

ADVISORY

ON TRANSACTIONS WITH NORTH KOREA AND IRAN

The United Nations Security Council Resolutions (UNSCR) 1718 on the Democratic People's Republic of Korea (DPRK), UNSCR 2231 on Iran, and their subsequent resolutions impose measures against individuals and entities upon their violation of international law, including international criminal law, international humanitarian law, and other pertinent laws of the international community.

Pursuant to Memorandum Circular (MC) No. 20-13, the STMO adopted the UNSC Consolidated List of Individuals and Entities (<https://www.un.org/securitycouncil/content/un-sc-consolidated-list>) as its List of Prohibited End-Users, thereby prohibiting covered persons from engaging in any trade with the listed individuals and entities.

Further, the National Security Council - Strategic Trade Management Committee has adopted and published the National Strategic Goods List (NSGL Annex III) or the Nationally Controlled Goods List. This has been supported by the STMO's issuance of MC No. 21-06 on the Implementation of Brokering and Financing. In accordance thereto, the export, import, transit, transshipment, brokering, and financing of the goods covered by Annex III to and/or from the DPRK and Iran shall require authorization from the STMO.

Any violation is punishable under Section 19, Chapter IV of RA 10697 or the Strategic Trade Management Act (STMA).

The Department advises all individuals, government agencies, and businesses to be updated on the current multilateral and unilateral lists of sanctioned individuals and entities and exercise due diligence in every transaction to avoid sanctionable activities. The conduct of due diligence includes, among others, checking the parties to the transactions, verifying end-use and end-users of commodities being traded, checking shipping routes, and validating payment arrangements.

For the guidance and information of all concerned.