



Security Council

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Security Council Committee established pursuant to resolution [1718 \(2006\)](#)

Letter dated 13 November 2017 from the Permanent Representative of Latvia to the United Nations addressed to the Chair of the Committee

I have the honour to submit to you in your capacity as the Chair of the Security Council Committee established pursuant to resolution [1718 \(2006\)](#) the report of Latvia on the implementation of resolution [2371 \(2017\)](#), prepared in accordance with paragraph 18 of the resolution (see annex).

(Signed) Jānis **Mažeiks**
Ambassador
Permanent Representative



Annex to the letter dated 13 November 2017 from the Permanent Representative of Latvia to the United Nations addressed to the Chair of the Committee

Report of Latvia on the implementation of Security Council resolution [2371 \(2017\)](#)

Latvia and the other member States of the European Union have jointly implemented the restrictive measures against the Democratic People's Republic of Korea imposed by the Security Council in its resolution [2371 \(2017\)](#) by taking the following common measures:¹

(a) Council Implementing Decision (CFSP) 2017/1459 of 10 August 2017 implementing Decision (CFSP) 2016/849 concerning restrictive measures against the Democratic People's Republic of Korea;

(b) Council Regulation (EU) 2017/1509 of 30 August 2017 concerning restrictive measures against the Democratic People's Republic of Korea and repealing Regulation (EC) No. 329/2007;

(c) Council Decision (CFSP) 2017/1562 of 14 September 2017 amending Decision (CFSP) 2016/849 concerning restrictive measures against the Democratic People's Republic of Korea;

(d) Council Regulation (EU) 2017/1548 of 14 September 2017 amending Regulation (EU) 2017/1509 concerning restrictive measures against the Democratic People's Republic of Korea;

Council Decision (CFSP) 2017/1562 sets out the commitment of the European Union to the implementation of all of the measures contained in Security Council resolution [2371 \(2017\)](#) and provides the basis for specific accompanying measures taken by the European Union within the scope of the resolution, notably the following:

(a) Prohibition on the procurement from the Democratic People's Republic of Korea by nationals of member States, or using the flag vessels or aircraft of member States, of coal, iron and iron ore, whether or not originating in the territory of the Democratic People's Republic of Korea. The prohibition shall not apply, however, with respect to coal that, as confirmed by the procuring member State on the basis of credible information, has originated from outside the Democratic People's Republic of Korea and was transported through the Democratic People's Republic of Korea solely for export from the port of Rajin (Rason), provided that that member State notifies the Sanctions Committee in advance and such transactions are unrelated to generating revenue for the Democratic People's Republic of Korea's nuclear or ballistic-missile programmes or other activities prohibited by Security Council resolutions [1718 \(2006\)](#), [1874 \(2009\)](#), [2087 \(2013\)](#), [2094 \(2013\)](#), [2270 \(2016\)](#), [2321 \(2016\)](#) or [2356 \(2017\)](#), or by Council Decision (CFSP) 2017/1562;

(b) Prohibition on the procurement from the Democratic People's Republic of Korea by nationals of member States, or using the flag vessels or aircraft of member States, of lead and lead ore, whether or not originating in the territory of the Democratic People's Republic of Korea;

(c) Prohibition on the procurement from the Democratic People's Republic of Korea by nationals of member States, or using the flag vessels or aircraft of member

¹ All common measures are published in the *Official Journal of the European Union*.

States, of seafood, whether or not originating in the territory of the Democratic People's Republic of Korea;

(d) Ban on the opening of new joint ventures or cooperative entities with Democratic People's Republic of Korea entities or individuals, or the expansion of existing joint ventures through additional investments, whether or not acting for or on behalf of the Government of the Democratic People's Republic of Korea, unless such joint ventures or cooperative entities have been approved by the Sanctions Committee in advance on a case-by-case basis;

(e) Ban on the transfer or clearing of funds to or from the Democratic People's Republic of Korea, except for transactions that fall within the scope of article 13 (3) of Council Decision (CFSP) 2016/849 of 27 May 2016 concerning restrictive measures against the Democratic People's Republic of Korea and repealing Decision 2013/183/CFSP and have been authorized in accordance with article 13 (4) of Council Decision (CFSP) 2016/849;

(f) Obligation for the purposes of implementing articles 13, 14 and 24 (1) of Council Decision (CFSP) 2016/849 for member States to consider companies performing financial services commensurate with those provided by banks as financial institutions;

(g) Obligation to seize and dispose of, such as through destruction, rendering inoperable or unusable, storage, or transferring to a State other than the originating or destination State for disposal, items, the supply, sale, transfer or export of which is prohibited by Security Council resolutions [1718 \(2006\)](#), [1874 \(2009\)](#), [2087 \(2013\)](#), [2094 \(2013\)](#), [2270 \(2016\)](#), [2321 \(2016\)](#) or [2371 \(2017\)](#), that are identified in inspections, in a manner that is consistent with their obligations under applicable international law;

(h) Prohibition of entry into ports of a vessel designated by the Sanctions Committee, except in case of emergency or in case of return to its port of origination, or unless the Sanctions Committee determines in advance that such entry is required for humanitarian purposes or any other purposes consistent with the objectives of Security Council resolutions [1718 \(2006\)](#), [1874 \(2009\)](#), [2087 \(2013\)](#), [2094 \(2013\)](#), [2270 \(2016\)](#), [2321 \(2016\)](#), [2356 \(2017\)](#) or [2371 \(2017\)](#);

(i) Addition of annex VI (list of vessels) to Council Decision (CFSP) 2016/849 in accordance with Security Council resolution [2371 \(2017\)](#);

(j) Prohibition on registering vessels in the Democratic People's Republic of Korea, to obtain authorization for a vessel to use the flag of the Democratic People's Republic of Korea, to own, lease, operate or provide any vessel classification, certification or associated service, or to insure any vessel flagged by the Democratic People's Republic of Korea, including chartering such vessels;

(k) Ban on exceeding, on any date after 5 August 2017, the total number of work authorizations for nationals of the Democratic People's Republic of Korea provided in their jurisdictions and valid on 5 August 2017. The ban shall not, however, apply where the Sanctions Committee approves in advance on a case-by-case basis that employment of additional nationals of the Democratic People's Republic of Korea beyond the number of work authorizations provided in the member State's jurisdiction on 5 August 2017 is required for the delivery of humanitarian assistance, denuclearization or any other purpose consistent with the objectives of Security Council resolutions [1718 \(2006\)](#), [1874 \(2009\)](#), [2087 \(2013\)](#), [2094 \(2013\)](#), [2270 \(2016\)](#), [2321 \(2016\)](#), [2356 \(2017\)](#) or [2371 \(2017\)](#);

(l) Right of the Council to implement modifications to annexes I, IV and VI of Council Decision (CFSP) 2016/849 on the basis of determinations made by the Security Council or by the Sanctions Committee.

Under Council Implementing Decision (CFSP) 2017/1459 of 10 August 2017 implementing Decision (CFSP) 2016/849 concerning restrictive measures against the Democratic People's Republic of Korea, nine persons and four entities were added to the list of persons and entities subject to restrictive measures and the entries for two persons subject to restrictive measures in accordance with annexes I and II of Security Council resolution [2371 \(2017\)](#) were amended.

Council Regulation (EU) 2017/1509 of 30 August 2017 concerning restrictive measures against the Democratic People's Republic of Korea and repealing Regulation (EC) No. 329/2007, and Council Regulation (EU) 2017/1548 of 14 September 2017 amending Regulation (EU) 2017/1509 concerning restrictive measures against the Democratic People's Republic of Korea give effect to the measures provided for under Council Decision (CFSP) 2017/1562 and Council Implementing Decision (CFSP) 2017/1459.

The above-mentioned Council Regulations and Decisions are binding in their entirety and directly applicable in all member States of the European Union.

At the national level, the following regulations provide the legal basis for the implementation of sanctions in Latvia:

(a) Law on International Sanctions and National Sanctions of the Republic of Latvia, entered into force on 1 March 2016;

(b) Cabinet of Ministers Regulation No. 468 on procedures for the execution of international and national sanctions, adopted on 15 July 2016.

With regard to violations of sanctions regimes, Council Regulation (EC) No. 329/2007 of 27 March 2007 concerning restrictive measures against the Democratic People's Republic of Korea requires member States to determine the penalties applicable to infringements of its provisions. The penalties determined by Latvia are set out in the Criminal Law of 17 June 1998. Article 84 provides for punishment for violations of sanctions regimes established by international organizations. For intentional violations of laws and regulations governing the sanctions imposed by the United Nations, European Union and other international organizations, the applicable punishment is deprivation of liberty for a period of up to four years, or temporary deprivation of liberty, community service or a fine. However, if substantial harm has been caused by such violations, the applicable punishment is deprivation of liberty for a period of up to five years, or temporary deprivation of liberty, community service or a fine. If the violations are committed by a group of persons by prior agreement or by a public official, the applicable punishment is deprivation of liberty for a period of up to eight years.

With regard to financial restrictions, on 17 July 2008 Latvia adopted the Law on the Prevention of Money Laundering and Terrorism Financing, which establishes the Office for the Prevention of Laundering of Proceeds Derived from Criminal Activity (the Control Service). It is a supervisory institution that monitors unusual and suspicious financial transactions and acquires, analyses and provides information to pre-trial investigative institutions, the Prosecutor's Office and courts. Moreover, under the Law on International Sanctions and National Sanctions of the Republic of Latvia of 1 March 2016 (sect. 13.4), the Financial and Capital Market Commission supervises the implementation of restrictions provided for in international or national sanctions regimes in relation to participants in financial and capital markets, including Latvian banks, credit unions, insurance companies and insurance brokerage firms, participants in financial instruments markets, and private pension funds, payment

institutions and electronic money institutions. The Commission has the authority to take the decisions necessary for the execution of sanctions, including decisions on freezing financial assets that are binding on participants in the financial and capital markets.

Section 3 of the Cabinet of Ministers Regulation No. 468 sets out which authorities are responsible for conducting public registers referred to in the Law on International Sanctions and National Sanctions of the Republic of Latvia (sect. 6, para. 2). With regard to restrictions on the registering of vessels, the State stock company Maritime Administration of Latvia, which maintains the Latvian Ship Register database, is prohibited from registering, corroborating or publishing ownership rights or other economic rights contained in that database where such action would constitute a violation of international or national sanctions.

With regard to restrictions on providing public financial support for trade with the Democratic People's Republic of Korea, the issuance of export credit guarantees in Latvia is regulated by Cabinet of Ministers Regulation No. 866 of 20 December 2016 on the regulation of short-term export credit guarantees and administered by Altum. Altum is a State-owned development finance institution offering State aid to various target groups by means of financial tools such as credit guarantees. Altum is duly informed about the restrictive measures in force and takes the respective provisions, such as those concerning the Democratic People's Republic of Korea, into account when making decisions on financial support for trade.

With regard to restrictions on admission and work authorization (right to employment), the following national legislation provides the basis for the refusal of admission and denial of requests for visas and work authorization:

- (a) Immigration Law of 31 October 2002;
 - (b) Cabinet of Ministers Regulation No. 122 of 5 March 2013 on regulations regarding the register of returned foreigners and entry bans;
 - (c) Cabinet of Ministers Regulation No. 676 of 30 August 2011 on visa regulations.
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