

2012 No. 3066

OVERSEAS TERRITORIES

**The Democratic People's Republic of Korea (Sanctions)
(Overseas Territories) Order 2012**

(Legal Notice 13 of 2018)

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| <i>Made</i> | - - - - | <i>12th December 2012</i> |
| <i>Laid before Parliament</i> | | <i>19th December 2012</i> |
| <i>Coming into force</i> | - - | <i>9th January 2013</i> |

At the Court at Buckingham Palace, the 12th day of December 2012

Present,

The Queen's Most Excellent Majesty in Council

Under Article 41 of the Charter of the United Nations the Security Council of the United Nations has, by resolutions adopted on 14th October 2006 and 12th June 2009, called upon Her Majesty's Government in the United Kingdom to apply certain measures to give effect to decisions of that Council in relation to the Democratic People's Republic of Korea:

Her Majesty, in exercise of the powers conferred on Her by section 1 of the United Nations Act 1946(a), section 112 of the Saint Helena Act 1833(b), the British Settlements Acts 1887 and 1945(c), and all of the other powers enabling Her to do so, is pleased, by and with the advice of Her Privy Council, to order as follows:

Citation, commencement, extent and revocation

1.—(1) This Order may be cited as the Democratic People's Republic of Korea (Sanctions) (Overseas Territories) Order 2012.

(2) It comes into force on 9th January 2013.

(3) It extends to the territories listed in Schedule 1.

(4) The North Korea (United Nations Measures) (Overseas Territories) Order 2006(d) is revoked.

Application of the Order

2.—(1) This Order applies to—

(a) 1946 c.45.

(b) 1833 c.85.

(c) 1887 c.54 and 1945 c.7.

(d) S.I. 2006/3327. In accordance with section 17 of the Interpretation Act 1978 (c.30), any licence granted under S.I. 2006/3327 which was in effect immediately before the coming into force of this Order will continue to have effect as if it were a licence granted under this Order.

- (a) any person in the Territory,
 - (b) any person elsewhere who is—
 - (i) a British citizen, a British overseas territories citizen, a British Overseas citizen, a British subject, a British National (Overseas) or a British protected person and is ordinarily resident in the Territory, or
 - (ii) a body incorporated or constituted under the law of any part of the Territory, and
 - (c) any person onboard a ship or aircraft that is registered in the Territory.
- (2) Article 7(3), 7(5) and paragraph 3 of Schedule 2 also apply to any relevant person mentioned in those provisions (and for this purpose “relevant person” has the meaning given in article 7(7) and (8)).
- (3) Article 17 applies to—
- (a) the Sovereign Base Areas of Akrotiri and Dhekelia as set out in Schedule 3,
 - (b) the Falkland Islands and South Georgia and the South Sandwich Islands subject to the modification set out in Schedule 4, and
 - (c) St Helena, Ascension and Tristan da Cunha as set out in Schedule 5.
- (4) Article 18 applies to the Sovereign Base Areas of Akrotiri and Dhekelia as set out in Schedule 3.
- (5) In the application of this Order to any territory listed in Schedule 1, the expression “the Territory” in this Order means that territory.

Interpretation

3.—(1) In this Order, unless otherwise provided—

“aircraft” means a fixed wing, swivel wing, rotary wing, tilt rotor or tilt wing airborne vehicle or helicopter;

“assistance” means any form of assistance, including advice, training, technical assistance, financing and financial assistance, investment services, brokering services or other services, and the transfer of financial resources and services;

“brokering services” means—

- (a) the negotiation or arrangement of transactions for the purchase, sale or supply of goods and technology or of financial and technical services, including from a third country to any other third country, or
- (b) the selling or buying of goods and technology or of financial and technical services, including where they are located in third countries for their transfer to another third country;

“commander”, in relation to an aircraft, means the member of the flight crew designated as commander of the aircraft by the operator of the aircraft, or, if there is no operator, the person who is for the time being the pilot in command of the aircraft;

“the Council Regulation” means Council Regulation (EU) No. 329/2007 adopted by the Council of the European Union on 27th March 2007^(a) concerning restrictive measures in respect of North Korea;

“designated person” means any person, entity or body listed in Annex IV or V to the Council Regulation;

“document” includes information recorded in any form, and in relation to information recorded otherwise than in legible form, references to its production include references to producing a copy of the information in legible form;

(a) O.J. L.88 29.3.2007, p.1, as amended by Council Regulation (EU) Nos. 1283/2009, 567/2010 and 1355/2011.

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

“export” includes shipment as stores;

“exportation” in relation to any ship or aircraft, includes taking the ship or aircraft out of the Territory, whether or not it is conveying goods or passengers or moving under its own power, and cognate expressions are to be construed accordingly;

“financing and financial assistance”, in relation to the provision of assistance related to restricted goods, includes in particular grants, loans and export credit insurance for any sale, supply, transfer or export of restricted goods;

“frozen account” means an account with a relevant institution which is held or controlled (directly or indirectly) by a designated person;

“funds” means financial assets and benefits of every kind, including (but not limited to)—

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

“goods” includes items, materials and equipment;

“Governor” means the Governor or other officer administering the Government of the Territory;

“insurance” means an undertaking or commitment where a natural or legal person is obliged, in return for a payment, to provide another person, in the event of materialisation of a risk, with an indemnity or a benefit as determined by the undertaking or commitment;

“luxury goods” means luxury goods listed in Annex III to the Council Regulation;

“master”, in relation to a ship, includes any persons for the time being in charge of the ship;

“North Korea” means the Democratic People’s Republic of Korea;

“officer”, in relation to a body corporate, means a director, manager, secretary or other similar officer of the body corporate or any person who has purported to act in any such capacity;

“operator”, in relation to an aircraft or vehicle, means the person for the time being having the management of the aircraft or vehicle;

“owner”, in relation to a ship, where the owner is not the operator, means the operator and any person to whom it is chartered;

“person” means any natural or legal person, entity or body;

“relevant institution” means—

- (a) any person who may lawfully accept deposits in or from within the Territory by way of business, or
- (b) any society established lawfully in the Territory whose principal purpose is the making of loans secured on residential property where such loans are funded substantially by its members;

“restricted goods” means—

- (a) the goods, software and technology specified in Schedule 2 to the Export Control Order 2008^(a),
- (b) so far as not covered by paragraph (a), the goods, software and technology specified in the Common Military List of the European Union^(b) as amended from time to time, and
- (c) the goods, software and technology listed in Annexes I and Ia to the Council Regulation;

“ship” includes every description of vessel used in navigation;

“ship supply services” means the provision to a ship of bunker oil or any other supply, provision or service, other than basic provisions for the crew, to facilitate a voyage by that ship;

“shipment” includes loading into an aircraft;

“stores” means goods for use in a ship or aircraft and includes fuel and spare parts and other articles of equipment, whether or not for immediate fitting, but excludes any goods for use in a ship or aircraft as merchandise for sale by retail to persons carried in them;

“technical assistance” means any technical support related to repairs, development, manufacture, assembly, testing, maintenance, or any other technical service, and may take forms such as instruction, advice, training, transmission of working knowledge or skills or consulting services, including verbal forms of assistance;

“the Territory” has the meaning given in article 2(5);

“transfer” in relation to funds means—

- (a) any transaction carried out on behalf of a payer through a payment service provider by electronic means, with a view to making funds available to a payee at a payment service provider, regardless of whether the payer and the payee are the same person, or
- (b) any transaction by non-electronic means such as in cash, cheques or accountancy orders, with a view to making funds available to a payee regardless of whether the payer and payee are the same person;

“vehicle” means land transport vehicle.

(2) For the purpose of the definition of “relevant institution” in paragraph (1)—

- (a) the activity of accepting deposits has the meaning given by section 22 of the Financial Services and Markets Act 2000^(c), taken with Schedule 2 to that Act and any order under section 22 of that Act, and
- (b) a person is not regarded as accepting deposits by way of business if—
 - (i) the person does not hold himself or herself out as accepting deposits on a day to day basis, and
 - (ii) any deposits which the person accepts are accepted only on particular occasions, whether or not involving the issue of any securities.

(3) In determining for the purposes of paragraph (2)(b) whether deposits are accepted only on particular occasions, regard is to be had to the frequency of those occasions and to any characteristics distinguishing them from each other.

(4) An expression used both in this Order and in the Council Regulation has the meaning given in the Council Regulation.

(5) A reference in this Order to any enactment (including legislation of the European Union) or statutory instrument is to be construed as a reference to that enactment or instrument as amended from time to time.

(a) S.I. 2008/3231.
 (b) O.J. C. 85 22.3.2012, p.1.
 (c) 2000 c.8.

PART 1

Freezing funds etc.

Dealing with funds and economic resources

4.—(1) It is an offence for a person (“P”), including the designated person, to deal with funds or economic resources belonging to, or owned, held or controlled by, a designated person if P knows, or has reasonable cause to suspect, that P is dealing with such funds or economic resources.

(2) In paragraph (1), “deal with” means—

(a) in relation to funds—

(i) use, alter, move, allow access to or transfer,

(ii) deal with the funds in any other way that would result in a 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 relation to economic resources, use to obtain funds, goods or services in any way, including by selling, hiring or mortgaging the resources.

(3) It is an offence for a person (“P”) to make funds or economic resources available (directly or indirectly) to a designated person if P knows, or has reasonable cause to suspect, that—

(a) P is making the funds or economic resources so available, and

(b) in the case of economic resources, the designated person would be likely to exchange them, or use them in exchange, for funds, goods or services.

(4) It is an offence for a person (“P”) to make funds or economic resources available (directly or indirectly) to any person for the benefit of a designated person if P knows, or has reasonable cause to suspect, that P is making the funds or economic resources so available.

(5) For the purposes of paragraph (4)—

(a) funds or economic resources are made available for the benefit of a designated person only if that person obtains, or is able to obtain, a significant financial benefit from the funds or economic resources, and

(b) “financial benefit” includes the discharge of a financial obligation for which the designated person is wholly or partly responsible.

(6) No liability arises for any person concerned in the freezing of funds or economic resources in accordance with this article unless it is proved that the funds or economic resources were frozen or withheld as a result of negligence.

(7) This article is subject to articles 5 and 11.

Credits to a frozen account

5.—(1) Nothing in article 4 prevents a person from crediting a frozen account with—

(a) interest or other earnings due on the account, or

(b) payments due under contracts, agreements or obligations that were concluded or arose before the account became a frozen account.

(2) Nothing in article 4 prevents a relevant institution from crediting a frozen account where it receives funds transferred to the account.

Information relating to funds etc.

6.—(1) The Governor must take such steps as the Governor considers appropriate to cooperate with any international investigation relating to the funds, economic resources or financial transactions of—

(a) a designated person,

- (b) a person owned or controlled by a designated person, or
 - (c) a person acting on behalf of, or at the direction of, a designated person.
- (2) A relevant institution must inform the Governor as soon as practicable if it knows or suspects that a customer—
- (a) is a designated person, or
 - (b) has committed an offence under article 4 or 11(10).
- (3) When informing the Governor under paragraph (2), the relevant institution must state—
- (a) the information or other matter on which the knowledge or suspicion is based,
 - (b) any information it holds about the customer by which the customer can be identified, and
 - (c) if the customer is a designated person, the nature and amount or quantity of any funds or economic resources held by the relevant institution for the customer since the customer first became a designated person.
- (4) A relevant institution must inform the Governor as soon as practicable if it credits a frozen account in accordance with article 5(1)(b) or (2).
- (5) It is an offence for a relevant institution to fail to comply with a requirement of paragraph (2), (3) or (4).
- (6) Anything done by a relevant institution in accordance with this article is not to be treated as a breach of any restriction imposed by statute or otherwise.
- (7) For the purposes of this article, “customer”, in relation to a relevant institution, includes—
- (a) a person who is or has been a customer of the institution at any time since the coming into force of this Order, or
 - (b) a person with whom the institution has had dealings in the course of its business since the coming into force of this Order.

PART 2

Restricted goods etc.

Providing, obtaining or carrying restricted goods or luxury goods

- 7.—(1) It is an offence for a person to knowingly sell, supply, transfer or export (directly or indirectly) restricted goods—
- (a) to any person in North Korea, or
 - (b) for use in North Korea.
- (2) It is an offence for a person to knowingly obtain restricted goods from North Korea, regardless of whether the goods originated in North Korea.
- (3) It is an offence for a relevant person to knowingly use a ship, aircraft or vehicle falling within paragraph (6) for the carriage of restricted goods if the carriage is, or forms part of, carriage—
- (a) from any place outside North Korea to any destination in North Korea, or
 - (b) from any place in North Korea to any destination outside North Korea.
- (4) It is an offence for a person to knowingly sell, supply, transfer or export (directly or indirectly) luxury goods—
- (a) to any person in North Korea, or
 - (b) for use in North Korea.

(5) It is an offence for a relevant person to knowingly use a ship, aircraft or vehicle falling within paragraph (6) for the carriage of luxury goods if the carriage is, or forms part of, carriage from any place outside North Korea to any destination in North Korea.

(6) The following fall within this paragraph—

- (a) a ship, aircraft or vehicle within the Territory,
- (b) a ship or aircraft registered in the Territory, or
- (c) any other ship or aircraft that is for the time being chartered to a person mentioned in article 2(1)(a) or (b).

(7) A “relevant person”, in relation to a ship, aircraft or vehicle falling within paragraph (6)(a) or (b), means—

- (a) the owner or master of the ship,
- (b) the charterer, operator or commander of the aircraft, or
- (c) the driver or operator of the vehicle.

(8) A “relevant person”, in relation to a ship or aircraft falling within paragraph (6)(c) means—

- (a) the charterer of the ship or aircraft, or
- (b) the master of the ship, or operator of the aircraft, if the master or operator is a person mentioned in article 2(1)(a) or (b).

(9) Paragraphs (3) and (5) are without prejudice to any other provision of law prohibiting or restricting the use of ships, aircraft or vehicles.

(10) Schedule 2 (which contains provision about customs powers and investigations in relation to offences under this article) has effect.

(11) This article is subject to article 11.

Providing assistance related to restricted goods

8.—(1) It is an offence for a person to knowingly provide (directly or indirectly) assistance relating to the sale, supply, transfer or export of restricted goods —

- (a) to any person in North Korea, or
- (b) for use in North Korea.

(2) It is an offence for a person to knowingly provide (directly or indirectly) assistance relating to the maintenance, manufacture or use of restricted goods—

- (a) by any person in North Korea, or
- (b) for use in North Korea.

(3) This article is subject to article 11.

Obtaining assistance related to restricted goods

9.—(1) It is an offence for a person to knowingly obtain (directly or indirectly) assistance relating to the sale, supply, transfer or export of restricted goods —

- (a) from any person in North Korea, or
- (b) for use in North Korea.

(2) It is an offence for a person to knowingly obtain (directly or indirectly) assistance relating to the maintenance, manufacture or use of restricted goods—

- (a) from any person in North Korea, or
- (b) for use in North Korea

(3) This article is subject to article 11.

Providing ship supply services

10.—(1) It is an offence for a person (“P”) to provide ship supply services to any ship registered in North Korea where P knows, or has reasonable grounds to suspect, that the ship is carrying restricted goods or luxury goods the carriage of which is prohibited by article 7(3) or (5).

(2) No offence is committed under paragraph (1) if the provision of ship supply services is necessary for humanitarian purposes.

PART 3

General

Licences granted by the Governor

11.—(1) The Governor may, with the consent of the Secretary of State, grant a licence authorising an activity that would otherwise be prohibited under article 4 or 7 to 9.

(2) A person is not guilty of an offence under article 4 or 7 to 9 in respect of anything done by the person under the authority of a licence granted by the Governor.

(3) A licence may, in particular, relate to—

- (a) Non-combat vehicles which have been manufactured or fitted with materials to provide ballistic protection, intended solely for protective use of personnel of the European Union and its member States in North Korea;
- (b) payment of basic expenses of designated persons and their dependent family members, including payments for foodstuffs, rent or mortgage, medicines, medical treatment, taxes, insurance premiums and public utility charges;
- (c) payment of reasonable professional fees and expenses associated with the provision of legal services;
- (d) payment of fees or service charges for the routine holding or maintenance of frozen funds or economic resources;
- (e) payment of necessary extraordinary expenses;
- (f) satisfaction of a judicial, administrative or arbitral lien or judgment entered into prior to the date on which this Order comes into force and not for the benefit of a designated person.

(4) A licence must specify the acts authorised by it and may be—

- (a) general or granted to a category of persons or to a particular person,
- (b) subject to conditions, and
- (c) of indefinite duration or subject to an expiry date.

(5) The Governor may, with the consent of the Secretary of State, vary or revoke a licence at any time.

(6) On the grant, variation or revocation of a licence, the Governor must—

- (a) in the case of a licence granted to a particular person, give written notice of the grant, variation or revocation to that person, and
- (b) in the case of a general licence or a licence granted to a category of persons, take such steps as the Governor considers appropriate to publicise the grant, variation or revocation of the licence.

(7) Any notice to be given to a person by the Governor under paragraph (6) may be given—

- (a) by posting it to the person’s last known address, or
- (b) where the person is a body corporate, partnership or unincorporated body other than a partnership, by posting it to the registered or principal office in the Territory of the body or partnership.

(8) Where the Governor does not have an address in the Territory for the person, the Governor must make arrangements for the notice to be given to the person at the first available opportunity.

(9) Failing to comply with any condition in the licence is acting in a way that is not authorised by the licence unless—

- (a) the licence was modified after the completion of the act authorised by the licence, and
- (b) the alleged failure to comply with a condition in the licence would not have been a failure if the licence had not been so modified.

(10) It is an offence for a person to knowingly or recklessly make any statement or give any document or information which is false in a material particular for the purpose of obtaining a licence.

(11) A licence granted in connection with the application for which the false statement was made or the false document or information given is void from the time it was granted.

Licences granted outside the Territory

12. A person is not guilty of an offence under article 4 or 7 to 10 in respect of anything done by the person—

- (a) outside the Territory, and
- (b) under the authority of a licence granted in accordance with any provisions of the law in force in the place where it is done corresponding to the provisions of this Order.

Requirement to publish list of designated persons and restricted goods

13.—(1) The Governor must—

- (a) publish a list of designated persons and restricted goods, and
- (b) keep the list up to date.

(2) The Governor may publish a list under paragraph (1) in any form the Governor considers appropriate, including by means of a website.

Evidence and information

14. Schedule 6 (which contains further provisions about obtaining evidence and information) has effect.

Functions of the Governor

15.—(1) The Governor may, to such extent and subject to such restrictions and conditions as the Governor thinks proper, delegate or authorise the delegation of any of the Governor's functions under this Order to any person, or class or description of persons.

(2) References in this Order to the Governor are to be construed accordingly.

(3) The Governor may by regulations specify in the currency of the Territory the amount which is to be taken as equivalent to sums expressed in sterling in this Order.

Circumvention and contravention of prohibitions

16. It is an offence for a person to intentionally participate in an activity, knowing that the object or effect of the activity is (directly or indirectly)—

- (a) to circumvent any of the prohibitions in articles 4 or 7 to 10, or
- (b) to enable or facilitate the contravention of any such prohibition.

Penalties

17.—(1) A person guilty of an offence under article 4, 7, 8, 9, 10 or 16 is liable—

- (a) on conviction on indictment, to imprisonment for a term not exceeding seven years or to a fine or to both; or
 - (b) on summary conviction, to imprisonment for a term not exceeding six months or to a fine not exceeding £5,000 or its equivalent or to both.
- (2) A person guilty of an offence under article 6 or 11(10), paragraph 2(2)(b) or paragraph 3(6)(b) or (c) of Schedule 2, or paragraph 3(b), (c) or (d) of Schedule 6 is liable—
- (a) on conviction on indictment, to imprisonment for a term not exceeding two years or to a fine or to both; or
 - (b) on summary conviction, to imprisonment for a term not exceeding six months or to a fine not exceeding £5,000 or its equivalent or to both.
- (3) A person guilty of an offence under paragraph 3(6)(a) of Schedule 2, or paragraph 3(a) or paragraph 5 of Schedule 6 is liable on summary conviction to imprisonment for a term not exceeding six months or to a fine not exceeding £5,000 or its equivalent or to both.
- (4) A person guilty of an offence under paragraph 1, 2(2)(a) or 2(5) of Schedule 2 is liable on summary conviction to a fine not exceeding £5,000 or its equivalent.
- (5) If an offence under this Order committed by a body corporate is shown—
- (a) to have been committed with the consent or connivance of an officer of the body corporate, or
 - (b) to be attributable to any neglect on the part of an officer of the body corporate,
- the officer as well as the body corporate is guilty of an offence and is liable to be proceeded against and punished accordingly.

Proceedings

- 18.**—(1) Proceedings against a person for an offence may be taken before the appropriate court in the Territory having jurisdiction in the place where that person is for the time being.
- (2) Summary proceedings for an offence alleged to have been committed outside the Territory may be instituted within the period of 12 months beginning with the date on which the person charged first enters the Territory after committing the offence.
- (3) Proceedings for an offence must not be instituted in the Territory except with the consent of the principal public officer of the Territory responsible for criminal prosecutions.
- (4) Nothing in paragraph (3) prevents—
- (a) the arrest, or the issue or execution of a warrant for the arrest, of any person in respect of an offence, or
 - (b) the remand in custody or on bail of any person charged with an offence.
- (5) A reference in this article to an offence is to an offence under this Order.

Richard Tilbrook
Clerk of the Privy Council

SCHEDULE 1

Article 1(3)

Territories to which this Order extends

Anguilla

British Antarctic Territory

British Indian Ocean Territory
Cayman Islands
Falkland Islands
Montserrat
Pitcairn, Henderson, Ducie and Oeno Islands
St Helena, Ascension and Tristan da Cunha
South Georgia and the South Sandwich Islands
The Sovereign Base Areas of Akrotiri and Dhekelia in the Island of Cyprus
Turks and Caicos Islands
Virgin Islands

SCHEDULE 2

Article 7

Customs powers and investigations

Power to demand evidence of destination of restricted goods or luxury goods

1.—(1) An authorised officer may require a person who exports or carries restricted goods or luxury goods from the Territory to provide proof to the officer's satisfaction that the goods have reached an authorised destination.

(2) For the purposes of sub-paragraph (1), "an authorised destination" means a destination to which the exportation or carriage of the goods is—

- (a) authorised by a licence granted by the Governor under article 11, or
- (b) not otherwise prohibited under this Order.

(3) It is an offence for a person ("P") to fail to comply with a requirement under sub-paragraph (1), unless P proves that the goods reached a destination other than an authorised destination without P's consent or connivance.

Requirement for declaration as to carriage of restricted goods or luxury goods: power to search persons

2.—(1) An authorised officer may require a person who is about to leave the Territory ("P") to—

- (a) declare whether P is carrying restricted goods or luxury goods destined for North Korea or for delivery (directly or indirectly) to, or to the order of, any person in North Korea, and
- (b) produce any such goods that P is carrying.

(2) It is an offence for P to—

- (a) fail without reasonable excuse to comply with a requirement under sub-paragraph (1), or
- (b) knowingly or recklessly make a declaration which is false in a material particular.

(3) An authorised officer may search P for the purpose of finding out whether P is carrying restricted goods or luxury goods.

(4) A search under sub-paragraph (3) must be carried out by a person of the same sex as P.

(5) It is an offence for P to fail without reasonable excuse to comply with a request to be searched under sub-paragraph (3).

Investigation of suspected ships, aircraft or vehicles

3.—(1) Where an authorised officer reasonably suspects that a ship, aircraft or vehicle has been, is being, or is about to be used in the commission of an offence under article 7(3) or (5), the officer may—

- (a) stop and enter it;
- (b) search it;
- (c) require the relevant person to provide such information relating to the ship, aircraft or vehicle and any goods it is carrying, and produce for inspection such documents and goods, as the officer may specify;
- (d) in relation to a ship, require the relevant person to do anything mentioned in sub-paragraph (2);
- (e) in relation to an aircraft or vehicle, require the relevant person to keep the aircraft or vehicle and any goods it is carrying in the Territory until notified by an authorised officer that it may depart.

(2) Further to sub-paragraph (1)(d), the officer may require the relevant person to do any of the following—

- (a) stop the ship from proceeding with the voyage on which it is engaged, or about to engage, until notified by an authorised officer that it may proceed;
- (b) not land any part of the ship's cargo at any port specified by the officer, except with the officer's consent;
- (c) if the ship is in port in the Territory, cause it to remain there until notified by an authorised officer that it may depart;
- (d) if the ship is in any other place, take it to a port specified by the officer and keep it there until notified by an authorised officer that it may depart.

(3) The officer may take such steps as appear necessary to carry out a search under sub-paragraph (1)(b), or secure compliance with a requirement under sub-paragraph (1)(c), (d) or (e), including in particular—

- (a) entering any land,
- (b) using reasonable force, and
- (c) detaining the ship, aircraft or vehicle and any goods it is carrying.

(4) The officer may seize any restricted goods or luxury goods from the ship, aircraft or vehicle.

(5) Any restricted goods or luxury goods seized may be forfeited, disposed of or transferred as appropriate.

(6) It is an offence for a relevant person to—

- (a) fail without reasonable excuse to comply with a requirement under sub-paragraph (1)(c), (d) or (e),
- (b) knowingly or recklessly provide information or a document which is false in a material particular in response to a requirement under sub-paragraph (1)(c), or
- (c) otherwise intentionally obstruct an authorised officer, or a person acting under the officer's authority, in the exercise of any power conferred by this paragraph.

Exercise of customs powers: general

4.—(1) Any power exercisable by an authorised officer under this Schedule may be exercised by a person acting under the officer's authority.

(2) An authorised officer, or a person acting under the officer's authority, must, if requested to do so, produce evidence of his or her authority before exercising any power conferred by this Schedule.

(3) Any power conferred by this Schedule to require information, or produce for inspection a document or goods, includes a power to specify the form in which the information or document should be given, and the period within which the information, document or goods should be provided or produced for inspection.

(4) An authorised officer may exercise any power conferred by paragraph 3 in relation to—

- (a) any ship within the seaward limits of the territorial sea of the Territory,
- (b) a ship registered in the Territory while it is on the high seas, or
- (c) any aircraft or vehicle in the Territory.

(5) But a power conferred by paragraph 3 may not be exercised in relation to a ship falling within sub-paragraph (6) unless—

- (a) in the case of a ship falling only within sub-paragraph (6)(a), the Territory is entitled under international law to exercise the power without the consent of the flag state, or
- (b) in any other case, the Governor, with the consent of the Secretary of State, has authorised the exercise of the power.

(6) A ship falls within this sub-paragraph if it is—

- (a) a ship flying the flag of, or registered in, a State or territory other than the Territory,
- (b) a warship that belongs to a government of a State or territory other than the Territory, or
- (c) any other ship that is being used by such a government only for non-commercial purposes.

(7) The Governor may authorise the exercise of a power under sub-paragraph (5)(b) only if the flag state has consented to the Territory exercising the power (whether generally or in relation to the ship in question).

(8) In giving such authority, the Governor must impose such conditions or limitations on the exercise of the power as are necessary to give effect to any conditions or limitations imposed by the flag state.

(9) This Schedule is without prejudice to any other provision of law conferring powers, imposing restrictions or enabling restrictions to be imposed in respect of ships, aircraft or vehicles.

Interpretation

5. In this Schedule—

“authorised officer” means—

- (a) a commissioned naval or military officer,
- (b) a police or customs officer, or
- (c) a person authorised by the Governor for the purposes of this Schedule, whether generally or in a particular case;

“high seas” means seas that are not within the seaward limits of—

- (a) the territorial sea of the Territory, or
- (b) the territorial sea adjacent to a State or territory outside the Territory;

“relevant person” has the meaning given in article 7(7) and (8).

SCHEDULE 3

Article 2

Application of Articles 17 and 18 to the Sovereign Base Areas of Akrotiri and Dhekelia in the Island of Cyprus

1. A person guilty of an offence under article 4, 7, 8, 9, 10 or 16 is liable on conviction to imprisonment for a term not exceeding seven years or to a fine or to both.

2. A person guilty of an offence under article 6 or 11(10), paragraph 2(2)(b) or paragraph 3(6)(b) or (c) of Schedule 2, or paragraph 3(b), (c) or (d) of Schedule 6 is liable on conviction to imprisonment for a term not exceeding two years or to a fine or to both.

3. A person guilty of an offence under paragraph 3(6)(a) of Schedule 2 or paragraph 3(a) or paragraph 5 of Schedule 6 is liable on conviction to imprisonment for a term not exceeding three months or to a fine not exceeding £5,000 or its equivalent or to both.

4. A person guilty of an offence under paragraph 1, 2(2)(a) or 2(5) of Schedule 2 is liable on conviction to a fine not exceeding £5,000 or its equivalent.

5. If an offence under this Order committed by a body corporate is shown—

(a) to have been committed with the consent or connivance of an officer of the body corporate, or

(b) to be attributable to any neglect on the part of an officer of the body corporate,

the officer as well as the body corporate is guilty of the offence and is liable to be proceeded against and punished accordingly.

6. Proceedings against a person for an offence under this Order may be taken before the appropriate court in the Territory having jurisdiction in the place where that person is for the time being.

7. Proceedings for an offence under this Order must not be instituted in the Territory except with the consent of the Attorney General and Legal Adviser.

8. Nothing in paragraph 7 prevents—

(a) the arrest, or the issue or execution of a warrant for the arrest, of any person in respect of an offence, or

(b) the remand in custody or on bail of any person charged with an offence.

SCHEDULE 4

Article 2

Application of Article 17 to the Falkland Islands and to South Georgia and the South Sandwich Islands

1. This Schedule applies when the Magistrates' Court is sentencing a person following a summary conviction for an offence under this Order.

2. Any penalties which would be available to the Magistrates' Court under article 17 on conviction on indictment for the offence are available to the Court as if they were penalties so available on summary conviction.

SCHEDULE 5

Article 2

Application of Article 17 to St Helena, Ascension and Tristan da Cunha

1. A person guilty of an offence under article 4, 7, 8, 9, 10 or 16 is liable on conviction to imprisonment for a term not exceeding seven years or to a fine or to both.
2. A person guilty of an offence under article 6 or 11(10), paragraph 2(2)(b) or paragraph 3(6)(b) or (c) of Schedule 2 or paragraph 3(b), (c) or (d) of Schedule 6 is liable on conviction to imprisonment for a term not exceeding two years or to a fine or to both.
3. A person guilty of an offence under paragraph 3(6)(a) of Schedule 2 or paragraph 3(a) or paragraph 5 of Schedule 6 is liable on conviction to imprisonment for a term not exceeding three months or to a fine not exceeding £5,000 or its equivalent or to both.
4. A person guilty of an offence under paragraph 1, 2(2)(a) or 2(5) of Schedule 2 is liable on conviction to a fine not exceeding £5,000 or to its equivalent.
5. If an offence under this Order committed by a body corporate is shown—
 - (a) to have been committed with the consent or connivance of an officer of the body corporate, or
 - (b) to be attributable to any neglect on the part of an officer of the body corporate,the officer as well as the body corporate is guilty of the offence and is liable to be proceeded against and punished accordingly.

SCHEDULE 6

Article 14

Evidence and information

Power to require information or documents

1. —(1) An authorised officer may request any person in, or resident in, the Territory to provide any information or produce any document in the person's possession or control which the officer may require for the purpose of—
 - (a) securing compliance with, or detecting evasion of, this Order,
 - (b) obtaining evidence of the commission of an offence under this Order,
 - (c) establishing the nature and amount or quantity of any funds or economic resources owned, held or controlled by a designated person,
 - (d) establishing the nature of any financial transactions entered into by a designated person, or
 - (e) cooperating with any international investigation in accordance with article 6(1).(2) When exercising the power in sub-paragraph (1), an authorised officer may—
 - (a) take copies of or extracts from any document so produced,
 - (b) request any person producing a document to give an explanation of it, and
 - (c) where that person is a body corporate, request any person who is a present or past officer or employee of the body corporate to give such an explanation.(3) Any person to whom a request is made must comply with it within such time and in such manner as may be specified in the request.
(4) Nothing in this paragraph is to be taken to require any person who has acted as counsel or solicitor for any person to disclose any privileged information or document in the person's possession in that capacity.

Powers of search and entry to obtain evidence or information

2.—(1) A justice of the peace may grant a search warrant if satisfied by information on oath that—

- (a) there are reasonable grounds for suspecting that—
 - (i) an offence under this Order has been or is being committed, or
 - (ii) information or a document requested by an authorised officer under paragraph 1 has not been provided or produced; and
- (b) evidence of the commission of the offence, or the information or document so requested, is to be found on a ship, aircraft, vehicle or premises specified in the information.

(2) A search warrant issued under this paragraph is a warrant empowering an authorised officer to enter and search the ship, aircraft, vehicle or premises specified in the information, at any time within one month from the date of the warrant.

(3) An authorised officer who enters and searches a ship, aircraft, vehicle or premises under a warrant issued under this paragraph may—

- (a) take such other persons and such equipment on to the ship, aircraft, vehicle or premises as appear to the officer to be necessary;
- (b) inspect and seize anything found in the course of a search if the officer reasonably suspects that—
 - (i) it is evidence in relation to an offence under this Order,
 - (ii) it is information or a document requested (but not provided or produced) under paragraph 1, or
 - (iii) it is necessary to seize it in order to prevent it being concealed, lost, damaged, altered or destroyed;
- (c) take copies of any document;
- (d) require information which is stored in an electronic form and is accessible from the premises to be produced in a form in which it can be taken away and in which it is visible and legible (or from which it can readily be produced in a visible and legible form).

(4) An authorised officer may, if necessary, use reasonable force in the exercise of the powers conferred by this paragraph.

(5) Anything seized under sub-paragraph (3) may be retained for so long as is necessary in all the circumstances.

(6) An authorised officer who enters a ship, aircraft, vehicle or premises under a warrant issued under this paragraph, or by virtue of sub-paragraph (3)(a), may—

- (a) search any person found on the ship, aircraft, vehicle or premises whom the officer has reasonable cause to believe to be in possession of anything which may be required as evidence for the purposes of proceedings in respect of an offence under this Order, and
- (b) seize anything found in such a search.

(7) A search of a person under sub-paragraph (6) must be carried out by a person of the same sex.

(8) The powers in this paragraph are without prejudice to the powers in paragraph 3 of Schedule 2.

Offences relating to information etc.

3. It is an offence for a person to—

- (a) without reasonable excuse, refuse or fail within the time and in the manner specified (or, if no time has been specified, within a reasonable time) to comply with any request made under this Schedule,

- (b) knowingly or recklessly give any information, or produce any document, which is false in a material particular in response to such a request,
- (c) destroy, mutilate, deface, conceal or remove any document with intent to evade the provisions of this Schedule, or
- (d) otherwise intentionally obstruct any person in the exercise of that person's powers under this Schedule.

4. Where a person is convicted of an offence under paragraph 3(a), the court may make an order requiring the person, within such period as may be specified in the order, to give the requested information or produce the requested document.

5.—(1) It is an offence for a person to disclose information or a document obtained in accordance with this Order (including a copy or extract made of such a document) except—

- (a) to a person who would have been authorised to request the information or document under this Order;
- (b) to a person holding or acting in any office under or in the service of—
 - (i) the Crown in right of the Government of the United Kingdom,
 - (ii) the Government of the Isle of Man,
 - (iii) the States of Guernsey or Alderney or the Chief Pleas of Sark,
 - (iv) the States of Jersey, or
 - (v) the Government of any British overseas territory;
- (c) for the purpose of giving assistance or cooperation, with the authority of the Governor, to—
 - (i) any organ of the United Nations, or
 - (ii) any person in the service of the United Nations, the Council of the European Union, the European Commission or the government of any State or territory;
- (d) with a view to instituting, or otherwise for the purposes of, any proceedings—
 - (i) in the Territory, for an offence under this Order, or
 - (ii) in the United Kingdom, any of the Channel Islands, the Isle of Man or any British overseas territory (other than the Territory), for an offence under a similar provision in any such jurisdiction;
- (e) to the Financial Services Authority of the United Kingdom or to the relevant authority with responsibility in any other State or territory for regulating and supervising financial services business; or
- (f) to any third party, with the consent of a person who, in the person's own right, is entitled to the information or to possession of the document, copy or extract.

(2) In sub-paragraph (1)(f) "in the person's own right" means not merely in the person's capacity as a servant or agent of another person.

6. An authorised officer must, if requested to do so, produce evidence of his or her authority before exercising any power conferred by this Schedule.

7. In this Schedule "authorised officer" means—

- (a) a police or customs officer, or
- (b) a person authorised by the Governor for the purposes of this Schedule, whether generally or in a particular case.

8. Anything done in accordance with this Schedule is not to be treated as a breach of any restriction imposed by statute or otherwise.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order gives effect in specified Overseas Territories to sanctions in respect of Democratic People's Republic of Korea (DPRK) adopted by the United Nations Security Council in resolutions 1718 (2006) and 1874 (2009). The Order also reflects the implementation of these sanctions by the European Union in Council Decision 2010/800 CFSP (as amended) and Council Regulation (EU) 329/2007 (as amended). This Order revokes and replaces the North Korea (United Nations Measures) (Overseas Territories) Order 2006.

The main provisions of the sanctions in respect of DPRK as reflected in this Order are: a prohibition in respect of the direct or indirect sale, supply or transfer to any person in, or for use, in DPRK of (i) arms and related materiel, (ii) items, materials, equipment, goods and technology which could contribute to DPRK's nuclear-related, ballistic missile-related or other weapons of mass destruction-related programmes or which could contribute to its military activities, (iii) certain dual-use goods and technology, and (iv) luxury goods; a prohibition on the supply to DPRK of certain technical assistance, training, financial and other specified forms of assistance; a prohibition on obtaining arms and other prohibited material as well as related technical assistance, training, financial and other specified forms of assistance from DPRK; a freezing of funds and economic resources owned or controlled by persons or entities designated by the United Nations Security Council or its Committee established pursuant to United Nations Security Council resolution 1718 (2006) or by the European Union; and a prohibition on making funds and economic resources available to such designated persons or entities. Individuals and entities are designated (as specified in United Nations Security Council resolution 1718 (2006)) for being engaged in or providing support for, including through illicit means, DPRK's nuclear-related, other weapons of mass destruction-related and ballistic missile-related programmes.

The sanctions regime also includes a prohibition on the provision of ship supply services, including bunkering, to ships registered in DPRK that are believed to be carrying goods the carriage of which is prohibited by this Order.

The Order makes provision for the Governor to licence certain activities in line with exceptions under the sanctions regime.

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The Democratic People's Republic of Korea (Sanctions)
(Overseas Territories) Order 2012

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2018 No. 179

OVERSEAS TERRITORIES

The Venezuela (Sanctions) (Overseas Territories) Order 2018

(Legal Notice 14 of 2018)

| | | |
|-------------------------------|---------|---------------------------|
| <i>Made</i> | - - - - | <i>8th February 2018</i> |
| <i>Laid before Parliament</i> | | <i>15th February 2018</i> |
| <i>Coming into force</i> | - - | <i>8th March 2018</i> |

At the Court at Buckingham Palace, the 8th day of February 2018

Present,

The Queen's Most Excellent Majesty in Council

Her Majesty, in exercise of the powers conferred on Her by section 112 of the Saint Helena Act 1833(a), the British Settlements Acts 1887 and 1945(b), and all of the other powers enabling Her to do so, is pleased, by and with the advice of Her Privy Council, to order as follows:

Citation, commencement and extent

1.—(1) This Order may be cited as the Venezuela (Sanctions) (Overseas Territories) Order 2018.

(2) It comes into force on 8th March 2018.

(3) It extends to the territories listed in Schedule 1.

Application of the Order

2.—(1) This Order applies to—

(a) any person in the Territory,

(b) any person elsewhere who is—

(i) a British citizen, a British overseas territories citizen, a British Overseas citizen, a British subject, a British National (Overseas) or a British protected person and is ordinarily resident in the Territory, or

(ii) a body incorporated or constituted under the law of any part of the Territory, and

(c) any person onboard a ship or aircraft that is registered in the Territory.

(2) Article 18 applies to the Sovereign Base Areas of Akrotiri and Dhekelia in the Island of Cyprus, the Falkland Islands, South Georgia and the South Sandwich Islands, and St Helena, Ascension and Tristan da Cunha with the modifications specified in Schedule 2.

(a) 1833 c.85.

(b) 1887 c.54 and 1945 c.7.

(3) In the application of this Order to any territory listed in Schedule 1, the expression “the Territory” in this Order means that territory.

Interpretation

3.—(1) In this Order—

“aircraft” means a fixed wing, swivel wing, rotary wing, tilt rotor or tilt wing airborne vehicle or helicopter;

“arms and related materiel” means—

- (a) the goods, software and technology specified in Schedule 2 to the Export Control Order 2008(a), and
- (b) so far as not covered by paragraph (a), the goods, software and technology specified in the Common Military List of the European Union(b) as amended from time to time;

“brokering services” means—

- (a) the negotiation or arrangement of transactions for the purchase, sale or supply of goods and technology or of financial and technical services, including from a third country to any other third country, or
- (b) the selling or buying of goods and technology or of financial and technical services, including where they are located in third countries for their transfer to another third country;

“commander”, in relation to an aircraft, means the member of the flight crew designated as commander of the aircraft by the operator of the aircraft, or, if there is no operator, the person who is for the time being the pilot in command of the aircraft;

“competent authority” means a competent authority of a Member State of the European Union as identified on the websites listed in Annex III to the Council Regulation;

“the Council Decision” means Council Decision (CFSP) 2017/2074 of 13th November 2017 concerning restrictive measures in view of the situation in Venezuela(c);

“the Council Regulation” means Council Regulation (EU) 2017/2063 of 13th November 2017 concerning restrictive measures in view of the situation in Venezuela(d);

“designated person” means any person listed in Annex IV or V to the Council Regulation;

“document” includes information recorded in any form, and in relation to information recorded otherwise than in legible form, references to its production include references to producing a copy of the information in legible form;

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

“equipment which might be used for internal repression” means the equipment specified in Annex I to the Council Regulation;

“export” includes shipment as stores;

“financing and financial assistance” include grants, loans and export credit insurance, insurance and reinsurance;

“frozen account” means an account with a relevant institution which is held or controlled (directly or indirectly) by a designated person;

“funds” means financial assets and benefits of every kind, including—

- (a) cash, cheques, claims on money, drafts, money orders and other payment instruments,

(a) S.I. 2008/3231.

(b) O.J. C. 97, 28.3.2017, p1.

(c) O.J. L. 295, 14.11.2017, p60.

(d) O.J. L. 295, 14.11.2017, p21.

- (b) deposits with relevant institutions or other entities, balances on accounts, debts and debt obligations,
- (c) publicly and privately traded securities and debt instruments, including stocks and shares, certificates representing securities, bonds, notes, warrants, debentures and derivatives contracts,
- (d) interest, dividends or other income on or value accruing from or generated by assets,
- (e) credit, rights of set-off, guarantees, performance bonds or other financial commitments,
- (f) letters of credit, bills of lading and bills of sale,
- (g) documents showing evidence of an interest in funds or financial resources, and
- (h) any other instrument of export financing;

“goods” includes items, materials and equipment;

“Governor” means the Governor or other officer administering the Government of the Territory;

“insurance” means an undertaking or commitment where a person is obliged, in return for a payment, to provide another person, in the event of materialisation of a risk, with an indemnity or a benefit as determined by the undertaking or commitment;

“master”, in relation to a ship, includes any person for the time being in charge of the ship;

“officer”, in relation to a body corporate, means a director, manager, secretary or other similar officer of the body corporate or any person who has purported to act in any such capacity;

“operator”, in relation to an aircraft or vehicle, means the person for the time being having the management of the aircraft or vehicle;

“reinsurance” means the activity consisting in accepting risks ceded by an insurance undertaking or by another reinsurance undertaking or, in the case of the association of underwriters known as Lloyd’s, the activity consisting in accepting risks, ceded by any member of Lloyd’s, by an insurance or reinsurance undertaking other than the association of underwriters known as Lloyd’s;

“relevant institution” means—

- (a) any person who may lawfully accept deposits in or from within the Territory by way of business, or
- (b) any society established lawfully in the Territory whose principal purpose is the making of loans secured on residential property where such loans are funded substantially by its members;

“restricted goods” means—

- (a) arms and related materiel,
- (b) equipment which might be used for internal repression, and
- (c) surveillance equipment;

“ship” includes every description of vessel used in navigation;

“shipment” includes loading into an aircraft;

“stores” means goods for use in a ship or aircraft and includes fuel and spare parts and other articles of equipment, whether or not for immediate fitting, but excludes any goods for use in a ship or aircraft as merchandise for sale by retail to persons carried in them;

“surveillance equipment” means the equipment, technology and software specified in Annex II to the Council Regulation;

“surveillance services” means services that provide, in particular using surveillance equipment, access to and delivery of a person’s incoming and outgoing telecommunications and call-associated data for the purpose of its extraction, decoding, recording, processing, analysis or storing, or any other related activity;

“technical assistance” means any technical support related to repairs, development, manufacture, assembly, testing, maintenance, or any other technical service, and may take

forms such as instruction, advice, training, transmission of working knowledge or skills, or consulting services, including verbal forms of assistance;

“the Territory” has the meaning given in article 2(3);

“transfer”, in relation to funds, means—

- (a) any transaction carried out on behalf of a payer through a payment service provider by electronic means, with a view to making funds available to a payee at a payment service provider, regardless of whether the payer and the payee are the same person, or
- (b) any transaction by non-electronic means such as in cash, cheques or accountancy orders, with a view to making funds available to a payee regardless of whether the payer and payee are the same person;

“vehicle” means land transport vehicle.

(2) For the purpose of the definition of “relevant institution” in paragraph (1)—

- (a) the activity of accepting deposits has the meaning given by section 22 of the Financial Services and Markets Act 2000^(a), taken with Schedule 2 to that Act and any order under section 22 of that Act, and
- (b) a person is not regarded as accepting deposits by way of business if—
 - (i) the person does not hold himself or herself out as accepting deposits on a day to day basis, and
 - (ii) any deposits which the person accepts are accepted only on particular occasions, whether or not involving the issue of any securities.

(3) In determining for the purposes of paragraph (2)(b)(ii) whether deposits are accepted only on particular occasions, regard is to be had to the frequency of those occasions and to any characteristics distinguishing them from each other.

(4) A reference in this Order to any enactment (including legislation of the European Union) or statutory instrument is to be construed as a reference to that enactment or instrument as amended from time to time.

PART 1

Freezing funds etc.

Dealing with funds and economic resources

4.—(1) It is an offence for a person (“P”), including the designated person, to deal with funds or economic resources belonging to, or owned, held or controlled by, a designated person if P knows, or has reasonable cause to suspect, that P is dealing with such funds or economic resources.

(2) In paragraph (1), “deal with” means—

- (a) in relation to funds—
 - (i) use, alter, move, allow access to or transfer,
 - (ii) deal with the funds in any other way that would result in a 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 relation to economic resources, use to obtain funds, goods or services in any way, including by selling, hiring or mortgaging the resources.

(3) It is an offence for a person (“P”) to make funds or economic resources available (directly or indirectly) to a designated person if P knows, or has reasonable cause to suspect, that—

- (a) P is making the funds or economic resources so available, and

^(a) 2000 c.8; section 22 was amended by the Financial Services Act 2012 (c.21), section 7(1).

(b) in the case of economic resources, the designated person would be likely to exchange them, or use them in exchange, for funds, goods or services.

(4) It is an offence for a person (“P”) to make funds or economic resources available (directly or indirectly) to any person for the benefit of a designated person if P knows, or has reasonable cause to suspect, that P is making the funds or economic resources so available.

(5) For the purposes of paragraph (4)—

(a) funds or economic resources are made available for the benefit of a designated person only if that person obtains, or is able to obtain, a significant financial benefit from the funds or economic resources, and

(b) “financial benefit” includes the discharge of a financial obligation for which the designated person is wholly or partly responsible.

(6) No liability arises for any person concerned in the freezing of funds or economic resources in accordance with this article unless it is proved that the funds or economic resources were frozen or withheld as a result of negligence.

(7) This article is subject to articles 5, 11 and 12.

Credits to a frozen account

5.—(1) Nothing in article 4 prevents a person from crediting a frozen account with—

(a) interest or other earnings due on the account,

(b) payments due under contracts, agreements or obligations that were concluded or arose before the account became a frozen account, or

(c) payments due under judicial, administrative or arbitral decisions rendered in the Territory or enforceable in the Territory.

(2) Nothing in article 4 prevents a relevant institution from crediting a frozen account where it receives funds transferred to the account.

Information relating to funds etc.

6.—(1) The Governor must take such steps as the Governor considers appropriate to cooperate with any international investigation relating to the funds, economic resources or financial transactions of—

(a) a designated person,

(b) a person owned or controlled by a designated person, or

(c) a person acting on behalf of, or at the direction of, a designated person.

(2) A relevant institution must inform the Governor as soon as practicable if it knows or suspects that a customer—

(a) is a designated person, or

(b) has committed an offence under article 4 or 11(10).

(3) When informing the Governor under paragraph (2), the relevant institution must state—

(a) the information or other matter on which the knowledge or suspicion is based,

(b) any information it holds about the customer by which the customer can be identified, and

(c) if the customer is a designated person, the nature and amount or quantity of any funds or economic resources held by the relevant institution for the customer since the customer first became a designated person.

(4) A relevant institution must inform the Governor as soon as practicable if it credits a frozen account in accordance with article 5(1)(b) or (c) or (2).

(5) It is an offence for a relevant institution to fail to comply with a requirement of paragraph (2), (3) or (4).

(6) Anything done by a relevant institution in accordance with this article is not to be treated as a breach of any restriction imposed by statute or otherwise.

(7) For the purposes of this article, “customer”, in relation to a relevant institution, includes—

- (a) a person who is or has been a customer of the institution at any time since the coming into force of this Order, and
- (b) a person with whom the institution has had dealings in the course of its business at any time since the coming into force of this Order.

PART 2

Restrictions on goods and services

Arms and related materiel

7.—(1) It is an offence for a person to knowingly—

- (a) sell, supply, transfer or export (directly or indirectly) arms and related materiel to any person in Venezuela,
- (b) provide (directly or indirectly) technical assistance, brokering services or other services relating to arms and related materiel, or to the provision, manufacture, maintenance or use of arms and related materiel, to any person in Venezuela or for use in Venezuela, or
- (c) provide (directly or indirectly) financing or financial assistance relating to arms and related materiel, or to the sale, supply, transfer or export of arms and related materiel, or to the provision of related technical assistance, brokering services or other services, to any person in Venezuela or for use in Venezuela.

(2) It is an offence for a relevant person to knowingly use a ship, aircraft or vehicle falling within paragraph (3) for the carriage of arms and related materiel if the carriage is, or forms part of, carriage from any place to any person in Venezuela.

(3) The following fall within this paragraph—

- (a) a ship, aircraft or vehicle within the Territory,
- (b) a ship or aircraft registered in the Territory, or
- (c) any other ship or aircraft that is for the time being chartered to a person who falls within article 2(1)(a) or (b).

(4) A “relevant person” in relation to a ship, aircraft or vehicle falling within paragraph (3)(a) or (b) means—

- (a) the owner or master of the ship,
- (b) the owner, charterer, operator or commander of the aircraft, or
- (c) the owner, driver or operator of the vehicle.

(5) A “relevant person” in relation to a ship or aircraft falling within paragraph (3)(c) means—

- (a) the charterer of the ship or aircraft, or
- (b) the master of the ship or operator of the aircraft.

(6) Paragraph (2) is without prejudice to any other provision of law prohibiting or restricting the use of ships, aircraft or vehicles.

(7) Paragraphs (1) and (2) do not apply where the—

- (a) sale, supply, transfer or export of arms and related materiel,
- (b) provision of technical assistance, brokering services or other services,
- (c) provision of financing or financial assistance, or
- (d) use of a ship, aircraft or vehicle for the carriage of arms and related materiel,

is carried out pursuant to a contract concluded before 13th November 2017 or to an ancillary contract necessary for the execution of such a contract, provided that the person seeking to perform the contract has provided notice of the contract to the Governor or a competent authority pursuant to article 2 of the Council Decision before 16th March 2018.

(8) Paragraphs (1) and (2) do not apply in respect of protective clothing, including flak jackets and military helmets, which are temporarily exported to Venezuela by persons in the service of the United Nations, persons in the service of the European Union or its Member States, representatives of the media or humanitarian or development workers or associated personnel for their personal use only.

(9) This article is subject to articles 11 and 12.

Providing assistance relating to military activities

8.—(1) It is an offence for a person to knowingly—

- (a) provide (directly or indirectly) technical assistance, brokering services or other services relating to military activities to any person in Venezuela or for use in Venezuela, or
- (b) provide (directly or indirectly) financing or financial assistance relating to military activities, or for the provision of technical assistance, brokering services or other services relating to military activities, to any person in Venezuela or for use in Venezuela.

(2) Paragraph (1) does not apply where the—

- (a) technical assistance, brokering services or other services, or
- (b) financing or financial assistance,

is provided pursuant to a contract concluded before 13th November 2017 or to an ancillary contract necessary for the execution of such a contract, provided that the person seeking to perform the contract has provided notice of the contract to the Governor or a competent authority pursuant to article 2 of the Council Decision before 16th March 2018.

Equipment which might be used for internal repression

9.—(1) It is an offence for a person to knowingly—

- (a) sell, supply, transfer or export (directly or indirectly) equipment which might be used for internal repression to any person in Venezuela or for use in Venezuela,
- (b) provide (directly or indirectly) technical assistance, brokering services or other services related to equipment which might be used for internal repression to any person in Venezuela or for use in Venezuela, or
- (c) provide (directly or indirectly) financing or financial assistance related to equipment which might be used for internal repression to any person in Venezuela or for use in Venezuela.

(2) It is an offence for a relevant person to knowingly use a ship, aircraft or vehicle falling within paragraph (3) for the carriage of equipment which might be used for internal repression if the carriage is, or forms part of, carriage from any place to any person in Venezuela.

(3) The following fall within this paragraph—

- (a) a ship, aircraft or vehicle within the Territory,
- (b) a ship or aircraft registered in the Territory, or
- (c) any other ship or aircraft that is for the time being chartered to a person who falls within article 2(1)(a) or (b).

(4) A “relevant person” in relation to a ship, aircraft or vehicle falling within paragraph (3)(a) or (b) means—

- (a) the owner or master of the ship,
- (b) the owner, charterer, operator or commander of the aircraft, or
- (c) the owner, driver or operator of the vehicle.

(5) A “relevant person” in relation to a ship or aircraft falling within paragraph (3)(c) means—

- (a) the charterer of the ship or aircraft, or
- (b) the master of the ship or operator of the aircraft.

(6) Paragraph (2) is without prejudice to any other provision of law prohibiting or restricting the use of ships, aircraft or vehicles.

(7) Paragraphs (1) and (2) do not apply in respect of protective clothing, including flak jackets and military helmets, which are temporarily exported to Venezuela by persons in the service of the United Nations, persons in the service of the European Union or its Member States, representatives of the media or humanitarian or development workers or associated personnel for their personal use only.

(8) This article is subject to articles 11 and 12.

Surveillance equipment and surveillance services

10.—(1) It is an offence for a person to knowingly—

- (a) sell, supply, transfer or export (directly or indirectly) surveillance equipment to any person in Venezuela or for use in Venezuela,
- (b) provide (directly or indirectly) technical assistance or brokering services relating to surveillance equipment, or relating to the installation, provision, manufacture, maintenance or use of the equipment and technology specified in Annex II to the Council Regulation, or to the provision, installation, operation or updating of any software specified in that Annex, to any person in Venezuela or for use in Venezuela,
- (c) provide (directly or indirectly) financing or financial assistance relating to surveillance equipment to any person in Venezuela or for use in Venezuela, or
- (d) provide surveillance services to, or for the direct or indirect benefit of, the Government of Venezuela, its public bodies, corporations or agencies, or any person or entity acting on their behalf or at their direction.

(2) This article is subject to articles 11 and 12.

PART 3

General

Licences granted by the Governor

11.—(1) The Governor may, with the consent of the Secretary of State, grant a licence authorising an activity that would otherwise be prohibited under article 4, 7, 9 or 10.

(2) A person is not guilty of an offence under article 4, 7, 9 or 10 in respect of anything done by the person under the authority of a licence granted by the Governor.

(3) A licence may relate to—

- (a) payment of basic expenses of designated persons and their dependent family members, including payments for foodstuffs, rent or mortgage, medicines, medical treatment, taxes, insurance premiums and public utility charges;
- (b) payment of reasonable professional fees and expenses associated with the provision of legal services;
- (c) payment of fees or service charges for the routine holding or maintenance of frozen funds or economic resources;
- (d) payment of necessary extraordinary expenses;
- (e) satisfaction of an arbitral decision rendered before the date on which the designated person was so designated, or satisfaction of a judicial or administrative decision;

- (f) payment due under a contract or agreement concluded by, or an obligation that arose before, the date on which the designated person was so designated provided that the payment is not for the benefit of a designated person;
 - (g) equipment which the Governor has determined is intended solely for humanitarian or protective use, or for institution-building programmes of the United Nations or the European Union or its Member States or of regional and sub-regional organisations;
 - (h) material which the Governor has determined is intended for crisis management operations of the United Nations or the European Union or of regional and sub-regional organisations;
 - (i) demining equipment and materiel which the Governor has determined is for use in demining operations;
 - (j) the maintenance of non-lethal equipment where the Governor has determined that the equipment is intended for use by the navy and coastguard of Venezuela solely for the purpose of border protection, regional stability or the interception of narcotics;
 - (k) surveillance equipment or surveillance services, provided that the Governor has determined that the surveillance equipment or surveillance services would not be used for internal repression by the Government of Venezuela, its public bodies, corporations or agencies, or any person or entity acting on their behalf or at their direction.
- (4) A licence must specify the acts authorised by it and may be—
- (a) general or granted to a category of persons or to a particular person,
 - (b) subject to conditions, and
 - (c) of indefinite duration or subject to an expiry date.
- (5) The Governor may, with the consent of the Secretary of State, vary or revoke a licence at any time.
- (6) On the grant, variation or revocation of a licence, the Governor must—
- (a) in the case of a licence granted to a particular person, give written notice of the grant, variation or revocation to that person, and
 - (b) in the case of a general licence or a licence granted to a category of persons, take such steps as the Governor considers appropriate to publicise the grant, variation or revocation of the licence.
- (7) Any notice to be given to a person by the Governor under paragraph (6) may be given—
- (a) by posting it to the person's last known address, or
 - (b) where the person is a body corporate, partnership or unincorporated body other than a partnership, by posting it to the registered or principal office in the Territory of the body or partnership.
- (8) Where the Governor does not have an address in the Territory for the person, the Governor must make arrangements for the notice to be given to the person at the first available opportunity.
- (9) Failing to comply with any condition in the licence is acting in a way that is not authorised by the licence unless—
- (a) the licence was modified after the completion of the act authorised by the licence, and
 - (b) the alleged failure to comply with a condition in the licence would not have been a failure if the licence had not been so modified.
- (10) It is an offence for a person to knowingly or recklessly make any statement or give any document or information which is false in a material particular for the purpose of obtaining a licence.
- (11) A licence granted in connection with the application for which the false statement was made or the false document or information given is void from the time it was granted.

Licences granted outside the Territory

12. A person is not guilty of an offence under article 4, 7, 9 or 10 in respect of anything done by the person—

- (a) outside the Territory, and
- (b) under the authority of a licence granted in accordance with any provisions of the law in force in the place where it is done corresponding with the provisions of this Order.

Claims for indemnity or under contract

13.—(1) No claim in connection with any contract or transaction the performance of which has been affected, directly or indirectly, in whole or in part, by this Order shall be enforced if it is made by—

- (a) a designated person, or
- (b) a person acting through or on behalf of a designated person.

(2) Paragraph (1) applies in particular to any claim for indemnity or any other claim of this type, such as a claim for compensation or a claim under guarantee (including a financial guarantee or indemnity).

(3) In any proceedings for the enforcement of such a claim, the burden of proof that the claim is not prohibited is on the person seeking to enforce that claim.

Requirement to publish list of designated persons and restricted goods

14.—(1) The Governor must—

- (a) publish a list of designated persons and restricted goods, and
- (b) keep the list up to date.

(2) The Governor may publish a list under paragraph (1) in any form the Governor considers appropriate, including by means of a website.

Evidence and information

15. Schedule 3 contains further provision about obtaining evidence and information.

Functions of the Governor

16.—(1) The Governor may, to such extent and subject to such restrictions and conditions as the Governor thinks proper, delegate or authorise the delegation of any of the Governor's functions under this Order to any person, or class or description of persons.

(2) References in this Order to the Governor are to be construed accordingly.

(3) The Governor may by regulations specify in the currency of the Territory the amount which is to be taken as equivalent to sums expressed in sterling in this Order.

Circumvention and contravention of prohibitions

17. It is an offence for a person to intentionally participate in an activity, knowing that the object or effect of the activity is (directly or indirectly)—

- (a) to circumvent any of the prohibitions in article 4, 7, 8, 9 or 10, or
- (b) to enable or facilitate the contravention of any such prohibition.

Penalties

18.—(1) A person guilty of an offence under article 4, 7, 8, 9, 10 or 17 is liable—

- (a) on conviction on indictment, to imprisonment for a term not exceeding seven years or to a fine or to both, or
 - (b) on summary conviction, to imprisonment for a term not exceeding six months or to a fine not exceeding £5,000 or its equivalent or to both.
- (2) A person guilty of an offence under article 6(5) or 11(10), or paragraph 4(b), (c) or (d) of Schedule 3 is liable—
- (a) on conviction on indictment, to imprisonment for a term not exceeding two years or to a fine or to both, or
 - (b) on summary conviction, to imprisonment for a term not exceeding six months or to a fine not exceeding £5,000 or its equivalent or to both.
- (3) A person guilty of an offence under paragraph 4(a) or 6 of Schedule 3 is liable on summary conviction to imprisonment for a term not exceeding six months or to a fine not exceeding £5,000 or its equivalent or to both.
- (4) If an offence under this Order committed by a body corporate is shown—
- (a) to have been committed with the consent or connivance of an officer of the body corporate, or
 - (b) to be attributable to any neglect on the part of an officer of the body corporate,
- the officer as well as the body corporate is guilty of an offence and is liable to be proceeded against and punished accordingly.
- (5) This article is subject to article 2(2) and the modifications specified in Schedule 2.

Proceedings

- 19.**—(1) Proceedings against a person for an offence may be taken before the appropriate court in the Territory having jurisdiction in the place where that person is for the time being.
- (2) Summary proceedings for an offence alleged to have been committed outside the Territory may be instituted within the period of 12 months beginning with the date on which the person charged first enters the Territory after committing the offence.
- (3) Proceedings for an offence must not be instituted in the Territory except with the consent of the principal public officer of the Territory responsible for criminal prosecutions.
- (4) Nothing in paragraph (3) prevents—
- (a) the arrest, or the issue or execution of a warrant for the arrest, of any person in respect of an offence, or
 - (b) the remand in custody or on bail of any person charged with an offence.
- (5) A reference in this article to an offence is to an offence under this Order.

Richard Tilbrook
Clerk of the Privy Council

SCHEDULE 1

Article 1(3)

Territories to which this Order extends

Anguilla

British Antarctic Territory

British Indian Ocean Territory

Cayman Islands