Council Regulation (EU) 2016/465 of 31 March 2016 amending Regulation (EC) No 329/2007 concerning restrictive measures against the Democratic People's Republic of Korea

COUNCIL REGULATION (EU) 2016/465

of 31 March 2016

amending Regulation (EC) No 329/2007 concerning restrictive measures against the Democratic People's Republic of Korea

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 215 thereof,

Having regard to Council Decision 2013/183/CFSP of 22 April 2013 concerning restrictive measures against the Democratic People's Republic of Korea and repealing Decision 2010/800/CFSP[(1)] adopted in accordance with Chapter 2 of Title V of the Treaty on European Union

Having regard to the joint proposal of the High Representative of the Union for Foreign Affairs and Security Policy and of the European Commission,

Whereas:

(1) Regulation (EC) No 329/2007[(2)] gives effect to measures provided for in Decision 2013/183/CFSP concerning restrictive measures against the Democratic People's Republic of Korea which repealed and replaced Decision 2010/800/CFSP.

(2) On 31 March 2016, the Council adopted Decision (CFSP) 2016/475[(3)], listing the Korea National Insurance Corporation (KNIC) and providing for derogations to allow EU persons and entities to obtain insurance from KNIC for activities to be carried out in North Korea. The Council also decided that EU persons or entities should be allowed to receive payments by KNIC derived from such insurance or in respect of damage caused within the territory of the Union. In addition, Decision (CFSP) 2016/475 allows to unfreeze KNIC's funds needed for payments due under a prior contract.

(3) Regulation (EC) No 329/2007 should therefore be amended accordingly,

HAS ADOPTED THIS REGULATION:

Article 1

In Regulation (EC) No 329/2007, the following Article is inserted:

Article 8a

1 By way of derogation from Article 6(4), the competent authorities of the Member States as indicated on the websites listed in Annex II, may authorise making certain funds or economic resources available to the Korea National Insurance Corporation (KNIC) where that is necessary for the payment of premiums under an insurance contract with a national of a Member State or a legal person, entity or body incorporated or constituted under the law of a Member State, provided that the payment:

Changes to legislation: *Council Regulation (EU) 2016/465 is up to date with all changes known to be in force on or before 28 December 2020. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

a is exclusively for the purposes of activities which are not prohibited by this Regulation to be carried out in North Korea by a national of a Member State or a legal person, entity or body incorporated or constituted under the law of a Member State;

b is not directly or indirectly for the benefit of a person, entity or body listed in Annex IV, V or Va except KNIC.

2 A national of a Member State and legal persons, entities or bodies incorporated or constituted under the law of a Member State may receive payments by KNIC subject to prior authorisation by the competent authorities of the Member States as indicated on the websites listed in Annex II. Such authorisation may be granted provided that the payment:

a is due in accordance with a contract for insurance services mentioned in point (a) of paragraph 1, or in accordance with a contract for insurance services provided by KNIC in respect of damage caused within the territory of the Union by any party to such contract;

b is not directly or indirectly for the benefit of a person, entity or body listed in Annex IV, V or Va;

c will not contribute to an activity prohibited under this Regulation; and

d does not result in the release of funds or economic resources of KNIC located outside North Korea.

3 The authorisations set out in paragraphs 1 and 2 of this Article shall not be required where the payment to or by KNIC is necessary for the official purposes of a diplomatic or consular mission of a Member State in North Korea.

4 By way of derogation from Article 6(2), the competent authorities of the Member States, as indicated on the websites listed in Annex II, may authorise the release of certain frozen funds or economic resources of KNIC, under such conditions as they deem appropriate, after having determined that:

a the funds or economic resources shall be used exclusively for a payment by KNIC due under a contract concluded before 1 April 2016;

b the contract is not related, directly or indirectly, to an activity prohibited under this Regulation;

c the payment is not directly or indirectly for the benefit of a person, entity or body listed in Annex IV, V or Va.

The Member State concerned shall inform the other Member States and the Commission of any authorisation granted under this paragraph..

Article 2

This Regulation shall enter into force on the day of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 31 March 2016.

For the Council

The President

A.G. KOENDERS