



**Circular to Money Service Operators
Anti-Money Laundering / Counter-Terrorist Financing**

**United Nations Sanctions (Democratic People's Republic of Korea)
(Amendment) Regulation 2018**

The United Nations Sanctions (Democratic People's Republic of Korea) (Amendment) Regulation 2018 ("the Amendment Regulation"), made under the United Nations Sanctions Ordinance (Cap. 537) ("UNSO"), was published in the Gazette (L.N. 122 of 2018) on 22 June 2018 with immediate effect.

The Amendment Regulation implements sanctions against the Democratic People's Republic of Korea ("DPRK") as imposed or expanded by the United Nations Security Council under Resolutions 2270, 2321, 2371, 2375 and 2397.

We would like to draw money service operators' ("MSOs") attention to relevant sanctions imposed under the Amendment Regulation, which include among others:

- prohibition against the establishment and maintenance of offices by DPRK banks in the Hong Kong Special Administrative Region without licence;
- prohibition against certain business activities of financial institutions in the DPRK or in connection with DPRK banks without licence;
- prohibition against the provision of financial support for trade with persons connected with the DPRK without licence; and
- prohibition against making available funds or other financial assets or economic resources to relevant persons or entities, or dealing with funds or other financial assets or economic resources of relevant persons or entities without licence.

The Amendment Regulation can be found on the Government's website (<https://www.gld.gov.hk/egazette/pdf/20182225/es220182225122.pdf>).

MSOs are reminded to refer to Chapter 6 of the Guideline on Anti-Money Laundering and Counter-Terrorist Financing which contains guidance on the appropriate measures that MSOs should take to ensure compliance with the regulations made under the UNSO.

Should you have any queries regarding the contents of this circular, please contact us on 2707 7819.

Money Service Supervision Bureau
Customs and Excise Department

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