



Security Council

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

Note verbale dated 27 March 2018 from the Permanent Mission of Italy to the United Nations addressed to the Chair of the Committee

The Permanent Mission of Italy to the United Nations presents its compliments to the Chair of the Security Council Committee established pursuant to resolution [1718 \(2006\)](#) and has the honour to transmit herewith the national implementation report on resolution [2397 \(2017\)](#) prepared by the national authorities of Italy (see annex).



Annex to the note verbale dated 27 March 2018 from the Permanent Mission of Italy to the United Nations addressed to the Chair of the Committee

Report of Italy on the implementation of Security Council resolution [2397 \(2017\)](#)

Introduction

On 22 December 2017, the Security Council adopted resolution [2397 \(2017\)](#), expressing its gravest concern at the ballistic missile launch on 28 November 2017, by the Democratic People's Republic of Korea in violation of existing Security Council resolutions and the danger it poses to peace and stability in the region and beyond, and determined that there continues to exist a clear threat to international peace and security.

The Security Council acknowledged that the proceeds of trade in sectoral goods of the Democratic People's Republic of Korea and the revenue generated by workers from the Democratic People's Republic of Korea overseas, among others, contribute to the nuclear weapons and ballistic missile programmes of the Democratic People's Republic of Korea, and expressed great concern that the programmes were diverting critically needed resources away from the people of the Democratic People's Republic of Korea at tremendous cost.

The Security Council decided to increase the existing restrictive measures in a number of sectors, including with regard to the supply of crude oil and all refined petroleum products to the Democratic People's Republic of Korea, and introduced new prohibitions in a number of sectors, including with regard to the supply by the Democratic People's Republic of Korea of food and agricultural products, machinery, electrical equipment, earth and stone and wood, and prohibitions on the supply to the Democratic People's Republic of Korea of all industrial machinery, transportation vehicles, and iron, steel and other metals.

The Security Council also provided powers to seize, inspect and freeze any vessel which is believed to be involved in the breach of existing Council resolutions, and to require the repatriation of all workers from the Democratic People's Republic of Korea who are abroad, subject to applicable national and international law.

The present report describes the measures taken by Italy, also as a State member of the European Union, to implement Security Council resolution [2397 \(2017\)](#) regarding the Democratic People's Republic of Korea.

Measures taken within the European Union framework to implement the sanctions under resolution [2397 \(2017\)](#)

Italy and the other States members 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 [2397 \(2017\)](#), by taking the following common measures:¹

(a) Council Implementing Decision (CFSP) 2018/16 of 8 January 2018 implementing Council Decision (CFSP) 2016/849 concerning restrictive measures against the Democratic People's Republic of Korea, which implements the designation of additional persons and one additional entity (travel ban and asset freeze);

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

(b) Council Implementing Regulation (EU) 2018/12 of 8 January 2018 implementing Council Regulation (EU) 2017/1509 concerning restrictive measures against the Democratic People's Republic of Korea, which gives effect to the measures set out in Council Implementing Decision 2018/16;

(c) Council Decision (CFSP) 2018/293 of 26 February 2018 amending Council Decision (CFSP) 2016/849 concerning restrictive measures against the Democratic People's Republic of Korea, which sets out the commitment of the European Union to implementing the measures contained in Security Council resolution [2397 \(2017\)](#), by imposing the following measures:

- The European Union had already introduced a full prohibition on the export of crude oil in Council Decision (CFSP) 2017/1860, with the possibility of exemptions for exports for humanitarian purposes if approved in advance, on a case-by-case basis by the Committee. In Council Decision (CFSP) 2018/293, it is further specified that the prohibition applies to the direct and indirect supply of all crude oil to the Democratic People's Republic of Korea, whether or not originating in the territories of the member States, including by means of pipelines, rail lines or vehicles;
- The European Union had already introduced a full prohibition on the export of all refined petroleum products in Council Decision (CFSP) 2017/1860, which included a provision that the export of refined petroleum products could be authorized by the competent authority of a member State for humanitarian purposes under the conditions mentioned in paragraph 14 of Security Council resolution [2375 \(2017\)](#). In Council Decision (CFSP) 2018/293, it is now further specified that the amount of refined petroleum products authorized for export to the Democratic People's Republic of Korea cannot exceed 500,000 barrels per year and that the means of export include pipelines, rail lines or vehicles;
- Prohibition on importing food and agricultural products, machinery, electrical equipment, earth and stone (including magnesite and magnesite), wood and vessels;
- Prohibition on the acquisition of fishing rights from the Democratic People's Republic of Korea;
- Prohibition on exporting all industrial machinery, transportation vehicles, iron, steel and other metals, unless it has been determined by a member State that the provision of spare parts is needed to maintain the safe operation of passenger aircraft of the Democratic People's Republic of Korea;
- Obligation to repatriate to the Democratic People's Republic of Korea immediately, and no later than 21 December 2019, all nationals of that country earning income in the jurisdiction of a member State and all government safety oversight attachés of the Democratic People's Republic of Korea who are monitoring its workers abroad, unless certain exceptions apply, subject to applicable national and international law;
- Obligation for member States to seize, inspect and impound any vessel in their ports and the power to seize, inspect and impound any vessel subject to their jurisdiction in their territorial waters where there are reasonable grounds to believe that the vessel has been involved in activities, or in the transport of items, prohibited by the Security Council in its various resolutions on the Democratic People's Republic of Korea. Under certain conditions the provisions for the impounding of vessels shall cease to apply;
- Obligation to cooperate as promptly as possible with another State which has information that leads it to suspect that the Democratic People's Republic of

Korea is attempting to export illicit cargo and where that other State requests additional maritime and shipping information;

- Prohibition on providing insurance or reinsurance services to vessels identified as being involved in activities, or in the transport of items, prohibited by the Security Council in its various resolutions on the Democratic People's Republic of Korea, unless the Committee has determined, on a case-by-case basis, that the vessel is engaged in activities only for livelihood or humanitarian purposes;
- Obligation to deregister any vessel where there are reasonable grounds to believe that the vessel has been involved in activities, or in the transport of items, prohibited by the Security Council in its various resolutions on the Democratic People's Republic of Korea;
- Prohibition on providing classification services to vessels identified as being involved in activities, or in the transport of items, prohibited by the Security Council in its various resolutions on the Democratic People's Republic of Korea, unless approved in advance by the Committee on a case-by-case basis.
- Prohibition on registering any vessel that has been deregistered by another State unless approved by the Committee in advance on a case-by-case basis;
- The prohibition on exporting new or used vessels had already been introduced in Council Decision (CFSP) 2017/345;
- Obligation to seize and dispose of items the export of which is prohibited under resolution [2397 \(2017\)](#);
- Prohibition on satisfying any claim in connection with any contract or transaction the performance of which has been affected by the measures provided for in resolution [2397 \(2017\)](#);

(d) Council Regulation (EU) 2018/285 of 26 February 2018 amending Council Regulation (EU) 2017/1509 concerning restrictive measures against the Democratic People's Republic of Korea, which gives effect to the measures provided by Council Decision (CFSP) 2018/293.

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

Arms embargo

As outlined in the report on the implementation of Security Council resolution [2375 \(2017\)](#) ([S/AC.49/2017/141](#)), law No. 185/1990, as modified by legislative decree No. 105/2012, requires an authorization for the sale, supply, transfer or export of arms and related material from Italy to third countries and an authorization for the provision of brokering services and other services related to military activities. Together with Council Decision (CFSP) 2016/849, it provides the basis for enforcement of the arms embargo against the Democratic People's Republic of Korea and the ban on related brokering services. In particular, article 1.6 (c) of the above-mentioned law forbids the supply of arms to countries under a mandatory United Nations embargo (which is the case for the Democratic People's Republic of Korea). The provisions stemming from that law also cover procurement activities.

For the infringements of provisions on the sale, supply, transfer or export of arms and related material, several administrative and criminal penalties are imposed by law No. 185/1990, as modified by legislative decree No. 105/2012 (article 23 and following).

Asset freeze and other financial measures

Italy continues to exercise vigilance, through its central bank and its Financial Intelligence Unit, in order to prevent the provision of financial services or the transfer of any financial assets which could contribute to the prohibited programmes or activities of the Democratic People's Republic of Korea.

Italy has no violations of asset freezes or other financial measures to report in relation to resolution [2397 \(2017\)](#). Moreover, the additional individuals and additional entity designated in resolution [2397 \(2017\)](#) are reported to have no economic resources in Italy.

As far as penalties are concerned, legislative decree No. 109/2007, article 13, as amended by legislative decree No. 90/2017 of 15 May 2017, imposes administrative fines ranging from 5,000 euros to 500,000 euros for the infringement of any relevant European Union financial restrictive measures provided for in European Union regulations, including asset freeze obligations.

Measures concerning embargoed goods, items and technical assistance

With regard to restrictions on materials, equipment, technology or goods provided for in resolution [2397 \(2017\)](#), the competent Italian authorities continue to exercise strict vigilance regarding the residual bilateral import/export flows with the Democratic People's Republic of Korea and have further increased the level of control and surveillance on: (a) imports from the Democratic People's Republic of Korea; (b) exports to the Democratic People's Republic of Korea; (c) goods and products of North Korean origin.

As reported by the Italian customs agency, to date no cases of violation have been registered with reference to the restrictions on materials, equipment, technology or goods specified in paragraphs 4 to 6 and 14 of resolution [2397 \(2017\)](#).

The competent Italian authorities also continue to monitor the requests for authorization of export of materials, equipment, technology or goods specified in paragraphs 4 to 6 and 14 of resolution [2397 \(2017\)](#) to third countries, in order to prevent any triangular trade involving the Democratic People's Republic of Korea.

Legislative decree No. 221/2017, repealing legislative decree No. 96/2003, adapted the Italian legislation to the relevant European Union regulations aiming at organizing and simplifying the authorization procedures for the export of dual-use items and technologies, items and products which could be used for capital punishment, torture or other cruel, inhumane or degrading treatment, as well as items subject to European Union restrictive measures.

Legislative decree No. 221/2017, articles 18 to 20, also established different administrative and criminal penalties for the infringements of provisions on dual-use goods, goods covered by anti-torture measures or items listed under the European Union regulations.

Legislative decree No. 221/2017, article 21, further established both administrative and criminal penalties for the infringements of provisions on technical assistance regarding certain military uses.

Travel restrictions

The travel restrictions set out in resolution [2397 \(2017\)](#), like those contained in previous relevant resolutions, have been automatically implemented by Italy through the uploading of the relevant list into the national visa information system.