

## **Annex 66: Consolidated list of recommendations**

### **Maritime**

#### *On vessel identity laundering and swap*

- 1. Member States and ship registries should issue up-to-date circulars on identified laundered AIS digital profiles used as cover identities, so as to caution against trading with such ships.**
- 2. Where there is suspicion about the validity of the identifiers of a vessel, port and other relevant maritime authorities should conduct the necessary checks of the history of such vessels entering its port jurisdiction waters, pursuant to paragraph 9 of resolution 2397 (2017).**
- 3. Flag registries should require all applicants seeking to join their registry to include up-to-date photographs of the exterior (bow, stern deck) and interior of their vessels where vessel identifiers are displayed.**
- 4. Member States hosting shipyards that service foreign-flagged vessels should raise awareness of the risk of vessels seeking physical alterations or other modifications to obfuscate their identity in order to engage in sanctionable activities.**

#### *On information sharing*

- 5. Flag registries should regularly publish a list of deregistered vessels on their website and in maritime circulars for the broader shipping community.**
- 6. The misuse of MMSIs is a trend affecting various flag registries. To assist and ensure that the MMSIs of flag registries are not fraudulently used, the Panel encourages registries and Member States in whose waters vessels transmit fraudulent identifiers to investigate such vessels and to share the results of their investigations, including with the Panel, in particular where it relates to suspected sanctions evasion activities.**

#### *On AIS manipulation*

- 7. Member States should monitor and investigate vessels that broadcast suspect identifiers particularly in waters where DPRK and DPRK-linked vessels are known to operate.**
- 8. Flag registries should ensure dedicated personnel for monitoring the AIS status of their registries' fleet as part of their due diligence efforts, including contacting ships that broadcast AIS information that is different from that in their registered profile.**
- 9. Classification societies should certify the existence of a single, functional, type A AIS system on each vessel as part of a periodic safety inspection. Inspections should look for evidence of multiple AIS systems.**

#### *On beneficial ownership information*

- 10. The Panel reiterates its recommendation that Member States require their relevant competent authorities to disclose beneficial ownership information related to all legal entities seeking to register vessels under their ship registry. Member States with open registries should endeavour to collect identifying and contact information for each individual who owns or exerts control over the foreign entity to which each vessel belongs, whether as a controlling shareholder, a financier of the enterprise, or a senior manager or decision-maker. Such information should be made available to relevant entities such as law enforcement, as well as to the Panel, to facilitate sanctions implementation efforts.**

## Trade and Customs

11. The Panel recommends that the International Organization for Standardization (ISO) look into possible measures to prevent erroneous usage of country codes for the Democratic People's Republic of Korea and the Republic of Korea (KP and KR respectively).
12. The Panel recommends that Member States streamline their export and import control lists, using as supportive material the Panel's informal list of prohibited commodities.
13. The Panel notes that Member States could study the possibility of using the ASYCUDA system, developed by UNCTAD (a computerized customs management system, now used in more than 80 countries; see <https://asycuda.org/en/>) to monitor transactions with sanctioned jurisdictions.
14. The Panel recommends that the customs authorities of Member States use the above-mentioned resources for the information of and usage by the trading agents of their jurisdictions for due diligence purposes, particularly when dealing with prohibited commodities in relation to trade with sanctioned jurisdictions.

## Luxury Goods

15. The Panel reiterates its recommendation that Member States streamline their export control lists to reflect the list of prohibited luxury goods in a manner consistent with the objectives of resolutions 1718 (2006), 1874 (2009), 2094 (2013), 2270 (2016) and 2321 (2016), avoiding unnecessary broadening of their scope in order not to restrict the supply of unprohibited goods to the civilian population nor have a negative humanitarian impact once trade restarts.
16. The Panel reiterates its recommendation that Member States encourage their business entities and nationals exporting luxury goods to include a contractual provision to prevent resale to the Democratic People's Republic of Korea.
17. The Panel reiterates its recommendation that Member States and relevant organizations encourage shipping and transportation companies to provide thorough systems for checking consignees, bearing in mind the risk of trans-shipment.

## Finance

18. The Panel notes the October 2020 revision by the Financial Action Task Force of Recommendation 1 and its Interpretive Note (R.1 and INR.1) to require countries and private sector entities to "identify, assess, understand and mitigate their proliferation financing risks (PF risk)" related to "the potential breach, non-implementation or evasion of the targeted financial sanctions". Pursuant to this requirement, the Panel recommends that all Member States and private sector entities review the recently published FATF Guidance on Proliferation Financing Risk Assessment and Mitigation.

## Unintended Impact of Sanctions

19. The Panel notes the usefulness of biannual briefings by the relevant United Nations agencies on the unintended impact of sanctions and recommends that the Committee continue this practice.
20. The Panel reiterates the need for urgent measures to re-establish the banking channel.
21. The Panel recommends that the Security Council continue to address issues and processes that mitigate the potential unintended adverse impacts of sanctions on the civilian population of the Democratic People's Republic of Korea and on humanitarian aid operations to benefit the country's vulnerable population and overcome the consequences of the COVID-19 pandemic.