

LEGISLATIVE COUNCIL BRIEF

United Nations Sanctions Ordinance
(Chapter 537)

UNITED NATIONS SANCTIONS (YEMEN) REGULATION 2015 (AMENDMENT) REGULATION 2017

INTRODUCTION

A At the meeting of the Executive Council on 9 May 2017, the Council advised and the Chief Executive (“the CE”) ordered that the United Nations Sanctions (Yemen) Regulation 2015 (Amendment) Regulation 2017 (“the Amendment Regulation”), at Annex A, should be made under section 3 of the United Nations Sanctions Ordinance (Cap. 537) (“the Ordinance”). The Amendment Regulation was gazetted on 12 May 2017 and came into operation on the same day.

BACKGROUND

Obligation and Authority

B 2. Under section 3(1) of the Ordinance, the CE is required to make regulations to give effect to an instruction from the Ministry of Foreign Affairs of the People's Republic of China (“MFA”) to implement sanctions decided by the Security Council of the United Nations (“UNSC”). In March 2017, the CE received an instruction from the MFA to implement UNSC Resolution (“UNSCR”) 2342 in respect of Yemen in the Hong Kong Special Administrative Region (“HKSAR”). The Amendment Regulation was made pursuant to the instruction. A document issued by the Chief Secretary for Administration confirming the MFA’s instruction is at Annex B.

Sanctions against Yemen

UNSCR 2140

C 3. Determining that the situation in Yemen constituted a threat to international peace and security in the region, the UNSC adopted UNSCR 2140 (at Annex C) on 26 February 2014, imposing sanctions against Yemen. The UNSC decided, inter alia, that –

- (a) for an initial period of one year from the date of the adoption of UNSCR 2140, all Member States shall freeze without delay all funds, other financial assets and economic resources which are on their territories, which are owned or controlled, directly or indirectly, by the individuals or entities designated by the Committee established pursuant to paragraph 19 of UNSCR 2140 (“the Committee”), or by individuals or entities acting on their behalf or at their direction, or by entities owned or controlled by them; and ensure that any funds, financial assets or economic resources are prevented from being made available by their nationals or by any individuals or entities within their territories, to or for the benefit of the individuals or entities designated by the Committee, subject to the exceptions set out in paragraphs 12, 13 and 14 of UNSCR 2140 (*paragraphs 11, 12, 13 and 14 of UNSCR 2140 refer*); and
- (b) for an initial period of one year from the date of the adoption of UNSCR 2140, all Member States shall take the necessary measures to prevent the entry into or transit through their territories of individuals designated by the Committee, provided that nothing in paragraph 15 of UNSCR 2140 shall oblige a State to refuse its own nationals entry into its territory, subject to the exceptions set out in paragraph 16 of UNSCR 2140 (*paragraphs 15 and 16 of UNSCR 2140 refer*).

The above financial sanctions and travel ban had been renewed until 26 February 2017.

4. In addition, the UNSC adopted UNSCR 2216 on 14 April 2015 to impose targeted arms-related sanctions against certain persons and entities designated by the Committee. No time limit on the arms-related sanctions has been prescribed by the UNSC.

5. Pursuant to the instructions of MFA, the CE made the United Nations Sanctions (Yemen) Regulation 2015 (Cap. 537BP) (“the 2015 Regulation”) in July 2015. The 2015 Regulation was amended in May 2016 to renew the financial sanctions and travel ban, the provisions of which expired at midnight on 26 February 2017.

UNSCR 2342

D 6. On 23 February 2017, the UNSC adopted UNSCR 2342 (at Annex D), which decided, inter alia, to renew until 26 February 2018 the financial sanctions and travel ban imposed by paragraphs 11 and 15 of UNSCR 2140, and reaffirmed the provisions of paragraphs 12, 13, 14 and 16 of UNSCR 2140 (*paragraph 2 of UNSCR 2342 refers*).

THE AMENDMENT REGULATION

7. The Amendment Regulation, at Annex A, seeks to implement the sanctions against Yemen as renewed by UNSCR 2342. The main provisions of the Amendment Regulation include -

- (a) **section 4**, which **adds the new section 5B to the 2015 Regulation** to provide for prohibition against making available to certain persons or entities funds or other financial assets or economic resources, or dealing with funds or other financial assets or economic resources of certain persons or entities;
- (b) **section 6**, which **adds the new sections 7C and 7D to the 2015 Regulation** to provide for prohibition against the entry into or transit through the HKSAR by certain persons and the relevant exceptions;

- (c) **section 8**, which **adds the new section 9C to the 2015 Regulation** to provide for the grant of licence for making available to certain persons or entities funds or other financial assets or economic resources, or dealing with funds or other financial assets or economic resources of certain persons or entities;
- (d) **section 10**, which **adds the new section 30B to the 2015 Regulation** to provide that the Chief Executive may by notice published in the Gazette specify as a relevant person or a relevant entity a person or an entity designated by the Committee for the purposes of the financial sanctions under the 2015 Regulation, or a person listed in the annex to UNSCR 2216; and
- (e) **section 12**, which **adds the new section 35 to the 2015 Regulation** to provide that sections 5B, 7C, 7D and 9C would expire at midnight on 26 February 2018.

A marked-up version showing the changes when compared against the 2015 Regulation is at Annex E for easy reference by Members.

E

IMPLICATIONS OF THE PROPOSAL

8. The proposal is in conformity with the Basic Law, including the provisions concerning human rights. The proposal will not affect the current binding effect of the Ordinance. It has no financial, civil service, economic, productivity, environmental, sustainability, family or gender implications. Additional work arising from the enforcement of the Amendment Regulation, if any, will be absorbed by the relevant departments with existing resources.

PUBLICITY

9. A press release was issued on 12 May 2017 when the Amendment Regulation was published in the Gazette. A spokesperson will be available to answer media and public enquiries.

INFORMATION ON YEMEN AND RELATION WITH THE HKSAR

10. For information on Yemen, background of the sanction measures imposed against the country by the UNSC as well as its bilateral trade relation with the HKSAR, please refer to Annex F.

F

ADVICE SOUGHT

11. Members are invited to note the implementation of the UNSCR 2342 in the HKSAR by the Amendment Regulation.

**Commerce and Economic Development Bureau
May 2017**

L.N. 80 of 2017

**United Nations Sanctions (Yemen) Regulation 2015
(Amendment) Regulation 2017**

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United Nations Sanctions (Yemen) Regulation 2015 (Amendment) Regulation 2017

(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 (Yemen) Regulation 2015 amended**
The United Nations Sanctions (Yemen) Regulation 2015 (Cap. 537 sub. leg. BP) is amended as set out in sections 2 to 12.
2. **Section 1 amended (interpretation)**
 - (1) Section 1, definition of *designated entity*, paragraphs (a), (b) and (c)—

Repeal

“in accordance with”

Substitute

“under”.

- (2) Section 1, definition of *designated person*, paragraph (a)—

Repeal

“in accordance with section 31; or;”

Substitute

“under section 31; or”.

- (3) Section 1, definition of *designated person*, paragraph (b)—

Repeal

“in accordance with”

Substitute

“under”.

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

Repeal

“9A(1)”

Substitute

“9C(1)”.

Section 2

- (5) Section 1, definition of *relevant entity*, paragraphs (a), (b) and (c)—

Repeal

“in accordance with section 30A”

Substitute

“under section 30B”.

- (6) Section 1, definition of *relevant person*, paragraphs (a) and (b)—

Repeal

“in accordance with section 30A”

Section 3

Substitute

“under section 30B”.

3. **Section 5A repealed (prohibition against making available funds, etc. or dealing with funds, etc.)**

Section 5A—

Repeal the section.

4. **Section 5B added**

The Regulation—

Add

- “5B. 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.

Section 4

- (2) Except under the authority of a licence—
- (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 belonging to, or owned or controlled 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 belonging to, or owned or controlled by, the first-mentioned person.
- (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 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 belonging to, or owned or controlled by, a relevant person or a relevant entity.

Section 5

- (5) A person is not to be regarded as having contravened subsection (2) by reason only of having credited an account belonging to, or owned or controlled 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.”.

5. Sections 7A and 7B repealed

Sections 7A and 7B—

Repeal the sections.

6. Sections 7C and 7D added

At the end of Part 2—

Add

“7C. Prohibition against entry or transit by certain persons

- (1) Subject to section 7D, 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) a person designated by the Committee for the purposes of paragraph 15 of Resolution 2140; or
- (b) a person listed in the Annex to Resolution 2216.

7D. Exceptions to prohibition against entry or transit by certain persons

Section 7C does not apply to a case in respect of which—

- (a) the Committee has determined that the relevant entry or transit is justified on the ground of humanitarian need, including religious obligation;
- (b) the relevant entry or transit is necessary for the fulfilment of a judicial process;

- (c) the Committee has determined that the relevant entry or transit would further the objectives of peace and national reconciliation in Yemen; or
- (d) the relevant entry or transit is required to advance peace and stability in Yemen.”.

7. Sections 9A and 9B repealed

Sections 9A and 9B—

Repeal the sections.

8. Sections 9C and 9D added

At the end of Part 3A—

Add

“9C. 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 belonging to, or owned or controlled by, a relevant person or a relevant entity.
- (2) The requirements 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;
- (ii) exclusively for the payment of reasonable professional fees or reimbursement of incurred expenses associated with the provision of legal services under the law of the HKSAR; 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 belonging to, or owned or controlled 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 26 February 2014 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 to be used for making payment due under a contract entered into by a person or entity before the date on which the person or entity became a relevant person or a relevant entity, 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, the Chief Executive must cause the Committee to be notified of the determination 10 working days before granting the licence.

9D. 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.”.

9. Section 30A repealed (specification of relevant person or relevant entity by Chief Executive)

Section 30A—

Repeal the section.

10. Section 30B added

Before section 31—

Add

“30B. 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 (as appropriate)—

- (a) a person or an entity designated by the Committee for the purposes of paragraph 11 of Resolution 2140; or
- (b) a person listed in the Annex to Resolution 2216.”.

11. Section 34 repealed (duration)

Section 34—

Repeal the section.

12. Section 35 added

At the end of Part 9—

Add

“35. Duration

Sections 5B, 7C, 7D and 9C expire at midnight on 26 February 2018.”.

C. Y. LEUNG
Chief Executive

10 May 2017

Explanatory Note

The purpose of this Regulation is to give effect to certain decisions in Resolution 2342 (2017) as adopted by the Security Council of the United Nations on 23 February 2017 by providing for the prohibition against—

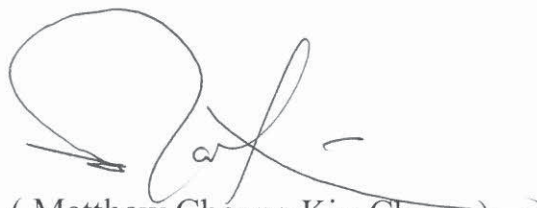
- (a) making available to, or for the benefit of, certain persons or entities any funds or other financial assets or economic resources;
- (b) dealing with funds or other financial assets or economic resources belonging to, or owned or controlled by, certain persons or entities; and
- (c) entry into or transit through the HKSAR by certain persons.

United Nations Sanctions Ordinance (Cap. 537)

**United Nations Sanctions (Yemen) Regulation 2015
(Amendment) Regulation 2017**

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 March 2017 which requested the Government of the Hong Kong Special Administrative Region to fully implement Resolution 2342 of the Security Council of the United Nations, and that the United Nations Sanctions (Yemen) Regulation 2015 (Amendment) Regulation 2017 was made in pursuance of that instruction.

Dated this 10th day of May 2017

A handwritten signature in black ink, consisting of a large, stylized initial 'M' followed by a cursive 'C' and 'K'.

(Matthew Cheung Kin-Chung)
Chief Secretary for Administration



Resolution 2140 (2014)**Adopted by the Security Council at its 7119th meeting, on
26 February 2014**

The Security Council,

Recalling its resolution 2014 (2011), 2051 (2012) and presidential statement of 15 February 2013,

Reaffirming its strong commitment to the unity, sovereignty, independence and territorial integrity of Yemen,

Commending the engagement of the Gulf Cooperation Council (GCC) in assisting the political transition in Yemen,

Welcoming the outcomes of the comprehensive National Dialogue Conference, signed by all political parties, and whose decisions provide a road map for a continued Yemeni led democratic transition underpinned by a commitment to democracy, good governance, rule of law, national reconciliation, and respect for the human rights and fundamental freedoms of all the people of Yemen,

Commending those who have facilitated the outcome of the comprehensive National Dialogue Conference through their constructive participation, in particular the leadership of President Abd Rabbo Mansour Hadi,

Expressing concern at the ongoing political, security, economic and humanitarian challenges in Yemen, including the ongoing violence,

Recalling the listing of Al-Qaida in the Arabian Peninsula (AQAP) and associated individuals on the Al-Qaida sanctions list established by the Committee pursuant to resolutions 1267 (1999) and 1989 (2011) and *stressing* in this regard the need for robust implementation of the measures in paragraph 1 of resolution 2083 as a significant tool in combating terrorist activity in Yemen,

Condemning all terrorist activities, attacks against civilians, oil, gas and electricity infrastructure and against the legitimate authorities, including those aimed at undermining the political process in Yemen,

Further condemning attacks against military and security facilities, in particular the attack on the Ministry of Defence on 5 December 2013 and the 13 February attack of the Ministry of Interior Prison, *stressing* the need for the



Yemeni Government to efficiently continue reforms of the Armed Forces and in the security sector,

Reaffirming its resolution 2133 and *calling* upon all member states to prevent terrorists from benefiting directly or indirectly from ransom payments or from political concessions and to secure the safe release of hostages,

Noting the formidable economic, security and social challenges confronting Yemen, which have left many Yemenis in acute need of humanitarian assistance, *reaffirming* its support to the Yemeni government to safeguard security, promote social and economic development, and put forward political, economic, and security reforms, and welcoming the work of the Mutual Accountability Framework Executive Bureau, the World Bank, and the International Monetary Fund (IMF) in their support to the Government of Yemen on economic reform,

Stressing that the best solution to the situation in Yemen is through a peaceful, inclusive, orderly and Yemeni-led political transition process that meets the legitimate demands and aspirations of the Yemeni people for peaceful change and meaningful political, economic and social reform, as set out in the GCC Initiative and Implementation Mechanism and the outcomes of the comprehensive National Dialogue Conference, *welcoming* Yemen's efforts to strengthen women's participation in political and public life, including through measures to ensure at least 30 per cent women candidates for national legislative elections and elected councils,

Further recalling its resolutions 1612 (2005), 1882 (2009), 1998 (2011) and 2068 (2012) on Children and Armed Conflict and its resolutions 1325 (2000), 1820 (2008), 1888 (2009), 1889 (2009), 1960 (2010), 2106 (2013) and 2122 (2013) on Women, Peace and Security,

Recognizing that the transition process requires turning the page from the presidency of Ali Abdullah Saleh, and welcoming the involvement and cooperation of all stakeholders in Yemen, including groups that were not party to the GCC Initiative and its Implementation Mechanism,

Reiterating the need for comprehensive, independent and impartial investigations consistent with international standards into alleged human rights violations and abuses in line with the outcomes of the comprehensive National Dialogue Conference, the GCC Initiative, and the Implementation Mechanism, to ensure full accountability,

Recognizing the importance of governance reforms to the political transition in Yemen, *noting* in this regard the proposals in the National Dialogue Conference's Good Governance Working Group report, including, among other things, prerequisites for candidates for Yemeni leadership positions and the disclosure of their financial assets,

Recalling its resolution 2117 (2013) and expressing grave concern at the threat to peace and security in Yemen arising from the illicit transfer, destabilising accumulation and misuse of small arms and light weapons,

Emphasizing the need for continued progress in the implementation of the GCC Initiative and Implementation Mechanism to avoid further deterioration of the humanitarian and security situation in Yemen,

Noting with appreciation the work of the United Nations country team and agencies in Yemen,

Welcoming the efforts made by the Secretariat to expand and improve the roster of experts for the Security Council Subsidiary Organs Branch, bearing in mind the guidance provided by the Note of the President (S/2006/997),

Determining that the situation in Yemen constitutes a threat to international peace and security in the region,

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

1. *Reaffirms* the need for the full and timely implementation of the political transition following the comprehensive National Dialogue Conference, in line with the GCC Initiative and Implementation Mechanism, and in accordance with resolution 2014 (2011) and 2051 (2012), and with regard to the expectations of the Yemeni people;

Implementation of Political Transition

2. *Welcomes* the recent progress made in the political transition of Yemen and expresses strong support for completing the next steps of the transition, in line with the Implementation Mechanism, including:

- (a) drafting a new constitution in Yemen;
- (b) electoral reform including the drafting and adoption of a new electoral law consistent with the new Constitution;
- (c) the holding of a referendum on the draft constitution, including suitable outreach;
- (d) state structure reform to prepare Yemen for the transition from a unitary to a federal state; and
- (e) timely general elections, after which the current term of President Hadi would end following the inauguration of the President elected under the new Constitution;

3. *Encourages* all constituencies in the country, including the youth movements, women's groups, in all regions in Yemen, to continue their active and constructive engagement in the political transition and to continue the spirit of consensus to implement the subsequent steps in the transition process and the recommendations of the National Dialogue Conference, and calls upon the Hiraak Southern movement, the Houthi movement and others to constructively partake and to reject the use of violence to achieve political aims;

4. *Welcomes* the Yemeni Government's plan to introduce an Asset Recovery Law, and supports international cooperation on this, including through the Deauville initiative;

5. *Expresses concern* over use of the media to incite violence and frustrate the legitimate aspirations for peaceful change of the people of Yemen;

6. *Looks forward* to steps by the Government of Yemen, towards the implementation of Republican Decree No. 140 of 2012, which establishes a committee to investigate allegations of violations of human rights in 2011 and which

states that investigations shall be transparent and independent and adhere to international standards, in accordance with Human Rights Council resolution 19/29, and invites the Government of Yemen to provide soon a time frame for the early appointment of members of that committee;

7. *Expresses* its concern that children continue to be recruited and used in violation of applicable international law by armed groups, and the Yemeni Government forces, and calls for continued national efforts to end and prevent the recruitment and use of children, including through the signing and implementation by the Yemeni Government of the action plan to halt and prevent the recruitment and use of children in the government forces of Yemen, in line with the Security Council resolutions 1612 (2005), 1882 (2009) and 1998 (2011), and *urges* armed groups to allow the United Nations personnel safe and unhindered access to territories under their control for monitoring and reporting purposes;

8. *Also looks forward* to the early adoption of a law on transitional justice and national reconciliation that, while taking into account the recommendations of the National Dialogue Conference, is in accordance with the international obligations and commitments of Yemen and following best practices as appropriate;

9. *Calls* on all parties to comply with their obligations under international law including applicable international humanitarian law and human rights law;

Further Measures

10. *Emphasizes* that the transition agreed upon by the parties to the GCC Initiative and Implementation Mechanism Agreement has not yet been fully achieved and *calls* upon all Yemenis to fully respect the implementation of the political transition and adhere to the values of the Implementation Mechanism Agreement;

11. *Decides* that all Member States shall, for an initial period of one year from the date of the adoption of this resolution, freeze without delay all funds, other financial assets and economic resources which are on their territories, which are owned or controlled, directly or indirectly, by the individuals or entities designated by the Committee established pursuant to paragraph 19 below, or by individuals or entities acting on their behalf or at their direction, or by entities owned or controlled by them, and *decides further* that all Member States shall ensure that any funds, financial assets or economic resources are prevented from being made available by their nationals or by any individuals or entities within their territories, to or for the benefit of the individuals or entities designated by the Committee;

12. *Decides* that the measures imposed by paragraph 11 above do not apply to funds, other financial assets or economic resources that have been determined by relevant Member 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 in accordance with national laws, 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 State 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 State or Member States to the Committee and has been approved by the Committee;

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

13. *Decides* that Member States may permit the addition to the accounts frozen pursuant to the provisions of paragraph 11 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;

14. *Decides* that the measures in paragraph 11 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 the payment is not directly or indirectly received by a person or entity designated pursuant to paragraph 11 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, 10 working days prior to such authorization;

Travel ban

15. *Decides* that, for an initial period of one year from the date of the adoption of this resolution, all Member States shall take the necessary measures to prevent the entry into or transit through their territories of individuals designated by the Committee established pursuant to paragraph 19 below, provided that nothing in this paragraph shall oblige a State to refuse its own nationals entry into its territory;

16. *Decides* that the measures imposed by paragraph 15 above shall not apply:

(a) Where the Committee determines on a case-by-case basis that such travel is justified on the grounds of humanitarian need, including religious obligation;

(b) Where entry or transit is necessary for the fulfilment of a judicial process;

(c) Where the Committee determines on a case-by-case basis that an exemption would further the objectives of peace and national reconciliation in Yemen; and

(d) Where a State determines on a case-by-case basis that such entry or transit is required to advance peace and stability in Yemen and the States subsequently notifies the Committee within forty-eight hours after making such a determination;

Designation Criteria

17. *Decides* that the provisions of paragraphs 11 and 15 shall apply to individuals or entities designated by the Committee as engaging in or providing support for acts that threaten the peace, security or stability of Yemen;

18. *Underscores* that such acts as described in paragraph 17 above may include, but are not limited to:

(a) Obstructing or undermining the successful completion of the political transition, as outlined in the GCC Initiative and Implementation Mechanism Agreement;

(b) Impeding the implementation of the outcomes of the final report of the comprehensive National Dialogue Conference through violence, or attacks on essential infrastructure; or

(c) Planning, directing, or committing acts that violate applicable international human rights law or international humanitarian law, or acts that constitute human rights abuses, in Yemen;

Sanctions Committee

19. *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 (herein “the Committee”), to undertake the following tasks:

(a) To monitor implementation of the measures imposed in paragraph 11 and 15 above with a view to strengthening, facilitating and improving implementation of these measures by Member States;

(b) To seek and review information regarding those individuals and entities who may be engaging in the acts described in paragraph 17 and 18 above;

(c) To designate individuals and entities to be subject to the measures imposed in paragraphs 11 and 15 above;

(d) To establish such guidelines as may be necessary to facilitate the implementation of the measures imposed above;

(e) To report within 60 days to the Security Council on its work and thereafter to report as deemed necessary by the Committee;

(f) To encourage a dialogue between the Committee and interested Member States, in particular those in the region, including by inviting representatives of such States to meet with the Committee to discuss implementation of the measures;

(g) To seek from all States whatever information it may consider useful regarding the actions taken by them to implement effectively the measures imposed;

(h) To examine and take appropriate action on information regarding alleged violations or non-compliance with the measures contained in paragraphs 11 and 15;

20. *Directs* the Committee to cooperate with other relevant Security Council Sanctions Committees, in particular the Committee pursuant to resolutions [1267 \(1999\)](#) and [1989 \(2011\)](#) concerning Al-Qaida and Associated Individuals and Entities;

Reporting

21. *Requests* the Secretary-General to create for an initial period of 13 months, in consultation with the Committee, and to make the necessary financial and security arrangements to support the work of the Panel, a group of up to four 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 this resolution, including through providing the Committee at any time with information relevant to the potential designation at a later stage of individuals and entities who may be engaging in the activities described in paragraph 17 and 18 above;

(b) Gather, examine and analyse information from States, relevant United Nations bodies, regional organisations and other interested parties regarding the implementation of the measures decided in this resolution, in particular incidents of undermining the political transition;

(c) Provide to the Council, after discussion with the Committee, an update no later than 25 June 2014, an interim report by 25 September 2014, and a final report no later than 25 February 2015; and

(d) To assist the Committee in refining and updating information on the list of individuals subject to measures imposed pursuant to paragraphs 11 and 15 of this resolution, including through the provision of identifying information and additional information for the publicly-available narrative summary of reasons for listing;

22. *Directs* the Panel to cooperate with other relevant expert groups established by the Security Council to support the work of its Sanctions Committees, in particular the Analytical Support and Sanctions Monitoring Team established by resolution [1526 \(2004\)](#);

23. *Urges* all parties and all Member States, as well as international, regional and subregional organizations to ensure cooperation with the Panel of experts and further urges all Member States involved to ensure the safety of the members of the Panel of experts and unhindered access, in particular to persons, documents and sites in order for the Panel of experts to execute its mandate;

Commitment to Review

24. *Affirms* that it shall keep the situation in Yemen under continuous review and that it shall be prepared to review the appropriateness of the measures contained in this resolution, including the strengthening, modification, suspension or lifting of the measures, as may be needed at any time in light of developments;

Economic Reform and Development Assistance to Support the Transition

25. *Calls* upon donors and regional organisations to fully disburse the pledges made at the Riyadh Donor conference in September 2012 to fund the priorities set out in the Mutual Accountability Framework agreed in Riyadh; and encourages donors with undisbursed pledges to work closely with the Executive Bureau to identify priority projects for support, taking into account the security conditions on the ground;

26. *Emphasizes* the importance of Government of National Unity taking action to implement the urgent policy reforms set out in the Mutual Accountability Framework; and encourages donors to provide technical assistance to help drive forward these reforms, including through the Executive Bureau;

27. *Expresses* its concern over reported serious human rights abuses and violence against civilians in both the Northern and Southern Governorates, including Al Dhale'e Governorate, *urges* all parties involved to end the conflicts and comply with their obligations under applicable international humanitarian and human rights law, and *stresses* the need for parties to take all required measures to avoid civilian casualties, respect and protect the civilian population;

28. *Encourages* the international community to continue providing humanitarian assistance to Yemen and *calls* for the full funding of the 2014 Strategic Response Plan for Yemen, and in this regard requests all parties in Yemen to facilitate safe and unhindered humanitarian access to ensure the delivery of assistance to all populations in need and *calls* on all parties to take necessary steps to ensure the safety and security of humanitarian personnel and of the United Nations and its associated personnel and their assets;

29. *Condemns* the growing number of attacks carried out or sponsored by Al-Qaida in the Arabian Peninsula, and expresses its determination to address this threat in accordance with the Charter of the United Nations and international law including applicable human rights, refugee and humanitarian law, and in this regard, through the Al-Qaida sanctions regime administered by the Committee pursuant to resolutions 1267 (1999) and 1989 (2011) and *reiterates its readiness*, under the above-mentioned regime, to sanction further individuals, groups, undertakings and entities who do not cut off all ties to Al-Qaida and associated groups;

30. *Calls for* continued national efforts to address the threat posed by all weapons, including explosive weapons and small arms and light weapons, to stability and security in Yemen, including inter alia through ensuring the safe and effective management, storage and security of their stockpiles of small arms and light weapons and explosive weapons, and the collection and/or destruction of explosive remnants of war and surplus, seized, unmarked, or illicitly held weapons and ammunition, and *further stresses* the importance of incorporating such elements into security sector reform;

31. *Acknowledges* the serious economic, political and security obstacles facing refugees and internally displaced persons in Yemen who wish to return to their homes after years of conflict, and *supports* and encourages the efforts of the Government of Yemen and the international community to facilitate their return;

United Nations involvement

32. *Requests* the Secretary-General to continue his good offices role, *notes* with appreciation the work Special Adviser, Jamal Benomar, *stresses* the importance of their close co-ordination with international partners, including the GCC, Group of Ambassadors, and other actors, in order to contribute to the successful transition, and in this regard *further* requests the Secretary-General to continue to coordinate assistance from the international community in support of the transition;

33. *Requests* the Secretary-General to continue to report on developments in Yemen, including on the implementation of the outcome of the comprehensive National Dialogue Conference every 60 days;

34. *Decides* to remain actively seized of the matter.



Resolution 2342 (2017)**Adopted by the Security Council at its 7889th meeting, on
23 February 2017**

The Security Council,

Recalling its resolutions 2014 (2011), 2051 (2012), 2140 (2014), 2201 (2015), 2204 (2015), 2216 (2015), 2266 (2016) and the statements of its President dated 15 February 2013 (S/PRST/2013/3), 29 August 2014 (S/PRST/2014/18), 22 March 2015 (S/PRST/2015/8) and 25 April 2016 (S/PRST/2016/5) concerning Yemen,

Reaffirming its strong commitment to the unity, sovereignty, independence and territorial integrity of Yemen,

Expressing concern at the ongoing political, security, economic and humanitarian challenges in Yemen, including the ongoing violence, and threats arising from the illicit transfer, destabilizing accumulation and misuse of weapons,

Reiterating its call for all parties in Yemen to adhere to resolving their differences through dialogue and consultation, reject acts of violence to achieve political goals, and refrain from provocation,

Reaffirming the need for all parties to comply with their obligations under international law, including international humanitarian law and international human rights law as applicable,

Expressing its support for and commitment to the work of the Special Envoy for Yemen to the Secretary-General, Ismail Ould Cheikh Ahmed, in support of the Yemeni transition process,

Expressing its grave concern that areas of Yemen are under the control of Al-Qaida in the Arabian Peninsula (AQAP) and about the negative impact of their presence, violent extremist ideology and actions on stability in Yemen and the region, including the devastating humanitarian impact on the civilian populations, *expressing* concern at the increasing presence and future potential growth of the Islamic State in Iraq and Levant (ISIL, also known as Da'esh) affiliates in Yemen and *reaffirming its resolve* to address all aspects of the threat posed by AQAP, ISIL (Da'esh), and all other associated individuals, groups, undertakings and entities,



Recalling the listing of Al-Qaida in the Arabian Peninsula (AQAP) and associated individuals on the ISIL (Da'esh) and Al-Qaida Sanctions List and stressing in this regard the need for robust implementation of the measures in paragraph 2 of resolution 2253 (2015) as a significant tool in combating terrorist activity in Yemen,

Noting the critical importance of effective implementation of the sanctions regime imposed pursuant to resolution 2140 (2014) and resolution 2216 (2015), including the key role that Member States from the region can play in this regard, and encouraging *efforts* to further enhance cooperation,

Recalling the provisions of paragraph 14 of resolution 2216 (2015) imposing a targeted arms embargo,

Gravely distressed by the continued deterioration of the devastating humanitarian situation in Yemen, *expressing serious concern* at all instances of hindrances to the effective delivery of humanitarian assistance, including limitations on the delivery of vital goods to the civilian population of Yemen,

Emphasizing the necessity of discussion by the Committee established pursuant to paragraph 19 of resolution 2140 (2014) ("the Committee"), of the recommendations contained in the Panel of Experts reports,

Determining that the situation in Yemen continues to constitute a threat to international peace and security,

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

1. *Reaffirms* the need for the full and timely implementation of the political transition following the comprehensive National Dialogue Conference, in line with the Gulf Cooperation Council Initiative and Implementation Mechanism, and in accordance with resolutions 2014 (2011), 2051 (2012), 2140 (2014), 2201 (2015), 2204 (2015) 2216 (2015), and 2266 (2016) and with regard to the expectations of the Yemeni people;

2. *Decides* to renew until 26 February 2018 the measures imposed by paragraphs 11 and 15 of resolution 2140 (2014), *reaffirms* the provisions of paragraphs 12, 13, 14 and 16 of resolution 2140 (2015), and *further reaffirms* the provisions of paragraphs 14 to 17 of resolution 2216 (2015);

Designation Criteria

3. *Reaffirms* that the provisions of paragraphs 11 and 15 of resolution 2140 (2014) and paragraph 14 of resolution 2216 (2015) shall apply to individuals or entities designated by the Committee, or listed in the annex to resolution 2216 (2015) as engaging in or providing support for acts that threaten the peace, security or stability of Yemen;

4. *Reaffirms* the designation criteria set out in paragraph 17 of resolution 2140 (2014) and paragraph 19 of resolution 2216 (2015);

Reporting

5. *Decides* to extend until 28 March 2018 the mandate of the Panel of Experts as set out in paragraph 21 of resolution 2140 (2014), and paragraph 21 of

resolution 2216 (2015), *expresses its intention* to review the mandate and take appropriate action regarding the further extension no later than 28 February 2018, and *requests* the Secretary-General to take the necessary administrative measures as expeditiously as possible to re-establish the Panel of Experts, in consultation with the Committee until 28 March 2018 drawing, as appropriate, on the expertise of the members of the Panel established pursuant to resolution 2140 (2014);

6. *Requests* the Panel of Experts to provide a midterm update to the Committee no later than 28 July 2017, and a final report no later than 28 January 2018 to the Security Council, after discussion with the Committee;

7. *Directs* the Panel to cooperate with other relevant expert groups established by the Security Council to support the work of its Sanctions Committees, in particular the Analytical Support and Sanctions Monitoring Team established by resolution 1526 (2004) and extended by resolution 2253 (2015);

8. *Urges* all parties and all Member States, as well as international, regional and subregional organizations to ensure cooperation with the Panel of Experts and *further urges* all Member States involved to ensure the safety of the members of the Panel of Experts and unhindered access, in particular to persons, documents and sites, in order for the Panel of Experts to execute its mandate;

9. *Emphasizes* the importance of holding consultations with concerned Member States, as may be necessary, in order to ensure full implementation of the measures set forth in this resolution;

10. *Calls upon* all Member States which have not already done so to report to the Committee as soon as possible on the steps they have taken with a view to implementing effectively the measures imposed by paragraphs 11 and 15 of resolution 2140 (2014) and paragraph 14 of resolution 2216 (2015) and *recalls* in this regard that Member States undertaking cargo inspections pursuant to paragraph 15 of resolution 2216 (2015) are required to submit written reports to the Committee as set out in paragraph 17 of resolution 2216 (2015);

11. *Recalls* the Informal Working Group on General issues of Sanctions report (S/2006/997) on best practices and methods, including paragraphs 21, 22 and 23 that discuss possible steps for clarifying methodological standards for monitoring mechanisms;

12. *Reaffirms* its intention to keep the situation in Yemen under continuous review and its readiness to review the appropriateness of the measures contained in this resolution, including the strengthening, modification, suspension or lifting of the measures, as may be needed at any time in light of developments;

13. *Decides* to remain actively seized of the matter.

United Nations Sanctions (Yemen) Regulation 2015

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United Nations Sanctions (Yemen) Regulation 2015

Part 1

Preliminary

1. Interpretation

In this Regulation—

arms or related materiel (軍火或相關的物資) includes—

- (a) any weapon, ammunition, military vehicle, military equipment or paramilitary equipment; and
- (b) any spare part for any item specified in paragraph (a);

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;

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 19 of Resolution 2140;

designated entity (指認實體) means—

- (a) an entity specified by the Chief Executive as a designated entity ~~in accordance with~~ under section 31;
- (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 designated person or designated entity ~~in accordance with~~ under section 31; or

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

designated person (指認人士) means—

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

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;

licence (特許) means a licence granted under section ~~9A(1)~~ 9C(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;

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;

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;

prohibited goods (禁制物品) means any arms or related materiel;

relevant entity (有關實體) means—

- (a) an entity specified by the Chief Executive as a relevant entity ~~in accordance with section 30A~~ under section 30B;
- (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 30A~~ under section 30B; or
- (c) an entity owned or controlled by a person or entity 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 30A~~
under section 30B;

relevant person (有關人士) means—

- (a) a person specified by the Chief Executive as a relevant person ~~in accordance with section 30A~~ under section 30B; 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 30A~~ under section 30B;

Resolution 2140 (《第 2140 號決議》) means Resolution 2140 (2014) adopted by the Security Council on 26 February 2014;

Resolution 2216 (《第 2216 號決議》) means Resolution 2216 (2015) adopted by the Security Council on 14 April 2015;

Security Council (安全理事會) means the Security Council of the United Nations.

Part 2

Prohibitions

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

- (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 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 prohibited goods—
 - (a) to, or to the order of, or for the benefit of, a designated person or a designated entity; or
 - (b) to a destination for the purpose of delivery or transfer, directly or indirectly, to, or to the order of, or for the benefit of, a designated person or a designated entity.
- (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 goods concerned were prohibited goods; or
 - (b) that the goods concerned were or were to be supplied, sold or transferred—
 - (i) to, or to the order of, or for the benefit of, a designated person or a designated entity; or
 - (ii) to a destination for the purpose of delivery or transfer, directly or indirectly, to, or to the order of, or for the benefit of, a designated person or a designated entity.

3. Prohibition against carriage of certain goods

- (1) This section applies to—
- (a) a ship that is registered in the HKSAR;
 - (b) a ship that is not registered in the HKSAR and is within the waters of Hong Kong;
 - (c) an aircraft that is registered in the HKSAR;
 - (d) an aircraft that is not registered in the HKSAR and is within Hong Kong air space;
 - (e) 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
 - (f) a vehicle in the HKSAR.

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- (2) Without limiting section 2, a ship, aircraft or vehicle must not be used for the carriage of any prohibited goods if the carriage is, or forms part of, a carriage—
- (a) to, or to the order of, or for the benefit of, a designated person or a designated entity; or
 - (b) to a destination for the purpose of delivery or transfer, directly or indirectly, to, or to the order of, or for the benefit of, a designated person or a designated entity.
- (3) If a ship, aircraft or vehicle is used in contravention of subsection (2), each of the following persons commits an offence—
- (a) for a ship registered in the HKSAR—the charterer, the operator and the master of the ship;
 - (b) 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) for an aircraft registered in the HKSAR—the charterer, the operator and the pilot in command of the aircraft;
 - (d) for any other aircraft—

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- (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) for a vehicle—the operator and the driver of the vehicle.
- (4) A person who commits an offence under subsection (3) 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 goods concerned were prohibited goods; or
 - (b) that the carriage of the goods concerned was, or formed part of, a carriage—
 - (i) to, or to the order of, or for the benefit of, a designated person or a designated entity; or
 - (ii) to a destination for the purpose of delivery or transfer, directly or indirectly, to, or to the order of,

or for the benefit of, a designated person or a designated entity.

4. Prohibition against provision of certain assistance or training

- (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 provide, directly or indirectly, to a designated person or a designated entity any technical assistance, training, financial or other assistance, related to military activities or to the provision, maintenance or use of any prohibited goods, including the provision of armed mercenary personnel.
- (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 assistance or training concerned was or was to be provided to a designated person or a designated entity; or

- (b) that the assistance or training concerned related to military activities or to the provision, maintenance or use of any prohibited goods.

~~5A. — Prohibition against making available funds, etc. or dealing with funds, etc.~~¹

- ~~(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) — Except under the authority of a licence —~~
- ~~(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 belonging to, or owned or controlled 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 belonging to, or owned or controlled by, the first-mentioned person.~~
- ~~(3) — A person who contravenes subsection (2) commits an offence and is liable —~~

¹ Repealed as expired.

- ~~(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 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 belonging to, or owned or controlled by, a relevant person or a relevant entity.~~
- ~~(5) A person is not to be regarded as having contravened subsection (2) by reason only of having credited an account belonging to, or owned or controlled 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.~~

5B. 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.
- (2) Except under the authority of a licence—
 - (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 belonging to, or owned or controlled 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 belonging to, or owned or controlled by, the first-mentioned person.
- (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 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 belonging to, or owned or controlled by, a relevant person or a relevant entity.

(5) A person is not to be regarded as having contravened subsection (2) by reason only of having credited an account belonging to, or owned or controlled 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.~~

~~**7A. — Prohibition against entry or transit by certain persons²**~~

~~(1) Subject to section 7B, 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) a person designated by the Committee for the purposes of paragraph 15 of Resolution 2140; or~~

~~(b) a person listed in the Annex to Resolution 2216.~~

~~**7B. — Exceptions to prohibition against entry or transit by certain persons³**~~

~~Section 7A does not apply to a case in respect of which —~~

~~(a) the Committee has determined that the relevant entry into or transit through the HKSAR is justified on the~~

² ~~Repealed as expired.~~

³ ~~Repealed as expired.~~

~~ground of humanitarian need, including religious obligation;~~

- ~~(b) the relevant entry or transit is necessary for the fulfilment of a judicial process;~~
- ~~(c) the Committee has determined that the relevant entry or transit would further the objectives of peace and national reconciliation in Yemen; or~~
- ~~(d) the relevant entry or transit is required to advance peace and stability in Yemen.~~

7C. Prohibition against entry or transit by certain persons

- ~~(1) Subject to section 7D, 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) a person designated by the Committee for the purposes of paragraph 15 of Resolution 2140; or~~
 - ~~(b) a person listed in the Annex to Resolution 2216.~~

7D. Exceptions to prohibition against entry or transit by certain persons

~~Section 7C does not apply to a case in respect of which—~~

- ~~(a) the Committee has determined that the relevant entry or transit is justified on the ground of humanitarian need, including religious obligation;~~

-
- (b) the relevant entry or transit is necessary for the fulfilment of a judicial process;
 - (c) the Committee has determined that the relevant entry or transit would further the objectives of peace and national reconciliation in Yemen; or
 - (d) the relevant entry or transit is required to advance peace and stability in Yemen.
-

Part 3A

Licence

~~9A. — Licence for making available funds, etc. to certain persons or entities or dealing with funds, etc. of certain persons or entities⁴~~

~~(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 belonging to, or owned or controlled by, a relevant person or a relevant entity.~~

~~(2) — The requirements 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;~~

~~(ii) — exclusively for the payment of reasonable professional fees or reimbursement of incurred expenses associated with the provision of legal services under the law of the HKSAR; or~~

⁴ Repealed as expired.

- ~~— (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 belonging to, or owned or controlled 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 26 February 2014 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 to be used for making payment due under a contract entered into by a person or entity before the date on which the person or entity became a relevant person or a relevant entity, 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, the Chief Executive must cause the Committee to be notified of the determination 10 working days before granting the licence.~~

~~**9B. Provision of false information or documents for purpose of obtaining licences⁵**~~

- ~~— (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~~

⁵ Repealed as expired.

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

9C. 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 belonging to, or owned or controlled by, a relevant person or a relevant entity.

(2) The requirements 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;

(ii) exclusively for the payment of reasonable professional fees or reimbursement of incurred expenses associated with the provision of legal services under the law of the HKSAR; 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 belonging to, or owned or controlled 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 26 February 2014 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 to be used for making payment due under a contract entered into by a person or entity before the date on which the person or entity became a relevant person or a relevant entity, 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, the Chief Executive must cause the Committee to be notified of the determination 10 working days before granting the licence.

9D. 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.

Part 4

Things Done outside HKSAR

10. 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.
-

Part 5

Enforcement of Regulation

Division 1—Investigation, etc. of Suspected Ships

11. Investigation of suspected ships

- (1) If an authorized officer has reason to suspect that a ship to which section 3 applies has been, is being or is about to be used in contravention of section 3(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 applies is being or is about to be used in contravention of section 3(2), the officer may, for the purpose of stopping or preventing the use of the ship in contravention of section 3(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.

12. Offences by charterer, operator or master of ship

- (1) A charterer, operator or master of a ship who disobeys any direction given under section 11(2)(a), or, without reasonable excuse, refuses or fails to comply with a request made under section 11(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 11(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.

13. Power of authorized officers to enter and detain ships

- (1) Without limiting section 12, if an authorized officer has reason to suspect that a request that has been made under section 11(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

14. Investigation of suspected aircraft

- (1) If an authorized officer has reason to suspect that an aircraft to which section 3 applies has been, is being or is about to be used in contravention of section 3(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.

15. 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 14(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 14(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.

16. Power of authorized officers to enter and detain aircraft

- (1) Without limiting section 15, if an authorized officer has reason to suspect that a request that has been made under section 14(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

17. 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), 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.

18. 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 17(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 17(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.

19. Power of authorized officers to enter and detain vehicles

- (1) Without limiting section 18, if an authorized officer has reason to suspect that a request that has been made under section 17(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

20. Production of proof of identity

Before or on exercising a power conferred by section 11, 13, 14, 16, 17 or 19, 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

21. 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.

22. Seized articles, etc. liable to forfeiture

- (1) If an authorized officer intends to apply to a magistrate or judge under section 23 for an order for forfeiture of any document, cargo or article seized under section 21(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.

23. 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, maintenance or use of any prohibited goods, or that the seized cargo or article is prohibited goods, 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 22(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.

24. Detention of documents, cargoes or articles seized

- (1) Subject to subsection (2), any document, cargo or article seized under section 21(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.
-

Part 7

Disclosure of Information or Documents

25. 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 Yemen 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.
-

Part 8

Other Offences and Miscellaneous Matters

26. 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.

27. 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.

28. 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.

29. 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.

~~30A. Specification of relevant person or relevant entity by Chief Executive⁶~~

~~The Chief Executive may, by notice published in the Gazette, specify as a relevant person or a relevant entity (as appropriate) —~~

- ~~— (a) a person or an entity designated by the Committee for the purposes of paragraph 11 of Resolution 2140; or~~
- ~~— (b) a person listed in the Annex to Resolution 2216.~~

30B. 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 (as appropriate) —

- (a) a person or an entity designated by the Committee for the purposes of paragraph 11 of Resolution 2140; or
- (b) a person listed in the Annex to Resolution 2216.

⁶ Repealed as expired.

31. Specification of designated person or designated entity by Chief Executive

The Chief Executive may, by notice published in the Gazette, specify as a designated person or a designated entity (as appropriate)—

- (a) a person or an entity designated by the Committee for the purposes of paragraph 20(d) of Resolution 2216;
- (b) a person named in paragraph 14 of Resolution 2216; or
- (c) a person listed in the Annex to Resolution 2216.

32. 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.
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Part 9

Duration

~~34. **Duration**⁷~~

~~Sections 5A, 7A, 7B, 9A, 9B and 30A expire at midnight on 26 February 2017.~~

35. **Duration**

Sections 5B, 7C, 7D and 9C expire at midnight on 26 February 2018.

⁷ Repealed as spent.

Explanatory Note

The purpose of this Regulation is to give effect to certain decisions in Resolution 2342 (2017) as adopted by the Security Council of the United Nations on 23 February 2017 by providing for the prohibition against—

- (a) making available to, or for the benefit of, certain persons or entities any funds or other financial assets or economic resources;
- (b) dealing with funds or other financial assets or economic resources belonging to, or owned or controlled by, certain persons or entities; and
- (c) entry into or transit through the HKSAR by certain persons.

United Nations Sanctions (Yemen) Regulation 2015 (Amendment) Regulation 2017

Information on Yemen

Country Background

Yemen is an Arab country in Western Asia^{Note 1}. It is bordered by Saudi Arabia to the north, the Red Sea to the west, the Gulf of Aden and Arabian Sea to the south, and Oman to the east. With its capital in Sana'a, Yemen has a total area of 527,968 sq. km. and an estimated population of around 27.478 million in 2014. It had a GDP of US\$37.13 billion (or HK\$287.91 billion) in 2014^{Note 2}.

United Nations Sanctions against Yemen

2. The United Nations has been facilitating Yemen's political transition since 2011, when the country was on the brink of civil war, and fighting killed and wounded hundreds. In April 2011, President Ali Abdullah Saleh refused to sign a Gulf Cooperation Council initiative, leading to continued political deadlock. In November 2011, face-to-face negotiations between the ruling party and the opposition, facilitated by the United Nations Special Advisor on Yemen, led to the signing of a Transition Agreement in Riyadh on 23 November 2011. A further milestone was marked on 21 February 2012, when presidential elections transferred power to the then Vice-President Abed Rabbu Mansour Hadi in a largely peaceful environment with high voter participation. A National Unity Government was formed under the leadership of Prime Minister Mohamed Basendwa. 18 March 2013 saw the successful launching of Yemen's National Dialogue Conference, representing all Yemeni constituencies.

3. Challenges persist, however, in spite of the relative stability in Yemen. They range from longstanding conflicts in the North and South to Al-Qaida-linked terrorism and armed groups, and from targeted killings of military officials and politicians to attacks on infrastructure and systemic obstruction. The economy is suffering decline, and the humanitarian situation thus remains extremely grave. Nearly half the population is food insecure with no access to clean water and other basic services. A quarter of a million children are severely malnourished^{Note 3}.

Note 1 At present, there is not a definite list of Belt and Road countries, but Yemen is usually regarded as one of the countries along the Belt and Road.

Note 2 Source: World Statistics Pocket Book published by the United Nations Statistics Division at http://unstats.un.org/unsd/pocketbook/World_Statistics_Pocketbook_2016_edition.pdf

Note 3 Source: The website of the Office of the Special Adviser to the United Nations Secretary-General on Yemen at <https://osasgy.unmissions.org/background>

4. Unanimously adopting resolution 2140 on 26 February 2014, the Security Council of the United Nations (“UNSC”) encouraged all Yemeni constituencies to continue their active and constructive engagement in the country’s political transition. The UNSC condemned the growing number of attacks carried out or sponsored by Al-Qaida in the Arabian peninsula, and expressed concern over reported serious human rights abuses and violence against civilians. Determining that the situation in Yemen constitutes a threat to international peace and security in the region, the UNSC decided to impose year-long financial sanctions and travel ban against Yemen. On 14 April 2015, the UNSC adopted resolution 2216 to impose arms embargo against designated persons and entities. On 23 February 2017, the UNSC further adopted resolution 2342 to renew until 26 February 2018 the financial sanctions and travel ban imposed by resolution 2140.

Trade Relation between Hong Kong and Yemen

5. In 2016, Yemen ranked 137th among Hong Kong’s trading partners in the world, with a total trade of HK\$145 million. Of these, HK\$14 million worth of trade were exports to Yemen, and HK\$131.4 million imports. Hong Kong’s trade with Yemen are summarised as follows –

Hong Kong’s Trade with Yemen [Value in HK\$ (in million)]		
Item	2015	2016
(a) Total Exports to Yemen	10.9	14.0
(i) Domestic exports	- ^{Note 4}	1.5 ^{Note 5}
(ii) Re-exports	10.9 ^{Note 6}	12.5 ^{Note 7}
(b) Imports from Yemen	98.9 ^{Note 8}	131.4 ^{Note 9}
Total Trade [(a) + (b)]	109.8	145.4

^{Note 4} In 2015, there was no domestic export to Yemen.

^{Note 5} In 2016, Hong Kong’s major domestic export items to Yemen included plastics in non-primary forms (62.0%); and non-ferrous metals (38.0%).

^{Note 6} In 2015, Hong Kong’s major re-export items to Yemen included electrical machinery, apparatus and appliances, and electrical parts thereof (27.7%); telecommunications and sound recording and reproducing apparatus and equipment (25.4%); and office machines and automatic data processing machines (14.1%).

^{Note 7} In 2016, Hong Kong’s major re-export items to Yemen included telecommunications and sound recording and reproducing apparatus and equipment (34.4%); power generating machinery and equipment (18.6%); and electrical machinery, apparatus and appliances, and electrical parts thereof (13.1%).

^{Note 8} In 2015, Hong Kong’s major import items from Yemen were fish, crustaceans, molluscs and aquatic invertebrates, and preparations thereof (80.2%).

^{Note 9} In 2016, Hong Kong’s major import items from Yemen were fish, crustaceans, molluscs and aquatic invertebrates, and preparations thereof (98.0%).

In 2016, HK\$11.96 million worth of goods, or 0.1%^{Note 10} of the total trade between Yemen and the Mainland, were routed through Hong Kong. Of these, HK\$0.18 million worth of goods were re-exports of Yemen origin to the Mainland via Hong Kong. The remaining HK\$11.79 million were re-exports of Mainland origin to Yemen via Hong Kong.

6. The sanctions against Yemen imposed by UNSC would unlikely affect the trade between Hong Kong and Yemen notably, as the major categories of commodities traded are not related to arms or related items. In addition, given the rather small trade volume between the two places, the sanctions against Yemen imposed by UNSC would unlikely have any significant effect on the Hong Kong economy.

Commerce and Economic Development Bureau
May 2017

^{Note 10} The percentage is an estimate with reference to China's Customs Statistics and Hong Kong Trade Statistics. Since two different sets of data are involved, the calculated percentage is solely indicative.