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STATUTORY INSTRUMENTS

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**2019 No. 411**

The Democratic People's Republic of Korea  
(Sanctions) (EU Exit) Regulations 2019

PART 6

Trade

CHAPTER 1

Military, dual-use and other arms- and WMD-related goods and  
military, dual-use and other arms- and WMD-related technology

**Exports of restricted goods**

- 35.**—(1) The export of restricted goods to, or for use in, the DPRK is prohibited.  
(2) Paragraph (1) is subject to Part 9 (Exceptions and licences).

**Imports of restricted goods**

- 36.**—(1) The import of goods to which this paragraph applies which are consigned from the DPRK is prohibited.  
(2) The import of goods to which this paragraph applies which originate in the DPRK is prohibited.  
(3) Paragraphs (1) and (2) apply to—  
(a) arms and related materiel,  
(b) dual-use goods, and  
(c) other arms- and WMD-related goods.  
(4) Paragraphs (1) and (2) are subject to Part 9 (Exceptions and licences).  
(5) In this regulation, “arms and related materiel” means—  
(a) military goods, and  
(b) any thing which falls within Chapter 93 of the Harmonized Commodity Description and Coding System, other than military goods.  
(6) In the definition of “arms and related materiel”, “the Harmonized Commodity Description and Coding System” means the harmonized commodity description and coding system provided for under the International Convention on the Harmonized System as done in Brussels on 14 June 1983<sup>(1)</sup>.

**Supply and delivery of restricted goods**

- 37.**—(1) A person must not—
- (a) directly or indirectly supply or deliver restricted goods from a third country to a place in the DPRK;
  - (b) directly or indirectly supply or deliver restricted goods from a place in the DPRK to a third country.
- (2) Paragraph (1) is subject to Part 9 (Exceptions and licences).
- (3) A person who contravenes a prohibition in paragraph (1) commits an offence, but—
- (a) it is a defence for a person charged with the offence of contravening paragraph (1)(a) to show that the person did not know and had no reasonable cause to suspect that the goods were destined (or ultimately destined) for the DPRK;
  - (b) it is a defence for a person charged with the offence of contravening paragraph (1)(b) to show that the person did not know and had no reasonable cause to suspect that the supply or delivery was from a place in the DPRK, whether directly or indirectly.
- (4) In this regulation “third country” means a country that is not the United Kingdom, the Isle of Man or the DPRK.

**Sale and purchase etc. of restricted goods and restricted technology**

- 38.**—(1) A person must not—
- (a) directly or indirectly make restricted goods or restricted technology available to a person connected with the DPRK;
  - (b) directly or indirectly make restricted goods or restricted technology available for use in the DPRK;
  - (c) directly or indirectly acquire restricted goods or restricted technology from a person connected with the DPRK;
  - (d) directly or indirectly acquire restricted goods or restricted technology which originates in the DPRK;
  - (e) directly or indirectly acquire restricted goods or restricted technology located in the DPRK.
- (2) Paragraph (1) is subject to Part 9 (Exceptions and licences).
- (3) A person who contravenes a prohibition in paragraph (1) commits an offence, but—
- (a) it is a defence for a person charged with an offence of contravening paragraph (1)(a) or (c) (“P”) to show that P did not know and had no reasonable cause to suspect that the person was connected with the DPRK;
  - (b) it is a defence for a person charged with the offence of contravening paragraph (1)(b) to show that the person did not know and had no reasonable cause to suspect that the goods or technology were for use in the DPRK;
  - (c) it is a defence for a person charged with the offence of contravening paragraph (1)(d) to show that the person did not know and had no reasonable cause to suspect that the goods or technology originated in the DPRK;
  - (d) it is a defence for a person charged with the offence of contravening paragraph (1)(e) to show that the person did not know and had no reasonable cause to suspect that the goods or technology were located in the DPRK.

**Transfer of restricted technology**

- 39.**—(1) A person must not—

- (a) transfer restricted technology to a place in the DPRK;
  - (b) transfer restricted technology to a person connected with the DPRK;
  - (c) transfer restricted technology to persons outside the United Kingdom or to a place outside the United Kingdom, where the transfer is from a place in the DPRK.
- (2) Paragraph (1) is subject to Part 9 (Exceptions and licences).
- (3) A person who contravenes a prohibition in paragraph (1) commits an offence, but—
- (a) it is a defence for a person charged with the offence of contravening paragraph (1)(a) to show that the person did not know and had no reasonable cause to suspect that the transfer was to a place in the DPRK;
  - (b) it is a defence for a person charged with the offence of contravening paragraph (1)(b) (“P”) to show that P did not know and had no reasonable cause to suspect that the person was connected with the DPRK;
  - (c) it is a defence for a person charged with the offence of contravening paragraph (1)(c) to show that the person did not know and had no reasonable cause to suspect that the transfer was from a place in the DPRK.

#### **Technical assistance relating to restricted goods and restricted technology**

- 40.**—(1) A person must not—
- (a) directly or indirectly provide technical assistance relating to restricted goods or restricted technology—
    - (i) to a person connected with the DPRK, or
    - (ii) for use in the DPRK;
  - (b) directly or indirectly procure technical assistance relating to restricted goods or restricted technology—
    - (i) from a person connected with the DPRK, or
    - (ii) for use in the DPRK.
- (2) Paragraph (1) is subject to Part 9 (Exceptions and licences).
- (3) A person who contravenes a prohibition in paragraph (1) commits an offence, but—
- (a) it is a defence for a person charged with an offence of contravening paragraph (1)(a)(i) or (b)(i) (“P”) to show that P did not know and had no reasonable cause to suspect that the person was connected with the DPRK;
  - (b) it is a defence for a person charged with an offence of contravening paragraph (1)(a)(ii) or (b)(ii) to show that the person did not know and had no reasonable cause to suspect that the goods or technology were for use in the DPRK.

#### **Financial services and funds relating to restricted goods and restricted technology**

- 41.**—(1) A person must not directly or indirectly provide financial services to a person connected with the DPRK in pursuance of or in connection with an arrangement whose object or effect is—
- (a) the export of restricted goods,
  - (b) the direct or indirect supply or delivery of restricted goods,
  - (c) directly or indirectly making restricted goods or restricted technology available to a person,
  - (d) the transfer of restricted technology, or
  - (e) the direct or indirect provision of technical assistance relating to restricted goods or restricted technology.

(2) A person must not directly or indirectly make funds available to a person connected with the DPRK in pursuance of or in connection with an arrangement mentioned in paragraph (1).

(3) A person must not directly or indirectly provide financial services or funds in pursuance of or in connection with an arrangement whose object or effect is—

- (a) the export of restricted goods to, or for use in, the DPRK;
- (b) the direct or indirect supply or delivery of restricted goods to a place in the DPRK;
- (c) directly or indirectly making restricted goods or restricted technology available—
  - (i) to a person connected with the DPRK, or
  - (ii) for use in the DPRK;
- (d) the transfer of restricted technology—
  - (i) to a person connected with the DPRK, or
  - (ii) to a place in the DPRK; or
- (e) the direct or indirect provision of technical assistance relating to restricted goods or restricted technology—
  - (i) to a person connected with the DPRK, or
  - (ii) for use in the DPRK.

(4) A person must not directly or indirectly procure financial services from a person connected with the DPRK in pursuance of or in connection with an arrangement mentioned in paragraph (1).

(5) A person must not directly or indirectly procure financial services in pursuance of or in connection with an arrangement mentioned in paragraph (3).

(6) Paragraphs (1) to (5) are subject to Part 9 (Exceptions and licences).

(7) A person who contravenes a prohibition in any of paragraphs (1) to (5) commits an offence, but—

- (a) it is a defence for a person charged with an offence of contravening paragraph (1), (2) or (4) (“P”) to show that P did not know and had no reasonable cause to suspect that the person was connected with the DPRK;
- (b) it is a defence for a person charged with the offence of contravening paragraph (3) to show that the person did not know and had no reasonable cause to suspect that the financial services or funds (as the case may be) were provided in pursuance of or in connection with an arrangement mentioned in that paragraph;
- (c) it is a defence for a person charged with the offence of contravening paragraph (5) to show that the person did not know and had no reasonable cause to suspect that the financial services were procured in pursuance of or in connection with an arrangement mentioned in paragraph (3).

#### **Brokering services: non-UK activity relating to restricted goods and restricted technology**

**42.**—(1) A person must not directly or indirectly provide brokering services to a person connected with the DPRK in relation to an arrangement (“arrangement A”) whose object or effect is—

- (a) the direct or indirect supply or delivery of restricted goods from a non-UK country to a different non-UK country,
- (b) directly or indirectly making restricted goods available in a non-UK country for supply or delivery to a different non-UK country,
- (c) directly or indirectly making restricted technology available in a non-UK country for transfer to a place in a different non-UK country,

- (d) the direct or indirect acquisition, in a non-UK country, of restricted goods, for supply or delivery to a different non-UK country,
  - (e) the direct or indirect acquisition, in a non-UK country, of restricted technology, for transfer to a place in a different non-UK country,
  - (f) the transfer of restricted technology from a place in a non-UK country to a place in a different non-UK country,
  - (g) the direct or indirect provision, in a non-UK country, of technical assistance relating to restricted goods or restricted technology,
  - (h) the direct or indirect procurement from a non-UK country of technical assistance relating to restricted goods or restricted technology,
  - (i) the direct or indirect provision of financial services in a non-UK country, where arrangement A, or any other arrangement in connection with which arrangement A is entered into, is an arrangement mentioned in regulation 41(1),
  - (j) the direct or indirect procurement of financial services from a non-UK country, where arrangement A, or any other arrangement in connection with which arrangement A is entered into, is an arrangement mentioned in regulation 41(1), or
  - (k) the direct or indirect provision of funds from a non-UK country, where arrangement A, or any other arrangement in connection with which arrangement A is entered into, is an arrangement mentioned in regulation 41(1).
- (2) A person must not directly or indirectly provide brokering services in relation to an arrangement (“arrangement A”) whose object or effect is—
- (a) the direct or indirect supply or delivery of restricted goods from a third country to a place in the DPRK;
  - (b) directly or indirectly making restricted goods available in a third country for direct or indirect supply or delivery—
    - (i) to a person connected with the DPRK, or
    - (ii) to a place in the DPRK;
  - (c) directly or indirectly making restricted technology available in a third country for transfer—
    - (i) to a person connected with the DPRK, or
    - (ii) to a place in the DPRK;
  - (d) the transfer of restricted technology from a place in a third country—
    - (i) to a person connected with the DPRK, or
    - (ii) to a place in the DPRK;
  - (e) the direct or indirect provision, in a non-UK country, of technical assistance relating to restricted goods or restricted technology—
    - (i) to a person connected with the DPRK, or
    - (ii) for use in the DPRK;
  - (f) the direct or indirect provision, in a non-UK country, of financial services—
    - (i) to a person connected with the DPRK, where arrangement A, or any other arrangement in connection with which arrangement A is entered into, is an arrangement mentioned in regulation 41(1), or
    - (ii) where arrangement A, or any other arrangement in connection with which arrangement A is entered into, is an arrangement mentioned in regulation 41(3);

- (g) directly or indirectly making funds available, in a non-UK country, to a person connected with the DPRK, where arrangement A, or any other arrangement in connection with which arrangement A is entered into, is an arrangement mentioned in regulation 41(1); or
- (h) the direct or indirect provision of funds from a non-UK country, where arrangement A, or any other arrangement in connection with which arrangement A is entered into, is an arrangement mentioned in regulation 41(3).

(3) Paragraphs (1) and (2) are subject to Part 9 (Exceptions and licences).

(4) A person who contravenes a prohibition in paragraph (1) commits an offence, but it is a defence for a person charged with that offence (“P”) to show that P did not know and had no reasonable cause to suspect that the person was connected with the DPRK.

(5) A person who contravenes a prohibition in paragraph (2) commits an offence, but it is a defence for a person charged with that offence to show that the person did not know and had no reasonable cause to suspect that the brokering services were provided in relation to an arrangement mentioned in that paragraph.

(6) In this regulation—

“non-UK country” means—

- (a) for the purposes of paragraph (1)(a), (b) and (d), a country that is not the United Kingdom or the Isle of Man,
- (b) for the purposes of any other provision of this regulation, a country that is not the United Kingdom;

“third country” means—

- (a) for the purposes of paragraph (2)(a) and (b), a country that is not the United Kingdom, the Isle of Man or the DPRK,
- (b) for the purposes of any other provision of this regulation, a country that is not the United Kingdom or the DPRK.