

Sanctions: An Overview, Regimes and Jurisdictions Worldwide

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A leader in International Security, Logistics, Humanitarian Assistance, and Technology solutions

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Sanctions: An Overview



Purpose of this session

- General understanding of sanctions
- Sanctions types
- Sanctions regimes
- The UN and maritime sanctions



Sanctions Framework

Sanctions: why use them?

Sanctions are a political tool, taking the form of some type of economic or trade restriction, with the objective of influencing behavior.

Key objectives: Deter misconduct, limit resources for illicit activities, promote policy changes



The UN building in New York

Sanctions Regimes can be usually:

- (Relatively) comprehensive: taking the form of relatively wide-ranging trade embargoes, e.g. North Korea.
- Targeted: aimed at a specific
 - Entity / Company
 - Individual
 - > Asset like vessels
 - Activity travel bans / business dealings of some type / STS
 - Restrictions on specific industries
- Secondary: Typically sanctions outside a jurisdiction imposed for violation of a primary sanction



Global Sanctions Landscape

• Common Foreign and Security Policy (CFSP) EPARTME

 Maintains EU Sanctions Map and Tracker
 A S U R

UK:

EU:

 Post Brexit Sanctions and Anti-Money Laundering Act 2018 (SAMLA)

• Maintains UK Sanctions list

US:

- OFAC primary sanctions enforcer
- Specially Designated Nationals (SDN) list, Sectoral Sanctions Identifiers (SSI) list, others.

• Other jurisdictions, Australia, South Korea, Japan, Canada etc.

Global Sanctions Landscape



UN Sanctions:

- Derive from UN Charter (Chapter VII)
- Proposed by UN Security Council (UNSC)
- Passed by vote, becomes UN Resolution
- Implemented into national legislation by Member States



The UNSC



UN Sanctions	International Sanctions
 Imposed by UNSC International peace and security goals 	 Imposed by countries / international bodies Aligned with a country's strategic interests
 Broad international scope Enforced globally by UN Member States 	 Are often more targeted Limited to individual countries / territories
Example: UN sanctions on North Korea	Example: EU sanctions on Russia

UN Sanctions

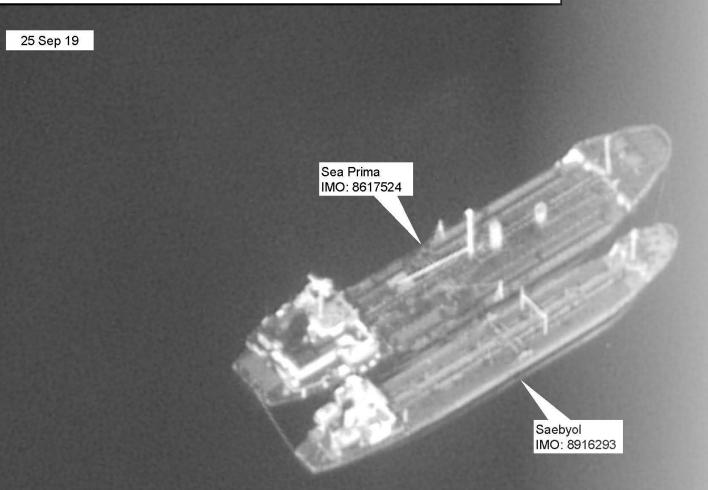


Multiple Countries under UN sanctions: Central African Republic, DR Congo, Eritrea, Guinea-Bissau, Iran, Iraq, Lebanon, Libya, Mali, North Korea, Somalia, South Sudan, Sudan, Yemen.

- Most are arms and travel embargoes, with some asset freezes.

- Most are implemented due to human rights violations, internal conflicts etc.

North Korea: M/T Sea Prima and M/T Saebyol in Korea Bay GEOS: 38:30:06 N 124:29:54 E



UN Sanctions: Maritime

Primary Objectives:

Enforce international law and UN Security Council resolutions

Example: Preventing North Korea from importing oil

• Prevent illegal trade and smuggling of prohibited items

Example: Interdiction of Iranian arms shipments to Yemen (now lapsed)

• Deter threats to international peace and security

Example: Prevent North Korea from exporting coal

UN Sanctions: Maritime

Types of maritime sanction:

- Port entry inspections and seizure
- Inspections at sea (member states "may")
- Cargo Inspections
- Prohibitions on bunkering services / oil transfers
- Restrictions on insurance / crew services
- Restrictions on providing flag services (and de-flagging)
- Prohibition of types of trade, ship to ship transfers
- Restrictions on many kinds of imports / exports with the primary route being by sea
- Bans on entering certain ports





Member State Enforcement

Naval and coast guard operations. *Example: US, UK, Canada, Australia, South Korea, Japan military assets monitoring sanctions evasion around North Korea*

• UN Panel of Experts Monitoring

Investigation of sanctions violations Example: the UN PoE on North Korea.

Coordination with International Organizations

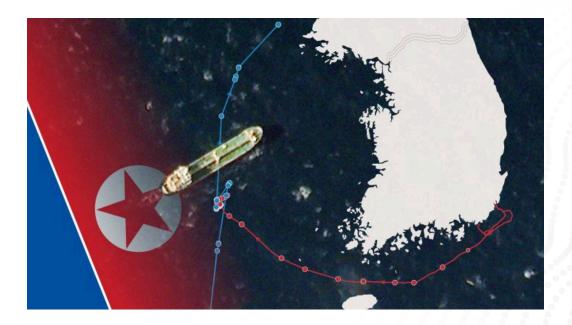
International Maritime Organization (IMO) *Example: IMO's Global Integrated Shipping Information System (GISIS) used for tracking sanctions-related information*

UN Sanctions: Enforcement



The Problem:

Sanctions can be slow, but sanctions evaders are fast



- UN sanctions can be infrequent and require the agreement of member states with different security interests, priorities, and objectives
- Although sanctions regimes can be effective shortly after implementation, effectiveness can decrease as sanctions evaders and opportunists find ways to circumvent restrictions
- In the case of North Korea, there have been no new UN level sanctions since December 2017
- The result: more work for the private sector, as even out of date sanctions can be enforced by UN member states

Any Questions?



Thanks for your attention!

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