



Sanctions Compliance Sanctions in the Asia-Pacific Region

Port Klang, Malaysia
26-27 September 2024

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

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Sanctions in the Asia-Pacific Region

Introduction

Unique challenges, especially when balancing the interests of stakeholders in multiple regions

Trade-boycott practices from sanctions and export controls



Introduction

Extraterritorial sanctions that impact companies in APAC are
*primary sanctions and
*secondary sanctions

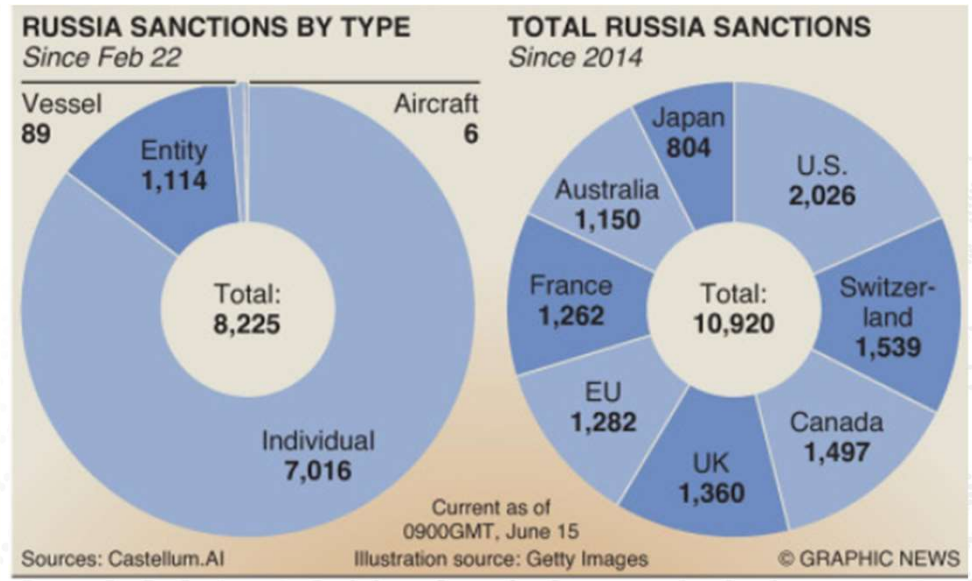
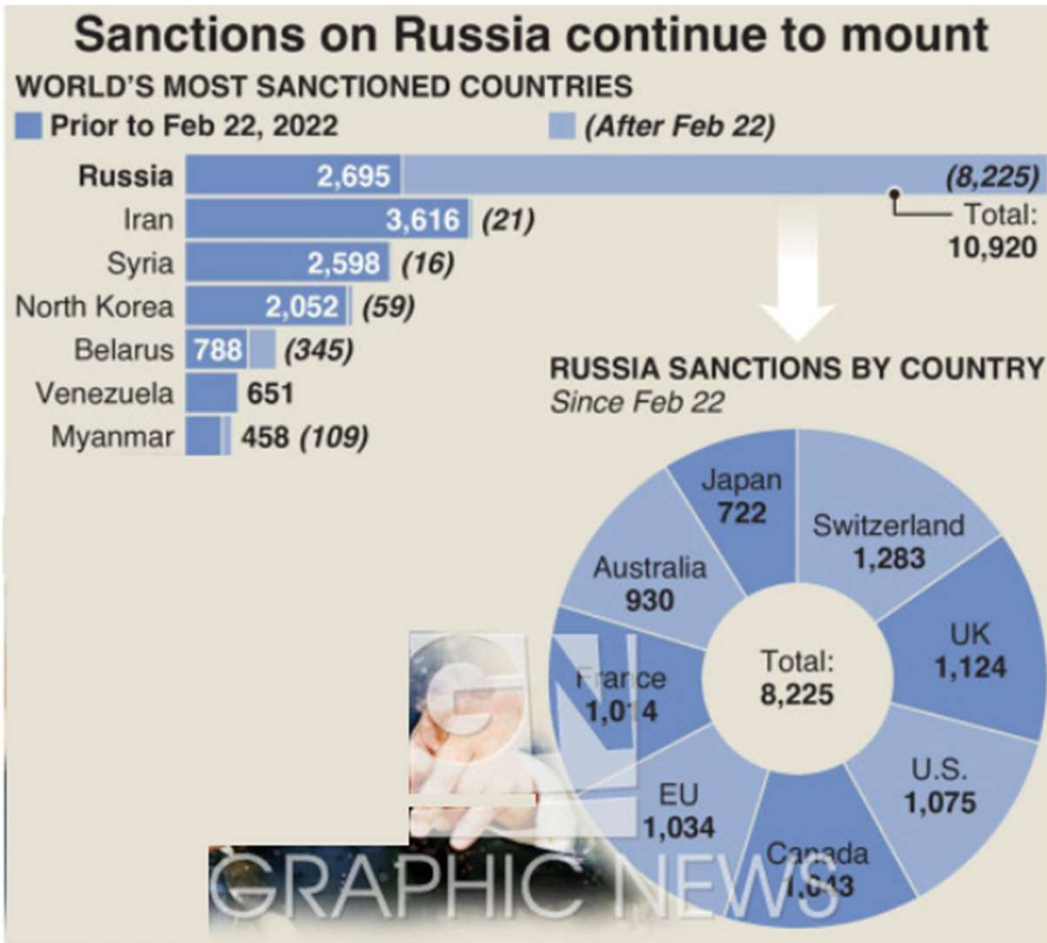


Sanctions Compliance

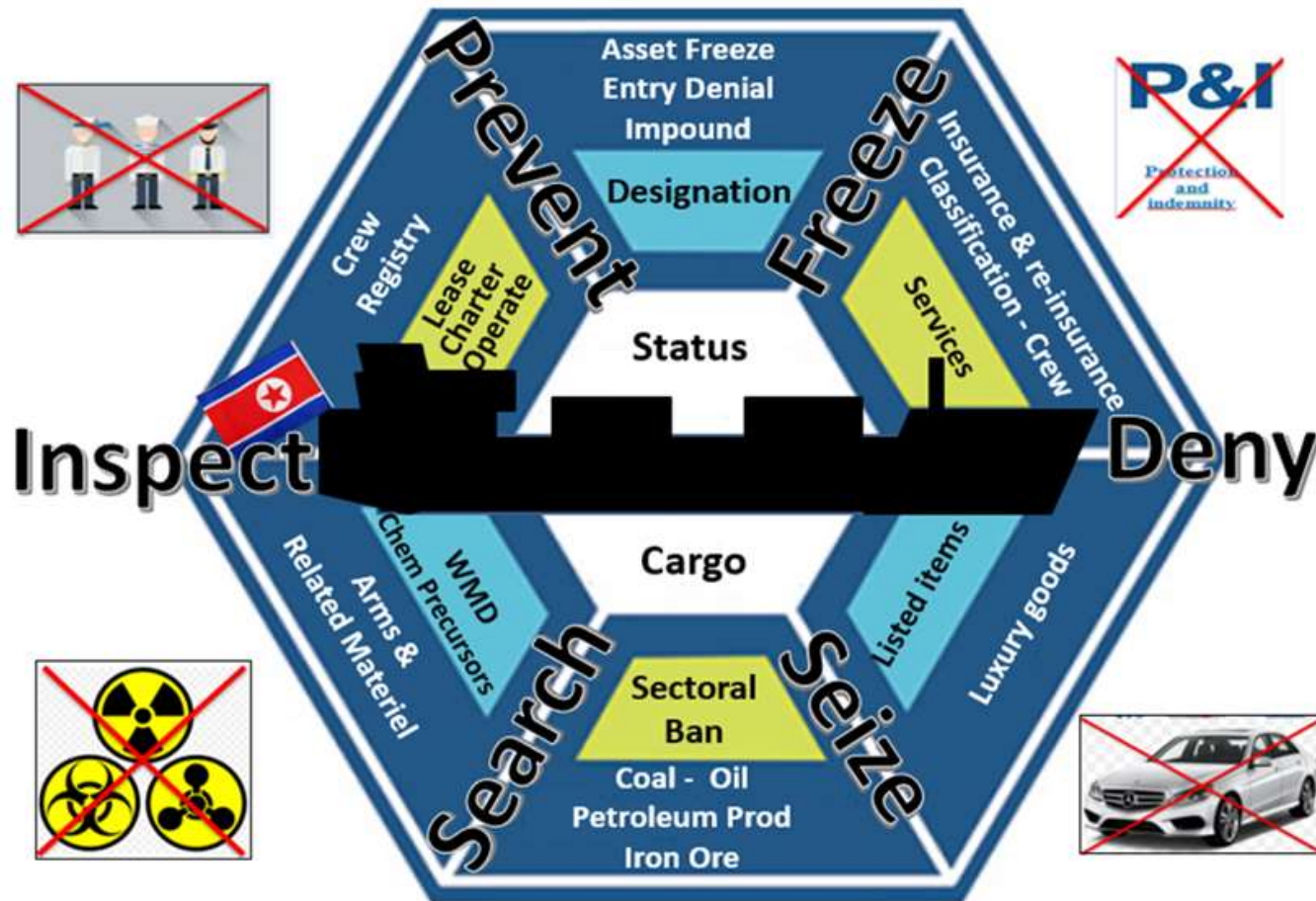
Port vulnerabilities

- Identification of Risk
 - Port-based actors of concern
 - Service providers concerning sanctions
 - STC and related risk factors
-
- Does the Port Security Plan support sanctions & STC enforcement?
 - Do port vulnerabilities allow sanctions circumvention?
-
- Unauthorized access to:
 - Facilities
 - Information or
 - Clearance process/tools

Sanctions - Russia



Sanctions - DPRK



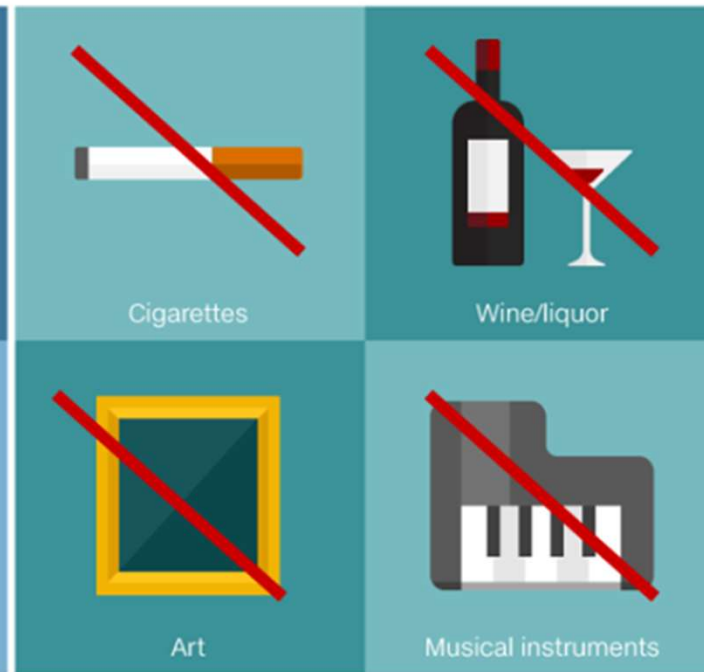
Sanctions - DPRK

Luxury Goods

UN Sanctions List



Country List



4GEM@020900 2MILLING
CUTTER (PART OF CNC
MACHINING) -

North Korea India

Северная

Корея

Sanctions - DPRK

Luxury Goods



4GEM@020900 2MILLING
CUTTER (PART OF CNC
MACHINING) -

North Korea India

Северная

4GEM@020900 200 ФРЕЗА
(ДЕТАЛЬ ДЛЯ ЧПУ-СТАНКА)

Северная
Корея

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Sanctions - DPRK

Export data sources – Dual-use technology imports/exports HS codes nuances

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Latest 67 shipment information of North Korea Cnc machine parts export

HS Code	Product Description	Origin	Destination	Qty.	Importer	Exporter	More Columns
↓↑	↓↑	↓↑	↓↑	↓↑			Click to View
84581911	SPARE PARTS OF CNC LATHE & CNC MACHINE CENTER - ЗАПАСНЫЕ ЧАСТИ К ТОКАРНОМУ ЧПУ-СТАНКУ И УНИВЕРСАЛЬНОМУ ЧПУ-СТАНКУ -	North Korea Северная Корея	India Индия	1			
82077010	4DBE@060300 150 MILLING CUTTER (PART OF CNC MACHINING) -	North Korea Северная Корея	India Индия	5			
82077010	4DBE@060300 150 ФРЕЗА (ДЕТАЛЬ ДЛЯ ЧПУ-СТАНКА) -	North Korea Северная Корея	India Индия	20			
82077010	4DBE@0260250 080 MILLING CUTTER (PART OF CNC MACHINING) -	North Korea Северная Корея	India Индия	50			
82077010	4DBE@040160 100 ФРЕЗА (ДЕТАЛЬ ДЛЯ ЧПУ-СТАНКА) -	North Korea Северная Корея	India Индия	50			
82077010	4DBE@020300 S04 MILLING CUTTER (PART OF CNC MACHINING) -	North Korea Северная Корея	India Индия	50			
84669390	Spare parts for CNC machines - CNC machines for couples grandchildren - 100%; Part code FTC-190 OF CNC MACHINING) -	North Korea Северная Корея	Vietnam Вьетнам	1			
82077010	Запасные части для станков с ЧПУ - станки с ЧПУ для парной обработки - 100% Код детали FTC-190 ДЛЯ ЧПУ-СТАНКА) -	North Korea Северная Корея	Vietnam Вьетнам				
82077010	4GEM@020900 200 MILLING CUTTER (PART OF CNC MACHINING) -	North Korea Северная Корея	India Индия	2			
82077010	4GEM@020900 200 ФРЕЗА (ДЕТАЛЬ ДЛЯ ЧПУ-СТАНКА) -	North Korea Северная Корея	India Индия				

Связанный код ТН ВЭД

Related HSN Code

- 8459
- 8460
- 8458
- 8465
- 8466
- 8462

Related HS Code

82077010

4DBE@020300 S04 MILLING CUTTER (PART OF CNC MACHINING) -

Related HS Code

84669390

Spare parts for CNC machines - CNC machines for couples grandchildren - 100%; Part code FTC-190 OF CNC MACHINING) -

Related HS Code

84581911

SPARE PARTS OF CNC LATHE & CNC MACHINE CENTER - LATHE & CNC MACHINE CENTER -

Sanctions - Myanmar

UN Fact Finding Mission in 2018:

No business enterprise active in Myanmar or trading with or investing in businesses in Myanmar should enter into an economic or financial relationship with the security forces of Myanmar, in particular the Tatmadaw, or any enterprise owned or controlled by them or their individual members, until and unless they are re-structured and transformed as recommended by the Mission

- **State-owned enterprises**
- **Gems and precious metals**
- **Real-estate and construction projects**
- **Arms, military equipment, and related activity**

- 103 Individuals
- 21 Entities

Sanctions - DPRK

Ports and Free Trade Zones

- Vessels designated or involved in prohibited activities/sanctions circumvention
 - Deny entry
 - Deny bunkering
 - Detain/seize
- Cargo in port/container terminals within your territory and includes free trade zones
 - Cargo going to or from NK, directly or indirectly to be searched
 - Seized/disposed of

4GEM@020900 2MILLING
CUTTER (PART OF CNC
MACHINING) -

4GEM@020900 200 ФРЕЗА
(ДЕТАЛЬ ДЛЯ ЧПУ-СТАНКА)

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Северная

Корея

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Sanctions – Information Sharing and Cooperation

Network-centric approach



Illicit networks

- Identify front companies & entities
- Identify proxies, enablers and embedded individuals
- Identify links
- Expose and prosecute



State networks

- Inter-agency cooperation
- Info sharing
- Trip-wire alerts
- Cooperation mechanisms
- Capacity building
- Reporting
- Share best practices



Private sector networks

- Cooperative forums
- KYC info sharing
- Black listing
- Contract compliance
- Sectoral compliance
- Business advantage
- Share best practices

Sanctions – Information Sharing and Cooperation

Avenues of international cooperation

- *Information sharing:*
 - Movement of illicit cargo/containers
 - Transshipment of illicit cargo
 - Movement of vessels/aircraft carrying illicit cargo
 - Movement of designated vessels or persons. Or persons related to designated entities
 - Financial transfers related to prohibited exports

- Prohibited items, technology, research or services
 - Movements/participation of individuals related to prohibited technology, research
 - Identification of prohibited items or technology
 - Disposal of prohibited/seized items or vessels

- *Flag States:*
 - Boarding & search requests
 - Diversion of vessels to a port to search
 - Vessels de-registered

Questions?

❖ **Thank You!**

Capt (Ret.) Neil Watts