

**Security Council**

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**Security Council Committee established
pursuant to resolution 1737 (2006)****Note verbale dated 5 August 2010 from the Permanent Mission of
New Zealand to the United Nations addressed to the Chairman of
the Committee**

The Permanent Mission of New Zealand to the United Nations has the honour to refer to the note of the Chairman of the Committee dated 27 July drawing attention to paragraph 31 of resolution 1929 (2010), calling for Member States to submit a report within 60 days of its adoption outlining measures taken to effectively implement the resolution.

The Permanent Mission of New Zealand to the United Nations has the honour to transmit herewith the report of New Zealand outlining measures taken to effectively implement resolution 1929 (2010).



Annex to the note verbale dated 5 August 2010 from the Permanent Mission of New Zealand to the United Nations addressed to the Chairman of the Committee

New Zealand report on the implementation of sanctions imposed by the Security Council in its resolution 1929 (2010)

Under paragraph 31 of United Nations Security Council resolution 1929 (2010), the Security Council called on all Member States to report to the Committee within 60 days of the adoption of the resolution on the steps they had taken with a view to implementing effectively paragraphs 7 to 19 and 21 to 24 of the resolution.

New Zealand wishes to inform the Committee that it is working to implement the relevant paragraphs of resolution 1929 (2010) by way of making the United Nations Sanctions (Iran) Regulations 2010 (“the Iran Regulations”). The Iran Regulations will be promulgated under the United Nations Act 1946.

The process for making the Iran Regulations is currently under way. It is anticipated that the Iran Regulations will be made in two parts. The first part of the Iran Regulations will deal with paragraphs 7 to 19 and 21, 23 and 24 of the resolution. The second part of the Iran Regulations will deal with paragraph 22 of the resolution.

It is anticipated that the first part of the Iran Regulations will enter into force on or about 2 September 2010. It is anticipated that the second part of the Iran Regulations will enter into force later in September 2010, or as soon as possible thereafter.

New Zealand further wishes to inform the Committee that it is working to implement paragraphs 21, 23 and 24 by way of guidance provided to financial institutions by the New Zealand Police and Ministry of Justice, and by way of amending the Reserve Bank of New Zealand’s Statement of Principles that governs bank registration and supervision.

Implementation of paragraphs 8, 9, 13 and 16 — Embargo on arms, military equipment, nuclear weapons and development of nuclear weapons

The Iran Regulations will extend the existing embargo on nuclear weapons, missiles or enrichment-related goods and arms to cover the broader category of military equipment (as specified in paragraph 8 of the resolution) and ballistic missiles and related technology (as specified in paragraph 9 of the resolution).

The Iran Regulations will include an express prohibition on the transfer of technology or technical assistance if it relates to any activity related to ballistic missiles. The existing prohibition on the provision of technical training, assistance, advice, financial resources or services related to supply or manufacture of nuclear weapons will be extended to cover the supply, sale, transfer, provision, manufacture, maintenance or use of the military equipment specified in paragraph 8 of the resolution.

The Iran Regulations will replace the previous lists of prohibited items relating to enrichment, reprocessing or heavy water-related activities and to the development

of nuclear weapon delivery systems with the new lists designated in INFCIRC/254/Rev.9/Part 1, INFCIRC/254/Rev.7/Part 2 and S/2010/263.

A new regulation implementing paragraph 16 of the resolution will give New Zealand Customs the power to dispose of prohibited items that have been seized under the sanctions in the manner specified in paragraph 16.

Implementation of paragraph 7 — Prohibition on investment in uranium mining or nuclear materials

The Iran Regulations will include an express prohibition on any involvement by New Zealanders, or anyone in New Zealand, with Iranian investment in uranium mining or in the production or use of nuclear materials and technology as listed in INFCIRC/254/Rev.9/Part 1.

Implementation of paragraph 10 — Travel ban

The Iran Regulations will extend the existing travel restrictions to cover the additional individuals designated under paragraph 10 and listed in annexes I and II of resolution 1929 (2010), as well as in annexes C, D and E of resolution 1737 (2006), annex I of resolution 1747 (2007), annex I of resolution 1803 (2008), or by the Security Council or the Committee pursuant to paragraph 10 of resolution 1737 (2006). The Iran Regulations will also include exceptions to the travel ban as set out in paragraph 10 of resolution 1929 (2010).

Implementation of paragraph 18 — Prohibition on bunkering services

The Iran Regulations will contain a new provision prohibiting the provision of bunkering services for Iranian owned, controlled or chartered vessels if there is reason to believe a vessel contains any of the prohibited items listed in paragraph 18 of resolution 1929 (2010). The exceptions in paragraph 18 will be included in the Iran Regulations.

Implementation of paragraphs 14 and 15 — Inspection of cargo and shipping

The non-mandatory call to inspect cargo travelling to or from Iran in paragraph 14 of resolution 1929 (2010) will be implemented in New Zealand through the existing powers of inspection and examination of goods provided to New Zealand Customs by the Customs and Excise Act 1996.

The Iran Regulations will include a provision ensuring that these powers extend to cover situations where there is reason to believe cargo contains any of the items prohibited by paragraphs 3, 4 or 7 of resolution 1737 (2006), paragraph 5 of resolution 1747 (2007), paragraph 8 of resolution 1803 (2008) or paragraphs 8 or 9 of resolution 1929 (2010).

No regulation is required to implement the call in paragraph 15 of resolution 1929 (2010) to cooperate with inspections of vessels on the high sea. New Zealand can consent to and cooperate with an inspection in accordance with paragraph 15 if requested.

Implementation of paragraphs 11, 12 and 19 — Assets freeze

The Iran Regulations will extend the existing asset freeze measures to cover the additional individuals and entities listed in paragraphs 11, 12 and 19 and designated in annexes I, II and III of resolution 1929 (2010), by prohibiting dealings in assets, money, or securities of, or derived from property of, these designated persons or entities, and by prohibiting the sending of funds to them. The Iran Regulations will provide for the exceptions to the assets freeze as listed in paragraphs 13, 14 and 15 of resolution 1737 (2006).

The non-binding element of the financial sanctions contained in paragraph 12 will be implemented by guidance issued to financial institutions by the New Zealand Police and Ministry of Justice.

Implementation of paragraph 22 — Requirement that people “exercise vigilance” when doing business

It is anticipated that the first part of the Iran Regulations will implement paragraph 22 of resolution 1929 (2010) through a provision expressly requiring New Zealanders to exercise vigilance when doing business with Iran, in order to avoid doing anything that could contribute to Iran’s proliferation-sensitive or sanctions-evading activities.

New Zealand intends to further implement paragraph 22 of resolution 1929 (2010) through additional regulatory measures contained in the second part of the Iran Regulations. It is anticipated that the second part of the Iran Regulations will impose restrictions on New Zealanders that do business with Iran, in order to further minimize the risk that such business may contribute to Iran’s proliferation-sensitive or sanctions-evading activities. The scope of these additional regulatory measures is currently being finalized, with a view to their entering into force later in September 2010 or as soon as possible thereafter.

Implementation of paragraphs 21, 23 and 24 — Financial sector restrictions

The restrictions on the provision of financial services called for in paragraph 21 have been implemented in New Zealand through guidance for financial institutions issued by the New Zealand Police and Ministry of Justice.

The prohibition on Iranian banks opening new branches or establishing joint ventures in New Zealand, and on New Zealand banks opening offices in Iran (paragraphs 23 and 24) will be implemented by amending the Reserve Bank of New Zealand’s Statement of Principles that govern bank registration and supervision.

The ban on other New Zealand financial institutions operating in Iran (paragraph 24) has been implemented by guidance provided to financial institutions by the Police and Ministry of Justice.

Further information on New Zealand’s implementation of Security Council sanctions, including an electronic copy of the United Nations Sanctions (Iran) Regulations 2010 once available, can be found at <http://mfat.govt.nz/Treaties-and-International-Law/09-United-Nations-Security-Council-Sanctions/index.php>.