DEPARTMENT OF THE TREASURY
Office of Foreign Assets Control
31 CFR Part 510
North Korea Sanctions Regulations

AGENCY: Office of Foreign Assets Control, Treasury.
ACTION: Final rule.

SUMMARY: The Department of the Treasury’s Office of Foreign Assets Control (‘‘OFAC’’) is amending the North Korea Sanctions Regulations to implement Executive Order 13570 of April 18, 2011. OFAC intends to supplement these regulations with a more comprehensive set of regulations, which may include additional interpretive and definitional guidance and additional general licenses and statements of licensing policy.

DATES: Effective Date: June 20, 2011.


SUPPLEMENTARY INFORMATION:

Electronic and Facsimile Availability

This document and additional information concerning OFAC are available from OFAC’s Web site (http://www.treasury.gov/ofac). Certain general information pertaining to OFAC’s sanctions programs also is available via facsimile through a 24-hour fax-on-demand service, tel.: 202/622–0077.

Background


On November 4, 2010, the Department of the Treasury’s Office of Foreign Assets Control published the North Korea Sanctions Regulations, 31 CFR part 510 (the ‘‘Regulations’’), to implement E.O. 13466 and E.O. 13551, pursuant to authorities delegated to the Secretary of the Treasury in those orders (75 FR 67912, November 4, 2010).

On April 18, 2011, the President, invoking the authority of, ‘‘inter alia,’’ IEEPA, the NEA, and the UNPA, issued Executive Order 13570 (76 FR 22291, April 20, 2011) (‘‘E.O. 13570’’), effective at 12:01 a.m. eastern daylight time on April 19, 2011.

This final rule amends the Regulations to implement E.O. 13570, pursuant to authorities delegated to the Secretary of the Treasury in E.O. 13570. A copy of E.O. 13570 appears in appendix C to this part.

These amendments to the Regulations are being published in abbreviated form at this time for the purpose of providing immediate guidance to the public. OFAC intends to supplement part 510 with a more comprehensive set of regulations, which may include additional interpretive and definitional guidance and additional general licenses and statements of licensing policy. (The appendices to the Regulations will be removed when OFAC publishes a more comprehensive set of regulations.)

Public Participation

Because the Regulations involve a foreign affairs function, the provisions of Executive Order 12866 and the Administrative Procedure Act (5 U.S.C. 553) requiring notice of proposed rulemaking, opportunity for public participation, and delay in effective date are inapplicable. Because no notice of proposed rulemaking is required for this rule, the Regulatory Flexibility Act (5 U.S.C. 601–612) does not apply.

List of Subjects
31 CFR Part 500
Administrative practice and procedure, Banking, Banks, Blocking of assets, Credit, Foreign trade, Imports, North Korea, Penalties, Reporting and recordkeeping requirements, Securities, Services.
31 CFR Part 505
Administrative practice and procedure, Banking, Banks, Blocking of assets, Credit, Foreign trade, North Korea, Penalties, Reporting and recordkeeping requirements, Securities, Services.

PARTS 500 AND 505—[REMOVED]

For the reasons set forth in the preamble, and under the authority of Proclamation 8271 of June 26, 2008, the Department of the Treasury’s Office of Foreign Assets Control removes parts 500 and 505 from 31 CFR chapter V.

Dated: June 13, 2011.
Adam J. Szubin,
Director, Office of Foreign Assets Control, Department of the Treasury.

[FR Doc. 2011–15168 Filed 6–17–11; 8:45 am]
BILLING CODE 4810–AL–P
For the reasons set forth in the preamble, the Department of the Treasury’s Office of Foreign Assets Control amends part 510 of 31 CFR chapter V as follows:

PART 510—NORTH KOREA SANCTIONS REGULATIONS

§ 510.201 Prohibited transactions.

1. Revise the authority citation for part 510 to read as follows:


Subpart B—Prohibitions

2. Amend § 510.201 by redesignating Note 1 to § 510.201(a) as Note to § 510.201(a), redesignating Note 1 to § 510.201 and Note 2 to § 510.201 as Note 1 to § 510.201(b) and Note 2 to § 510.201(b), respectively, redesignating Note 3 to § 510.201 as Note to § 510.201, and adding new paragraph (c) to read as follows:

§ 510.201 Prohibited transactions.

* * * * *

(c) All transactions prohibited pursuant to Executive Order 13570 are also prohibited pursuant to this part.

Subpart C—General Definitions

3. Amend § 510.302 by revising paragraphs (b) and (c) and adding new paragraph (d) to read as follows:

§ 510.302 Effective date.

* * * * *

(b) With respect to a person listed in the Annex to E.O. 13551, 12:01 p.m. eastern daylight time, August 30, 2010;

(c) With respect to a person whose property and interests in property are otherwise blocked pursuant to E.O. 13551, the earlier of the date of actual or constructive notice that such person’s property and interests in property are blocked; or

(d) With respect to E.O. 13570, 12:01 a.m. eastern daylight time, April 19, 2011.

Subpart E—Licenses, Authorizations, and Statements of Licensing Policy

4. Add new § 510.501 to read as follows:

§ 510.501 General and specific licensing procedures.

For provisions relating to licensing procedures, see part 501, subpart E, of this chapter. Licensing actions taken pursuant to part 501 of this chapter with respect to the prohibitions contained in this part are considered actions taken pursuant to this part.

Subpart H—Procedures

5. Add new § 510.801 to read as follows:

§ 510.801 Procedures.

For license application procedures and procedures relating to amendments, modifications, or revocations of licenses; administrative decisions; rulemaking; and requests for documents pursuant to the Freedom of Information and Privacy Acts (5 U.S.C. 552 and 552a), see part 501, subpart E, of this chapter.

6. Revise § 510.802 to read as follows:

§ 510.802 Delegation by the Secretary of the Treasury.

Any action that the Secretary of the Treasury is authorized to take pursuant to Executive Order 13466 of June 26, 2008 (73 FR 36787, June 27, 2008), Executive Order 13551 of August 30, 2010 (75 FR 53837, September 1, 2010), Executive Order 13570 of April 18, 2011 (76 FR 22291, April 20, 2011), and any further Executive orders relating to the national emergency declared in Executive Order 13466 may be taken by the Director of the Office of Foreign Assets Control or by any other person to whom the Secretary of the Treasury has delegated authority so to act.

7. Add new appendix C to part 510 to read as follows:

Appendix C to Part 510—Executive Order 13570—Prohibiting Certain Transactions With Respect to North Korea

Executive Order 13570 of April 18, 2011

Prohibiting Certain Transactions With Respect to North Korea


1. BARACK OBAMA, President of the United States of America, in order to take additional steps to address the national emergency declared in Executive Order 13466 of June 26, 2008, and expanded in Executive Order 13551 of August 30, 2010, that will ensure implementation of the import restrictions contained in UNSCRs 1718 and 1874 and complement the import restrictions provided for in the Arms Export Control Act (22 U.S.C. 2751 et seq.), hereby order:

Section 1. Except to the extent provided in statutes or in licenses, regulations, orders, or directives that may be issued pursuant to this order, and notwithstanding any contract entered into or any license or permit granted prior to the date of this order, the importation into the United States, directly or indirectly, of any goods, services, or technology from North Korea is prohibited.

Sec. 2. (a) Any transaction by a United States person or within the United States that evades or avoids, has the purpose of evading or avoiding, causes a violation of, or attempts to violate any of the prohibitions set forth in this order is prohibited.

(b) Any conspiracy formed to violate any of the prohibitions set forth in this order is prohibited.

Sec. 3. The provisions of Executive Orders 13466 and 13551 remain in effect, and this order does not affect any action taken pursuant to those orders.

Sec. 4. For the purposes of this order:

(a) The term “person” means an individual or entity;

(b) The term “entity” means a partnership, association, trust, joint venture, corporation, group, subgroup, or other organization;

(c) The term “United States person” means any United States citizen, permanent resident alien, entity organized under the laws of the United States or any jurisdiction within the United States (including foreign branches), or any person in the United States;

(d) The term “North Korea” includes the territory of the Democratic People’s Republic of Korea and the Government of North Korea; and

(e) The term “Government of North Korea” means the Government of the Democratic People’s Republic of Korea, its agencies, instrumentalities, and controlled entities.

Sec. 5. The Secretary of the Treasury, in consultation with the Secretary of State, is hereby authorized to take such actions, including the promulgation of rules and regulations, and to employ all powers granted to the President by EEPA and the UNPA as may be necessary to carry out the purposes of this order. The Secretary of the Treasury may redelegate any of these functions to other officers and agencies of the United States Government consistent with applicable law. All agencies of the United States Government are hereby directed to take all appropriate measures within their authority to carry out the provisions of this order.

Sec. 6. This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

Sec. 7. This order is effective at 12:01 a.m. eastern daylight time on April 19, 2011.

Barack Obama,

THE WHITE HOUSE,

April 18, 2011.
The Coast Guard is amending an existing anchorage ground which currently overlaps a pilot underwater cap (“pilot cap”) in the U.S. Environmental Protection Agency’s (EPA) New Bedford Harbor Superfund Site in New Bedford, MA. The Coast Guard is also establishing a regulated navigation area (RNA) prohibiting activities that disturb the seabed around the site. The RNA would not affect transit or navigation of the area.

The legal basis for the proposed rule is 33 U.S.C. 457, 1221–1236, 2030, 2035, and 2071; 46 U.S.C. chapter 701; 50 U.S.C. 191, 195; 33 CFR 1.05–1(g), 6.04–1, 6.04–6, and 160.5; and Department of Homeland Security Delegation No. 0170.1, which collectively authorize the Coast Guard to define regulatory anchorage grounds and RNAs.

The purpose of the rule is to minimize the potential for human exposure to contamination and to help protect the integrity of the EPA’s remedy at a portion of the New Bedford Harbor Superfund Site by reducing an existing anchorage ground so that it no longer overlaps the pilot cap, and by placing the pilot cap in a RNA that would protect the site from damage by mariners, and protect mariners and the general public from contaminants in the site.

The New Bedford Superfund cleanup site is an urban tidal estuary with sediments contaminated by polychlorinated biphenyls (PCBs) and heavy metals. An extensive history and background of the cleanup project can be found on the EPA’s Web site, at http://www.epa.gov/nbh/

The specific cleanup project and surrounding area addressed by this regulation is the Pilot Underwater Cap (“pilot cap”), which is located south of the New Bedford Harbor hurricane barrier in the outer harbor. The pilot cap consists of sand and gravel covering approximately 20 acres of contaminated sediments. Based on data collected in 2010, the thickness of the cap is predominantly one to two feet (98% of the cap area has a thickness greater than one foot; 68% greater than two feet; and in a few isolated areas, the thickness is up to 6.4 feet). A copy of the latest data for the pilot cap area can be found on EPA’s Web site for New Bedford Harbor: http://www.epa.gov/nbh. While the pilot cap is protective of human health and the environment, it remains vulnerable to human actions that tend to disturb the seabed.

Several maritime practices that involve physical contact with the seabed (e.g., anchoring, dragging, trawling, and spudding) pose a specific threat to the pilot cap. It is also conceivable that PCBs or heavy metals could stick to gear penetrating the seabed; any contaminants that come up with gear could create a threat to human health and the environment. The RNA would prohibit these specific activities without in any way inhibiting surface navigation.

The Coast Guard received no comments on the proposed rulemaking. A no changes were made in the Final Rule.

We developed this rule after considering numerous statutes and executive orders related to rulemaking. Below we summarize our analyses based on 13 of these statutes or executive orders.

This rule is not a significant regulatory action under section 3(f) of Executive Order 12866, Regulatory Planning and Review, as supplemented by Executive Order 13563, and does not require an assessment of potential costs and benefits under section 6(a)(3) of that Order. The Office of Management and Budget has not reviewed it under that Order.

Under the Regulatory Flexibility Act (5 U.S.C. 601–612), we have considered whether this rule would have a significant economic impact on a substantial number of small entities. The term “small entities” comprises small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000.

The Coast Guard certifies under 5 U.S.C. 605(b) that this rule will not have a significant economic impact on a substantial number of small entities. This rule would affect the following...