/263”

Substitute

“S/2012/947”.

- (4) Section 1, definition of *regulated prohibited item*, paragraph (d)—

Repeal

“INFCIRC/254/Rev. 7/Part 2” (wherever appearing)

Substitute

“INFCIRC/254/Rev. 8/Part 2”.

- (5) Section 1, definition of *specified item*, paragraph (a)—

Repeal

“INFCIRC/254/Rev. 9/Part 1”

Substitute

“INFCIRC/254/Rev. 11/Part 1”.

- (6) Section 1, definition of *specified item*, paragraph (a)—

Repeal

“INFCIRC/254/Rev. 7/Part 2”

Substitute

“INFCIRC/254/Rev. 8/Part 2”.

- (7) Section 1, definition of *specified item*, paragraph (b)—

Repeal

“S/2010/263”

Substitute

“S/2012/947”.

- (8) Section 1, definition of *specified prohibited item*, paragraph (a)—

Repeal

Section 3

“INFCIRC/254/Rev. 9/Part 1”

Substitute

“INFCIRC/254/Rev. 11/Part 1”.

- (9) Section 1, definition of *specified prohibited item*, paragraph (a)—

Repeal

“INFCIRC/254/Rev. 7/Part 2”

Substitute

“INFCIRC/254/Rev. 8/Part 2”.

- (10) Section 1, definition of *specified prohibited item*, paragraph (a)—

Repeal

“S/2010/263”

Substitute

“S/2012/947”.

3. **Section 3 amended (prohibition against carriage of certain items)**

Section 3(3A)(a), (b), (c), (d) and (e), English text—

Repeal

“in the case of”

Substitute

“for”.

4. **Section 5 amended (prohibition against procurement of certain items using ships, aircraft or vehicles)**

Section 5(2A)(a), (b), (c), (d) and (e), English text—

Repeal

“in the case of”

Section 5

Substitute

“for”.

5. **Section 6A amended (prohibition against transfer of technology or assistance related to ballistic missiles)**

Section 6A(2)(a), (b) and (c), Chinese text—

Repeal

“導彈進行發射”

Substitute

“導彈技術進行發射”.

6. **Section 8AA amended (prohibition against sale and acquisition of interest in commercial activity involving uranium mining)**

- (1) Section 8AA(9), English text, definition of *prohibited person*, paragraph (e)—

Repeal the full stop

Substitute a semicolon.

- (2) Section 8AA(9), English text, definition of *specified commercial activity*, paragraph (c)—

Repeal the full stop

Substitute a semicolon.

7. **Section 9 amended (licence for supply, sale, transfer or carriage of certain items)**

- (1) Section 9(3)(a)—

Repeal

“INFCIRC/254/Rev. 9/Part 1”

Substitute

“INFCIRC/254/Rev. 11/Part 1”.

Section 8

- (2) Section 9(3)(a)—

Repeal

“INFCIRC/254/Rev. 7/Part 2”

Substitute

“INFCIRC/254/Rev. 8/Part 2”.

- (3) Section 9(4)—

Repeal

“INFCIRC/254/Rev. 7/Part 2”

Substitute

“INFCIRC/254/Rev. 8/Part 2”.

- 8.
- Section 10 amended (licence for provision of certain training, services or assistance)**

Section 10(2)—

Repeal

“referred to in subsection (1)”.

- 9.
- Section 11 amended (licence for making available funds, etc. to certain persons or entities or dealing with funds, etc. of certain persons or entities)**

- (1) Section 11(2)—

Repeal

“referred to in subsection (1)”.

- (2) Section 11(2)(d)(i) and (ii)—

Repeal

“INFCIRC/254/Rev. 9/Part 1”

Section 10

Substitute

“INFCIRC/254/Rev. 11/Part 1”.

- 10.
- Section 24B amended (power of magistrate or judge to make order for forfeiture and disposal)**

- (1) Section 24B(2), Chinese text—

Repeal

“該等文件”

Substitute

“該文件”.

- (2) Section 24B(3), Chinese text, before “按照”—

Add

“任何”.

- 11.
- Section 32 amended (access to Security Council documents)**

- (1) Section 32(a)—

Repeal

“S/2006/263”

Substitute

“S/2012/947”.

- (2) Section 32(c)—

Repeal

“INFCIRC/254/Rev. 7/Part 2.”

Substitute

“INFCIRC/254/Rev. 8/Part 2,”.

- (3) After section 32(c)—

Add

“(d) the Security Council document S/2006/985;

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Section 11

- (e) the International Atomic Energy Agency document INFCIRC/254/Rev. 11/Part 1.”.

Carrie LAM
Acting Chief Executive

13 June 2013

United Nations Sanctions (Iran) (Amendment) Regulation 2013

Explanatory Note

L.N. 109 of 2013

Paragraph 1

B3071

Explanatory Note

This Regulation amends the United Nations Sanctions (Iran) Regulation (Cap. 537 sub. leg. AF) (*principal Regulation*) to give effect to the decision of the Committee (defined in section 1 of the principal Regulation) made on 4 March 2013 by amending the following definitions and provisions of the principal Regulation to update the lists of items referred to in those definitions and provisions—

- (a) definitions of *regulated prohibited item*, *specified item* and *specified prohibited item*;
- (b) sections 9, 11 and 32.

United Nations Sanctions Ordinance (Cap. 537)

United Nations Sanctions (Iran) (Amendment) Regulation 2013

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 April 2013 which requested the Government of the Hong Kong Special Administrative Region to fully implement the decision of the Committee established by paragraph 18 of the United Nations Security Council Resolution 1737 to update the list of prohibited items relating to Iran, and that the United Nations Sanctions (Iran) (Amendment) Regulation 2013 was made in pursuance of that instruction.

Dated this 13th day of June 2013



(Mrs Carrie Lam)
Chief Secretary for Administration

**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.



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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**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.



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, Shahin 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.
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Chapter:	537AF	UNITED NATIONS SANCTIONS (IRAN) REGULATION	Gazette Number	Version Date
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		Empowering section	L.N. 179 of 2007	28/09/2007
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(Cap 537, section 3)

[28 September 2007]

(Originally L.N. 179 of 2007)

Part:	1	Preliminary*	L.N. 49 of 2011	25/03/2011
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Note:

***(Replaced L.N. 49 of 2011)**

Section:	1	Interpretation	L.N. 49 of 2011	25/03/2011
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In this Regulation— (L.N. 49 of 2011)

“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 infantry personnel; or (L.N. 49 of 2011)
- (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;

“Commissioner” (關長) means the Commissioner of Customs and Excise, any Deputy Commissioner of Customs and Excise or any Assistant Commissioner of Customs and Excise; (L.N. 49 of 2011)

“Committee” (委員會) means the Committee of the Security Council established under paragraph 18 of Resolution 1737; (L.N. 49 of 2011)

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); (L.N. 49 of 2011)

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; (L.N. 49 of 2011)

“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 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; (L.N. 49 of 2011)

“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 (L.N. 49 of 2011)
- (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); (L.N. 49 of 2011)

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; (L.N. 49 of 2011)

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;

- (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; (L.N. 49 of 2011)

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); (L.N. 49 of 2011)

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); (L.N. 49 of 2011)

“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; (L.N. 111 of 2008)

Resolution 1929 (《第1929號決議》) means Resolution 1929 (2010) adopted by the Security Council on 9 June 2010; (L.N. 49 of 2011)

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

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; (L.N. 49 of 2011)

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
- (b) is not a regulated prohibited item; (L.N. 49 of 2011)

“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. (L.N. 49 of 2011)

Part:	2	Prohibitions*	L.N. 49 of 2011	25/03/2011
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Note:

*(Replaced L.N. 49 of 2011)

Section:	2	Prohibition against supply, sale or transfer of certain items*	L.N. 49 of 2011	25/03/2011
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(Cross-heading repealed L.N. 49 of 2011)

- (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. (L.N. 49 of 2011)
- (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
 - (d) for the use in or benefit of Iran. (L.N. 49 of 2011)
- (2) A person who contravenes subsection (1A) commits an offence and is liable— (L.N. 49 of 2011)
 - (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) 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. (L.N. 49 of 2011)
- (4) (Repealed L.N. 49 of 2011)

Note:

***(Replaced L.N. 49 of 2011)**

Section:	3	Prohibition against carriage of certain items*	L.N. 49 of 2011	25/03/2011
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(Cross-heading repealed L.N. 49 of 2011)

- (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; (L.N. 49 of 2011)
 - (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; (L.N. 49 of 2011)
 - (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 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;
 - (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. (L.N. 49 of 2011)
- (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, sale or transfer of the regulated prohibited item or specified prohibited item; and
 - (b) the supply, sale or transfer was authorized by a licence granted under section 9(1)(a). (L.N. 49 of 2011)
- (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. (L.N. 49 of 2011)
- (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. (L.N. 49 of 2011)
- (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. (L.N. 49 of 2011)
- (6) (Repealed L.N. 49 of 2011)

Note:

***(Amended L.N. 49 of 2011)**

Section:	4	Prohibition against procurement of certain items by certain persons*	L.N. 49 of 2011	25/03/2011
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(Cross-heading repealed L.N. 49 of 2011)

- (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. (L.N. 49 of 2011)
- (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. (L.N. 49 of 2011)
- (2) A person who contravenes subsection (1A) commits an offence and is liable— (L.N. 49 of 2011)
 - (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) 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. (L.N. 49 of 2011)
- (4) (Repealed L.N. 49 of 2011)

Note:

***(Amended L.N. 49 of 2011)**

Section:	5	Prohibition against procurement of certain items using ships, aircraft or vehicles*	L.N. 49 of 2011	25/03/2011
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- (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; (L.N. 49 of 2011)
 - (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; (L.N. 49 of 2011)
 - (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 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. (L.N. 49 of 2011)
- (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. (L.N. 49 of 2011)
- (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. (L.N. 49 of 2011)
- (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—
 - (i) from Iran; or
 - (ii) from a person connected with Iran. (L.N. 49 of 2011)
- (5) (Repealed L.N. 49 of 2011)

Note:

***(Amended L.N. 49 of 2011)**

Section:	6	Prohibition against provision of certain training, services or assistance*	L.N. 49 of 2011	25/03/2011
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(Cross-heading repealed L.N. 49 of 2011)

- (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. (L.N. 49 of 2011)
- (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. (L.N. 49 of 2011)
- (2) (Repealed L.N. 49 of 2011)
- (3) A person who contravenes subsection (1A) commits an offence and is liable— (L.N. 49 of 2011)
 - (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) (Repealed L.N. 49 of 2011)
- (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. (L.N. 49 of 2011)
- (6)-(7) (Repealed L.N. 49 of 2011)

Note:

***(Replaced L.N. 49 of 2011)**

Section:	6A	Prohibition against transfer of technology or assistance related to ballistic missiles	L.N. 49 of 2011	25/03/2011
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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.
- (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.

(L.N. 49 of 2011)

Section:	7	Prohibition against making available funds, etc. or dealing with funds, etc.*	L.N. 49 of 2011	25/03/2011
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(Cross-heading repealed L.N. 49 of 2011)

- (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. (L.N. 49 of 2011)
- (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. (L.N. 49 of 2011)
- (2) A person who contravenes subsection (1A) commits an offence and is liable— (L.N. 49 of 2011)
 - (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) 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 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. (L.N. 49 of 2011)
- (4) (Repealed L.N. 49 of 2011)
- (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. (L.N. 49 of 2011)
- (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. (L.N. 49 of 2011)

Note:

***(Replaced L.N. 49 of 2011)**

Section:	8	(Repealed L.N. 49 of 2011)	L.N. 49 of 2011	25/03/2011
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Section:	8AA	Prohibition against sale and acquisition of interest in commercial activity involving uranium mining	L.N. 49 of 2011	25/03/2011
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- (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.

(L.N. 49 of 2011)

Section:	8A	Prohibition against entry or transit by certain persons	L.N. 49 of 2011	25/03/2011
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(Cross-heading repealed L.N. 49 of 2011)

- (1) Subject to section 8B, a 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.

(L.N. 49 of 2011)

Section:	8B	Exceptions to prohibition against entry or transit by certain persons	L.N. 49 of 2011	25/03/2011
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Section 8A does not apply—

- (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.

(L.N. 49 of 2011)

Section:	8C	Prohibition against provision of certain services to certain ships	L.N. 49 of 2011	25/03/2011
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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.
- (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.

(L.N. 49 of 2011)

Section:	8D	Exception to prohibition under section 8C	L.N. 49 of 2011	25/03/2011
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Section 8C does not apply if the provision of the specified services concerned is necessary for humanitarian purposes.

(L.N. 49 of 2011)

Part:	3	Licences*	L.N. 49 of 2011	25/03/2011
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Note:

***(Replaced L.N. 49 of 2011)**

Section:	9	Licence for supply, sale, transfer or carriage of certain items	L.N. 49 of 2011	25/03/2011
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- (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—
 - (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, 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—
 - (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.

(L.N. 49 of 2011)

Section:	10	Licence for provision of certain training, services or assistance	L.N. 49 of 2011	25/03/2011
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- (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
 - (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.

(L.N. 49 of 2011)

Section:	11	Licence for making available funds, etc. to certain persons or entities or dealing with funds, etc. of certain persons or entities	L.N. 49 of 2011	25/03/2011
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- (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;
 - (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
 - (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;
- (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.

(L.N. 49 of 2011)

Section:	12	Provision of false information or documents for purpose of obtaining licences	L.N. 49 of 2011	25/03/2011
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- (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.

(L.N. 49 of 2011)

Part:	4	Things Done outside HKSAR*	L.N. 49 of 2011	25/03/2011
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Note:

*(Replaced L.N. 49 of 2011)

Section:	13	Licence or permission granted by authorities of places outside HKSAR	L.N. 49 of 2011	25/03/2011
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- (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.

(L.N. 49 of 2011)

Part:	5	Enforcement of Regulation*	L.N. 49 of 2011	25/03/2011
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Note:

*(Replaced L.N. 49 of 2011)

Part:	5	Investigation, etc. of Suspected Ships*	L.N. 49 of 2011	25/03/2011
Division:	1			

Note:

*(Added L.N. 49 of 2011)

Section:	14	Investigation of suspected ships	L.N. 49 of 2011	25/03/2011
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(Cross-heading repealed L.N. 49 of 2011)

- (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—
 - (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.

(L.N. 49 of 2011)

Section:	15	Offences by charterer, operator or master of ship	L.N. 49 of 2011	25/03/2011
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- (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.

(L.N. 49 of 2011)

Section:	16	Power of authorized officers to enter and detain ships	L.N. 49 of 2011	25/03/2011
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- (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.

(L.N. 49 of 2011)

Part:	5	Investigation, etc. of Suspected Aircraft*	L.N. 49 of 2011	25/03/2011
Division:	2			

Note:

***(Added L.N. 49 of 2011)**

Section:	17	Investigation of suspected aircraft	L.N. 49 of 2011	25/03/2011
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(Cross-heading repealed L.N. 49 of 2011)

- (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.
- (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.

(L.N. 49 of 2011)

Section:	18	Offences by charterer, operator or pilot in command of aircraft	L.N. 49 of 2011	25/03/2011
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- (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, commits an offence and is liable on conviction to a fine at level 6 and to imprisonment for 6 months.

(L.N. 49 of 2011)

Section:	19	Power of authorized officers to enter and detain aircraft	L.N. 49 of 2011	25/03/2011
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- (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.

(L.N. 49 of 2011)

Part:	5	Investigation, etc. of Suspected Vehicles*	L.N. 49 of 2011	25/03/2011
Division:	3			

Note:

***(Added L.N. 49 of 2011)**

Section:	20	Investigation of suspected vehicles	L.N. 49 of 2011	25/03/2011
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(Cross-heading repealed L.N. 49 of 2011)

- (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 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.

(L.N. 49 of 2011)

Section:	21	Offences by operator or driver of vehicle	L.N. 49 of 2011	25/03/2011
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- (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 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.

(L.N. 49 of 2011)

Section:	22	Power of authorized officers to enter and detain vehicles	L.N. 49 of 2011	25/03/2011
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- (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.
- (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.

(L.N. 49 of 2011)

Part:	5	Proof of Identity*	L.N. 49 of 2011	25/03/2011
Division:	4			

Note:

*(Added L.N. 49 of 2011)

Section:	23	Production of proof of identity	L.N. 49 of 2011	25/03/2011
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(Cross-heading repealed L.N. 49 of 2011)

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.

(L.N. 49 of 2011)

Part:	6	Evidence*	L.N. 49 of 2011	25/03/2011
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Note:

*(Replaced L.N. 49 of 2011)

Section:	24	Power of magistrate or judge to grant warrant	L.N. 49 of 2011	25/03/2011
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- (1) A magistrate or judge may grant a warrant if satisfied by information on oath given by an authorized officer that there are reasonable grounds for suspecting that— (L.N. 49 of 2011)
- (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) 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. (L.N. 49 of 2011)
- (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, the person may use any force that is reasonably necessary for that purpose. (L.N. 49 of 2011)

Section:	24A	Seized articles, etc. liable to forfeiture	L.N. 49 of 2011	25/03/2011
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- (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.

(L.N. 49 of 2011)

Section:	24B	Power of magistrate or judge to make order for forfeiture and disposal	L.N. 49 of 2011	25/03/2011
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- (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.

(L.N. 49 of 2011)

Section:	25	Detention of documents, cargoes or articles seized	L.N. 49 of 2011	25/03/2011
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- (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.

(L.N. 49 of 2011)

Part:	7	Disclosure of Information or Documents*	L.N. 49 of 2011	25/03/2011
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Note:

***(Replaced L.N. 49 of 2011)**

Section:	26	Disclosure of information or documents	L.N. 49 of 2011	25/03/2011
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- (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.

(L.N. 49 of 2011)

Part:	8	Other Offences and Miscellaneous Matters*	L.N. 49 of 2011	25/03/2011
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Note:

***(Replaced L.N. 49 of 2011)**

Section:	27	Liability of persons other than principal offenders*	L.N. 49 of 2011	25/03/2011
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- (1) 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) 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.

(L.N. 49 of 2011)

Note:

***(Replaced L.N. 49 of 2011)**

Section:	28	Offences in relation to obstruction of authorized persons, etc.	L.N. 49 of 2011	25/03/2011
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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.

(L.N. 49 of 2011)

Section:	29	Offences in relation to evasion of this Regulation	L.N. 49 of 2011	25/03/2011
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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— (L.N. 49 of 2011)

- (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.

Section:	30	Consent and time limit for proceedings*	L.N. 49 of 2011	25/03/2011
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- (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 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. (L.N. 49 of 2011)

Note:

***(Replaced L.N. 49 of 2011)**

Section:	31	Specification of relevant person or relevant entity by Chief Executive	L.N. 49 of 2011	25/03/2011
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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— (L.N. 49 of 2011)

- (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; (L.N. 49 of 2011)
- (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; (L.N. 49 of 2011)
- (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,

Section:	32	Access to Security Council documents	L.N. 49 of 2011	25/03/2011
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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.

(L.N. 49 of 2011)

Section:	33	Exercise of powers of Chief Executive	L.N. 49 of 2011	25/03/2011
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- (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.

(L.N. 49 of 2011)

United Nations Sanctions (Iran) (Amendment) Regulation 2013

(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—

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 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;

Commissioner (關長) means the Commissioner of Customs and Excise, 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 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 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 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;

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 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. 911/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. 911/Part 1, except—
 - (i) any equipment covered by section B.1 of the International Atomic Energy Agency document INFCIRC/254/Rev. 911/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. 911/Part 1 when it is incorporated in assembled nuclear fuel elements for light water reactors;
- (c) any item, material, equipment, goods or technology covered by the Security Council document S/20102012/263947;
- (d) any item, material, equipment, goods or technology covered by the International Atomic Energy Agency document INFCIRC/254/Rev. 78/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. 78/Part 2 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;

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. ~~911~~/Part 1 or the International Atomic Energy Agency document INFCIRC/254/Rev. ~~78~~/Part 2;
- (b) any item, material, equipment, goods or technology covered by the Security Council document S/~~2010~~2012/~~2639~~47; or
- (c) any arms or related 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. ~~911~~/Part 1 or the International Atomic Energy Agency document INFCIRC/254/Rev. ~~78~~/Part 2 or the Security Council document S/~~2010~~2012/~~2639~~47; 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

2. Prohibition against supply, sale or transfer of certain items

(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
- (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) 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.

3. Prohibition against carriage of certain items

- (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 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;
 - (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, sale or transfer of the regulated prohibited item or specified prohibited item; and
 - (b) the supply, 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~~for a ship registered in the HKSAR, the charterer, the operator and the master of the ship;
 - (b) ~~in the case of~~for 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~~for an aircraft registered in the HKSAR, the charterer, the operator and the pilot in command of the aircraft;

(d) ~~in the case of~~for 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~~for a vehicle, the operator and the driver of the vehicle.

(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.

4. Prohibition against procurement of certain items 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 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) 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. Prohibition against procurement of certain items 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 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.
- (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~~for a ship registered in the HKSAR, the charterer, the operator and the master of the ship;
 - (b) ~~in the case of~~for 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~~for an aircraft registered in the HKSAR, the charterer, the operator and the pilot in command of the aircraft;
 - (d) ~~in the case of~~for 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~~for a vehicle, the operator and the driver of the vehicle.
- (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—

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

6. Prohibition against provision of certain training, services or assistance

- (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 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) 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.

- (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.

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.

7. Prohibition against making available funds, etc. 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 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.

(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) 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 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) 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.

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);²⁷

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.

8A. Prohibition against entry or transit by certain persons

- (1) Subject to section 8B, a 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.

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

Section 8A does not apply—

- (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.

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, 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—
 - (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, 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—
 - (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. 911/Part 1, the International Atomic Energy Agency document INFCIRC/254/Rev. 78/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. 78/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.

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
 - (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.

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;

- (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. 911/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. 911/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
 - (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;
 - (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) 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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Part 4

Things Done 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 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.
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Part 5

Enforcement of Regulation

Division 1—Investigation, etc. of Suspected 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), 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—
- (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.

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.

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.

Division 2—Investigation, etc. of 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), 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.

- (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.

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, 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 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.

Division 3—Investigation, etc. of 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), 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 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.

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 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.

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.
- (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.

Division 4—Proof of 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 must, if requested by any person so to do, produce proof of 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 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) 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.
- (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, the person may use any force 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 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.
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Part 7

Disclosure of Information or Documents

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.
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Part 8

Other Offences and Miscellaneous Matters

27. Liability of persons other than principal offenders

- (1) 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) 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 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. 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 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—

- (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;
- (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 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.

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~~2012/263947;
- (b) the International Atomic Energy Agency document INFCIRC/254/Rev. 9/Part 1;
- (c) the International Atomic Energy Agency document INFCIRC/254/Rev. ~~7~~8/Part 2;
- (d) the Security Council document S/2006/985;
- (e) the International Atomic Energy Agency document INFCIRC/254/Rev. 11/Part 1.

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.

Chief Executive

2013

Explanatory Note

This Regulation amends the United Nations Sanctions (Iran) Regulation (Cap. 537 sub. leg. AF) (*principal Regulation*) to give effect to the decision of the Committee (defined in section 1 of the principal Regulation) made on 4 March 2013 by amending the following definitions and provisions of the principal Regulation to update the lists of items referred to in those definitions and provisions—

(a) definitions of *regulated prohibited item*, *specified item* and *specified prohibited item*;

(b) sections 9, 11 and 32.—

~~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 (Iran) (Amendment) Regulation 2013

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 74.0 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 2010 was US\$386.7 billion (or HK\$3,004.0 billion)¹. Merchandise imports and exports of Iran in 2012 amounted to US\$ 56.5 billion (or HK\$438.2 billion) and US\$ 95.5 billion (or HK\$740.7 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. On 4 March 2013, the relevant Sanctions Committee decided to update the lists of items subject to the embargo against Iran.

Trade Relation between Hong Kong and Iran

5. In 2012, Iran ranked 50th among Hong Kong's trading partners in the world, with a total trade of HK\$3,503 million. Of these, HK\$1,213 million worth of trade were exports to the Iran, and HK\$2,290 million imports. Hong Kong's trade with Iran are summarised as follows –

Hong Kong's Trade with Iran [Value in HK\$ (in million)]		
Item	2012	January – March 2013
(a) Total Exports to Iran	1,213	204
<i>(i) Domestic exports</i>	4 ⁴	2 ⁵
<i>(ii) Re-exports</i>	1,209 ⁶	202 ⁷
(b) Imports from Iran	2,290 ⁸	639 ⁹
Total Trade [(a) + (b)]	3,503	842

⁴ In 2012, Hong Kong's major domestic export items to Iran were essential oils and resinoids and perfume materials; toilet, polishing and cleansing preparations (24%); electrical machinery, apparatus and appliances, and electrical parts thereof (21%); and plastics in primary forms (21%).

⁵ During January – March 2013, Hong Kong's major domestic export items to Iran were tobacco and tobacco manufactures (45%); essential oils and resinoids and perfume materials; toilet, polishing and cleansing preparations (35%); and electrical machinery, apparatus and appliances, and electrical parts thereof (10%). The increase was mainly due to the increase in domestic exports of "tobacco manufactured" to Iran. This product item amounted to HK\$0.9 million in January – March 2013, but there were no domestic exports of this product item to Iran during the same period in 2012.

⁶ In 2012, Hong Kong's major re-export items to Iran were telecommunications and sound recording and reproducing apparatus and equipment (32%); chemical materials and products (12%); and electrical machinery, apparatus and appliances, and electrical parts thereof (9%).

⁷ During January – March 2013, Hong Kong's major re-export items to Iran were telecommunications and sound recording and reproducing apparatus and equipment (29%); office machines and automatic data processing machines (12%); and electrical machinery, apparatus and appliances, and electrical parts thereof (12%). The decrease was mainly due to the decrease in re-exports of "telecommunications equipment, and parts, and accessories of apparatus falling within telecommunications and sound recording and reproducing apparatus and equipment" to Iran by 49% in January – March 2013. This product item accounted for 34% of re-exports to Iran during the same period in 2012.

⁸ In 2012, Hong Kong's major import items from Iran were vegetables and fruit (90%); plastics in primary forms (2%); and leather, leather manufactures and dressed furskins (2%).

⁹ During January – March 2013, Hong Kong's major import items from Iran were vegetables and fruit (89%); meat and meat preparations (8%); and plastics in primary forms (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 41% in January – March 2013. This product item accounted for 85% of total imports from Iran during the same period in 2012.

In 2012, HK\$955 million worth of goods, or 0.3% of the total trade between Iran and the Mainland, were routed through Hong Kong. Of these, HK\$240 million worth of goods were re-exports from Iran to Mainland. The remaining HK\$715 million were re-exports of Mainland origin to Iran via Hong Kong.

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 significant effect on the economy of Hong Kong.

Commerce and Economic Development Bureau
June 2013