



SNAPSHOT

DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA (NORTH KOREA)

SANCTIONS FRAMEWORK

Why are sanctions imposed?

In 2006, the United Nations Security Council (UNSC) adopted a resolution imposing sanctions in relation to the Democratic People's Republic of Korea (DPRK) in response to the DPRK's nuclear test on 9 October 2006. The sanctions framework has been amended and extended by subsequent UNSC resolutions, in response to further DPRK nuclear and missiles tests.

Australia implements UNSC sanctions by incorporating them into Australian law. In addition, since 2006 Australia has imposed autonomous sanctions in relation to the DPRK, which complement the UNSC sanctions. The autonomous sanctions were imposed in response to Australia's concerns about the nature of the DPRK's nuclear, weapons of mass destruction (WMD) and proliferation programs.

What is prohibited by the DPRK sanctions framework?

The DPRK sanctions framework imposes the following sanctions measures:

Measure	UNSC	Autonomous
restrictions on the export or supply of certain goods	✓	-
restrictions on the import or purchase of certain goods	✓	-
restrictions on the export or provision of certain services	✓	✓
restrictions on the import or purchase of certain services	✓	-
restrictions on commercial and other activities	✓	✓
restrictions regarding vessels	✓	-
restrictions on providing assets to designated persons or entities	✓	✓
restrictions on dealing with the assets of designated persons or entities	✓	✓
travel bans on listed persons	✓	✓
power with respect to vessels	✓	✓

Restrictions on the export or supply of certain goods

Medicine and food are the only goods which may be exported, supplied, sold or transferred to the DPRK without restriction.

It is prohibited to supply, sell or transfer to the DPRK (directly or indirectly) all other goods unless authorised.

Certain goods are 'specified export sanctioned goods' and authorisation for their supply, sale or transfer will require either notification to, approval of, or an exemption by the United Nations Security Council DPRK sanctions committee. Such goods include (not an exhaustive list):

- arms or related matériel
- new helicopters
- vessels
- aviation fuel
- condensates and natural gas liquids, refined petroleum products, crude oil
- metals, industrial machinery, transportation vehicles (that fall under certain Harmonised System codes)
- certain luxury goods on a list made by Australia's Minister for Foreign Affairs, such as alcohol and cosmetics
- certain items relevant to nuclear, ballistic missiles and other weapons of mass destruction-related programs.

Arms or related matériel includes, but is not limited to, weapons, ammunition, military vehicles and equipment, and spare parts and accessories for any of those things. It also includes paramilitary equipment. While each case will be considered individually, goods on the [Defence and Strategic Goods List](#) are likely to be considered arms or related matériel. Depending on the context, end user and end use, other goods may also be considered arms or related matériel.

Restrictions on the import or purchase of certain goods

Medicine and food (other than food that is 'specified import sanctioned goods' as described below) are the only goods that may be procured or received from the DPRK, or from a person or entity in the DPRK, without restriction.

It is prohibited to procure or receive all other goods from the DPRK unless authorised.

Certain goods are 'specified import sanctioned goods' and authorisation for their procurement, receipt or transport will require either notification to, approval of, or an exemption by, the United Nations Security Council DPRK sanctions committee.

Such goods include (not an exhaustive list):

- arms or related matériel
- certain items relevant to nuclear, ballistic missiles and other weapons of mass destruction-related programs
- gold, titanium ore, vanadium ore or rare earth minerals
- copper, nickel, silver zinc, coal, iron, iron ore, lead, lead ore



- statues
- seafood (including fish, crustaceans, molluscs and other aquatic invertebrates)
- textiles (including fabrics and partially or fully completed apparel)
- certain food and agricultural products, machinery, electrical equipment, earth and stone, wood and vessels (that fall under particular Harmonised System codes).

Restrictions on commercial and other activities

It is prohibited to transfer any financial or other assets or resources (including gold) to a person if the transfer could contribute to the DPRK's nuclear or ballistic missile programs, its other WMD programs or to an activity prohibited by sanctions.

The DPRK sanctions framework prohibits certain forms of commercial activity which relate to:

- a financial institution based in the DPRK
- a branch or subsidiary of a DPRK-based financial institution, and
- a financial institution controlled by an entity or person based in the DPRK

(collectively, '**DPRK FIs**').

Prohibited commercial activity includes (not an exhaustive list):

- selling an interest in an Australian financial institution to a DPRK FI
- entering into an agreement related to a DPRK FI opening an office, branch or subsidiary in Australia.
- establishing, maintaining or operating a joint venture or cooperative entity (however described) with a DPRK person or entity (including by those acting at the direction or on behalf of, or owned or controlled by, such a person or entity).

The sanctions prohibit Australian financial institutions from engaging in certain conduct including (not an exhaustive list):

- entering into a joint venture or establishing a correspondent banking relationship with a DPRK FI
- opening an office, branch or subsidiary in the DPRK
- opening or maintaining a bank account with a DPRK FI.

Australia's autonomous sanctions also prohibit certain forms of commercial activity in relation to extractive or related industries in the DPRK, and with persons and entities engaged in, or related to, such industries including (not an exhaustive list):

- obtaining, or using any asset for the purposes of obtaining, a tenement or permission in relation to such an industry or connected to infrastructure associated with such an industry
- the acquisition or extension of an interest in a person or entity described above
- the establishment of a joint venture, partnership or other business relationship with a person or entity described above
- the granting of a financial loan or credit with a person or entity described above

Additionally, sanctions prohibit involvement by DPRK persons and entities in Australia's extractive or related industries (including by those acting at the direction or on behalf of such a person or entity, or an entity owned or controlled by such an entity).

Restrictions on the export and import of certain services

The provision of certain services to or by the DPRK is also restricted. It is prohibited to (not an exhaustive list):

- provide certain services for the benefit of the DPRK which relate to the supply of, or to the manufacture, maintenance or use of:
 - arms or related matériel, or
 - certain items relevant to nuclear, ballistic missiles and other weapons of mass destruction-related programs.
- provide certain services which could contribute to the proliferation of sensitive nuclear activities or the development of nuclear weapon delivery systems in the DPRK
- lease or charter an Australian aircraft or ship to the DPRK or to a person who is a resident or national of the DPRK
- transport import or export sanctioned goods (see 'Restrictions on the export or supply of goods' and 'Restrictions on the import or purchase of goods', above)
- provide investment services which relate to sanctioned commercial activities (see 'Restrictions on commercial and other activities' above)
- provide brokering or intermediary services, including those relating to the provision, maintenance or use of export sanctioned goods (see 'Restrictions on the export or supply of goods' above)
- provide financial services that could contribute to:
 - an activity prohibited by sanctions, or
 - the DPRK's nuclear or ballistic missile programs or its other WMD programs
- provide any service to Air Koryo
- crew a ship or aircraft used to provide a service to the DPRK
- provide financial support for the purpose of trade with the DPRK (including for the trade of food and medicine)
- procure from the DPRK certain services related to the provision, manufacture, maintenance or use of arms or related matériel
- engage in sanctioned scientific or technical cooperation with persons sponsored by or representing the DPRK
- procure fishing rights, directly or indirectly, from the DPRK.

Restrictions regarding vessels

The sanctions framework prohibits a range of conduct related to DPRK vessels. The prohibited activities include the following (not an exhaustive list):

- providing a bunkering service (meaning the provision of fuel, supplies or other servicing) to a DPRK vessel
- registering a vessel in the DPRK
- owning, leasing, chartering, or operating a DPRK vessel
- insuring a DPRK vessel
- providing a classification service to, or insuring or reinsuring, a vessel with a DPRK link where that vessel's Australian shipping registration has been cancelled.

Restrictions on providing assets to designated persons and entities

The UNSC and Australia's Minister for Foreign Affairs have designated persons and entities for targeted financial sanctions. It is prohibited to directly or indirectly make an asset available to (or for the benefit of) a designated person or entity.

Restrictions on dealing with the assets of designated persons or entities (requirement to freeze assets)

It is prohibited to use or deal with an asset, or allow or facilitate another person to use or deal with an asset owned or controlled by a designated person or entity (the assets are 'frozen' and cannot be used or dealt with). The prohibition on 'dealing' with assets includes using, selling or moving assets. 'An 'asset' includes an asset or property of any kind, whether tangible or intangible, movable or immovable.

Go to the [Consolidated List](#) to search the names of designated persons and entities.

If you become aware that you are holding an asset of a designated person or entity, you are required to freeze (hold) that asset and notify the AFP as soon as possible.

Travel bans

Most people designated for the DPRK sanctions framework are prohibited from travelling to or entering Australia.

Power with respect to vessels

The law requires the Minister for Foreign Affairs to direct a vessel not to enter any port or place in Australia if the Minister has reasonable grounds to believe:

- the vessel is owned or controlled by a designated individual or entity, or
- the vessel contains cargo the supply, sale, transfer or export of which is prohibited by a UNSC resolution.

Under the autonomous sanctions, the Minister may also designate a vessel as a sanctioned vessel for the DPRK even if the vessel is not owned, registered or flagged by the DPRK. Such a designation means that the Minister for Foreign Affairs can direct a designated vessel to leave Australia or not enter a particular port or place, or any port or place, in Australia.

What measures are imposed under Australia's autonomous sanctions?

The majority of the sanction measures outlined above give effect to UNSC resolutions. Those which are imposed under Australia's autonomous sanctions framework cover the:

- provision of services to Air Koryo
- provision of services and commercial activity provided in relation to an extractive or related industry
- imposition of targeted financial sanctions and travel bans on designated persons and entities
- designation of vessels and the issuing of directions to such vessels.

Sanctions Permit Criteria

The Minister for Foreign Affairs may grant sanctions permit to allow an activity that would otherwise be prohibited under this framework provided the activity meets certain criteria. This criterion is set out in the [Charter of the United Nations \(Sanctions – Democratic People's Republic of Korea\) Regulations 2008](#) and the [Autonomous Sanctions Regulations 2011](#) and other associated DPRK regulations (see Relevant Legislation below to access links to these regulations).

You should familiarise yourself with relevant regulations and get your own legal advice if you think your proposed activity may be affected by sanctions and may meet the criteria for a permit. Go to [Sanctions Permits](#) for information on permits, including how to apply.

Permits for UNSC sanctions

The circumstances in which the Foreign Minister may grant a permit for UNSC sanctioned activity under this framework is detailed in the Charter of the United Nations (Sanctions – Democratic People's Republic of Korea) Regulations 2008. In addition to meeting specific criteria outlined in these regulations, the Foreign Minister may need to notify or receive the approval of the UNSC DPRK Sanctions Committee before granting sanctions permit. Where required, ASO will assist the Foreign Minister to notify or seek approval from the UNSC DPRK Sanctions Committee as part of the permit application process.

The following sanctioned activities will require either advance approval of, or advance notification to, the UNSC DPRK Sanctions Committee by the Foreign Minister, in order for the Foreign Minister to grant a permit:

- making an asset available to a designated person or entity: regulation 14
- using or dealing with a controlled asset: regulation 14
- export or supply of aviation fuel, new helicopters, and vessels: regulation 14B(2)
- supply, sale or transfer of crude oil: regulation 14B(5)
- procurement, receipt or transport of coal: regulation 14D
- procurement, receipt or transport of a specified statue or a shipment of textiles: regulation 14DA
- supply, sale or transfer of export sanctioned goods that are not 'specified export sanctioned goods' but which are for humanitarian purposes or exclusively for the livelihood of the DPRK, or are not contrary to the objectives of UNSC resolutions relating to the DPRK: regulation 14B(6), 14B(8) and 14B(9)
- the leasing or chartering of an Australian ship or aircraft or the provision of vessel or aircraft crewing services: regulation 14E

- the provision of public or private financial support for the purposes of trade with the DPRK: regulation 14EA
- engaging in sanctioned commercial activity: regulation 14G
- engaging in sanctioned commercial activity with respect to vessels: regulation 14H
- owning a DPRK flagged or registered vessel: regulation 14HA
- engaging in scientific or technical cooperation: regulation 14HB

Further, the following sanctioned activities will require the grant of an exemption from the UNSC DPRK Sanctions Committee, in order for the Foreign Minister to be able to grant a permit (see regulation 14J):

- the supply or procurement of arms and related materiel; goods on the [Charter of the United Nations \(Sanctions – Democratic People’s Republic of Korea\) \(Documents\) Instrument 2017](#); goods on the following UNSC and International Atomic Energy Agency documents: [S/2006/814](#); [S/2006/815](#); [S/2006/853](#); [IAEA Information Circular Part 1a](#); [IAEA Information Circular Part 2a](#); goods determined by the UN Security Council or the Committee pursuant to UNSC resolution 1718 (available on the ‘Prohibited items’ page of the [Committee’s website](#))
- the supply of goods on the [Charter of the United Nations \(Sanctions – Democratic People’s Republic of Korea\) \(Luxury Goods\) Instrument 2017](#)
- the supply of goods covered by chapters 72 to 89 of the [World Customs Organisation Harmonised Commodity Description and Coding System](#) (broadly industrial machinery, transportation vehicles, iron, steel and other metals)
- the procurement of gold, titanium ore, vanadium ore, rare earth minerals, copper, nickel, silver, zinc, iron, iron ore, lead, lead ore, seafood (including fish, crustaceans, molluscs and other aquatic invertebrates), textiles (including fabrics and partially or fully completed apparel products)
- the procurement of goods (whether or not they originate in the DPRK) covered by chapters 7, 8, 12, 25, 44, 84, 85 or 89 of the [World Customs Organisation Harmonised Commodity Description and Coding System](#) (broadly, food and agricultural products, machinery, wood, earth and stone, wood or vessels)
- the use of Australian pipelines, railways or vehicles to make a sanctioned supply of refined petroleum products, crude oil or goods covered by chapters 72 to 89 of the [World Customs Organisation Harmonised Commodity Description and Coding System](#) (broadly industrial machinery, transportation vehicles, iron, steel and other metals)
- the transfer of goods between a vessel and a DPRK flagged or registered vessel which are being exported from or imported into the DPRK
- holding a DPRK bank account
- procuring fishing right directly or indirectly from the DPRK or a person or entity in the DPRK or a national of the DPRK.

The UNSC DPRK Sanctions Committee may grant an exemption if it determines an exemption is necessary to facilitate the work of international and non-governmental organisations carrying out assistance and relief activities in the DPRK for the benefit of the civilian population, or for any other purpose consistent with the objectives of UNSC resolutions 1718, 1874, 2087, 2094, 2270, 2321, 2356, 2371 and 2375.

No authorisation is required in order to supply or procure or medicine or food (unless it is food that is 'specified import sanctioned goods') (see regulations 5(1A)(b) and 7(1A) of the Charter of the United Nations (Sanctions – Democratic People's Republic of Korea) Regulations 2008). The Foreign Minister may also grant a permit authorising the supply of goods which are not 'specified export sanctioned goods', or the procurement of goods which are not 'specified import sanctioned goods' if the Minister is reasonably satisfied that the goods are not goods that could directly contribute to the development of the operational capabilities of the armed forces of the DPRK or the armed forces of another country (see regulations 14B(7) and 14DB(3)).

Permits for autonomous sanctions

The Foreign Minister may grant a permit authorising an activity sanctioned under the Autonomous Sanctions Regulations 2011 and other associated DPRK regulations if the Minister is satisfied that it would be in the national interest to do so (see regulation 18 of the Autonomous Sanctions Regulations 2011).

Relevant legislation

Relevant legislation for the DPRK sanctions framework includes the following:

- [Charter of the United Nations Act 1945](#)
- [Charter of the United Nations \(Dealing with Assets\) Regulations 2008](#)
- [Charter of the United Nations \(Sanctions – Democratic People's Republic of Korea\) Regulations 2008](#)
- [Charter of the United Nations \(Sanctions – Democratic People's Republic of Korea\) \(Luxury Goods\) Instrument 2017](#)
- [Charter of the United Nations \(Sanctions – Democratic People's Republic of Korea\) \(Documents\) Instrument 2017](#)
- [Autonomous Sanctions Act 2011](#)
- [Autonomous Sanctions Regulations 2011](#)
- [Autonomous Sanctions \(Sanctioned Vessels – Democratic People's Republic of Korea\) Designation 2015](#)
- [Autonomous Sanctions \(Classes of Sanctioned Vessels – Democratic People's Republic of Korea\) Designation 2017](#)
- [Autonomous Sanctions \(Designated Persons and Entities – Democratic People's Republic of Korea\) List 2012](#)
- [Customs \(Prohibited Exports\) Regulations 1958](#)
- [Customs \(Prohibited Imports\) Regulations 1956](#)
- [Migration \(United Nations Security Council Resolutions\) Regulations 2007](#)

Where can I get more information?

[Australia and sanctions](#) webpage.

Enquiries can be made to DFAT by emailing sanctions@dfat.gov.au

DFAT maintains a [mailing list](#) for people interested in receiving updates on Australian sanctions laws.



This document provides a summary only of relevant sanctions laws. It should not be relied upon as a substitute for legal advice. It is your responsibility to ensure you do not contravene sanctions law, including by obtaining your own legal advice.