

# United Kingdom Strategic Export Controls

## *Annual Report 2006*



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# UNITED KINGDOM STRATEGIC EXPORT CONTROLS

## Annual Report 2006

*Presented to Parliament by  
the Secretary of State for Foreign and Commonwealth Affairs,  
the Secretary of State for International Development,  
the Secretary of State for Defence and  
the Secretary of State for Business Enterprise, Regulatory Reform  
by Command of Her Majesty  
July 2007*

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## Ministerial Foreword to the Annual Report 2006

This Report on Strategic Export Controls is the tenth such report to be produced by this Government. Over that time, the format has changed considerably. The way in which the information is presented is reviewed every year, and where possible, further information is included, or the data is presented more clearly. This Report includes greater detail about our policy towards some embargoed destinations, and an overview of the licensing decisions taken on these destinations. We take pride in the fact that this report represents one of the most open presentations of strategic export control policy anywhere in the world. At the same time, we recognise that the Report needs to continue to change, and we are already looking for areas for improvement for the 2007 edition.

The report shows that we continue to meet targets on licence application processing times. In 2006, 9,908 Standard Individual Export Licence applications were processed, up from 9,062 in 2005. Of these over 82% were processed within 20 working days, exceeding our performance target by 11%. A total of 584 Open Individual Export Licence applications were processed, 74% within our 60-day target, again substantially surpassing the agreed target of 60%. 92% of ratings enquiries were dealt with within the target of 20 working days.

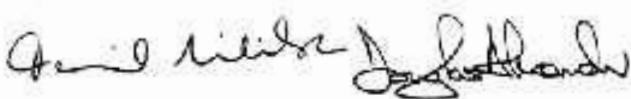
Strategic export control is essential in furthering the Government's aims of combating proliferation and terrorism, and supporting international human rights. The Government believes that the current export control system is both effective and proportionate, but is to review the secondary legislation this year (2007) and is open minded about the need for future change.

Our defence industry is a strategic national asset. Exports help to sustain that asset, which contributes to the delivery of defence capability, something which is clearly recognised in the Defence Industrial Strategy. The consistently strong UK defence export performance over the last ten years has shown that rigorous export controls and export success are fully compatible. To sustain this, the Government has, in 2006, engaged more closely than ever with stakeholders to ensure that the controls are fully understood and licensing processes are as efficient as possible. The work undertaken by our outreach teams is essential both to make business aware of the controls which might affect them, help them to navigate the licensing process, and ensure that they have effective compliance programmes in place. During 2006 25 seminars were held around the country to explain the UK licensing system. These were attended by over 500 people from 180 organisations. Two new web-based Checker Tools were made available to help exporters check if their goods are licensable, and if licensable, to check if any of the Open General Export Licences (OGELs) could be used.

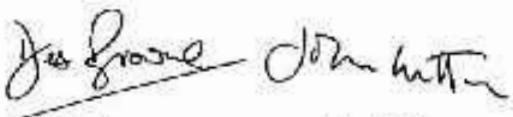
However, effectively implementing domestic legislation represents only part of the picture. The work the Government undertakes on the international stage is equally important. In 2006 the UK

Treaty. We have lobbied vigorously to encourage other countries to send in their views, and will continue to work with our partners in civil society, NGOs and the UK defence industry to play a constructive role in the process. However, we recognise that there remains considerable work to do. We will be doing everything we can to make the Treaty a reality.

We hope readers will find this Report and the accompanying CD-ROM an informative and useful guide to UK export control policy. We commend it to both Parliament and the public.



David Milliband



Douglas Alexander

Des Browne

John Hutton

## Section I

## Policy Issues Relating to Strategic Export Controls

## **DOMESTIC POLICY**

## 1.1 Overview

The UK system for the licensing of Strategic Export Controls is operated by a single Export Licensing Community. This Community comprises five Government departments: the Department for Business, Enterprise and Regulatory Reform (BERR), the Foreign and Commonwealth Office (FCO); the Ministry of Defence (MOD), the Department for International Development (DFID) and Her Majesty's Revenue and Customs (HMRC).

**EXPORT LICENSING COMMUNITY JOINT  
MISSION STATEMENT**

## *"Promoting global security through strategic export controls, facilitating responsible exports"*

## **GUIDING PRINCIPLES**

We shall implement effectively the UK's framework of strategic export controls so as to ensure that sensitive goods and technology are kept out of the wrong hands. In so doing we shall facilitate responsible defence exports, as these depend on a sound regime of controls.

We shall administer the licensing system efficiently so that we keep the compliance burden on UK exporters to the minimum. In particular we shall therefore:-

- within the framework of our case by case approach, ensure maximum predictability for customers by tracking down issues which are

- establish a dialogue with exporters, our customers, to enable us to understand their concerns and them to understand our requirements. We shall support them in complying with the process through services such as the BERR's website, and awareness activities and ratings. We shall keep our licence products under review to ensure they remain appropriate as circumstances change;
  - benchmark ourselves against comparable licensing authorities elsewhere so that we capture best practice and ensure that we are leaders in our field.

BERR's Export Control Organisation is the licensing authority for strategic exports in the UK. It sets out the regulatory framework under which licence applications are considered, and the Secretary of State for Business, Enterprise, Regulatory Reform takes the formal decision to issue or refuse export licence applications in accordance with the appropriate legislation and announced policy.

The FCO and MOD act in a policy advisory capacity, providing the ECO, with advice and analysis on the foreign and defence policy aspects relevant to consideration of export licence applications against the Consolidated EU and National Arms Export Licensing Criteria (for the full text of the Criteria see Annex E). For the FCO this involves all applications passing through the Export Licensing Team (ELT). Depending on the application's complexity, ELT may then pass it on to one of several other Departments.

For potentially contentious decisions or in the event of a disagreement between officials, applications are submitted to Ministers for a final decision. (This occurred on 54 occasions during 2006.) Only after completion of this detailed and wide-ranging risk assessment, is a recommendation then passed back to ECO. Despite this rigorous assessment process, the FCO were able to process 91% of all SIEL applications within 10 days, against an agreed Government target of 70%.

The advice MOD provides on Export Licence Applications similarly reflects the results of an internal process to bring to bear a variety of expertise. In particular this routinely involves seeking the views of those responsible for protecting the capability of the UK's Armed Forces, and specialists from the security and Intelligence fields. In addition, MOD has a procedure (known as the Form 680 process) for ensuring that companies seek clearance to use classified information they hold for the purposes of marketing their products overseas. Companies must also seek such clearance for the supply of classified goods. This procedure also benefits the licensing process, because clearance is refused if there is no prospect of a licence being approved for a given combination of product and export destination.

DFID provides specific expertise and advice in considering applications to those developing countries eligible for concessional loans from the World Bank's International Development Association. DFID assesses the risk of whether a proposed export would seriously undermine the economy or seriously hamper sustainable development in the recipient country. However,

The Export of Goods, Transfer of Technology and Provision of Technical Assistance (Control) Order 2003 reproduced the export controls on physical exports that pre-dated the 2002 Act but introduced new controls covering the electronic transfer abroad of military technology. This brought controls on military technology into line with similar European Community (EC) controls on the electronic transfer of dual-use technology.

The Trade in Goods (Control) Order 2003 introduced controls to cover trade in military equipment between two overseas countries where any part of the trading activity takes place in the UK whether by a UK person (individual or company) or a foreign visitor or resident. This coverage is further extended to include UK persons operating wholly overseas (i.e. where no part of the deal actually takes place on UK territory) trading in Restricted Goods (i.e. Torture Equipment and certain long range missiles and their components) to any destination, or trading in controlled military goods to embargoed destinations.

Council Regulation (EC) 1334/2000 set up a Community regime for the control of dual-use items and technology (the Regulation was adopted in June 2003).

### 1.3 Transparency and accountability

The House of Commons Select Committee on Strategic Export Controls (the Quadripartite Committee) has continued its scrutiny of export licensing decisions throughout the year. Since the last Annual Report the Government has further refined the information passed to the Committee

and from the HM Revenue & Customs Prosecution Office (HMRCPO) appeared on 25 May. In 2007 the DfID Parliamentary Under Secretary, Gareth Thomas MP, and officials from HMRC and HMRCPO appeared before the Committee on 1 March. The then Foreign secretary, The Rt Hon Margaret Beckett MP, appeared on 15 March. Transcripts of each of these evidence sessions are available on the Quadripartite Committee pages of the Parliamentary website - ([www.parliament.uk](http://www.parliament.uk)).

The Government is committed to increasing the level of transparency and quality of information it provides to both Parliament and the general public wherever possible. We regard this process as ongoing and continue to welcome suggestions for improvements from all stakeholders. As an example of this policy this year's report includes a detailed summary and commentary on exports to embargoed destinations.

#### 1.4 Awareness

The Government has undertaken an extensive awareness campaign for industry around the UK. Twenty-five seminars and training courses were held nationwide during 2006, and these were attended by over 500 people from 180 organisations.

These comprised: Beginners' Workshops for those who have just started in the export control business; Intermediate level seminars, covering a number of issues including exporting technology, the different sorts of licences available, company compliance with export control legislation and the UK control

decisions, and when they should contact the ECO for advice. Inclusion of an entity on the list does not necessarily indicate that an export licence would be refused, nor non-inclusion that there are no end-use concerns.

In 2006 over 2,600 individuals from 47 countries registered to use ECO's two new web-based tools which help exporters find out if their products needed a licence and, if licensable, whether an open general licence potentially covered proposed exports. The first of these tools, "Goods Checker", was made available at the end of 2005 and can be accessed at [www.ecochecker.co.uk/goodschecker](http://www.ecochecker.co.uk/goodschecker). Goods Checker provides a web based search function across the Consolidated UK Strategic Export Control List.

The second tool, "OGEL Checker", was made available in May 2006 at [www.ecochecker.co.uk/ogelchecker](http://www.ecochecker.co.uk/ogelchecker). Users who know the rating (control list classification) of their goods and the destination country for the proposed export, can use the tool to find out which Open General Export Licence(s) may cover the export, provided all the conditions can be complied with.

A new workshop was developed and delivered twice at the end of 2006 to assist exporters in assessing their goods against the control list, using Goods Checker, and in using OGEL Checker to see if any OGELs may be used when exporting their products.

#### 1.5 Compliance

In 2006 Export Control Compliance Officers undertook 507 (568 in 2005) visits to companies

### 1.6 Enforcement

HM Revenue and Customs (HMRC) enforces the UK's strategic export controls using a combination of multifunctional teams and specialist strategic export control teams. The majority of HMRC officers are multifunctional, covering a wide range of fiscal controls as well as other regimes, prohibiting or restricting the import and export of goods. All are equipped to carry out a range of duties, and are supported by specialist teams when necessary.

Enforcement of export controls on military and dual-use goods continues to be a high priority for HMRC. In addition to the existing export controls, HMRC have extended their controls this year to enforce the recently imposed United Nations Sanctions against North Korea and Iran. HMRC also continue to work with a number of governments to implement the Proliferation Security Initiative, which is designed to prevent the proliferation of weapons of mass destruction and missile delivery systems.

As part of its role as the enforcement body for UK export controls, HMRC has an enforcement role in relation to both the physical exports and the export of military and WMD technology by electronic means (e.g. by fax and e-mail). HMRC is also responsible for enforcing the trade controls and the provision of technical assistance in relation to the development of weapons of mass destruction.

### 1.7 HMRC Seizures

The table below outlines the number of cases where HMRC action resulted in the seizure of strategic goods (Military List or Dual-Use list items):

Category	Number of cases
Military List	10
Dual-Use List	10
Total	20

In 2005-06 HMRC also took action in a further 38 cases to prevent the export of goods that could have been used in WMD programmes in destinations of concern. During the same period, HMRC took enforcement action in 42 cases where breaches of the controls were identified by BERR Compliance Officers. The following table outlines successful prosecutions for breaches of the strategic export controls.

**Table 1.2 HMRC Prosecutions for strategic export offences**

Financial Year	Goods	Destination	Person or company concerned	Offence	Penalty
2003-04	Aluminium	Pakistan	David Lee Nicklin of AM Castle & Co Ltd	Exportation of goods in breach of the Customs and Excise Management Act 1979, Section 68(1)	£1,000
2004-05	Aircraft parts	Iran	Saroosh Homayouni	Exportation of goods in breach of the Customs and Excise Management Act 1979, Section 68(2)	18 months imprisonment (suspended); banned from being company director for 10 years; asset forfeiture order for £69,980
2005-06	Body armour	Pakistan	Practorian Associates	Exportation of goods in breach of the Customs and Excise Management Act 1979, Section 68(1)	£2,500 fine
2005-06	Body armour	Kuwait Iraq Saudi Arabia	Vestguard UK Ltd	Exportation of goods in breach of the Customs and Excise Management Act 1979, Section 68(1)	£10,000 fine

### 1.8 Resources on Enforcement and Outreach

HM Revenue and Customs (HMRC) has a full-time permanent Headquarters Unit dealing with strategic export control and sanctions enforcement. In addition, HMRC has two national specialist operational teams carrying out investigations and intelligence work in this field.

The more routine and day-to-day checks in relation to strategic export controls are undertaken by officers within a number of different branches of the Department. Staff within Detection units carry out physical examinations of cargo at ports and airports, and also enforce passenger controls.

Officers in Entry Processing teams carry out checks on documents and customs declarations for goods leaving the UK. These officers also check and process BERR export licences. Inland, officers within HMRC's Large Business Service and Local Compliance teams audit the business records of UK exporters, and ensure they are complying with UK and EU regulations and have appropriate internal controls.

These officers also have access to a range of technical support and advice from a number of other HMRC teams, including Departmental solicitors.

In 2006, HMRC officers participated in strategic export control outreach and capacity building to officials from a number of countries, including Albania, China, Croatia, Pakistan and Serbia. HMRC officers also participated in a number of other international strategic export control meetings and conferences, including the four annual export control regime meetings.

BERR have 4 full time members of staff involved in outreach, with others called in when necessary.

## Section 2

### International Policy

For domestic policy to be effective, it must reflect our wider international obligations under the various export control regimes, which underpin international non-proliferation treaties and arrangements. The UK rigorously implements our own commitments under these regimes. We also work actively with our partners to strengthen these regimes through ensuring that the controls currently in place to prevent proliferation are effective, and universally respected.

#### 2.1 Policy Analysis of Exports to Embargoed Destinations

The UK takes very seriously its obligations under UN, EU, OSCE and our own national embargoes, as well as any other international restrictions to which we are a party on the export of military and other controlled goods, including those of strategic concern.

The following list of countries were subject to an embargo of the UN or EU in 2006 (this does not include those that are subject to other restrictions or a more limited sanction by virtue of proximity to an embargoed destination):

- Burma
- People's Republic of China (not including Hong Kong or Macau)
- Democratic Republic of Congo
- Iran
- Iraq
- Lebanon
- Liberia
- Libya
- North Korea
- Sudan
- Syria
- Zimbabwe

#### Assessment of applications for countries subject to an embargo

All export licences are assessed against the Consolidated EU and National Export Licensing Criteria on a case by case basis. This also takes into account prevailing circumstances and announced Government policies at the time of application. The consideration of embargoes falls under Criterion One of the Consolidated Criteria. It states:

*'The Government will not issue an export licence if approval would be inconsistent with inter alia:*

*the UK's international obligations and its commitments to enforce UN, OSCE and EU arms embargoes, as well as national embargoes observed by the UK and other commitments regarding the application of strategic export controls.'*

Those countries subject to an embargo may nevertheless need to import controlled equipment, including for peace keeping (equipment for NATO personnel for example) or humanitarian (de-mining equipment for example) purposes.

Where the embargo does not apply to an export or activity, for example because it falls within an exemption, the licence is then assessed against the remaining Consolidated Criteria.

The following section will give an insight into how HMG assesses a licence to an embargoed destination.

that might be used for internal repression or terrorism and the sale, transfer or export of arms and related material of all types including weapons and ammunition, military vehicles and equipment, paramilitary equipment and spare parts for the aforementioned...

There are however exemptions to the embargo. These include items of non-lethal military equipment 'intended solely for humanitarian or protective use, or for the institution building programmes of the UN, the EU and the Community, or of material intended for EU and UN crisis management operations'. Also exempt is the 'sale, supply, transfer or export of de-mining equipment and material for use in de-mining operations; provision of financing or financial assistance related to such equipment or to such programmes and operations and the provision of technical assistance related to such equipment or to such programmes and operations'.

The embargo also makes an exemption for 'protective clothing, including flak jackets and military helmets, temporarily exported to Burma/Myanmar by UN personnel, personnel of the EU, the Community or its Member States, representatives of the media, humanitarian and development workers and associated personnel for their personal use only.'

In 2006, no SIELS were authorised for Burma, 2 OIELS and 1 OTCL were approved. The equipment on the OIELS included 1) towed hydrophone arrays which are to be used for gathering seismic data offshore, in lakes and waterways inshore and 2) the technology for the

information that the tyres were for combat aircraft, and therefore were military listed. Any military listed items fall under the embargo, and therefore the licence was refused under Criterion 1.

There were wide ranging internal consultations on each application. This included other Government departments such as BERR, MoD and DFID, as well as the British Embassy in Rangoon, internal Foreign and Commonwealth Office departments notably the lead department on Burma, the Human Rights and Good Governance Department and the International Organisations Department. These departments provided specialized information and insight into issues regarding human rights, international sanctions and bilateral Burma issues.

In assessing the applications officials followed the Best Practice Guidance in the User's Guide to the EU Code of Conduct. Best Practice Guides have been completed for all the criteria (Annex F). The purpose of the User's Guide is to encourage harmonization in the way all EU Member States apply the Criteria. There are also a number of technical or commercial websites that can be used to gather further information about specific equipment. This is particularly useful to verify specific end-use details.

#### Case Study 2: Lebanon

Lebanon has been subject to a UN arms embargo since August 2006. The embargo was implemented under UN Security Council Resolution (UNSCR) 1701, which came into force after the armed conflict in Lebanon in the summer of 2006. UNSCR 1701 calls for the "dismantlement

apply to arms, related material, training or assistance authorized by the Government of Lebanon or by the United Nations Interim Force in Lebanon (UNIFIL).<sup>1</sup>

9 SIELs were issued for Lebanon in 2006. The equipment on the licences included: Body armour, bomb suits, military helmets and related components for mine clearance operations; Components for equipment employing cryptography for communication purposes.

17 OIELS were issued for Lebanon in 2006. The equipment on the licences included: Technology for the use of improvised explosive device disposal equipment for explosive ordnance and improvised explosive device bomb disposal; Equipment and components employing cryptography for civil telecommunications purposes.

After the embargo was put in place 7 OIEL licences in contravention of the arms embargo were revoked. The licences were not authorised by the Government of Lebanon or UNIFIL and the equipment in the licences was covered by the embargo. Authorisation for these exports of equipment is currently being sought, as the goods do not contravene any of the remaining Consolidated Criteria.

HMG is satisfied that for all export licence applications granted after the embargo came into force, the equipment was not in contravention of the embargo or the Consolidated Criteria. There were wide-ranging consultations on each application, including with the British Embassy in Beirut and other Government Departments such

#### Case Study 3: Zimbabwe

There has been a UK arms embargo on Zimbabwe since 12 May 2000. In addition, there has been an EU embargo on Zimbabwe since 2002 – implemented by Common Position 2002/145/CFSP. The embargo applies to arms, and related technical assistance and for items that could be used for internal repression. There are exemptions to the embargo. These include items of non-lethal military equipment intended solely for humanitarian or protective use and protective clothing exported under certain conditions. The embargoes were introduced because of our and EU partners' deep concerns about the continuing violence, illegal occupations of land, the failure to uphold the rule of law and the failure to hold fair elections.

In 2006, no SIELs were issued for Zimbabwe. 2 were refused. One was for a cargo vehicle. This was refused on the grounds that the vehicle was in fact military rated. (Any military listed items are caught by the terms of the embargo, and are therefore refused under Criterion 1. This licence was also refused under Criterion 7 due to diversion concerns.) The second licence was for thermal imaging equipment and was also refused under Criterion 1. We had concerns that the equipment could be used for internal repression.

1 OIEL was issued in 2006 for corrosion resistant chemical manufacturing equipment. This OIEL was for mass transfer equipment for use in the chemical and petrochemical industries to separate or remove various chemicals in a mixture. Typical examples of this type of this equipment are

The decision to issue these licences was taken after consultation between the FCO, MOD, BERR and DFID, as well as the British High Commission in Harare and the geographical desk that deals with all bilateral UK-Zimbabwe issues, and the International Organisations Department. Having considered the equipment and its end use, the decision was taken that the equipment was consistent with the embargo and the Consolidated Criteria, and would not be used for internal repression.

## 2.2 Arms Trade Treaty

We remain committed to securing a legally binding global treaty on the trade in conventional arms. Our aim is to ensure that all countries adopt and adhere to high standards in the conduct of the arms trade, with the goal of ensuring that sales are not allowed which will:

- provoke or worsen conflicts;
- be used by human right abusers or to violate international humanitarian law;
- destabilise countries or regions; undermine sustainable development; or
- allow arms to flow from the legitimate to the illicit market.

In 2006 we set out to secure agreement to a formal UN process to take this work forward. Recognising the growing global support for the initiative, from a cross section of countries, in July 2006, along with Argentina, Australia, Costa Rica, Finland, Japan and Kenya, we launched a draft UN Resolution.



2007. The Secretary General will then set up a Group of Governmental Experts (GGE) to look at these issues in 2008, and report back to the UN First Committee later that year. After the GGE reports back decisions will then be taken on the next steps.

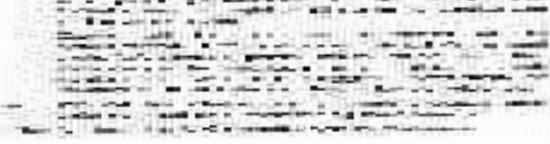
Recognising the importance of ensuring countries have a say in this process we worked with the co-authors of the ATT Resolution to encourage contributions to the UN process. With the long-term goal of having all countries participate in a treaty, we have encouraged supporters, and those less convinced of the initiative, to get involved in the UN process.

The former Foreign Secretary Margaret Beckett, made our continued commitment to the initiative clear when speaking in Parliament on 16 January 2007:

"The United Kingdom has led international efforts to secure a legally binding treaty to end the irresponsible trade in arms worldwide. On 6 December 2006 we successfully pushed through a resolution establishing a UN process to work towards a treaty, and we will continue to build support for the initiative in UN discussions during 2007 in preparation for the meeting of the group of governmental experts in 2008, which will look at the draft parameters of a treaty."

In early March 2007 we submitted the UK contribution to the UN, in which we made clear that we envisage a legally binding treaty that should:

- Set standards for the arms trade, ensuring respect for human rights and international



### 2.3 Small Arms and Light Weapons (SALW)

The UK remains committed to actively working towards the reduction and eventual elimination of the uncontrolled spread of illicit SALW. In 2006 we continued work under the UK-led Transfer Controls Initiative (TCI) to build on regional approaches, to agree global criteria for SALW transfers. Since the launch of the TCI 4 years ago the UK has sponsored a number of regional workshops and seminars (e.g. in Sri Lanka, Peru, Geneva, Nairobi and Nicaragua) to develop regional agreement on transfer controls. In April 2006, at a UK-Kenya sponsored meeting in Nairobi, representatives of 11 governments and civil society from all regions of the world produced draft global guidelines for national controls governing transfers of SALW. These build on the commonalities of various existing regional agreements.

The 2001 United Nations Programme of Action (UNPoA) to Prevent, Combat and Eradicate the Illicit trade in Small Arms and Light Weapons in All its Aspects provides the framework through which the UN concentrates its efforts to tackle SALW issues. The first Review Conference of the PoA took place in New York between 26 June and 7 July 2006. This was the first formal opportunity for the international community to review progress. Despite the meeting not agreeing formal recommendations, well over 100 states expressed support for further work on global transfer standards. The UK, with other supporters of TCI will continue to work to build broad international support for global guidelines.

Building on successful work in 2005 which agreed

Nationally, the joint efforts of FCO, MOD and DFID under the Global Conflict Prevention Pool (GCPP) SALW strategy contribute towards a coherent response to the reduction of small arms proliferation and armed violence. The strategy takes a holistic approach to the problem, seeking to tackle the supply, demand and availability of SALW. As well as the TCI, this is achieved through support for the implementation of existing regional and national agreements on SALW; the collection and destruction of weapons; better stockpile management; awareness raising and education programmes.

### 2.4 EU Code of Conduct

The EU Code of Conduct on Arms Exports was adopted in June 1998. It established eight criteria, which EU Member States agreed to use when considering licence applications for the export of goods on the EU Common Military List. The Code also established a system of confidential consultation on licence denials. This system was aimed at encouraging greater coherence and transparency in decision-making, by obliging partners to consult each other on essentially identical transactions. This process also helps reduce the scope for unscrupulous end-users to 'shop around' the EU hoping to secure the export of equipment which had already been denied by another member state. All these steps represent an important collective acknowledgement by EU Member States of the negative impact that inappropriate and irresponsible arms exports can have, and the practical action Member States can take to prevent them.

The EU also produces an Annual Report that provides a useful country by country breakdown of each Member States' exports. The Ninth EU Annual Report was produced in October 2006. Many Member States also produce their own National Reports, some of which are available via the Internet. Annex G to this Report provides a list of those currently available.

#### 2.5 EU Torture Regulation

The EU Regulation on the Trade in Torture Equipment came into force on 30 July 2006. This concerns the trade in certain goods which could be used for capital punishment, torture or other cruel, inhuman or degrading treatment or punishment. The Regulation bans the import, export, or provisions of technical assistance in relation to equipment listed at Annex II, and brings the equipment listed at Annex III under control. We will work with other Member States and the Commission to introduce additional equipment for control where appropriate.

UK trade controls were extended to cover all equipment listed in the Regulation. This means all trade in the listed items is controlled under the Trade in Goods (Control) Order 2003 and the Trade in Controlled Goods (Embargoed Destinations) Order 2004.

The EU Regulation is fully binding and has direct effect in all EU Member States. The UK already had in place its own comprehensive national controls on torture equipment since 1997. This included a prohibition on the export of devices designed to administer an electric shock, such as

currently forty Participating States, with representation from all continents.

The Plenary agreed to a number of amendments to its control lists to keep pace with advances in technology, market trends and international security developments such as the threat of terrorist acquisition of military and dual-use goods and technologies. The Plenary also approved new guidelines on licensing and best practices relating to the implementation of controls on intangible technology transfers. As 2007 is an Assessment year, the Plenary agreed a framework to carry out this exercise. This will be the fourth such Assessment of the WA, which will review its role and overall functioning.

The WA continues to place a high priority on transparency and outreach to non-Participating States and international organisations, with the aim of promoting robust export controls throughout the world. A number of the Outreach activities conducted in 2006 promoted the Wassenaar Elements on Export Controls of man-portable air defence systems (MANPADS). This was in view of concerns about the acquisition of MANPADS by unauthorised users. The next regular WA Plenary meeting will take place in Vienna in December 2007.

#### 2.7 UN Conventional Arms Register

The UN Register of Conventional Arms is a voluntary global reporting instrument, intended to create greater transparency in international arms transfers and help identify excessive build-up of arms in particular countries or regions. The United Nations Register currently covers seven categories

attach a high level of importance to regular and comprehensive reporting and actively encourages all UN member states to participate with similar levels of transparency.

The UK's annual return to the UN Register is attached in Annex H. Further information can be found at the UN website <http://disarmament2.un.org/cab/>.

## 2.8 Nuclear Suppliers Group

Since its foundation in 1975 the Nuclear Suppliers Group (NSG) has sought to reduce global nuclear proliferation by controlling the export and re-transfer of materials that may be applicable to nuclear weapon development, and promoting effective safeguards and protection of existing nuclear materials.

In 2006 the Nuclear Suppliers Group Plenary was held in Brasilia, Brazil on the 1st and 2nd of June. The 2007 Plenary was held in Cape Town, South Africa on the 19th and 20th of April. Throughout the year the 45 Participating Governments have been discussing how the group should treat non-member adherents, working actively to reach consensus on strict criteria for the transfers of Enrichment and Reprocessing technology and equipment, and adopting the Additional Protocol as a Condition of Supply for all Trigger-List items. The Group will be looking to assist in the effective implementation of the prohibition on transfers of certain nuclear technology to Iran, in UNSCR 1737, and to North Korea in UNSCR 1718. The NSG is constructively considering its relationship with India following the US/India joint statement of

and materials of mass destruction, primarily in Russia and the Former Soviet Union (FSU). The UK has pledged \$100m towards the disposition of Plutonium in Russia following a bilateral US-Russia agreement under which each will dispose of 34 tonnes of weapons-grade plutonium. The UK has a limited role in progressing Pu disposition in Russia, but will work with the US and other donors to assist both Russia and the US in maintaining the momentum towards achieving a solution to the technical, financial and other challenges that remain.

The UK would like to see a programme of Plutonium Disposition actively underway, which includes: concrete Russian commitment to, and investment, in its own programme; substantial international financial support, with appropriate transparency, non-proliferation, financial and procurement procedures; and a representative international steering body overseeing the project. The liability protocol to the 2000 US-Russian Agreement was signed in September 2006 and represents a significant step forward for implementing such a programme in Russia.

Besides Plutonium Disposition, the UK is involved in a wide variety of other Global Partnership work, including in all four priority areas identified at Kananaskis: the destruction of chemical weapons; the dismantling of decommissioned nuclear submarines; the disposition of fissile materials; and the employment of former weapons scientists.

Under new governance arrangements, a senior official-level Oversight Board, chaired by the FCO, meets at least twice-a-year to monitor and review

In 2006, key achievements included

- Completion to time and to cost of a £21 million nuclear storage facility at Murmansk, Russia;
  - Implementation of a portfolio of projects which should secure over 1,000 sustainable jobs for former weapons scientists;
  - Completion to time and to cost of the dismantling of a third nuclear submarine, with some of the work carried out in partnership with Norway;
  - Successful implementation of further infrastructure and equipment projects for a key Russian Chemical Weapons Destruction Facility at Schuch'ye, Russia; and
  - Conclusion by a Chatham House report that the UK contribution to the Global Partnership since 2002 had been "well-planned and organised, appropriately funded and efficient, and – above all – effective".

#### **2.10 Australia Group**

The Australia Group (AG) is an informal arrangement of 39 member countries, plus the European Commission, that aims to allow exporting or trans-shipping countries to minimise the risk of assisting Chemical and Biological Weapons proliferation.

The 2006 Plenary meeting was held on 12 – 15 June in Paris where a number of issues were discussed, including agreeing a number of measures for deepening the implementation and enforcement of national export control systems. The UK gave a number of presentations including

Since its establishment in 1987, the MTCR has made a significant contribution to international efforts on non-proliferation of missiles. However, Partners acknowledge that the risk of proliferation of WMD and their means of delivery remains a major threat. In response to the increasing sophistication of procurement attempts, Partners agreed measures at the Copenhagen Plenary to address the areas of transfers of intangible technology, and transit/transhipment, and continue to work towards strengthening brokering controls.

## 2.12 International Outreach

Outreach activities to promote effective export controls are an extremely important tool in the fight against proliferation. The UK works closely with the EU, US and others, in co-ordinating this work. Outreach can take several forms: bilateral work by the UK or multilateral efforts through institutions within the EU, the Wassenaar Arrangement and other export control regimes such as the MTCR. Teams of officials from various Government Departments conduct export control visits (outward) and host delegations from invited countries (inward), addressing practical and policy issues surrounding export licensing and enforcement. Activities typically include seminars and visits (both inward and outward) covering such topics as industry awareness, capacity building, customs procedures, and assistance with drafting legislation. Officials from all of the UK Government departments in the single Licensing Community are routinely involved in outreach work.

In the period since the last Annual Report outreach activities have been undertaken involving UK

## Section 3

### Export Licensing Decisions During 2006

#### 3.1 Background to export licence decisions

In assessing applications for individual licences, on the basis of the information supplied by the exporter, officials in the Export Control Organisation (ECO) will determine whether or not the items are controlled and, if so, under which entry in the legislation; the relevant alphanumeric entry is known as the "rating" of the items. Items and activities subject to control for strategic reasons are as follows:

- Exports of items entered in Part 1 (the UK military list) and Part 2 of Schedule 1, and Articles 8, 9 and 10 of the Export of Goods, Transfer of Technology and Provision of Technical Assistance (Control) Order 2003. The text is at Annex A;  
Tracing activities specified in the Trade in Controlled Goods (Control) Order 2003 in relation to Military List items, with the exception of software and technology;
- Trading activities specified in the The Trade in Controlled Goods (Embargoed Destinations) Order 2004 in relation to Military List, with the exception of software and technology;
- The provision of technical assistance where the provider knows or has been made aware that the technical assistance will be used for a relevant use (already footnoted) outside the EU;
- The transfer of technology by any means where the transferor knows or has been made aware that the technology will be used outside the EU for a relevant use;
- Exports of items entered in the Council

- Items that exporter has been told, knows or suspects are or may be intended for any relevant WMD use'. This is the "WMD end-use" or "catch-all" control and goods controlled for these reasons are given the rating "End-Use"; and
- components or production equipment that the exporter has been told, knows or suspects are or may be intended for a military end-use" in a country subject to certain types of arms embargo, or for use as parts or components of military list items which have been exported in breach of United Kingdom export controls. This is the 'Military End-Use' control.

Where an item or activity is controlled, the exporter or trader must apply to the ECO for a licence. All applications are assessed against the Consolidated Criteria.

#### Notes on Refusals Data

A simple comparison of the numbers of licences issued or refused in this period compared to that reported in previous Annual Reports is not necessarily an indicator of changes in Government policy between the periods concerned. Companies are unlikely to apply for licences that they can judge for themselves are likely to be refused when assessed against the published criteria. They are now better able to judge that likelihood as we publish refusal statistics by destination. More generally, the number and nature of the applications received in total or in relation to particular destinations can vary widely from one period to the next, and there can be many reasons

### **3.2 Standard Individual Export Licences, Open Individual Export Licences, Standard Individual Trade Control Licences and Open Individual Trade Control Licences**

The enclosed CD holds licensing data by destination for 2006, including information about the SIELs, OIELs, SITCLs, and OITCLs, granted, refused and revoked during 2006.

This section of the Report gives information on the various types of licences as well as information on appeals against licensing decisions during this period.

SIELs generally allow shipments of specified items to a specified consignee up to the quantity or value specified by the licence. Such licences are generally valid for two years where the export will be permanent. Where the export is temporary, for example for the purposes of demonstration, trial or evaluation, the licence is generally valid for one year only and the items must be returned before the licence expires. A licence is not required for the majority of transhipments through the UK en route from one country to another, providing certain conditions are met. Most other transhipments can be made under one of the Open General Transhipment Licences (OGTL) in force, provided in all cases that the relevant conditions are met. Where this is not the case, a Standard Individual Transhipment Licence (SITL) is required (there are no Open Individual Transhipment Licences).

The information on SIELs included in this section of the Report has been compiled using the Export Control Organisation's computer databases. The

During the period, 9908 SIEL applications were processed: 7651 SIELs were issued, 11 were revoked and 121 were refused. In addition, 11 SITLs were issued, none were revoked and 1 was refused. A further 1070 applications were rated as no licence required (NLR).

A Standard Individual Trade Control Export Licence (SITCL) is specific to a named trader and covers involvement in the trading of a set quantity of specific goods between a specified overseas source and overseas destination country with a specified consignor, consignee and end-user. SITCLs will normally be valid for two years. Upon expiry, either by time or because the activity has taken place, the licence ceases to be valid and must be returned to the Export Control Organisation. Should further similar activity need to take place, a further licence must be applied for. Trade Controls only apply to goods on the "UK Military List" (Schedule 1, Part 1 of the Export of Goods, Transfer of Technology and Provision of Technical Assistance (Control) Order 2003) and do not apply to software and technology. During this period 74 SITCLs were issued, none were revoked and 8 were refused. A further 6 applications were rated as no trade licence required (NTLR).

OIELs are concessionary licences that are specific to an individual exporter and cover multiple shipments of specified items to specified destinations and/or, in some cases, specified consignees. OIELs are generally valid for a period of five years, with the exception of Dealer to Dealer OIELs which are valid for three years. There are no Open Individual Transhipment Licences. During the reporting period 417 OIELs were issued. In

An Open Individual Trade Control Export Licence (OITCL) is specific to a named trader and covers involvement in the tracing of specific goods between specified overseas sources and overseas destination countries and/or specified consignor(s), consignee(s) and end-user(s). OITCLs are generally valid for two years. Trade Controls only apply to goods on the 'UK Military List' Schedule 1, of the Export of Goods, Transfer of Technology and Provision of Technical Assistance (Control) Order 2003 and do not apply to software and technology. During the reporting period 33 OITCLs were issued. In addition, 5 applications for OITCLs were refused in full, none were revoked and a further 1 was rated as no trade licence required. It should be noted that the refusal of an application for an OITCL, amendment to exclude particular destinations and/or items or the revocation of an OITCL does not prevent a company from applying for SITCLs covering some or all of the items concerned to specified consignees in the relevant destinations. Clearly, however, the factors that led to the original decision would be taken into account in the decision on any such application.

In addition, information is also provided in Annex H on the number of items of equipment in the UN Register of Conventional Arms categories covered by SIELs issued during the period, provided that the contract has come into force.

### 3.3 Information on SIELs, SITLs, OIELs, SITCLs and OITCLs

The entry for each destination in the CD contains the following information:

[REDACTED]

#### For SIELs:

- Total value of all applications in respect of which a SIEL was issued for the export of items to the destination concerned during the period, whether the export concerned was permanent or temporary. The total value will either be rounded up to the nearest £500,000 or stated as being less than £250,000. It should be noted that the value of exports that are actually made under the licences concerned is likely to be less than shown because some of these licences will not be used to make all of the exports authorised and others will not be used at all. In addition, some items are exported only temporarily and later returned to the UK.
- The number of licences issued, refused or revoked, split into Military List, other items and both (covering licences with military and other goods) categories. A (T) at the end of a line indicates Temporary export licenses.

#### For Incorporation:

Information on goods licensed under SIEL for incorporation and onward export from the destination country is provided in the same format as all other SIELs, and includes the same level of information.

#### For SITLs:

Information on SITLs is provided in the same format as for SIELs. The items covered by SITLs issued only pass through the UK and it would

[REDACTED]

#### For SITCLs

- A summary of the items or activities authorised by the licence are given.
- As SITCLs cover the trading of specific goods between specified overseas sources and overseas destination countries, there is no physical export from the UK and traders are not asked to provide information on values.

#### For OITCLs

- A summary of the items or activities authorised by the licence are given.
- As OITCLs cover the trading of specific goods between specified overseas sources and overseas destination countries, exporters holding OITCLs are not asked to provide details of the value of goods they propose to ship and it is therefore not possible to provide information on the total value of goods licensed.

#### Special OIELs

There are three special categories of OIELs:

##### Media OIELs

Media OIELs authorise the export of protective clothing and equipment, mainly for the protection of aid agency workers and journalists, in areas of conflict. In addition to military helmets and body armour, the licence includes NBC protective items,

connection with offshore installation and associated vessels. During the period of this report, none were issued

##### Global Project Licences

Global Project Licences (GPLs) were introduced by Framework Agreement (FA) partners, including the UK, to streamline the arrangements for licensing military goods and technologies between FA Partners (UK, France, Italy, Sweden, Spain and Germany) where these transfers relate to their participation in specific collaborative defence projects. In relation to the collaborative project, each Partner State will, as appropriate, issue their own GPLs to permit transfers of specified goods and technology where these are required for that programme. The GPLs will operate on a similar basis to UK Open Individual Export Licences, and applications for GPLs will be assessed against the Consolidated Criteria in the UK, and against the EU Code of Conduct in other Framework Partner countries. None were issued in 2006.

#### 3.4 Transfer of Technology and Technical Assistance Licences

These licences are issued for the transfer of technology and provision of technical assistance under Articles 8, 9 and 10 of the Export of Goods, Transfer of Technology and Provision of Technical Assistance (Control) Order 2002. During this reporting period, 3 OIELs were issued, none were refused or revoked, and one was rated as no licence required. No SIELs were issued, refused or revoked but 1 was rated as no licence required.

In a number of cases, the refusals/revocations were made for more than one reason and this accounts for the higher number. Some licences were refused principally because of the application of national controls or policy commitments (See Annex D).

The information above does not include reasons for decisions to refuse OIELs or OITCLs in full or in part, to amend the coverage of an OIEL to exclude particular destinations and/or goods or to revoke an OIEL. OIELs and OITCLs are concessionary licences and a decision to exclude a particular destination does not preclude a company from applying for SIELs or SITCLs covering some or all of the goods concerned to specified consignees in the relevant destinations.

### 3.6 Appeals

This section provides information on all appeals against a decision to refuse an application for a SIEL or SITCL, or against a decision to revoke a SIEL or SITCL, where the decision on the appeal was taken in the relevant period. The Government has a target of processing 60% of appeals within 20 working days from receipt of all relevant information from the appellant and 95% in 60 working days.

There is no provision in the licensing procedure for a formal appeal against refusal or revocation decisions on OIELs or OITCLs. This is because such decisions do not prevent a company from applying for SIELs or SITCLs. Decisions to refuse licences are not taken lightly, and only in those cases where refusal is clearly justified is a final

In total, there were 45 appeals heard in 2006 against the original decision to refuse an application for a SIEL, and 2 against the decision to refuse a SITCL. There were no appeals against the revocation of SIELs. The appeals against the original decisions on 29 applications were refused; the appeals against the original decisions on 16 applications were upheld and licences were issued. A further 1 appeal was withdrawn by the exporter. 1 appeal was also partially refused.

### 3.7 Open general Licences

Open General Licences (OGLs) allow the export or trade of specified controlled goods by any company, removing the need for exporters to apply for an individual licence, provided the shipment and destinations are eligible and the conditions are met. Most OGLs require the exporter or trader to register with the Export Control Organisation in advance before they make use of most OGLs, and the companies are subject to compliance visits from the ECO to ensure that all the conditions are being met. There are also a small number of Open General Transhipment Licences (OGTLs) for which registration is not required. All OGLs remain in force until they are revoked. A complete list of OGLs is at Table 3.1.

Note: Council Regulation (EC) No.1334/2000 on the export of dual-use items and technology entered into force on 28 September 2000. Annex II of the Regulation introduced a new Community General Export Authorisation (CGEA). The Regulation was subsequently amended by Council Regulation (EC) No. 394/2006, (the 'Amending Regulation') which entered into force on 12th April

**Table 3.1 List of Open General Export Licences**

20.	Export After Repair/replacement Under Warranty: Dual-Use Items	01.05.04	01.05.04	
21.	Export After Exhibition: Dual-Use Items	01.05.04	01.05.04	
22.	Low Value Shipments	01.05.04	01.05.04	
23.	X (Covering Specified Dual-Use Items)	01.05.04	01.05.04	
24.	Chemicals	01.05.04	01.05.04	
25.	Export For Repair/Replacement Under Warranty: Dual-Use Items	01.05.04	01.05.04	
26.	Cryptographic Development	01.05.04	01.05.04	
27.	Dual-Use Items: Hong Kong Special Administrative Region (HKSAR)	07.03.05	11.03.05	
28.	Oil and Gas Exploration: Dual-Use Items	28.09.05	30.09.05	
29.	OGTL (Dual-Use Goods: HKSAR)	01.05.04	01.05.04	
30.	Open General Transhipment Licence	28.09.05 28.07.06 29.09.06	03.10.05 30.07.06 02.10.06	30.07.06 02.10.06
31.	Open General Transhipment Licence (Sporting Guns)	28.09.05 28.07.06 29.09.06	03.10.05 30.07.06 02.10.06	30.07.06 02.10.06
32.	Open General Transhipment Licence (Postal Packets)	01.05.04	01.05.04	
33.	Open General Trade Control Licence	01.12.05 08.07.06 29.09.06	02.12.05 30.07.06 02.10.06	30.07.06 02.10.06

### 3.8 Performance in Processing Licence Applications

The Export Control Organisation sets out the government's commitments to exporters in a Service and Performance Code. The performance target is to provide a response on 70% of applications for SIELs within 20 working days, and 95% within 60 working days. During the period, 73% of all SIEL applications that were circulated to other Government Departments were responded to within 20 working days, and 95% within 60 working days.

The targets do not apply to applications for OIELs because of the very wide variation in the goods and destination coverage of such licences. They also do not apply to CITCLs because of the wide variation in goods or activities, sources and destinations covered by such licences. They also do not apply to applications for licences to export goods that are subject to control solely because of United Nations Sanctions.

#### Further comments

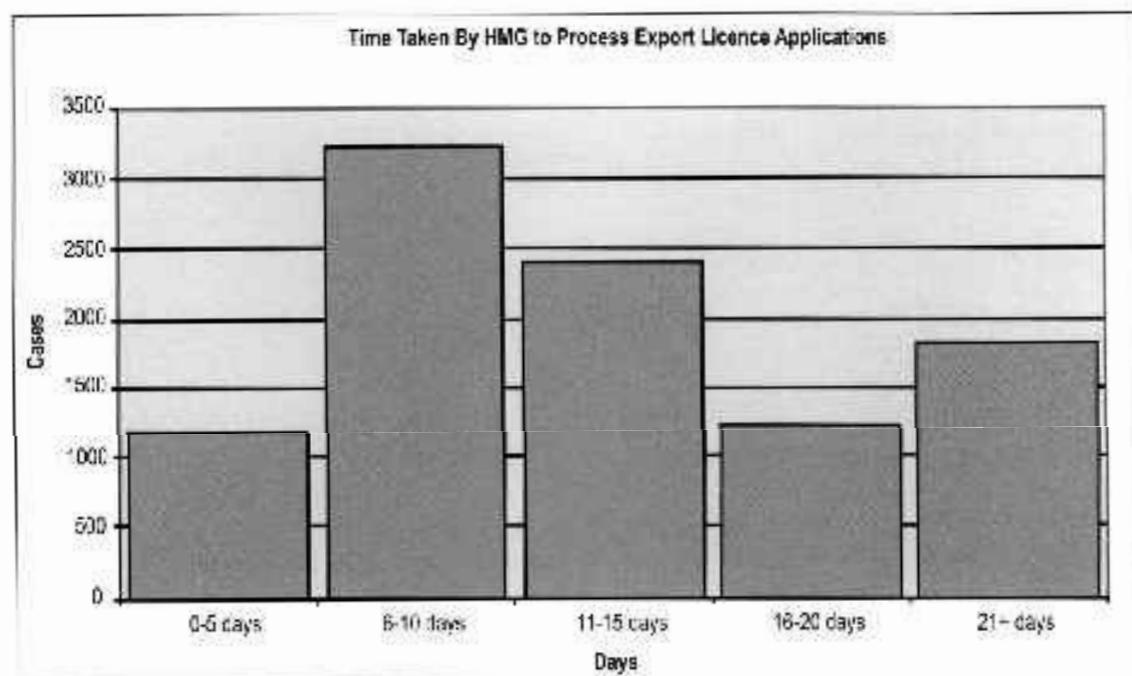
There were no further comments.

**Licensing performance**

Table 3.2 gives a breakdown of the performance in the period of Government against the two main published SIELs targets (70% in 20 working days and 95% in 60 working days).

**Appeals performance**

The Government has a target of processing 60% of appeals within 20 working days from receipt of all relevant information from the appellant and 95% in 60 working days. These targets do not apply to appeals concerning goods that are controlled solely because of UN Sanctions. Of the 48 appeals decided in 2006, none fell into this category (there were no appeals on SITCLs). Exporters withdrew a further 1 of the remaining appeals. Of the remaining 45 appeals heard in 2006, 65% achieved the 30 working day target. BERR has been working with other Government Departments on adjustments to the appeals procedure, and as a consequence there has been an improvement in performance against the appeals target. 50% of appeals were processed within 20 working days (against the unpublished target of 60%) and 83% processed within 60 working days (against an unpublished target of 95%).

**Table 3.2: Performance of HM Government**

**Table 3.3 OIELs and SIEL's Issued In 2006.**

Country	Number of SIELS	Number of OIELS
Afghanistan	27	6
Albania	1	6
Algeria	25	20
Andorra	1	2
Angola	22	18
Anguilla	1	0
Argentina	49	18
Armenia	1	2
Aruba	1	0
Australia	129	83
Austria	15	46
Azerbaijan	9	8
Azores	0	1
Bahamas	2	2
Bahrain	24	38
Bangladesh	16	11
Barbados	14	5
Belarus	1	3
Belgium	38	69
Belize	1	5
Benin	0	3
Bermuda	9	2
Bolivia	0	9
Bosnia-Herzegovina	5	3
Botswana	8	19
Brazil	98	58
British Antarctic Territory	0	1
Brunei Darussalam	1	1
Bulgaria	1	1
Cambodia	1	1
Cameroon	1	1
Canada	1	1
Central African Republic	1	1
Chad	1	1
Chile	1	1
China	1	1
Croatia	1	1
Côte d'Ivoire	1	1
Cuba	1	1
Cyprus	1	1
Czech Republic	1	1
Djibouti	1	1
Egypt	1	1
El Salvador	1	1
Equatorial Guinea	1	1
Eritrea	1	1
Estonia	1	1
Eswatini	1	1
Egypt	1	1
Emir of Brunei	1	1
Faroe Islands	1	1
Finland	1	1
France	1	1
Gabon	1	1
Greece	1	1
Guinea	1	1
Honduras	1	1
Iceland	1	1
Iraq	1	1
Ireland	1	1
Italy	1	1
Jamaica	1	1
Jordan	1	1
Kazakhstan	1	1
Kenya	1	1
Lao PDR	1	1
Lithuania	1	1
Luxembourg	1	1
Macedonia	1	1
Malta	1	1
Moldova	1	1
Mongolia	1	1
Namibia	1	1
Niger	1	1
Nigeria	1	1
Oman	1	1
Pakistan	1	1
Papua New Guinea	1	1
Romania	1	1
Russia	1	1
Saint Lucia	1	1
Saint Vincent and the Grenadines	1	1
Saudi Arabia	1	1
Singapore	1	1
Slovenia	1	1
Sri Lanka	1	1
Taiwan	1	1
Togo	1	1
Tunisia	1	1
Uganda	1	1
Ukraine	1	1
United Kingdom	1	1
Yemen	1	1
Zambia	1	1

Central African Republic	0	2
Chad	1	3
Channel Islands	71	12
Chile	36	30
China	284	25
Colombia	13	14
Comoros	0	1
Congo (DRC)	6	3
Costa Rica	3	3
Croatia	6	14
Cuba	0	3
Cyprus	38	11
Czech Republic	68	36
Denmark	33	68
Djibouti	0	1
Dominican Republic	1	1
Ecuador	6	16
Egypt	73	51
El Salvador	0	1
Equatorial Guinea	3	5
Eritrea	1	3
Estonia	9	16
Ethiopia	18	1
Falkland Islands	26	8
Faroe Islands	1	5
Fiji	3	0
Finland	36	56
France	196	104
French Overseas Territories	1	1
Gabon	1	12
Greece	*	—
Guatemala	*	—
Honduras	*	—
Iceland	*	—
India	*	—
Indonesia	*	—
Iraq	*	—
Iran	*	—
Ireland	*	—
Italy	*	—
Jamaica	*	—
Jordan	*	—
Kazakhstan	*	—
Kenya	*	—
Lao PDR	*	—
Lithuania	*	—
Macedonia	*	—
Mali	*	—
Mexico	*	—
Moldova	*	—
Morocco	*	—
Nicaragua	*	—
Niger	*	—
Nigeria	*	—
Oman	*	—
Pakistan	*	—
Papua New Guinea	*	—
Romania	*	—
Russia	*	—
Saint Lucia	*	—
Saint Vincent and the Grenadines	*	—
Saudi Arabia	*	—
Singapore	*	—
Sri Lanka	*	—
Sudan	*	—
Taiwan	*	—
Togo	*	—
Tunisia	*	—
Uganda	*	—
Ukraine	*	—
United Kingdom	*	—
Yemen	*	—
Zambia	*	—



Mexico	21	29
Moldova	0	4
Monaco	3	13
Mongolia	0	2
Montenegro	0	1
Morocco	11	22
Mozambique	2	10
Namibia	3	4
Nepal	2	2
Netherlands	93	80
Netherlands Antilles	2	0
New Zealand	81	59
Nicaragua	0	2
Niger	0	4
Nigeria	40	22
Norway	55	79
Oman	69	79
Pakistan	149	25
Panama	3	2
Papua New Guinea	0	4
Paraguay	0	8
Peru	7	0
Philippines	11	14
Poland	46	43
Portugal	24	56
Puerto Rico	1	3
Qatar	55	46
Republic of Congo	4	3
Romania	48	39
Russia	104	26
U.S.	1,000	1,000
U.S. Virgin Islands	1	1
Venezuela	1	1
Yemen	1	1

Slovakia	11	17
Slovenia	11	23
Soloman Islands	0	1
Somalia	2	0
South Africa	235	79
Spain	56	77
Sri Lanka	22	9
St Helena	2	0
Sudan	26	2
Surinam	1	1
Swaziland	2	1
Sweden	100	83
Switzerland	117	46
Syria	5	11
Taiwan	130	17
Tajikistan	1	3
Tanzania	11	5
Thailand	73	37
Togo	0	4
Trinidad and Tobago	15	7
Tunisia	13	25
Turkey	121	59
Turkmenistan	1	2
Uganda	8	0
Ukraine	32	17
United Arab Emirates	151	78
United States of America	617	129
Uruguay	13	12
Uzbekistan	3	3
Venezuela	9	17
Yemen	11	13

## Section 4

### STATISTICS ON EXPORTS OF MILITARY EQUIPMENT DURING 2006

#### 4.1 Introduction

This section of the Report provides an overview of the physical export of defence equipment from the United Kingdom in 2006. The information on physical exports relates to deliveries of equipment in the period 1 January to 31 December 2006 and has been obtained from two sources: HM Revenue and Customs (Tables 4.3 and 4.4) and information on Government to Government exports (Table 4.2).

Information on small arms destroyed by the Ministry of Defence in 2006 in conformity with the UN programme of Action on Small Arms and Light Weapons is shown at Table 4.1. Policy on the disposal of small arms declared surplus by the Ministry of Defence is to restrict transfers to those which meet the legitimate defence and security needs of overseas Governments. In the absence of approved transfers in line with this policy, surplus small arms are routinely destroyed.

#### 4.2 HM Revenue & Customs

The HM Revenue & Customs (HMRC) system for collecting and calculating UK trade data provides information on the value of military goods, and the numbers of certain weapons (generally small arms and light weapons), which have been identified as being exported from the UK during the reporting period. Information on exports to European Union (EU) countries is collected through the HMRC Intrastat system and, for trade outside the EU, from customs declarations submitted by exporters. In both cases the identification of specific exports is based on the European Community's classification of goods codes (the Combined Nomenclature), which do not match the classification of goods subject to strategic export controls. As a result, the information in Tables 4.3 and 4.4 provides an indicator of the level of trade with individual

#### 4.3 Government to Government transfers of equipment

Equipment sold Government-to-Government is listed at Table 4.2. Where the transfer of ownership of surplus goods sold to overseas governments takes place in the UK, the purchasing government is required to obtain a UK export licence before collection, and those licences will appear in Section 3. Disposal sales are also made through UK contractors who, where they sell and undertake the export to overseas customers, are required to apply for export licences in the normal way. Where transfer of ownership to an overseas customer takes place in the UK, the buyer is required to apply for an export licence. Licences for the export of those goods are included in Section 3. The Disposals Services Agency of the Ministry of Defence also enters into Government supply agreements covering the sale of surplus defence equipment. Items of surplus equipment sold Government to Government during 2006 are listed in Table 4.2.

There are a small number of Government-to-Government supply agreements, and goods supplied under these arrangements are exported under licence. The UK's main Government-to-Government supply agreement is the Saudi Armed Forces Project. This has provided for the supply of Tornado, Hawk and PC9 aircraft and Mine Countermeasure Vessels with their associated weapons, in-service support and facilities. During 2006, the project predominantly provided ongoing support for equipment already in service.

There is also a Government-to-Government supply agreement in place with Kuwait. This currently includes the supply of spares, refurbishment of Hawk engines and support to the Starburst Missile System.

**Table 4.1 Small Arms destroyed by MOD between 1 January and 31 December 2006.**

Gun type	Number
Carbine	1
Injector	41
Launcher	3
Light anti-armour weapon	691
Machine gun	978
Mortar	16
Pistol	4,749
Rifle	3,269
Riot gun	15
Shotgun	9
Submachine gun	27
<b>TOTAL</b>	<b>9,799</b>

**Table 4.2: Government to Government transfers of equipment between 1 January and 31 December 2006**

**Table 4.3: Statistics on exports of weapons and small arms in 2006**

<b>Country of destination</b>	<b>Number of items</b>
AFGHANISTAN	11,836
ARUBA	38
AUSTRALIA	32
BAHRAIN	8
BARBADOS	193
BRAZIL	730
CANADA	75
CAYMAN ISLANDS	12
CHILE	1
DENMARK	5
FALKLAND ISLANDS	2
FINLAND	0
FRANCE	0
GERMANY	6
GIBRALTAR	5
HAITI	23
INDIA	408
IRAQ	151
IRISH REPUBLIC	21
ISRAEL	2
JAMAICA	27
JAPAN	90
JORDAN	59
KENYA	14
KOSOVO	4
KUWAIT	285
LESOTHO	40
MALAYSIA	39
NETHERLANDS	0
NEW ZEALAND	151
NORWAY	14,905
OMAN	1,444
PAKISTAN	28
QATAR	488
ROMANIA	3
SAN MARINO	26
SAUDI ARABIA	25
SWEDEN	1
TAIWAN	1
THAILAND	1
YEMEN	1

**Table 4.4: Value of exports of military equipment from 1 January 2006 to 31 December 2006**

MALAYSIA	25,853,650	25.85
MALDIVES	8,005	0.01
MALTA	11,863,976	11.06
MARSHALL ISLANDS	94,133	0.09
MALRITANIA	1,194	0.00
MAURITIUS	15,829	0.02
MEXICO	479,202	0.48
MOLDOVA	11,239	0.01
MONGOLIA	196,942	0.20
MOROCCO	107,259	0.11
MOZAMBIQUE	11,500	0.01
NEPAL	81,708	0.08
NETHERLANDS	11,744,401	11.74
NEW ZEALAND	6,436,729	6.44
NIGERIA	270,447	0.27
NORWAY	37,284,762	37.28
OMAN	20,590,693	20.59
PAKISTAN	27,576,231	27.58
PAPUA NEW GUINEA	1,163	0.00
PHILIPPINES	343,148	0.34
POLAND	2,615,251	2.62
PORTUGAL	9,009,707	9.01
PUERTO RICO	151,072	0.15
QATAR	2,370,875	2.37
ROMANIA	1,366,890	1.37
RUSSIA	214,777	0.21
SAN MARINO	2,623	0.00
SAUDI ARABIA	44,807,215	44.81
SENEGAL	223,414	0.22
SERBIA	17,642	0.02
SIERRA LEONE	1,000	0.00
SINGAPORE	1,000	0.00
SLOVAKIA	1,000	0.00
SLOVENIA	1,000	0.00
SOMALIA	1,000	0.00
SOUTH AFRICA	1,000	0.00
SOUTH KOREA	1,000	0.00
SRI LANKA	1,000	0.00
TAJIKISTAN	1,000	0.00
TANZANIA	1,000	0.00
THAILAND	1,000	0.00
TOGO	1,000	0.00
TOKELAU ISLANDS	1,000	0.00
TONGA	1,000	0.00
TRINIDAD:TOBAGO	1,000	0.00
TUNISIA	1,000	0.00
TURKEY	1,000	0.00
TURKMENISTAN	1,000	0.00
UAE	1,000	0.00
UGANDA	1,000	0.00
UKRAINE	1,000	0.00
URUGUAY	1,000	0.00
USA	1,000	0.00
VENEZUELA	1,000	0.00
VIETNAM	1,000	0.00
YEMEN	1,000	0.00
ZAMBIA	1,000	0.00

SWEDEN	24,444,387	24.44
SWITZERLAND	79,717,038	79.72
SYRIA	91,616	0.09
TAIWAN	1,366,785	1.37
THAILAND	8,128,257	8.13
TOGO	1,956	0.00
TOKELAU ISLANDS	18,001	0.02
TONGA	3,870	0.00
TRINIDAD:TOBAGO	34,575	0.03
TUNISIA	343,335	0.34
TURKEY	35,221,503	35.22
TURKMENISTAN	44,482	0.04
UAE	19,405,432	19.41
UGANDA	27,083	0.03
UKRAINE	149,352	0.15
URUGUAY	105,255	0.11
USA	610,772,188	610.77
VENEZUELA	182,905	0.18
VIETNAM	22,505	0.02
YEMEN	126,925	0.13
ZAMBIA	25,498	0.03
	2,058,895,546	2,059

Source: HM Revenue & Customs, Overseas Trade Statistics

Note: Changes to the internationally agreed codes used for recording goods exports (Annex C) may have contributed to the apparent increase in the figures from 2005 to 2006. Further amalgamation of military and civil codes has resulted in a discontinuity in the codes set out to compile this

**Table 4.5: List of Military Equipment Gifted by the Government During Financial Year 2006/2007**

Geographical Strategy	Recipient	Total Cost (£)	Description (end use)
<b>THE GLOBAL POOL</b>			
Afghanistan	Afghan National Police	£440,216	Construction of Permanent Vehicle Check Points in Lashkargah (x8), Gereshk (x2) and Garmsir (x4); ANP Outposts/stations in Lashkargah (x4) and Gereshk (x3). Construction of a Joint Provincial Co-ordination Centre in Lashkargah
	Afghan National Army Governor of Helmand Province	£7,301 £48,868	Refurbishment and security upgrade to ANA Platoon house in Gereshk Security upgrade to the compound housing the office of the Governor of Helmand Province
Afghanistan Counter-Narcotics	Counter-Narcotics Police of Afghanistan (CNPA) Ministry of Justice Kabul International Airport (KIA)	£46,803 £19,417 £94,050	Refurbishment and security upgrade to the CNPA facility in Lashgar Gah  Security upgrade to Lashgar Gah prison. 2 x Ionscan systems to be used by KIA Police: a) Sabre 4000 – handheld ion detector b) Ionscan 5000D – sample collector with spectrum analyser
Belize and Guatemala	Belize Defence Force	£25,000	1. Slingsby Aircraft parts
	Belize Defence Force	£40,000	2. Three Mitsubishi vehicles
Nepal	Royal Nepalese Army	£59,152 £15,462.07	Explosive Ordnance Disposal Equipment 1. 2 x DAF 45 Box Body truck for carriage of EOD equipment. Shipping, customs etc.

## Annex A

### Schedule 1 of the Export of Goods, Transfer of Technology and Provision of Technical Assistance (Control) Order 2003

#### SCHEDULE 1

Schedule referred to in Articles 3 and 6 of the Export of Goods, Transfer of Technology and Provision of Technical Assistance (Control) Order 2003

#### PROHIBITED GOODS, SOFTWARE AND TECHNOLOGY

Note: in this Schedule, defined terms are printed in quotation marks.

##### Definitions

In this Schedule:

"adapted for use in war" means any modification or selection (e.g., altering purity, shelf life, virulence, dissemination characteristics, or resistance to ultra violet (UV) radiation) designed to increase the effectiveness in producing casualties in humans or animals, degrading equipment or damaging crops or the environment;

"basic scientific research" means experimental or theoretical work undertaken principally to acquire new knowledge of the fundamental principles of phenomena or observable facts, not primarily directed towards a specific practical aim or objective;

"biocatalyst" means enzymes for specific chemical or biochemical reactions and other biological compounds which bind to and accelerate the degradation of chemical warfare (CW) agents;

"biopolymer" means the following biological macromolecules:

- enzymes for specific chemical or biochemical reactions;
- 'monoclonal antibodies', 'polyclonal antibodies' or 'anti-idiotypic antibodies';
- specially designed or specially processed 'receptors';

##### Technical Note:

'Monoclonal antibodies' means proteins which bind to a specific antigenic site and are produced by a single clone of cells;

'Polyclonal antibodies' means a mixture of proteins which bind to a specific antigen and are produced by more than one clone of cells;

'Anti-idiotypic antibodies' means antibodies which bind to the specific antigen binding sites of other antibodies;

'Receptors' means biological macromolecular structures capable of binding ligands; the binding of

"energetic materials" means substances or mixtures that react chemically to release energy required for their intended application; "explosives", "pyrotechnics" and "propellants" are subclasses of energetic materials;

"explosives" means solid, liquid or gaseous substances or mixtures of substances which, in their application as primary, booster, or main charges in warheads, demolition and other applications, are required to detonate;

"expression vectors" means carriers (e.g., plasmid or virus) used to introduce genetic material into host cells;

"first generation image intensifier tubes" mean electrostatically focused tubes, employing input and output fibre optic or glass face plates, multi-alkali photocathodes (S-20 or S-25), but not microchannel plate amplifiers;

"improvised explosive devices" means devices fabricated or intended to be placed in an improvised manner incorporating destructive, lethal, noxious, "pyrotechnic" or incendiary chemicals designed to destroy, disfigure or harass; they may incorporate military stores, but are normally devised from non-military components;

"laser" means an assembly of components which produce both spatially and temporally coherent light which is amplified by stimulated emission of radiation;

"lighter-than-air vehicles" means balloons and airships that rely on hot air or on lighter-than-air gasses such as helium or hydrogen for their lift;

"nuclear reactor" means the "goods" within or attached directly to the reactor vessel, the equipment which controls the level of power in the core, and the components which normally contain, come into direct contact with or control the primary coolant of the reactor core;

"production" means all production stages (e.g., product engineering, manufacture, integration, assembly (mounting), inspection, testing, quality assurance);

"propellants" means substances or mixtures that react chemically to produce large volumes of hot gases at controlled rates to perform mechanical work;

**Technical Note:**

Tear gases are a subset of "riot control agents".

"robot" means a manipulation mechanism, which may be of the continuous path or of the point-to-point variety, may use sensors, and which:

- a. is multifunctional;
- b. is capable of positioning or orienting material, parts, tools or special devices through variable movements in three dimensional space;
- c. incorporates three or more closed or open loop servo-devices which may include stepping motors; and
- d. has "user-accessible programmability" by means of the teach/playback method or by means of an electronic computer which may be a programmable logic controller, i.e., without mechanical intervention;

*Note: This definition does not include:*

- a. Manipulation mechanisms which are only manually/teleoperator controllable;
- b. Fixed sequence manipulation mechanisms, which are automated moving devices, operating according to "programmes" where the motions are limited by fixed stops, such as pins or cams and the sequence of motions and the selection of paths or angles are not variable or changeable by mechanical, electronic or electrical means;
- c. Mechanically controlled variable sequence manipulation mechanisms, which are automated moving devices, operating according to "programmes" where the motions are limited by fixed, but adjustable stops, such as pins or cams and the sequence of motions and the selection of paths or angles are variable within the fixed programme pattern, variations or modifications of the programme pattern (such as changes of pins or exchanges of cams) in one or more motion axes are accomplished only through mechanical operations;
- d. Non-servo-controlled variable sequence manipulation mechanisms, which are automated moving devices, operating according to mechanically fixed programmed motions, the "programme" is variable but the sequence proceeds only by the binary signal from mechanically fixed electrical binary devices or adjustable stops;
- e. Stacker cranes defined as Cartesian coordinate manipulator systems manufactured as an integral part of a vertical array of storage bins and designed to access the contents of those bins for storage or retrieval.

"special gun-mounting" means any fixture designed to mount a gun:

**Technical Note:**

"Information" may take forms including, but not limited to: blueprints, plans, diagrams, models, formulae, tables, "source code", engineering designs and specifications, manuals and instructions written or recorded on other media or devices (e.g., disk, tape, read-only memories);

"source code" (or source language) is a convenient expression of one or more processes which may be turned by a programming system into executable form;

"use" means operation, installation (e.g., on-site installation), maintenance, checking, repair, overhaul and refurbishing;

"user-accessible programmability" means the facility allowing a user to insert, modify or replace "programmes" by means other than:

- A physical change in wiring or interconnections; or
- The setting of function controls including entry of parameters;

**PART 1****MILITARY, SECURITY AND PARA-MILITARY GOODS, SOFTWARE AND TECHNOLOGY AND ARMS, AMMUNITION AND RELATED MATERIEL**

- ML1** Smooth-bore weapons with a calibre of less than 20 mm, other firearms and automatic weapons with a calibre of 12.7 mm (calibre 0.50 inches) or less and accessories, as follows, and specially designed components therefore:
- Rifles, carbines, revolvers, pistols, machine pistols and machine guns;
  - Smooth-bore weapons;
  - Weapons using caseless ammunition;
  - Silencers, "special gun-mountings", weapon sights, clips and flash suppressers for firearms in ML1.a., ML1.b. or ML1.c.

Note: ML1 does not control:

- Air weapons (other than those declared by the Firearms (Dangerous Air Weapons) Rule) to be specially dangerous;
- Firearms specially designed for dummy ammunition and which are incapable of firing any ammunition in this Part of this Schedule;

- Firearms certified by a maintained LIV Board having at least two members of

- a. Guns, howitzers, cannon, mortars, anti-tank weapons, projectile launchers, military flame throwers, recoilless rifles and signature reduction devices therefore;
- b. Military smoke, gas and "pyrotechnic" projectors or generators;
- c. Weapons sights for firearms in ML2.a. or ML2.b.

Note: ML2 does not control signal pistols.

**ML3** Ammunition and fuze setting devices, as follows, and specially designed components therefore, for the weapons in ML1, ML2 or ML12;

- a. Ammunition for the weapons in ML1, ML2 or ML12;

Note: ML3.a. does not control

- a. Ammunition crimped without a projectile (blank star) and dummy ammunition with a pierced powder chamber;
- b. Lead or lead alloy pellet ammunition specially designed for air weapons;
- c. Cartridges specially designed for signalling, bird scaring or lighting of gas flares at oil wells;

- b. Fuze setting devices specially designed for ammunition in ML3.a.

**ML4** Bombs, torpedoes, rockets, missiles, other explosive devices and charges, and related equipment and accessories, as follows, specially designed for military use, and specially designed components therefore:

N.B: Electronic guidance and navigation equipment is controlled in ML11.a.

- a. Bombs, torpedoes, grenades, smoke canisters, rockets, mines, missiles, depth charges, demolition-charges, demolition-devices and demolition-kits, devices that contain "pyrotechnics", cartridges and simulators (i.e., equipment simulating the characteristics of any of these "goods");
- b. Equipment specially designed for the handling, control, activation, powering with one-time operational output, launching, laying, sweeping, discharging, decoying, jamming, detonation, disruption or detection of "goods" in ML4.a.

Technical Note:

*Hand held devices, limited by design solely to the detection of metal objects and incapable of distinguishing between mines and other metal objects, are not considered to be specially designed for the detection of "goods" in ML4.a.*

**PL5006** Apparatus or devices specially designed for military use, used for the handling, control, discharging, decoying, jamming, detonation, disruption or detection of "improvised explosive devices" or other explosive devices not in ML4.a., and specially designed components therefore.

**ML6** Ground "vehicles" and components, as follows:

*N.B.: Electronic guidance and navigation equipment is controlled in ML11.a.*

- a. Ground "vehicles" and components therefore, specially designed or modified for military use.

*Technical Note.*

*For the purposes of ML6.a. the term ground "vehicles" includes trailers.*

*Note: In ML6.a. modification of a ground "vehicle" for military use entails a structural, electrical or mechanical change involving one or more specially designed military component.*

- b. All-wheel drive "vehicles" capable of off-road use which have been manufactured or fitted with metallic or non-metallic materials to provide ballistic protection, other than those specified in ML6.a.

*Note 1: ML6.b. does not control "vehicles" designed or fitted out for the transportation of valuables or funds.*

*Note 2: ML6.b. does not control "vehicles" fitted with, or designed or modified to be fitted with, a plough or flail for the purpose of land mine clearance.*

**ML7** Chemical or biological toxic agents, toxic chemicals and mixtures containing such agents or chemicals, "riot control agents", radioactive materials, related equipment, components and materials as follows:

*N.B.: Chemicals are listed by name and Chemical Abstract Services (CAS) number. Chemicals of the same structural formula (e.g., hydrates) are controlled regardless of name or CAS number. CAS numbers are shown to assist in identifying whether a particular chemical or mixture is controlled, irrespective of nomenclature. CAS numbers cannot be used as unique identifiers because some forms of the listed chemical have different CAS numbers, and mixtures containing a listed chemical may also have different CAS numbers.*

- a. Biological agents and radioactive materials "adapted for use in war" to produce casualties in humans or animals, degrade equipment or damage crops or the environment;

2. CW vesicant agents:
    - a. Sulphur mustards, such as:
      1. 2-Chloromethylchloromethylsulphide (CAS 2625-76-5);
      2. Bis(2-chloroethyl) sulphide (CAS 505-60-2);
      3. Bis(2-chloroethylthio) methane (CAS 63869-13-6);
      4. 1,2-bis (2-chloroethylthio) ethane (CAS 3663-36-8);
      5. 1,3-bis (2-chloroethylthio) -n-propane (CAS 63905-10-2);
      6. 1,4-bis (2-chloroethylthio) -n-butane (CAS 142868-93-7);
      7. 1,5-bis (2-chloroethylthio) -n-pentane (CAS 142868-94-8);
      8. Bis (2-chloroethylthiomethyl) ether (CAS 63918-90-1);
      9. Bis (2-chloroethylthioethyl) ether (CAS 63918-89-8);
    - b. Lewisites, such as:
      1. 2-chlorovinylidichloroarsine (CAS 541-25-3);
      2. Tris (2-chlorovinyl) arsine (CAS 40334-70-1);
      3. Bis (2-chlorovinyl) chloroarsine (CAS 40334-69-8);
    - c. Nitrogen mustards, such as:
      1. HN1: bis (2-chloromethyl) ethylamine (CAS 538-07-8);
      2. HN2: bis (2-chloroethyl) methylamine (CAS 51-75-2);
      3. HN3: tris (2-chlorostylyl) amine (CAS 555-77-1);
  3. CW incapacitating agents, such as:  
3-Quinuclidinyl benzilate (DZ) (CAS 6591-06-2);
  4. CW defoliants, such as:  
Butyl 2-chloro -4-fluorophenoxyacetate (LNF);  
2,4,5-trichlorophenoxyacetic acid mixed with  
2,4-dichlorophenoxyacetic acid (Agent Orange).

c. CW binary precursors and key precursors, as follows, and chemical mixtures containing one or more of these precursors:

  1. Alkyl (Methyl, Ethyl, n-Propyl or Isopropyl) Phosphonyl Difluorides, such as:  
DF: Methyl Phosphonyldifluoride (CAS 676-99-3);
  2. OAlkyl (H or equal to or less than C<sub>10</sub>, including cycloalkyl) O-2-dialkyl (Methyl, Ethyl, n-Propyl or Isopropyl) aminocarbonyl alkyl (Methyl, Ethyl, n-Propyl or Isopropyl) phosphonite

6. N-Norbornylmorpholine, (MPA) (CAS 5299-64-8);

*Note 1: ML7.d. does not control "not control agents" individually packaged for personal self-defence purposes.*

*Note 2: ML7.d. does not control active constituent chemicals and combinations thereof identified and packaged for food production or medical purposes.*

- e. Equipment specially designed or modified for military use for the dissemination of any of the following, and specially designed components therefor:
  - 1. Materials or agents in ML7.a., ML7.b. or ML7.d.;
  - 2. CW agents made up of precursors in ML7.c.
- f. Protective and decontamination "goods", specially designed or modified for military use, and specially designed components therefor, and specially formulated chemical mixtures, as follows:
  - 1. "Goods" specially designed for defence against materials in ML7.a., ML7.b. or ML7.d. and specially designed components therefor;

*N.B. See also 1A of Annex I to "the Regulation".*

- 2. "Goods" specially designed or modified for the decontamination of "goods" contaminated with materials in ML7.a. or ML7.b. and specially designed components therefor;
  - 3. Chemical mixtures specially developed or formulated for the decontamination of "goods" contaminated with materials in ML7.a. or ML7.b.;
- g. "Goods" specially designed or modified for military use, for the detection or identification of materials in ML7.a., ML7.b. or ML7.d. and specially designed components therefor;

*Note: ML7.f. does not control personal radiation monitoring dosimeters.*

- h. "Biopolymers" specially designed or processed for the detection or identification of CW agents in ML7.b., and the cultures of specific cells used to produce them;

- c. Chlorine (CAS 7782-50-5);
- d. Carbonyl chloride (phosgene) (CAS 75-44-5);  
*N.B.: See 1C of Annex I to "the Regulation".*
- e. Diphosgene (trichloromethyl-1-chloroformate) (CAS 503-38-8);
- f. Not used;
- g. Xylyl bromide: ortho: (CAS 89-92-9), meta: (CAS 620-13-3), para: (CAS 104-81-4);
- h. Benzyl bromide (CAS 100-39-0);
- i. Benzyl iodide (CAS 520-05-3);
- j. Bromo acetone (CAS 598-31-2);
- k. Cyanogen bromide (CAS 506-68-3);
- l. Bromo methylisopropylketone (CAS 816-40-0);
- m. Chloro acetone (CAS 78-95-5);
- n. Ethyl iodoacetate (CAS 623-48-3);
- o. Iodo acetone (CAS 3019-04-3);
- p. Chlompirin (CAS 76-06-2);  
*N.B.: See 1C of Annex I to "the Regulation".*
- q. Polargonic acid vanillylamida (PAVA) (CAS 2444-46-4);  
*N.B.: See 3.2. of Annex III to "the 2005 Regulation".*
- r. Oleoresin capsicum (OC) (CAS 8023-77-6);  
*N.B.: See 3.3. of Annex III to "the 2005 Regulation".*

*Note 2: The cultures of cells and biological systems listed in ML7.h. and ML7.i.2. are exclusive and do not include cells or biological systems for civil purposes, (e.g., agricultural, pharmaceutical, medical, veterinary, environmental, waste management, or in the food industry.*

**ML8** "Energetic materials", and related substances, as follows:

*N.B.: Chemicals are listed by name and Chemical Abstract Service (CAS) number. Chemicals of the same structural formula (e.g., hydrates) are controlled regardless of name or CAS number. CAS numbers are shown to assist in identifying whether a particular chemical or mixture is controlled, irrespective of nomenclature. CAS numbers cannot be used as unique identifiers because some forms of the listed chemical have different CAS numbers, and mixtures containing a listed chemical may also have different CAS numbers.*

5. CP (2-(5-cyanotetrazolato) penta amine-cobalt (III) perchlorate) (CAS 70247-32-1);
6. DADE (1,1-diamino-2,2-dinitroethylene, FOX7);
7. DATB (diaminotrinitrobenzene) (CAS 1630-08-6);
8. DDFP (1,4-dinitrodifurezanopiperazine);
9. DDPO (2,6-diamino-3,5-dinitropyrazine-1-oxide, PZO) (CAS 194486-77-6);
10. DIPAM (3,3¢-diamino-2,2¢,4,4¢,6,6¢-hexanitrobiphenyl or dipicramide) (CAS 17215-44-0);
11. DNGU (DINGU or dinitroglycoluril) (CAS 55510-04-8);
12. Furazans, as follows:
  - a. DAAOF (diaminoazoxyfurazan);
  - b. DAAzF (diaminoazofurazan) (CAS 78644-90-3);
13. HMX and derivatives, as follows:
  - a. HMX (Cyclotetramethylenetrinitramine, octahydro-1,3,5,7-tetranitro-1,3,5,7-tetrazine, 1,3,5,7-tetranitro-1,3,5,7-tetraza-cyclooctane, octogen or octogene) (CAS 2691-41-0);
  - b. difluoroaminated analogs of HMX;
  - c. K 55 (2,4,6,8-tetranitro-2,4,6,8-tetraazabicyclo-[3.3.0]-octanone-3, tetranitrosemiglyconil or keto-bicyclic HMX) (CAS 130256-72-3);
14. HNAD (hexanitroadamantene) (CAS 143850-71-9);
15. HNS (hexanitrostilbene) (CAS 23062-22-0);
16. Imidazoles, as follows:
  - a. BNNII (Octahydro-2,5-bis(nitrolmino)imidazo [4,5-d]imidazole);
  - b. DNI (2,4-dinitroimidazole) (CAS 5213-49-0);
  - c. FDIA (1-fluoro-2,4-dinitroimidazole);
  - d. NTDNIA (N-(2-nitrotriazolo)-2,4-dinitroimidazole);
  - e. PTIA (1-picryl-2,4,5-trinitroimidazole);
17. NTINMH (1-(2-nitrotriazolo)-2-dinitromethylene hydrazine);
18. NTO (ONTA or 3-nitro-1,2,4-triazol-5-one) (CAS 932-64-9);
19. Polynitrocubanes with more than four nitro groups;
20. PYX (2,6-bis(picrylamino)-3,5-dinitropyridine) (CAS 38062-89-2);
21. RDX and derivatives, as follows:
  - a. RDX (cyclotrimethylenetrinitramine, cyclonite, T4, hexahydro-1,3,5-trinitro-1,3,5-triazine, 1,3,5-trinitro-1,3,5-triaza-cyclohexane, hexogen or hexogene) (CAS 121-82-4).

31. Triazines, as follows:
    - a. DNAM (2-oxy-4,6-dinitroamino-s-triazine) (CAS 19699-80-0);
    - b. NNHT (2-nitroimino-5-nitro-hexahydro-1,3,5-triazine) (CAS 130400-13-4);
  32. Triazoles, as follows:
    - a. 5-azido-2-nitrotriazole;
    - b. ADHTDN (4-amino-3,5-dihydrazino-1,2,4-triazole dinitramide) (CAS 1614-08-0);
    - c. ADNT (1-amino-3,5-dinitro-1,2,4-triazole);
    - d. BDNTA ([bis-dinitrotriazole]amine);
    - e. DBT (3,3'-dinitro-5,5'-bi-1,2,4-triazole) (CAS 30003-46-4);
    - f. DNBT (dinitrobistriazole) (CAS 70890-46-9);
    - g. NTDNA (2-nitrotriazole 5-dinitramide) (CAS 75393-84-9);
    - h. NTDNT (1-N-(2-nitrotriazolo)-3,5-dinitrotriazole);
    - i. PDNT (1-piroyl-3,5-dinitrotriazole);
    - j. TACOT (tetrannitrobenzotriazolobenzotriazole) (CAS 25243-36-1);
  33. Any "explosive" not listed elsewhere in ML8.a. with a detonation velocity exceeding 9,700 m/s at maximum density or a detonation pressure exceeding 34 GPa (340 kbar);
  34. Other organic "explosives" not listed elsewhere in ML8.a. yielding detonation pressures of 25 GPa (250 kbar) or more that will remain stable at temperatures of 523 K (250°C) or higher for periods of 5 minutes or longer;
- b. "Propellants", as follows:
1. Any United Nations (UN) Class 1.1 solid "propellant" with a theoretical specific impulse (under standard conditions) of more than 250 seconds for non-metallised, or more than 270 seconds for aluminised compositions;
  2. Any UN Class 1.3 solid "propellant" with a theoretical specific impulse (under standard conditions) of more than 230 seconds for non-halogenised, 250 seconds for non-metallised compositions and 266 seconds for metallised compositions;
  3. "Propellants" having a force constant of more than 1,200 kJ/kg;
  4. "Propellants" that can sustain a steady-state linear burning rate of more than 38 mm/s under standard conditions (as measured in the form of an inhibited single strand) of 6.89 MPa (68.9 bar) pressure and 294 K (21°C);
  5. Elastomer modified cast double base (EMCDB) "propellants" with extensibility at maximum stress of more than 5% at 233 K (-40°C);
  6. Any "propellant" containing substances listed in ML8.a.;

- d. Unsymmetrical dimethyl hydrazine (CAS 57-14-7);
5. Metal fuels in particle form whether spherical, atomised, spheroidal, flaked or ground, manufactured from material consisting of 99% or more of any of the following:
- a. Metals and 'mixtures' thereof, as follows:
    1. Beryllium (CAS 7440-41-7) in particle sizes of less than 60 µm;
    2. Iron powder (CAS 7439-89-6) with particle size of 3 µm or less produced by reduction of iron oxide with hydrogen;
  - b. 'Mixtures', which contain any of the following:
    1. Zirconium (CAS 7440-67-7), magnesium (CAS 7439-95-4) or alloys of these in particle sizes of less than 60 µm;
    2. Boron (CAS 7440-42-8) or boron carbide (CAS 12069-32-8) fuels of 85% purity or higher and particle sizes of less than 60 µm;  
*Note: ML8.c.5.b.2. does not control boron and boron carbide enriched with boron-10 (20% or more of total boron-10 content).*
- Note: "Explosives" and fuels containing the metals or alloys listed in ML8.c.5. are controlled whether or not the metals or alloys are encapsulated in aluminium, magnesium, zirconium, or beryllium.*
6. Military materiel containing thickeners for hydrocarbon fuels specially formulated for use in flame throwers or incendiary munitions, such as metal stearates or palmitates (e.g., octal (CAS 637-12-7)); and M1, M2 and M3 thickeners;
7. Perchlorates, chlorates and chromates composited with powdered metal or other high energy fuel components;
8. Spherical aluminium powder (CAS 7429-90-5) with a particle size of 60 µm or less, manufactured from material with an aluminium content of 99% or more;
9. Titanium subhydride ( $TiH_n$ ) of stoichiometry equivalent to  $n = 0.65 - 1.60$ ;
- d. Oxidisers, as follows, and 'mixtures' thereof:
1. ADN (ammonium dinitramide or SR-12) (CAS 140458-78-6);
  2. AP (ammonium perchlorate) (CAS 7790-98-8);
  3. Compounds composed of fluorine and any of the following:
    - a. Other halogens;
    - b. Oxygen; or
    - c. Nitrogen;
- Note 1. ML8.c.3. does not control chlorine trifluoride*

- c. Binders, plasticisers, monomers, polymers, as follows:

  1. AMMO (azidomethyl methyloxetane and its polymers) (CAS 90663-29-7);
  2. BAMO (bisazidomethyl oxetane and its polymers) (CAS 17607-20-4);
  3. BDNPA (bis (2,2-dinitropropyl)acetal) (CAS 5108-89-0);
  4. BDNPF (bis (2,2-dinitropropyl)formal) (CAS 5917-61-3);
  5. BTTN (butanetrifnitrate) (CAS 6650-80-5);
  6. Energetic monomers, plasticisers and polymers containing nitro, azido, nitrate, nitraza or difluoroamino groups specially formulated for military use;
  7. FAMAO (3-difluoroaminomethyl-3-azidomethyl oxetane) and its polymers;
  8. FEFO (bis -(2-fluoro-2,2-dinitroethyl) formal) (CAS 17003-79-1);
  9. FPF-1 (poly-2,2,3,3,4,4-hexafluoropantane-1,5-diol formal) (CAS 378-90-9);
  10. FPF-3 (poly-2,4,4,5,5,6-heptafluoro-2-tri-fluoromethyl-3-oxaheptane 1,7- diol formal);
  11. GAP (glycidylazide polymer) (CAS 143178-24-9) and its derivatives;
  12. HTPB (hydroxyl terminated polybutadiene) with a hydroxyl functionality equal to or greater than 2.2 and less than or equal to 2.4, a hydroxyl value of less than 0.77 meq/g, and a viscosity at 30°C of less than 47 poise (CAS 69102-90-5);
  13. Low (less than 10,000) molecular weight, alcohol functionalised, poly(epichlorohydrin); poly(epichlorohydrindiol) and triol;
  14. NENAs (nitroethylnitramine compounds) (CAS 17096-47-8, 85068-73-1, 82486-83-7, 82486-82-6 and 85954-08-9);
  15. PGN (poly-GLYN, polyglycidylnitrate or poly(nitratomethyl oxirane) (CAS 27814-48-8);
  16. Poly-NIMMO (poly nitratomethylmethyloxetane) or poly-NMMO (poly[3-Nitratomethyl-3-methyloxetane]) (CAS 84051-81-0);
  17. Polynitroorthocarbonates;
  18. TVOPA (1,2,3-tris[1,2-bis(difluoroamino)ethoxy] propane or tris vinoxy propane adduct) (CAS 53158-39-0);

f. Additives, as follows:

f. Additives, as follows:

11. MAPO (tris -1-(2-methyl)aziridinyl phosphine oxide) (CAS 57-39-6), and BOBBA 8 (bis(2-methyl aziridinyl)-2-(2-hydroxypropanoxy) propylamino phosphine oxide); and other MAPO derivatives;
12. Methyl BAPO (bis(2-methyl aziridinyl) methylamino phosphine oxide) (CAS 85068-72-0);
13. N-methyl p-nitroaniline (CAS 100-15-2);
14. 3-Nitraza-1,5-pentane diisocyanate (CAS 7408-61-9);
15. Organo-metallic coupling agents, as follows:
  - a. Neopentyldiallyloxy tri[diethyl]phosphato-titanate (CAS 103850-22-2); also known as titanium IV, 2,2-[bis(2-propenolato)methyl, butanolato, tris(diethyl) phosphato] (CAS 110438-25-0); or LICA 12 (CAS 103850-22-2);
  - b. Titanium IV, [(2-propenolato-1) methyl, n-propanolatomethyl] butanolato-1, tri[diethyl] pyrophosphate or KR3538;
  - c. Titanium IV, [(2-propenolato-1) methyl, n-propanolatomethyl] butanolato-1, tri[diethyl] phosphate;
16. Polycyanodifluorouminocrolyleneoxide;
17. Polyfunctional aziridine amides with isophthalic, trimesic (BITA or butyleneimine trimesamide), isocyanuric or trimethyladipic backbone structures and 2-methyl or 2-ethyl substitutions on the aziridine ring;
18. Propyleneimine (2-methylaziridine) (CAS 75-55-8);
19. Superfine iron oxides ( $\text{Fe}_2\text{O}_3$ ) with a specific surface area more than 250  $\text{m}^2/\text{g}$  and an average particle size of 3.0 nm or less;
20. TEPAN (tetraethylenepentaamineacrylonitrile) (CAS 68412-45-3); cyanoethylated polyamines and their salts;
21. TEPANOL (tetraethylenepentaamineacrylonitrileglycidol) (CAS 68412-46-4); cyanoethylated polyamines adducted with glycidol and their salts;
22. TPB (triphenyl bismuth) (CAS 603-33-8);

g. Precursors, as follows:

1. BCMO (bis(chloromethyloxetane) (CAS 142173-26-0);
2. Dinitroazetidine-t-butyl salt (CAS 125735-38-8);
3. HBIW (hexabenzylhexaazaaisowurtzitane) (CAS 124782-15-6);
4. TAIW (tetraacetyl dibenzylhexaazaaisowurtzitane)
5. TAT (1,3,5,7-tetraacetyl-1,3,5,7-tetraaza cyclo-octane) (CAS 41378-96-7);
6. 1,4,E,9-tetraazadodecane (CAS 5409-42-7).

- b. Submarine and torpedo nets;
- c. Hull penetrators and connectors specially designed for military use that enable interaction with equipment external to a "vessel".

**ML10** "Aircraft", "lighter-than-air vehicles", unmanned aerial vehicles, aero-engines, "aircraft" equipment and related "goods", as follows, and components therefor, specially designed or modified for military use:

*N.B.: Electronic guidance and navigation equipment is controlled in ML11.a.*

- a. Combat "aircraft";
- b. Other "aircraft" and "lighter-than-air vehicles" (e.g., military reconnaissance, assault, military training, transporting and airdropping troops or military equipment, logistics support);
- c. Unmanned aerial vehicles (UAV) (e.g., remotely piloted air vehicles (RPVs), autonomous programmable vehicles (APV) and "lighter-than-air vehicles"), and their launchers, ground support equipment and related equipment for command and control;
- d. Aero-engines;
- e. Airborne equipment (e.g., airborne refuelling equipment), specially designed for "use" with "aircraft" in ML10.a. or ML10.b. or aero-engines in ML10.d.;
- f. Pressure refuellers; pressure refuelling equipment; equipment specially designed to facilitate operations in confined areas; and 'ground equipment', specially designed or modified for "use" with "aircraft" in ML10.a. or ML10.b., or aero-engines in ML10.d.;

*Technical Note:*

'Ground equipment' means ground-based equipment for the operation, handling, maintenance, checking, repair, overhaul and refurbishment of "aircraft" or aero-engines.

- g. Military aircrew protective headgear and masks, pressurised breathing equipment and partial pressure suits for use in "aircraft", anti g suits, liquid oxygen converters used for "aircraft" or missiles, and catapults and cartridge actuated devices for emergency escape of personnel from "aircraft";
- h. Parachutes and related equipment used for combat personnel, cargo dropping or "aircraft" deceleration, as follows, and specially designed components therefor:

1. Parachutes for:
  - a. Pin point dropping of military personnel;
  - b. Dropping of paratroopers;
2. Cargo parachutes;

*3. Personnel and cargo chutes, drogue parachutes for stabilisation and altitude control of*

*4. Personnel and cargo chutes, drogue parachutes for stabilisation and altitude control of*

- ML11** Electronic equipment, not controlled elsewhere in this Part of this Schedule, as follows, and specially designed components therefor:
- Electronic equipment specially designed or modified for military use;
  - Global Navigation Satellite Systems (GNSS) jamming equipment.

*Note: ML 11.a. controls all electronic guidance and navigation equipment.*

- ML12** High velocity kinetic energy weapon (KEW) systems and related equipment, as follows, and specially designed components therefor:
- Kinetic energy weapon systems specially designed for destruction or effecting mission abort of a target;  
*N.B.: For weapon systems using sub-calibre ammunition or employing solely chemical propulsion, and ammunition therefore, see ML1 to ML4.*
  - Specially designed test and evaluation facilities and test models (e.g., diagnostic instrumentation and targets), for dynamic testing of kinetic energy projectiles and systems.

- ML13** Armoured or protective "goods" and constructions, as follows, and specially designed components therefor:
- Armoured plate as follows:
    - Manufactured to comply with a military standard or specification; or
    - Suitable for military use;
  - Constructions of metallic or non-metallic materials or combinations thereof specially designed to provide ballistic protection for military systems;
  - Military helmets;

*Note: ML13.c. does not control:*

- Conventional steel helmets, neither modified nor designed to accept, nor equipped with any type of accessory device;*
- Helmets manufactured before 1945;*
- Individual helmets not specially designed for military use when accompanying their users.*

*N.B. 1: Military aircrew protective headgear is controlled in ML10.g.*

*N.B. 2: Military high altitude parachutists' protective headgear is controlled in ML10.h.8.*

- Body armour and ballistic protective garments manufactured according to military standards or specifications, or equivalent.

- c. Image intensifier equipment;
- d. Infrared or thermal imaging equipment;
- e. Imaging radar sensor equipment;
- f. Countermeasure or counter-countermeasure equipment for the equipment in ML15.a. to ML15.c.

*Note: ML15 does not control "first generation image intensifier tubes" or equipment specially designed so that only "first generation image intensifier tubes" are or can be incorporated in it.*

*N.B. 1: For weapons sights incorporating "first generation image intensifier tubes" see ML1, ML2 and ML5.*

*N.B. 2: See also 6A of Annex I to "the Regulation".*

**ML16** Forgings, castings and other unfinished "goods", the use of which is controlled "goods" is identifiable by material composition, geometry or function, and which are specially designed for any of the "goods" in ML1 to ML4, ML6, ML9, ML10, ML12 or ML19.

**PL5020** Forgings, castings and semi-finished "goods" specially designed for "goods" in PL5008.

**ML17** Miscellaneous "goods", material and "libraries", as follows, and specially designed components therefore:

- a. Self-contained diving and underwater swimming apparatus, as follows:
  1. Closed or semi-closed circuit (rebreathing) apparatus specially designed for military use (i.e., specially designed to be non-magnetic);
  2. Specially designed components for use in the conversion of open-circuit apparatus to military use;
  3. "Goods" designed exclusively for military use with self-contained diving and underwater swimming apparatus;
- b. Construction equipment specially designed for military use;
- c. Fittings, coatings and treatments for signature suppression, specially designed for military use;
- d. Field engineer equipment specially designed for "use" in a combat zone;
- e. "Robots", "robot" controllers and "robot" "end-effectors", having any of the following characteristics:
  1. Specially designed for military use;
  2. Incorporating means of protecting hydraulic lines against externally induced punctures caused by ballistic fragments (e.g., incorporating self-sealing lines) and designed to use

- i. Simulators specially designed for military "nuclear reactors";
  - j. Mobile repair shops specially designed or modified to service military equipment;
  - k. Field generators specially designed or modified for military use;
  - l. Containers specially designed or modified for military use;
  - m. Ferries, other than those controlled elsewhere in this Part of this Schedule, rafts, bridges and pontoons, specially designed for military use;
  - n. Test models specially designed for the "development" of "goods" or "technology" in ML4, ML6, ML9 or ML10;
  - o. Laser protection equipment (e.g., eye and sensor protection) specially designed for military use.

**ML18** Equipment for the "production" of "goods" as follows:

- a. Specially designed or modified production equipment for the "production" of "goods" in this Part of this Schedule, and specially designed components therefore;
  - b. Specially designed environmental test facilities and specially designed equipment therefore, for the certification, qualification or testing of "goods" in this Part of this Schedule.

**PL5017** Equipment and test models other than those in ML11, ML12.b., ML17.n. or ML19.e. specially designed or modified for the "development" or "use" of military "goods" in this Part of this Schedule.

**ML19** Directed energy weapon (DEW) systems, related or countermeasure equipment and test models, as follows, and specially designed components therefore:

- a. "Laser" systems specially designed for destruction or effecting mission-abort of a target;
  - b. Particle beam systems capable of destruction or effecting mission-abort of a target;
  - c. High power radio-frequency (RF) systems capable of destruction or effecting mission-abort of a target;
  - d. Equipment specially designed for the detection or identification of, or defence against, systems in ML19.a. to ML19.c.;
  - e. Physical test models and related test results for the systems, equipment and components in ML 19;
  - f. Continuous wave or pulsed "laser" systems specially designed to cause permanent blindness to un-enhanced vision (i.e., to the naked eye or to the eye with corrective eyesight devices).

**ML20** Cryogenic and "superconductive" equipment, as follows, and specially designed components and

- b. Specific "software", as follows:
1. "Software" specially designed for:
    - a. Modelling, simulation or evaluation of military weapon systems;
    - b. "Development", monitoring, maintenance or up-dating of "software" embedded in military weapon systems;
    - c. Modelling or simulating military operation scenarios, other than those controlled in ML14;
    - d. Command, Communications, Control and Intelligence (C<sup>3</sup>I) applications or Command, Communications, Control, Computer and Intelligence (C<sup>4</sup>I) applications;
  2. "Software" for determining the effects of conventional, nuclear, chemical or biological warfare weapons;
  3. "Software" not controlled in ML21.a., ML21.b.1. or ML21.b.2., specially designed or modified to enable equipment not in this Part of this Schedule to perform military functions of equipment in ML5, ML7.f., ML9, ML10.e., ML11, ML14, ML15, ML17.i. or ML18;
  - c. Other "software" specially designed or modified for military use.

N.B.: Source code for "software" is controlled in ML22.

**PL5001** Other security and para-military police "goods", as follows:

- a. Acoustic devices represented by the manufacturers or suppliers thereof as suitable for riot control purposes, and specially designed components therefore;
- b. Anti-riot and ballistic shields and specially designed components therefore;
- c. Shackles designed for restraining human beings having an overall dimension including chain, when measured from the outer edge of one cuff to the outer edge of the other cuff, of between 240mm and 280mm when locked;  
*N.B.: See also 1.2. of Annex III to "the 2005 Regulation".*
- d. Electric-shock belts designed for restraining human beings by the administration of electric shocks having a no-load voltage not exceeding 10,000 volts;  
*N.B.: See also 2.1. of Annex II to "the 2005 Regulation" and Schedule 1A.*
- e. Water cannon and specially designed components therefor;
- f. Riot control vehicles which have been specially designed or modified to be electrified to repel boarders and components therefor specially designed or modified for that purpose;
- g. Electric-shock dart guns having a no load voltage not exceeding 10,000 volts.  
*N.B.: See also 2.1. of Annex III to "the 2005 Regulation" and Schedule 1A.*
- h. Components specially designed or modified for portable devices designed or modified for the

.....  
.....

2. "Technology" "required" for the "development", "production" or "use" of toxicological agents, related equipment or components controlled by ML7.a. to ML7.g.;
3. "Technology" "required" for the "development", "production" or "use" of "biopolymers" or cultures of specific cells controlled by ML7.h.;
4. "Technology" "required" exclusively for the incorporation of "biocatalysts", controlled by ML7.i.1., into military carrier substances or military materiel.

*Note 1: Subject to note 2 below, the export or transfer of technology in ML22 is prohibited by articles 3 and 6 of this Order if it is "required" for the "development", "production" or "use" of "goods" or "software" in this Schedule, whether or not the "technology" being exported or transferred in the particular case is intended to be applied in respect of such "goods" or "software".*

*Note 2: The prohibitions in Articles 3 and 6 do not apply to that "technology" in ML22 which is the minimum necessary for the installation, operation, maintenance (checking) and repair of "goods" or "software" not in this Schedule, to "technology" "in the public domain", to "basic scientific research" or to the minimum necessary for patent applications.*

**Descriptions of the categories and sub-categories covering entries in Annex 1 to Council Regulation (EC) No. 1334/2000**

<b>Category</b>	<b>Sub-category</b>
0 : Nuclear Materials, Facilities and Equipment	0A : Systems, Equipment and Components 0B : Test, Inspection and Production Equipment 0C : Materials 0D : Software 0E : Technology
1 : Materials, Chemicals,	1A : Systems, Equipment and Components "Micro-organisms" & "Toxins" 1B : Test, Inspection and Production Equipment 1C : Materials 1D : Software 1E : Technology
2 : Materials Processing	2A : Systems, Equipment and Components 2B : Test, Inspection and Production Equipment 2D : Software 2E : Technology
3 : Electronics	3A : Systems, Equipment and Components 3B : Test, Inspection and Production Equipment 3C : Materials 3D : Software 3E : Technology
4 : Computers	4A : Systems, Equipment and Components 4D : Software 4E : Technology
5 : Part 1: Telecommunications	5A1 : Systems, Equipment and Components 5B1 : Test, Inspection and Production Equipment 5D1 : Software 5E1 : Technology
5 : Part 2: "Information Security"	5A2 : Systems, Equipment and Components 5B2 : Test, Inspection and Production Equipment 5D2 : Software 5E2 : Technology
6 : Sensors and Lasers	6A : Systems, Equipment and Components 6B : Test, Inspection and Production Equipment 6C : Materials 6D : Software
7 : Other	7A : Systems, Equipment and Components 7B : Test, Inspection and Production Equipment 7C : Materials 7D : Software 7E : Technology

## Annex C

### Summary of HM Revenue and Customs Tariff Codes

**Part 1 - Tariff codes used to compile data on the number of small arms and light weapons**

<b>Code</b>	<b>Description<sup>1</sup></b>
93011100	Artillery weapons (for example, guns howitzers and mortars): self propelled
93011900	Artillery weapons (for example, guns howitzers and mortars): other
93012000	Rocket launchers; flame-throwers; grenade launchers; torpedo tubes and similar projectors
93019000	Military weapons, other than revolvers, pistols and the arms of heading 9307: other etc
93020000 <sup>2</sup>	Revolvers and pistols, other than those of heading 9303 or 9304,

**Part 2 - Additional tariff codes used to compile data on the value of defence exports**

<b>Code</b>	<b>Description<sup>1</sup></b>
87100000	Tanks and other armoured fighting vehicles, motorised, whether or not fitted with weapons, and parts of such vehicles
88021100	Helicopters: of an unladen weight not exceeding 2000kg
88021200	Helicopters: of an unladen weight exceeding 2000kg
88022000	Aeroplanes and other aircraft, of an unladen weight not exceeding 2000kg
88023000	Aeroplanes and other aircraft, of an unladen weight exceeding 2000kg but not exceeding 15000kg
88024000	Aeroplanes and other aircraft, of an unladen weight exceeding 15000kg
88031000 <sup>3</sup>	Propellers and rotors and parts thereof
88032000 <sup>3</sup>	Under-carriages and parts thereof
88033000 <sup>3</sup>	Other parts of aeroplanes or helicopters
88051010 <sup>3</sup>	Aircraft launching gear and parts thereof; deck-arrestor or similar gear and parts thereof; aircraft launching gear and parts thereof
88051090 <sup>3</sup>	Aircraft launching gear and parts thereof; deck-arrestor or similar gear and parts thereof; other
88052100	Ground flying trainers and parts thereof; air combat simulators and parts thereof
88052900	Ground flying trainers and parts thereof
89061000	Warships
93051000	Parts and accessories of articles of headings 9301 to 9304: of revolvers or pistols
93059100	Parts and accessories of articles of headings 9301 to 9304: other: of military weapons of heading 9301
93063010	Other cartridges and parts thereof: for revolvers and pistols of heading 9302 and for sub-machine guns of heading 9301

<sup>1</sup> See notes to Part 1 of Annex A.

<sup>2</sup> Excludes revolvers and pistols of heading 9303 or 9304.

<sup>3</sup> Excludes aircraft launching gear and parts thereof of heading 88051010 or 88051090.

## Annex D

### The United Kingdom's International Commitments on Export Controls 2006

We have summarised in the following tables the arms embargoes and other export restrictions in place for all or part of the reporting period, to enable readers to better cross reference licencing decisions against export restrictions in force at the time the licencing decisions were made.

Except where otherwise stated, the UK interprets the scope of the UN (United Nations), EU (European Union), OSCE, (Organisation for Security and Co-Operation in Europe) and national arms embargoes as covering all goods and technology on the Military List (see Annex A).

The up to date version of the List of Sanctions Regimes and Arms Embargoes implemented by the UK, to which is annexed the Summary of Additional UK Restrictions on the Export of Strategic Goods, is available on the Internet at [www.fco.gov.uk/sanctions](http://www.fco.gov.uk/sanctions)

**Table A: Arms embargoes in force during 2006**

Country	Details of Embargo	Dates in Force	Reference
Armenia	OSCE arms embargo	Throughout 2006	OSCE decision (28/2/1992)
Azerbaijan	OSCE arms embargo	Throughout 2006	OSCE decision (28/2/1992)
Bosnia & Herzegovina	EU arms embargo (1)  (Transfers of small arms to the police forces in Bosnia & Herzegovina not covered by the embargo.)	Throughout 2006	EU Declaration (5/7/1991); Common Position 96/184/CFSP (28/2/1996); Common Position 98/240/CFSP (19/3/98); Common Position 2006/671/CFSP Valid till 10/10/07 Council Decision 99/481/CFSP (19/7/1999) Council Decision 2006/484/CFSP
Burma	EU arms embargo. Ban on the supply of equipment that might be used for internal repression or terrorism.	Throughout 2006	Common Position 2006/318/CFSP (29/4/2006)  EC Regulation No. 817/2006 (2/6/2006)

Country	Details of Embargo	Dates in Force	Reference
China (Excluding Hong Kong and Macau Special Administrative Region) (continued)	UK interprets this embargo as covering: – Lethal weapons such as machine guns, large calibre weapons, bombs, torpedoes, rockets and missiles; – Specially designed components of the above and ammunition;	Throughout 2006	Declaration by Madrid European Council (27/6/1989)
Democratic People's Republic of Korea	UN Arms Embargo and ban on luxury goods	From October 2006	UNSCR 1718 (14/10/06)
Democratic Republic of Congo	UN arms embargo on North Kivu, South Kivu and Ituri (with specified exemptions)		UNSCR 1493 (28/7/2003) UNSCR 1533 (12/03/04) UNSCR 1552 (27/07/04)
	UN arms embargo on all of DRC (Also see Rwandan entry)		UNSCR 1596 (18/04/05) UNSCR 1616 (29/07/05)
	Exempts EUFOR from the arms embargo		UNSCR 1698 (31/07/06)
			UNSCR 1671 (25/04/06)
Iran	UK arms embargo – covers all goods and technology on the Military List as well as items entered in category O in Annex 1 of the European	Throughout 2005	Ministerial Statement (1/3/1993); Official report, column 273-274 (28/1/1996)

Country	Details of Embargo	Dates in Force	Reference
Iran (continued)	<p>b) Radioactive material in the form of sources for medical equipment and deuterium labelled compounds for medical use.</p> <p>Licences are not approved for any equipment where there is knowledge or reason to suspect that it would go to a military end-user or be used for military purposes. The exception is equipment which would normally require an export licence but is deemed licensable under the WMD end-use control (Articles 4.1 and 4.2 of the EC Dual Use Goods Regulation and Articles 4(2)(b)(i)(ii)(iii) and (c) and (d) (ii)(bb) of the Dual Use and Related Goods (Export Control) Regulations 1996 as amended ) (3) and where WMD concerns are not subsequently substantiated.</p> <p>UN &amp; EU embargo on items on the Nuclear Suppliers Group (NSG) &amp; Missile Control Technology Regime lists.</p>	From 23/12/06	<p>UNSCR 1737 (23/12/06)</p> <p>Common Position 2007/140/CFSP (27/02/07)</p>
Iraq	<p>UN arms embargo amended by further UN Resolution with specified exemptions for arms and related material required by the Government of Iraq or the international coalition</p>	Throughout 2006	<p>UNSCR 601 (6/8/1990) and subsequent resolutions, including UNSCR 1441 (8/11/2002); UNSCR 1483 (20/12/2003)</p>

<b>Country</b>	<b>Details of Embargo</b>	<b>Dates In Force</b>	<b>Reference</b>
Liberia	UN arms embargo (with specified exemptions)	Throughout 2006	UNSCR 1343 (7/3/2001); renewed by UNSCR 1406 (6/5/2002); renewed by UNSCR 1478 (6/5/2003); revised by UNSCR 1521 (22/12/2003); renewed by UNSCR 1579 (21/12/04); renewed by UNSCR 1647 (20/12/05). Renewed by UNSCR 1731 (2006)
Libya	EU arms embargo	01/01/2004 11/10/2004	EU Declaration (27/1/1986)
Libya	EU arms embargo	01/01/2004 – 11/10/2004	EU Declaration (27/1/1986)
Rwanda	UN arms embargo, except to Government of Rwanda through named entry points.  Exception for UN peacekeeping forces.  Embargo applies to sale or supply to neighbouring states (Burundi, Tanzania, Uganda & DRC) if the arms and related material are for use in Rwanda.	Throughout 2006	UNSCR 918 (17/5/1994)  UNSCR 997 (9/6/1995)  UNSCR 1011 (16/8/1995)
Sierra Leone	UN arms embargo, except to the Government of Sierra Leone through named-entry points, and to UN Member	Throughout 2006	UNSCR 1171 (5/5/1998); and UNSCR 1299 (19/05/2000) and UNSCR 1734

Country	Details of Embargo	Dates in Force	Reference
Sudan	EU arms embargo including technical and financial assistance (with exemptions for humanitarian and de-mining equipment)  UN arms embargo	Throughout 2006	Common Position 2005/411/CFSP  Council Regulation No 131/2004 (26/01/2004) amended by Council Regulation No 1353/2004 (26/07/2004) Council Regulation (EC) No 838/2005 (26/5/2005)  Council Regulation (EC) No 1184/2005  SCR 1556 (2004)  SCR 1581 (2005) (extended embargo to all parties to N'djamena Ceasafire Agreement and all other belligerent parties in region of Darfur)
Tanzania	See Rwanda entry		
Uganda	See Rwanda entry in Table A		
Uzbekistan	EU arms embargo (with specified exemptions) and ban on exports of equipment which might be used for internal repression	From 14/11/06 To 14/11/07	Common Position 2005/792/CFSP Common Position 2006/797/CFSP 17/11/06 Council Regulation EC 1859/2005 SCR 1556

Country	Details of Embargo	Dates in Force	Reference
Zimbabwe (continued)	EU embargo on arms, and related technical training and assistance (both with specified exemptions), and on items that could be used for internal repression	Throughout 2006 (3)	EC Regulation 314/2004 (19/02/04) amended by EC Regulation 1488/2004 (20/08/04); EC Regulation 898/2005 (15/06/05); EC Regulation 1272/2005 (01/08/2005) and EC Regulation 1367/2005 (19/06/2005)
All Destinations	UN Arms embargo applying to Usama Bin Laden, the Taliban Al-Qa'ida and individuals and entities associated with them as defined by the UN list maintained on its website (4)	Throughout 2006	UNSCR 1617 (29/7/2005)

## Notes:

- (1) Exempts transfers of equipment needed for demining
- (2) From 28 September 2000 these Articles were superseded by Article 4.1, 4.4 and 4.5 of Council Regulation (EC) 1334 and Regulation 4 (3)(b), (c) and (d)(iii) of the Dual Use Items (Export Control) Regulations 2000 and Article 2 (2) of the Export of Goods (Control) Order 1994.
- (3) The Foreign Secretary announced on 3 May 2000 (HC150) that all new export licence applications for arms and military equipment for Zimbabwe would be refused. The embargo was confirmed on 12 May when extant licences for military goods were revoked.
- (4) See <http://www.un.org/sc/committees/1267/consolidist.shtml>

*This list contains a summary only; it does not constitute legal advice, which should be sought if required.*

**TABLE B – Other Defence Export Policies and Restrictions Applying to All Destinations in Force in 2005**

Country	Embargo/Prohibited Goods	Dates in Force	Reference
All Destinations	All applications to export arms and other goods controlled for strategic reasons are considered on a case-by-case basis against the Consolidated EU and national arms export licensing criteria	Throughout 2005	Ministerial Statement HC 199-203W 20/10/00

Country	Embargo/Prohibited Goods	Dates In Force	Reference
All Destinations	<p>The UK Government is a party to three sets of internationally agreed criteria governing the export of arms and military equipment. These are:</p> <ul style="list-style-type: none"> <li>- The guidelines for conventional arms transfers agreed by the permanent five members of the UN Security Council;</li> <li>- The principles governing arms transfers agreed by the Forum for Security Cooperation of the OSCE;</li> <li>- EU Code of Conduct on Arms Exports.</li> </ul> <p>All licence applications are considered case-by-case against these criteria.</p>	<p>Throughout 2005</p> <p>October 1991</p> <p>November 1993</p> <p>June 1998</p>	See export controls pages on FCO website <a href="http://www.fco.gov.uk">www.fco.gov.uk</a>
All Destinations	Portable devices designed or modified for riot control purposes or self protection to administer an electric shock, including electric shock batons, electric shock shields, stun guns and lasers, and specially designed components for such devices, leg irons, gang-chains, shackles (excluding normal handcuffs) and electric-shock belts designed for the restraint of a human being.	Throughout 2005	Ministerial Statement HC 65 28/7/97
All Destinations	Export of the following goods	Throughout 2005	DM Statement 21/10/01

<b>Country</b>	<b>Embargo/Prohibited Goods</b>	<b>Dates In Force</b>	<b>Reference</b>
All Destinations	All anti-personnel landmines and their component parts	Throughout 2005	Ministerial Statement HC 72&136 21/5/97
All Destinations	Blinding Laser Weapons	Throughout 2005	Ministerial Statement HC 360 11/2/99
All Destinations	There is a ban on the transfer of MANPADS to non-state end users. MANPADS will only be exported to foreign governments or to agents authorised by a government.	Throughout 2005	Ministerial Statement HC 29-30 18/11/03

This list contains a summary only: It does not constitute legal advice, which should be sought if required.

**TABLE C – Restrictions for the maintenance of Regional Peace and Stability in force in 2005**

<b>Country</b>	<b>Embargo/Prohibited Goods</b>	<b>Dates In Force</b>	<b>Reference</b>
Angola	The Government will not grant export licences for new military or dual use equipment for those countries intervening in the Democratic Republic of Congo (Angola, Burundi, Namibia, Rwanda, Uganda and Zimbabwe) where there is a clear risk that it would be used in the Democratic Republic of Congo. Applications for Standard Individual Export	Throughout 2005	Ministerial Statement HC 184 &185 09/02/00

Country	Embargo/Prohibited Goods	Dates in Force	Reference
Benin	Sea entry under "ECOWAS Member States"		
Burkina Faso	See entry under "ECOWAS Member States"		
Burundi	See Angola entry"		
Cape Verde	See entry under "ECOWAS Member States"		
Côte d'Ivoire	See entry under "ECOWAS Member States"		
Cyprus	<p>The Government will grant licences for the export of equipment only to the military forces of either side on the island of Cyprus which the Government is satisfied does not fall within the following categories as defined by the EU common embargo list:</p> <ul style="list-style-type: none"> <li>a) weapons designed to kill and their ammunition;</li> <li>b) Weapons platforms;</li> <li>c) Ancillary equipment, which is specifically designed for use in conjunction with a) or b).</li> </ul> <p>Note: among other items category a) includes guns, bombs, torpedoes, rockets, missiles, fire control systems and tanks.</p> <p>Category b) includes armed and armoured vehicles or</p>	Throughout 2003	Ministerial Statement HC 282 13/2/97

Country	Embargo/Prohibited Goods	Dates in Force	Reference
(continued)			
Guinea Guinea Bissau Liberia Mali Niger Nigeria Senegal Sierra Leon	The Moratorium applies to pistols, rifles, sub-machine guns, carbines, machine guns, anti-tank missiles, mortars and howitzers up to 85mm and ammunition and spare parts for the above. A Code of Conduct on its implementation was agreed on 24 March 1999. Exceptions to the Moratorium may be granted where the goods are to meet legitimate security needs  (NB: Also see entries in Table A for Liberia and Sierra Leone which are subject to UN arms embargoes.)		
Gambia	See entry under "ECOWAS Member States"		
Ghana	See entry under "ECOWAS Member States"		
Guinea	See entry under "ECOWAS Member States"		
Guinea Bissau	See entry under "ECOWAS Member States"		
Liberia	See entry under "ECOWAS Member States"		
Mali	See entry under "ECOWAS Member States"		
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Country	Embargo/Prohibited Goods	Dates in Force	Reference
Sierra Leone	See entry under "ECOWAS Member States"		
Taiwan	Exports of licensable defence-related equipment and technology to Taiwan are restricted and are considered on a case-by-case basis. In scrutinising licence applications, particular weight is given to the implications for regional stability.	Throughout 2005	Ministerial Statement HC 981 4/4/96 HC 349 4/6/98
Togo	See entry under "ECOWAS Member States"		
Uganda	See Angola entry'		
Zimbabwe	The Government will not grant export licences for dual-use equipment where there is a clear risk that the equipment would be used in the Democratic Republic of Congo (see Angola entry above). (Also see Zimbabwe entry in Table A).	Throughout 2005	Ministerial Statement HC 184 & 185 9/2/00

This list contains a summary only: It does not constitute legal advice, which should be sought if required.

TABLE D – Restrictions on non-conventional and dual-use items in force in 2005

Country	Embargo/Prohibited Goods	Dates in Force	Reference
India	Licences for items listed on 	Throughout 2004	Ministerial Statement 

Country	Embargo/Prohibited Goods	Dates In Force	Reference
Iran	See Table A		
Pakistan	<p>Licences for items listed on the Nuclear Suppliers Group Dual-Use List will be denied to nuclear and nuclear-related end-users in Pakistan, as will all other goods to these end-users which could contribute to the Pakistani nuclear programme.</p> <p>The exception is equipment which would not normally require an export licence but is deemed licensable under the WMD end-use controls and where the initial concerns about WMD end-use are not subsequently substantiated.</p>	<p>Throughout 2004</p> <p>Throughout 2004</p>	<p>Ministerial Statement HC 688 10/7/98</p> <p>Ministerial Statement HC 3W 3/7/00</p>

This list contains a summary only. It does not constitute legal advice, which should be sought if required.

**Table E – Other restrictions and policies in force in 2004**

Country	Embargo/Prohibited Goods	Dates in Force	Reference
Argentina	<p>Licences are only granted for exports that would not, at the time of application or in the foreseeable future, put at risk the security of UK Overseas Territories in the South Atlantic or UK forces operating there.</p>	Throughout 2004	Ministerial Statement HC 721 17/12/98

Country	Embargo/Prohibited Goods	Dates in Force	Reference
Macau	Exports will be considered on a case by case basis but licences not issued for goods which would not be issued to mainland China (see Table A).	Throughout 2004	Ministerial Statement HC 73W 2/5/00

This list contains a summary only. It does not constitute legal advice, which should be sought if required.

## Annex E

### The Consolidated EU and National Arms Export Licensing Criteria (26 October 2000 – HC 199-203W)

An export licence will not be issued if the arguments for doing so are outweighed by the need to comply with the UK's international obligations and commitments, by concern that the goods might be used for internal repression or international aggression, by the risks to regional stability or by other considerations as described in these criteria.

#### **Criterion one**

**Respect for the UK's International commitments, In particular sanctions decreed by the UN Security Council and those decreed by the European Community, agreements on non-proliferation and other subjects, as well as other International obligations.**

The Government will not issue an export licence if approval would be inconsistent with, *inter alia*:

- a) the UK's international obligations and its commitments to enforce UN, OSCE and EU arms embargoes, as well as national embargoes observed by the UK and other commitments regarding the application of strategic export controls;
- b) the UK's international obligations under the Nuclear Non-Proliferation Treaty, the Biological and Toxin Weapons Convention and the Chemical Weapons Convention;
- c) the UK's commitments in the frameworks of the Australia Group, the Missile Technology Control Regime, the Nuclear Suppliers Group and the Wassenaar Arrangement;
- d) the Guidelines for Conventional Arms Transfers agreed by the Permanent Five members of the UN Security Council, the OSCE Principles Governing Conventional Arms Transfers and the EU Code of Conduct on Arms Exports;
- e) the UK's obligations under the Ottawa Convention and the 1998 Land Mines Act;
- f) the UN Convention on Certain Conventional Weapons.

#### **Criterion two**

**The respect of human rights and fundamental freedoms in the country of final destination**

Having assessed the recipient country's attitude towards relevant principles established by international human rights instruments, the Government will:

- a) not issue an export licence if there is a clear risk that the proposed export might be used for internal repression;
- b) exercise special caution and vigilance in issuing licences, on a case-by-case basis and taking account of the nature of the equipment, to countries where serious violations of human rights have been established by the competent bodies of the UN, the Council of Europe or by the EU.

**Criterion three****The internal situation in the country of final destination, as a function of the existence of tensions or armed conflicts**

The Government will not issue licences for exports which would provoke or prolong armed conflicts or aggravate existing tensions or conflicts in the country of final destination.

**Criterion four****Preservation of regional peace, security and stability**

The Government will not issue an export licence if there is a clear risk that the intended recipient would use the proposed export aggressively against another country or to assert by force a territorial claim. However a purely theoretical possibility that the items concerned might be used in the future against another state will not of itself lead to a licence being refused.

When considering these risks, the Government will take into account inter alia:

- the existence or likelihood of armed conflict between the recipient and another country;
- a claim against the territory of a neighbouring country which the recipient has in the past tried or threatened to pursue by means of force;
- whether the equipment would be likely to be used other than for the legitimate national security and defence of the recipient;
- the need not to affect adversely regional stability in any significant way taking into account the balance of forces between the states of the region concerned, their relative expenditure on defence, the potential for the equipment significantly to enhance the effectiveness of existing capabilities or to improve force projection, and the need not to introduce into the region new capabilities which would be likely to lead to increased tension.

**Criterion Five****The national security of the UK, of territories whose external relations are the UK's responsibility, and of allies, EU Member States and other friendly countries**

The Government will take into account:

- the potential effect of the proposed export on the UK's defence and security interests or on those of other territories and countries as described above, while recognising that this factor cannot affect consideration of the criteria on respect of human rights and on regional peace, security and stability;

- c) its commitment to non-proliferation and other areas of arms control and disarmament, in particular the signature, ratification and implementation of relevant arms control and disarmament conventions referred to in sub-para b) of Criterion One.

#### **Criterion Seven**

**The existence of a risk that the equipment will be diverted within the buyer country or re-exported under undesirable conditions**

In assessing the impact of the proposed export on the importing country and the risk that exported goods might be diverted to an undesirable end-user, the following will be considered:

- a) the legitimate defence and domestic security interests of the recipient country, including any involvement in UN or other peace-keeping activity;
- b) the technical capability of the recipient country to use the equipment;
- c) the capability of the recipient country to exert effective export controls.

The Government will pay particular attention to the need to avoid diversion of UK exports to terrorist organisations. Proposed exports of anti-terrorist equipment will be given particularly careful consideration in this context.

#### **Criterion Eight**

**The compatibility of the arms exports with the technical and economic capacity of the recipient country, taking into account the desirability that states should achieve their legitimate needs of security and defence with the least diversion for armaments of human and economic resources**

The Government will take into account, in the light of information from relevant sources such as United Nations Development Programme, World Bank, IMF and Organisation for Economic Cooperation and Development reports, whether the proposed export would seriously undermine the economy or seriously hamper the sustainable development of the recipient country.

The Government will consider in this context the recipient country's relative levels of military and social expenditure, taking into account also any EU or bilateral aid, and its public finances, balance of payments, external debt, economic and social development and any IMF- or World Bank-sponsored economic reform programme.

#### **OTHER FACTORS**

Operative Provision 10 of the EU Code of Conduct specifies that Member States may where appropriate

take into account the following factors:

■ the potential contribution of the proposed export to the recipient country's legitimate needs of security and defence;

■ the potential contribution of the proposed export to the recipient country's sustainable development;

## Annex F

### Best Practice Guidance from the Users Guide to the EU Code of Conduct on Arms Exports

#### Introduction to all criteria best practices

1. The purpose of these best practices is to achieve greater consistency among Member States in the application of the criteria of the EU Code of Conduct on Arms Exports by identifying factors to be considered when assessing export licence applications. They are intended to share best practice in the interpretation of the criteria rather than to constitute a set of instructions; individual judgement is still an essential part of the process, and Member States are fully entitled to apply their own interpretations. The best practices are for the use of export licensing officials and other officials in government departments and agencies whose expertise inter alia in regional, legal (e.g. human rights law, public international law), technical, development as well as security and military related questions should inform the decision-making process.

2. These best practices will be reviewed regularly, or at the request of one or more Member States, or as a result of any future changes to the wording of the Code of Conduct.

#### Section 1: Best practices for the interpretation of Criterion 1

##### How to apply Criterion 1

3.1.1 The EU Code of Conduct applies to all arms exports by Member States. Thus a prior Criterion 1 applies to exports to all recipient countries without any distinction. However, the best practices follow the principle that if there is a risk of breach of international commitments or obligations of Member States or the Community as a whole, a careful analysis of Criterion 1 should be carried out.

The purpose of Criterion 1 is to ensure in particular that the sanctions decreed by the UN, OSCE or EU, agreements on non-proliferation and other disarmament agreements, as well as other international obligations, are respected. All export licences should be assessed on a case-by-case basis and consideration should be given to Criterion 1 where there are concerns over the inconsistency with international commitments or obligations.

3.1.2 **Information sources:** Information on the risk of breach of international commitments or obligations shall be, first of all, sought from foreign affairs desk officers dealing with the particular country and with respective non-proliferation, disarmament or export control agreements. Equally recommended is the opinion of Member States diplomatic missions and other governmental institutions, including intelligence sources.

A common EU base of information includes country EU HOMs reports, the EU controls database, EU Watchlist, and EU Council conclusions/statements on respective countries or security issues. List of UN, OSCE and EU embargoed countries are updated regularly by the Council of the European Union and can be reached through regular information systems. The general guidelines on EU non-proliferation policy can be found in the EU Strategy against the proliferation of weapons of mass destruction, and non-proliferation clauses in bilateral agreements.

Documentation from the United Nations and other relevant organisations such as IAEA and OPCW would also be useful.

countries, non-state entities and individuals (such as terrorist groups and terrorists) is subject to regular changes, the utmost care should be given to take recent developments into account.

Countries, non-state entities and individuals subject to UN, OSCE and EU sanctions overlap to a large extent. However, the list of goods (both military and dual-use) under several embargoes towards the same end-user may vary and the restrictions imposed may be either mandatory or non-mandatory. To assure unified EU interpretation of the scope of legally binding UN sanctions, relevant Security Council resolutions are incorporated into the EU law in the form of Council Common Position, and, where required, Council Regulation. Thus, in case of uncertainties concerning interpretation of mandatory UN sanctions, EU sanctions list should be consulted. As far as non-legally binding UN and OSCE sanctions are concerned, the interpretation is left to Member States.

When forming a judgment on issuing a license, in order to avoid conflicts with its international obligations, Member States should follow the strictest restrictions that are binding or applicable to them.

(b) the international obligations of Member States under the Nuclear Non-Proliferation Treaty, the Biological and Toxin Weapons Convention and the Chemical Weapons Convention

**TREATY ON THE NON-PROLIFERATION OF NUCLEAR WEAPONS (NPT)**

NPT is a legally binding treaty. It acknowledges that States Parties have the right to participate in the fullest possible exchange of equipment, material and related information for the peaceful uses of nuclear energy. However Article I of NPT puts an obligation on nuclear-weapon-States (NWS) not to transfer to any recipient whatsoever nuclear weapons or other nuclear devices. Under Article III paragraph 2 of NPT, nuclear-weapon-States and non-nuclear-weapon-States (NNWS) undertook not to transfer source or special fissionable material or equipment or material especially designed or prepared for the processing, use or production of special fissionable material, to any NNWS for peaceful purposes unless these items are subject to appropriate (IAEA) safeguards.

Items, material and equipment falling under the scope of the Treaty (Article I and III):

- nuclear weapons or other nuclear explosive devices;
- source or special fissionable material;
- equipment or material especially designed or prepared for the processing, use or production of special fissionable material.

The NPT does not give a definition or specify detailed lists of the above devices and items. As for nuclear weapons or other nuclear explosive devices an UNIDIR<sup>1</sup> publication gives the following definition: Nuclear weapon is a weapon consisting of a nuclear explosive and a delivery system; nuclear explosive is a device that releases energy through nuclear fission or fusion and fusion reaction (delivery system for nuclear explosives could be aerial bombs).



### BIOLOGICAL AND TOXIN WEAPONS CONVENTION (BTWC)

BTWC is a legally binding treaty that bans the development, production, stockpiling, acquisition and retention of biological and toxin weapons and their means of delivery. However, it should be noted that under Article X of the Convention States Parties have the right to participate in the fullest possible exchange of equipment, material and related information in case it is intended for peaceful purposes.

The scope of the BTWC covers the following items (Article I):

- microbial or other biological agents, or toxins whatever their origin or method of production, of types and in quantities that have no justification for prophylactic, protective or other peaceful purposes;
- weapons, equipment or means of delivery designed to use such agents or toxins for hostile purposes or in armed conflict.

The BTWC itself does not include a detailed list of the above items. Relevant information can be found in the EU Military List (ML 7), Australia Group control lists and in Annex I of Council Regulation EC No 1334/2000 setting up a Community regime for the control of exports of dual-use items and technology.

When forming a judgement on issuing a licence for goods and technologies covered by BTWC, it should be taken into consideration that, according to BTWC:

- Export applications for biological agents of types and in quantities that have no justification for prophylactic, protective or other peaceful purposes are to be denied. (Possible peaceful purposes could be disease control or public health measures.)
- The transfer of any type of conventional weapon, military equipment or means of delivery designed to use such agents for hostile purposes or in armed conflict is forbidden.

### CHEMICAL WEAPONS CONVENTION (CWC)

CWC is a legally binding treaty that bans the development, production, stockpiling, transfer and use of chemical weapons, and also stipulates their timely destruction. At the same time, it underlines the right of States Parties to participate in the international exchange of scientific information, chemicals and equipment for the purposes not prohibited in the Convention.

Chemical weapons mean as defined in Article II of CWC the following, together or separately:

- toxic chemicals (chemicals that can cause death, temporary incapacitation) and their precursors, except where intended for purposes not prohibited under CWC;
- munitions and devices, specifically designed to cause death or other harm through the toxic properties of those toxic chemicals specified above, which would be released in the event of

- The CWC Annex on chemicals comprises three so-called Schedules (chemical lists). The transfer regime for Schedule 1, Schedule 2 and Schedule 3 is detailed respectively in Part VI, Part VII and Part VIII of the CWC Verification Annex. Given the fact that there is overlap between ML7 list and the CWC Schedules, as a first step it should be determined whether the ML7 chemical agent or precursor in question is on the CWC schedules lists or not. Subsequently in case of an export application for a CWC schedule chemical the transfer rules as set out in the corresponding Part of the CWC Verification Annex should be followed.
  - Research, medical, pharmaceutical or protective purposes are not prohibited under CWC.
- (c) the commitments of Member States in the framework of the Australia Group, the Missile Technology Control Regime, the Nuclear Suppliers Group, the Wassenaar Arrangement

Council regulation (EC) No 1334/2000 of 22 June 2000 set up a Community regime for control of exports of dual-use items and technology. The regulation contains in the annex a total list of all products subject to export controls and a list of the most critical dual-use products, which are subject to even more stringent rules. These lists could be used as a reference for most of the items covered by the Australia Group, the Missile Technology Control Regime, the Zangger Committee, the Nuclear Suppliers Group, the Wassenaar Arrangement and The Hague Code of Conduct against Ballistic Missile Proliferation.

#### **THE AUSTRALIA GROUP (AG)**

AG is an informal arrangement. Participants do not undertake any legally binding obligations: the effectiveness of the cooperation between participants depends solely on their commitment to chemical and biological weapons (CBW) non-proliferation goals and national measures aiming at preventing the spread of CBW.

The AG "no undercut policy" is the core element of the members' commitments intended to ensure a common approach to controls on CBW-related exports. If one member denies an export of an AG-listed item for CBW non-proliferation reasons, all other members agree not to approve essentially identical export license applications without first consulting with the member that issued the original denial.

The transfer of AG-controlled chemicals or biological agents should only be authorized when the exporting member country is satisfied that there will be no CBW-related end use.

When forming a judgement on issuing a transfer licence, Member States should consider the following but non-exhaustive list of elements:

- The significance of the transfer in terms of the potential development, production or
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- Whether the end-user is capable of securely handling and storing the item transferred;
- Whether the exported goods are not intended for re-export. If re-exported, the goods would be properly controlled by the recipient government and satisfactory assurances that its consent will be secured prior to any retransfer to a third country would be obtained;
- Whether the recipient state as well as any intermediary states have effective export control systems;
- Whether the recipient state is a party to the Chemical Weapons Convention or Biological and Toxin Weapons Convention and is in compliance with its obligations under these treaties;
- Whether governmental actions, statements, and policies of the recipient state are supportive of chemical and biological weapons non-proliferation and whether the recipient state is in compliance with its international obligations in the field of non-proliferation.

#### MISSILE TECHNOLOGY CONTROL REGIME (MTCR)

The MTCR is an informal arrangement between countries which share the goals of non-proliferation of unmanned delivery systems capable of delivering weapons of mass destruction, and which seek to co-ordinate national export licensing efforts aimed at preventing their proliferation. The MTCR rests on adherence to common export policy guidelines (the MTCR Guidelines) applied to an integral common list of controlled items (the MTCR Equipment, Software and Technology Annex). Each member country has implemented the Guidelines in accordance with its national legislation and decisions on transfer applications are taken at the national level.

In the evaluation of transfer applications for Annex items, Member States shall take the following factors into account:

- Concerns about the proliferation of weapons of mass destruction;
- The capabilities and objectives of the missile and space programs of the recipient state;
- The significance of the transfer in terms of the potential development of delivery systems (other than manned aircraft) for weapons of mass destruction;
- The assessment of the end use of the transfers. Where the transfer could contribute to a delivery system for weapons of mass destruction, transfers should only be authorised on receipt of appropriate assurances from the Government of the recipient State that:
  - The items will be used only for the purpose stated and that such use will not be modified nor the items modified or replicated without the prior consent of the authorising Government.

accordance with its national laws and practices. Decisions on export applications are taken at the national level in accordance with national export licensing requirements.

The Basic Principle is that suppliers should not authorise transfers of equipment, materials, software, or related technology identified in the Annex:

- for use in a non-nuclear-weapon state in nuclear explosive activity or an un safeguarded nuclear fuel-cycle activity, or
- in general, when there is an unacceptable risk of diversion to such an activity, or when the transfers are contrary to the objective of averting the proliferation of nuclear weapons, or
- when there is an unacceptable risk of diversion to acts of nuclear terrorism.

In considering whether to authorise nuclear or nuclear-related transfers, in accordance with NSG, Member States should exercise prudence in order to carry out the Basic Principle and should take relevant factors into account, including:

- Whether the recipient state is a party to the NPT or to the Treaty for the Prohibition of Nuclear Weapons in Latin America, or to a similar international legally-binding nuclear non-proliferation agreement, and has an IAEA safeguards agreement in force applicable to all its peaceful nuclear activities;
- Whether any recipient state that is not party to the NPT, Treaty for the Prohibition of Nuclear Weapons in Latin America, or a similar international legally-binding nuclear non-proliferation agreement has any un safeguarded nuclear fuel-cycle activity, which is not subject to IAEA safeguards;
- Whether the nuclear related technology to be transferred is appropriate for the stated end-use and whether that stated end-use is appropriate for the end-user;
- Whether the nuclear related technology to be transferred is to be used in research on or development, design, manufacture, construction, operation, or maintenance of any reprocessing or enrichment facility;
- Whether governmental actions, statements, and policies of the recipient state are supportive of nuclear non-proliferation and whether the recipient state is in compliance with its international obligations in the field of non-proliferation;
- Whether the recipients have been engaged in clandestine or illegal activities; and
- Whether a transfer has not been authorised to the end-user or whether the end-user has diverted for purposes inconsistent with the Guidelines any transfer previously authorised;
- Whether there is reason to believe that there is a risk of diversion to acts of nuclear terrorism;
- Whether there is a risk of retransfers of equipment, material, software, or related technology

Accumulations of Conventional Weapons, Statement of Understanding on Intangible Transfers of Software and Technology, Best Practice Guidelines for Exports of Small Arms and Light Weapons (SALW), Elements for Export Controls of Man-Portable Air Defence Systems (MANPADS) and Statement of Understanding on Control of Non-Listed Dual-Use Items<sup>2</sup>.

In considering whether to authorise transfers of goods listed by WA, Member States should take into account that principle commitments under WA include:

- maintaining national export controls on items listed in the Control Lists;
- exchanging, on a voluntary basis, information that enhances transparency on arms transfers, as well as on sensitive dual-use goods and technologies;
- for items in Munitions list exchanging information every six months on deliveries to non-participating states of conventional arms;
- for items in the Dual-Use List notifying all licences denied to non-participating states, on an aggregate basis, twice per year;
- for items in the List of Sensitive Items and the List of Very Sensitive Items, notifying all licences denied to non-participating states on an individual basis and all licences issued to non-participating states, on an aggregate basis, twice per year;
- notifying Participating States of an approval of a licence which has been denied by another Participating State for an essentially identical transaction during the last three years (undercut notification). The decision to transfer or deny transfer of any item is the sole responsibility of each Participating State.

Although not mentioned in Criterion 1 of the EU Code of Conduct on Arms Exports, the Zangger Committee and the Hague Code of Conduct against the Proliferation of Ballistic Missiles are of considerable importance when forming a judgement with regard to Criterion 1:

#### ZANGGER COMMITTEE

The Zangger Committee is an informal arrangement which significantly contributes to the interpretation of article III, paragraph 2, of the Nuclear Non-Proliferation Treaty (NPT) and thereby offers guidance to all parties to the Treaty.

In the evaluation of transfer applications for items covered by the Zangger Committee, Member States shall take the following factors into account:

- Provision of source or special fissionable material to any non-nuclear-weapon State for peaceful purposes is not allowed unless the source or special fissionable material is subject to safeguards under an agreement with the International Atomic Energy Agency (IAEA);
- If the Government wishes to supply source or special fissionable material for research

[REDACTED]

- The Government, when exporting source or special fissionable material to a nuclear-weapon State not party to the NPT, will require satisfactory assurances that the material will not be re-exported to a non-nuclear-weapon State not party to the NPT unless arrangements are made for the acceptance of IAEA safeguards by the State receiving such re-export;
- An Annual Return regarding exports of source and fissionable material to non-nuclear-weapon States not party to the NPT shall be submitted.

#### **HAGUE CODE OF CONDUCT AGAINST THE PROLIFERATION OF BALLISTIC MISSILES (HCoC)**

The HCoC is a politically binding non-proliferation instrument which addresses the problem of ballistic missiles capable of delivering WMD. A central aim of the Code is to increase transparency and confidence among Subscribing States by implementing specific confidence building measures, namely pre-launch notifications of ballistic missile and space-launch vehicle launches and annual declarations of ballistic missile and space launch vehicle policies.

When forming a judgement on issuing a licence, Member States should take into consideration whether or not a state has subscribed to the HCoC and its core principles:

- The urgency to prevent and curb the proliferation of ballistic missiles capable of delivering WMD;
- The importance of strengthening multilateral disarmament and non-proliferation instruments;
- The recognition that States should not be excluded from utilising the benefits of space for peaceful purposes, but that in doing so, they must not contribute to the proliferation of ballistic missiles capable of delivering WMD;
- The necessity of appropriate transparency measures on ballistic missile and space launch vehicle programmes.

(d) the commitment of Member States not to export any form of anti-personnel landmine

The most comprehensive international instrument dealing with anti-personnel mines is the 1997 Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on Their Destruction (so called Ottawa Convention). State Parties to the Convention took on the obligation, among others, not to export anti-personnel mines, except for the purpose of destruction. In addition, they agreed not to assist, encourage or induce, in any way, anyone to engage in any activity prohibited to a State Party.

Some countries, although not State Parties to the Ottawa Convention, announced an export moratorium on anti-personnel landmines.

## **ANNEX I (to Chapter 3 Section 1)**

### **Non-exhaustive list of Internet websites of relevant information sources includes:**

List of EU sanctions (DG External Relations, Council of the EU);  
[http://ec.europa.eu/comm/external\\_relations/cfspsanctions/measures.htm](http://ec.europa.eu/comm/external_relations/cfspsanctions/measures.htm)

List of embargoes in force (SIPRI);  
<http://www.sipri.org/contents/armstrad/embargoes.html>

International Atomic Energy Agency (NPT);  
[www.iaea.org](http://www.iaea.org)

The United Nations Office at Geneva (Disarmament, BTWC);  
[www.unog.ch](http://www.unog.ch)

Organisation for the Prohibition of Chemical Weapons (CWC);  
[www.opcw.org](http://www.opcw.org)

International Campaign To Ban Landmines;  
[www.icbl.org](http://www.icbl.org)

Geneva International Centre for Humanitarian Demining;  
[www.gichd.ch](http://www.gichd.ch)

Australia Group;  
[www.australiagroup.net](http://www.australiagroup.net)

MTCR;  
[www.mtcr.info](http://www.mtcr.info)

Zangger Committee;  
[www.zanggercommittee.org](http://www.zanggercommittee.org)

Nuclear Suppliers Group;  
[www.nuclearsuppliersgroup.org](http://www.nuclearsuppliersgroup.org)

Wassenaar Arrangement;  
[www.wassenaar.org](http://www.wassenaar.org)

Hague Code of Conduct against the Proliferation of Ballistic Missiles (HCOC);  
[www.bmaa.at](http://www.bmaa.at)

## Section 2: Best practices for the interpretation of Criterion 2

### How to apply Criterion 2

3.2.1 The EU Code of Conduct applies to ALL arms exports by Member States. Thus a priori Criterion 2 applies to exports to all recipient countries without any distinction. However, because Criterion 2 establishes a link with the respect for human rights by the recipient country, special attention should be given to arms exports to countries where there are indications of human rights violations.

3.2.2 **Information sources:** A common EU base of information sources available to all Member States consists of EU HOMs reports, EU human rights fact sheets and in certain cases EU Council statements/conclusions on the respective recipient countries. These documents normally already take into account information available from other international bodies and information sources. However, because of the essential case-by-case analysis and the specificity of each licence application, additional information might be obtained as appropriate from:

- Member States diplomatic missions and other governmental institutions;
- Documentation from the United Nations, the ICRC and other International and regional bodies;
- Reports from international NGOs;
- Reports from local human rights NGOs and other reliable local sources;
- Information from civil society.

Furthermore the EU has designed and adopted specific guidelines to serve as a framework for protecting and promoting human rights in third countries, such as the Guidelines on the death penalty, torture, children and armed conflict and human rights defenders. A non-exhaustive list of relevant internet websites is contained in Annex I.

### ELEMENTS TO CONSIDER WHEN FORMING A JUDGEMENT

3.2.3 **Key concepts:** Examination of Criterion 2 reveals several key concepts which should be taken into account in any assessment, and which are highlighted in the following text.

"Having assessed the recipient country's attitude towards relevant principles established by international human rights instruments, Member States will:

- (a) not issue an export licence if there is a clear risk that the proposed export might be used for internal repression.
- (b) exercise special caution and vigilance in issuing licences, on a case-by-case basis and taking account of the nature of the equipment, to countries where serious violations of human rights have been established by the competent bodies of the UN, the Council of Europe or by the EU.



recipient country's government; recent significant developments, including inter alia impact of "fight against terrorism"; effective protection of human rights in constitution; human rights training among key actors (e.g. law enforcement agencies); impunity for human rights violations; independent monitoring bodies and national institutions for promotion or protection of human rights.

**3.2.4. International human rights instruments:** A non-exhaustive list of the main international and regional instruments is contained in Annex II.

These instruments and their respective additional protocols represent the main international norms and standards in the areas of human rights and fundamental freedoms. They guarantee civil and political rights (such as inter alia right to life; prohibition of slavery and forced labour; liberty and security of person; equality before the law; fair trial and effective remedy; freedom of expression and information; freedom of assembly; freedom of movement; freedom of thought, conscience and religion; right to seek and enjoy asylum); women's rights; children's rights; non-discrimination; rights of minorities and indigenous peoples; economic, social and cultural rights.

**3.2.5. The recipient country's attitude:** The following indicators should, as appropriate, be taken into account when assessing a country's respect for, and observance of all human rights and fundamental freedoms:

- the commitment of the recipient country's Government to respect and improve human rights and to bring human rights violators to justice;
- the implementation record of relevant international and regional human rights instruments through national policy and practice;
- the ratification record of the country in question with regard to relevant international and regional human rights instruments;
- the degree of cooperation with international and regional human rights mechanisms (eg UN treaty bodies and special procedures);
- the political will to discuss domestic human rights issues in a transparent manner, for instance in the form of bilateral or multilateral dialogues, with the EU or with other partners including civil society.

**3.2.6. Serious violations of human rights:** In the Vienna Declaration and Programme of Action adopted at the World Conference on Human Rights in Vienna in June 1993, the solemn commitment of all States to fulfil their obligations to promote universal respect for, and observance and protection of, all human rights and fundamental freedoms for all in accordance with the Charter of the United Nations, other instruments relating to human rights, and international law was reaffirmed. Equally reaffirmed were the

**3.2.7 Internal repression, clear risk, "might", case by case:** The text of the Criterion gives an ample set of examples of what constitutes internal repression. But assessing whether or not there is a clear risk that the proposed export might be used to commit or facilitate such acts requires detailed analysis. The combination of 'clear risk' and 'might' in the text should be noted. This requires a lower burden of evidence than a clear risk that equipment will be used for internal repression.

An analysis of clear risk must be based upon a case-by-case consideration of available evidence of the history and current prevailing circumstances in the recipient state/regarding the proposed end-user, as well as any identifiable trends and/or future events that might reasonably be expected to precipitate conditions that might lead to repressive actions (e.g. forthcoming elections). Some initial questions that might be asked are:

- Has the behaviour of the recipient state/ the proposed end-user been highlighted negatively in EU Council statements/conclusions?
- Have concerns been raised in recent reports from EU Heads of Mission in the recipient state/regarding the proposed end-user?
- Have other international or regional bodies (e.g. UN, Council of Europe or OSCE) raised concerns?
- Are there consistent reports of concern from local or international NGOs and the media?

It will be important to give particular weight to the current situation in the recipient state before confirming any analysis. It may be the case that abuses have occurred in the past but that the recipient state has taken steps to change practices in response to domestic or international pressure, or an internal change in government. It might be asked:

- Has the recipient state agreed to external or other independent monitoring and/or investigations of alleged repressive acts?
- If so, how has it reacted to/implemented any findings?
- Has the government of the recipient state changed in manner that gives confidence of a change in policy/practice?
- Are there any EU or other multilateral or bilateral programmes in place aimed at bringing about change/reform?

Mitigating factors such as improved openness and an on-going process of dialogue to address human rights concerns in the recipient state may lead to the possibility of a more positive assessment. However, it is important to recognise that a lengthy passage of time since any highly publicised instances of repression in a recipient state is not on its own a reliable measure of the absence of clear risk. There is no substitute for up-to-date information from reliable data sources if a proper case-by-case assessment is to be made.

Some initial questions might include:

- Is there a record of this equipment being used for repression in the recipient state or elsewhere?
- If not, what is the possibility of it being used in the future?
- Who is the end-user?
- What is the end-user's role in the recipient state?
- Has the end-user been involved in repression?
- Are there any relevant reports on such involvement?

3.2.10 **Diversion:** The question of internal diversion also needs consideration. There may be clues to this in the nature of the equipment and the end-user. It might be asked:

- Does the stated end-user have a legitimate need for this equipment? Or are the items in question more appropriate to another branch of the security apparatus?
- Would we issue a licence if the end-user were another part of the security apparatus of the recipient state?
- Do the different branches of the security forces have separate procurement channels? Is there a possibility that equipment might be redirected to a different branch?

3.1.11 **Arriving at a judgement:** Based on information and assessment of elements suggested in paragraphs 3.2.4 - 3.2.10 above Member States will reach a judgement on whether the proposed export should be denied on the basis of Criterion 2.

## **ANNEX I to Chapter 3 Section 2**

### **INTERNET WEBSITES OF RELEVANT INFORMATION SOURCES INCLUDE:**

Office of the United Nations High Commissioner for Human Rights ([www.ohchr.org](http://www.ohchr.org))  
United Nations ([www.un.org](http://www.un.org); <http://untreaty.un.org>)  
International Committee of the Red Cross ([www.icrc.org](http://www.icrc.org))  
Council of Europe ([www.coe.int](http://www.coe.int))  
European Union (<http://europa.eu>)  
Organization for Security and Co-operation in Europe ([www.osce.org](http://www.osce.org))  
Organization of American States ([www.oas.org](http://www.oas.org))  
African Union ([www.africa-union.org](http://www.africa-union.org))  
Amnesty International ([www.amnesty.org](http://www.amnesty.org))  
Human Rights Watch ([www.hrw.org](http://www.hrw.org))  
Fédération internationale des ligues des droits de l'homme ([www.fidh.org](http://www.fidh.org))  
Organisation mondiale contre la torture ([www.omct.org](http://www.omct.org))  
Association for the Prevention of Torture ([wwwapt.ch](http://wwwapt.ch))  
International Commission of Jurists ([www.icj.org](http://www.icj.org))

### **OTHER INFORMATION SOURCES INCLUDE:**

International Criminal Court and ad hoc tribunals;  
International agencies operating in the recipient state;  
International Crisis Group;  
Coalition to Stop the Use of Child Soldiers;  
Small Arms Survey;  
SIPRI and other research institutes;  
Military manuals (instructions to armed forces).

## **ANNEX II to Chapter 3 Section 2**

### **CORE INTERNATIONAL AND REGIONAL HUMAN RIGHTS INSTRUMENTS**

#### **UNITED NATIONS:**

International Covenant on Economic, Social and Cultural Rights (CESCR);  
International Covenant on Civil and Political Rights (CPPR);  
Optional Protocol to the International Covenant on Civil and Political Rights (CPPR-OP1);  
Second Optional Protocol to the International Covenant on Civil and Political Rights, aiming at the abolition of the death penalty (CPPR-OP2-DP);  
International Convention on the Elimination of All Forms of Racial Discrimination (CERD);  
Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW);  
Optional Protocol to the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW-OP);  
Convention Against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment (CAT);  
Optional Protocol to the Convention Against Torture (CAT-OP);  
Convention on the Rights of the Child (CRC);  
Optional Protocol to the Convention on the Rights of the Child on the involvement of children in armed conflict (CRC-OP-AC);  
Optional Protocol to the Convention on the Rights of the Child on the sale of children, child prostitution and child pornography (CRC-OP-SC);  
1951 Convention on the Status of Refugees;  
1967 Protocol relating to the status of refugees;  
Rome Statute of the International Criminal Court

#### **REGIONAL INSTRUMENTS:**

##### **WITH RESPECT TO MEMBER STATES OF THE COUNCIL OF EUROPE:**

[REDACTED]

**WITH RESPECT TO MEMBER STATES OF THE AFRICAN UNION:**

African Charter on Human and People's Rights;

Protocol to the African Charter on Human and People's Rights on the Establishment of an African Court on Human and Peoples' Rights;

Protocol to the African Charter on Human and Peoples' Rights on the Rights of Women in Africa;

African Charter on Rights and Welfare of the Child;

**WITH RESPECT TO MEMBER STATES OF THE ARAB LEAGUE:**

Arab Charter on Human Rights

**ANNEX III to Chapter 3 Section 2**

**COMPETENT BODIES OF THE UN, THE COUNCIL OF EUROPE OR THE EU TO ESTABLISH SERIOUS VIOLATIONS OF HUMAN RIGHTS ARE:**

**UNITED NATIONS:**

The General Assembly (including country-specific resolution(s))

The Security Council

Human Rights Council and the Economic and Social Council

The Office of the United Nations High Commissioner for Human Rights

Special procedures and other mandate-holders

The treaty bodies

**COUNCIL OF EUROPE:**

The Ministerial Committee of the Council of Europe

Parliamentary Assembly

European Court of Human Rights

### Section 3: Best practices for the interpretation of Criterion 3

#### How to apply Criterion 3

3.3.1 The EU Code of Conduct applies to all exports, by Member States, of military equipment and technology included in the Common Military List, and dual use items as specified in operative paragraph 6 of the Code of Conduct. Criterion 3 applies to all recipient countries without distinction. However, these best practices follow the principle that if there is an armed conflict or if there are internal tensions in the country of destination, a careful analysis should be carried out of the risk of this proposed export provoking or prolonging the conflict or aggravating the existing tensions and escalating them into a wider conflict. If the analysis shows a risk of this happening, a restrictive approach should be adopted towards the export licence under consideration. Particular attention should be given to the role of the end-user in this conflict. All export licences should be assessed on a case-by-case basis and consideration should be given to criterion 3 where there are concerns over the existence of tensions or armed conflicts.

3.3.2 *Information sources.* Information on whether there is a risk the equipment would provoke or prolong armed conflicts, or aggravate existing tensions or conflicts in the country of final destination, should be sought from a Member State's mission in the country concerned, as well as from the Foreign Ministry country desk.

A common EU base of information sources available to all Member States consists of EU HOMs reports, EU reports, and in some cases, EU Council statements/conclusions on the respective recipient country. The EU Watchlist contains destinations that may deserve particular attention with respect to Criterion 3. When consulting other Member States on their denials to an area of concern, Member States are encouraged to share their analysis and interpretation of the internal situation in the country of final destination.

Wider Internet and intelligence reports – from national intelligence services – are also helpful, especially when assessing the possible increase in capabilities.

Additional information can be obtained from:

- Local UN/EU/OSCE missions;
- Documentation from the UN (UNGA, UNSC, UN Arms register), International Criminal Court and/or other international and regional bodies;
- Research institutes (e.g. SIPRI);
- Reports from international NGOs;
- Information from local and regional NGOs / civil society.

#### Function of the existence of tensions or armed conflicts

"Tensions" refers to unfriendly or hateful relations between different groups or groups of individuals, of the society based either on race, colour, sex, language, religion, political or other opinion, national or social origin, interpretation of historic events, differences in economic wellbeing or ownership of property, sexual orientation, or other factors. Tensions could be at the origin of tumult or violent actions, or a cause for the creation of private militia not controlled by the State.

"Armed conflicts" refers to the escalation of the tensions between above mentioned groups to the level in which any of the groups uses arms against others.

In considering an export licence application the competent authority must assess the internal situation of the country of destination; possible participation and role of the end-user in the internal conflict or tensions and the probable use of the proposed export in the conflict. In assessing the potential risks in the recipient country the competent authority might ask the following questions:

- What is the end-use of the proposed export (military technology or equipment)? Would the export be used to enforce internal security or to continue with the hostilities?
- Is the military equipment or technology intended to support internationally sanctioned peace keeping/peace enforcing operations or humanitarian interventions?
- Is the end-user participating or closely related to a party involved in the armed conflict within the country? What is the role of the end-user in the conflict?
- If components or spares are being requested, is the recipient state known to operate the relevant system in armed conflict in the country?
- Have there been recent reports that the existing tensions might be aggravating? Is there a risk that the existing tensions might turn into an armed conflict when one or more of the participants gain access to the military equipment and technology to be exported?
- Is the recipient country subject to regional or UN embargoes because of the internal situation in the country (see also criterion 1)?

#### The nature of the equipment

The nature of equipment will impact the judgement of whether to approve or refuse a licence.

Consideration should be given as to whether the equipment or technology to be exported actually is related, directly or indirectly, to the tensions or conflicts in the country of final destination. This will be all the more important when there already is an existing armed conflict.

Some questions to consider might be:

- Is the export in nature such, that it is or could be used in an armed conflict within the country of final destination?

The following might be considered:

- What is the end-user's role in the recipient state? Is the end-user part of the problem, or rather attempting to be part of the solution?
- Is the end-user involved in the internal armed conflict or tensions?
- Are there any relevant reports of such involvement?

3.3.4 *Arriving at a judgement:* Based on information and the over-all risk assessment as suggested in the paragraphs above, Member States will reach a judgement on whether the proposed export should be denied on the basis of Criterion 3.

#### **ANNEX I to Chapter 3 Section 3**

##### **NON-EXHAUSTIVE LIST OF INTERNET WEBSITES OF RELEVANT INFORMATION SOURCES INCLUDE:**

United Nations  
([www.un.org/peace/](http://www.un.org/peace/))

1540 Committee  
(<http://disarmament2.un.org/Committee1540>)

OSCE/arms controls  
([www.osce.org/activities/13014.html](http://www.osce.org/activities/13014.html))

European Union  
([www.consilium.europa.eu](http://www.consilium.europa.eu))

#### Section 4: Best practices for the interpretation of Criterion 4

##### How to apply Criterion 4

3.4.1 The EU Code of Conduct applies to all exports by Member States of military equipment and technology included in the Common Military List and dual use items as specified in operative paragraph 6 of the Code of Conduct. Criterion 4 applies to all recipient countries without distinction. However, these best practices follow the principle that where there is a greater risk of regional conflict, greater scrutiny of criterion 4 is required than in cases where there is a lesser risk. All export licences should be assessed on a case-by-case basis and consideration given to criterion 4 where there are concerns over the preservation of peace, security and stability in the region.

The purpose of criterion 4 is to ensure that any export does not encourage, aggravate, provoke or prolong conflicts or tensions in the region of the intended recipient country. The criterion makes a distinction between the intention to use the proposed export for aggressive as opposed to defensive purposes. The criterion is not intended to preclude exports to countries that are (potential) victims of aggression or a threat of aggression. A careful assessment would need to be carried out as to whether there are sound indications of an intention by the intended recipient country to use the proposed export to attack, potentially attack or threaten to attack another country.

3.4.2 **Information sources:** Information on whether the equipment is a risk to the preservation of the regional peace, security and stability should be sought from a Member State's mission in the country concerned, as well as from Foreign Ministry country desks; both desks responsible for the recipient country and those responsible for the threatened/aggressor country.

A common EU basic of information sources available to all Member States consists of EU HOMs reports, EU reports, and in some cases, EU Council statements/conclusions on the respective recipient country and the region. Extensive use of the EU SitCen (Country Risk Assessment) could be made. The EU Watchlist contains destinations that may deserve particular attention with respect to criterion 4. When consulting other Member States on their denials to an area of concern, the Member States are encouraged to share their analysis and interpretation of the regional situation.

The wider internet and intelligence reports - from national intelligence services - are also helpful, especially when assessing the possible increase in capabilities.

Additional information can be obtained from:

- Local UN/EU/OSCE missions
- Documentation from the UN (UNGA, UNSC, UN Arms register), International Criminal Court and/or other international and regional bodies;
- Research institutes (e.g. SIPRI)

All nations have the right to defend themselves according to the UN Charter. This criterion addresses the issue of whether the recipient state has intentions to use or threaten to use the proposed export aggressively against another country. An assessment should therefore be made of the recipient's intentions, as well as whether the import is an appropriate and proportionate response to the recipient country's need to defend itself, to ensure internal security, and assist in international peace-keeping and humanitarian operations.

Licence applications to sensitive and potentially sensitive destinations are carefully assessed on a case-by-case basis, especially when the export destination regards a country that is or has been involved in armed conflict. When analysing whether there is a clear risk, the history of armed conflict and the current prevailing circumstances in the recipient state and the region should be taken into consideration, as well as any identifiable trends and/or future events that might reasonably be expected to heighten tensions or lead to aggressive actions.

The wording 'will not issue' in this criterion means that if in the assessment of a licence application it has been established that there is a clear risk that the proposed export would be used aggressively against another country or to assert by force a territorial claim, the export licence must be denied regardless of the outcome of the analysis with respect to the other criteria of the Code of Conduct, or any other considerations.

When considering these risks, Member States will take into account inter alia:

- (a) *the existence or likelihood of armed conflict between the recipient and another country*

For the purposes of this element, a judgement will have to be made as to whether there is a clear risk that this equipment will be used in an existing armed conflict between the recipient country and its neighbours or another conflict in the region. Where there is no armed conflict, the regional situation should be considered. Growing tensions in the region, increased threats of conflict or weakly held peace arrangements are examples of where there is a likelihood of a conflict, putting the preservation of the regional peace, security and stability at risk. In these cases, a judgement would need to be made as to whether there is a clear risk that supplying this piece of equipment would hasten the advent of conflict, for instance by giving the recipient country an advantage over its neighbours or others in the region. Where the equipment to be exported will add to the military capability of the recipient country, a judgement will have to be made as to whether there is a clear risk that this equipment will prolong an existing conflict or bring simmering tensions into armed conflict.

The following questions are indicators that may be taken into consideration as appropriate:

- Is there an existing conflict in the region?
- Is the current situation in the region likely to lead to an armed conflict?
- Is the threat of conflict theoretical / unlikely or is it a clear and present risk?

The following questions are indicators that may be taken into consideration as appropriate:

- Is the recipient country pursuing a claim against the territory of a neighbouring country?
- Has a territorial claim led to conflict in the region, or underlying tensions between the recipient country and its neighbours?
- Has the recipient country tried to resolve the issue through peaceful means, has it tried in the past to assert by force its territorial claim, or has it threatened to pursue its territorial claim by force?

(c) *whether the equipment would be likely to be used other than for the legitimate national security and defence of the recipient*

When assessing this element of Criterion 4, the exporting state should estimate whether the recipient state has expressed an aggressive military doctrine, and the likelihood of the requested equipment being used in accordance with this doctrine. The exporting state should also estimate whether the requested equipment is compatible with, or constitutes a necessary addition to or replacement of, existing armament systems in the defence forces of the recipient state. It may also be relevant to take into account the quantity and quality of the equipment to be exported.

(d) *the need not to affect adversely regional stability in any significant way*

A judgement on this criterion will have to be made on whether supplying the recipient country with the equipment will significantly improve their military capability, and if it does, would a neighbouring country as a result be put under threat of conflict. Where there are existing tensions in the region, would supplying this equipment enhance the recipient country's capability by introducing a new piece of equipment into the region which could threaten a neighbouring country.

The following questions are indicators that may if appropriate be taken into consideration:

- Why does the recipient wish to acquire the equipment or technology?
- Is this equipment simply a replacement or for maintenance for existing items that might be old or in disrepair, or is the recipient developing new capabilities, such as a significantly improved air strike capability?

#### The nature of the equipment

The nature of the equipment to be exported will impact the judgement of whether to approve or refuse a licence. Consideration should be given as to whether there is a clear risk that the equipment can be used in a conflict between the recipient country and its neighbours. This will be used to a greater extent where

- Is there a risk that the existing regional tensions might turn into an armed conflict when one or more of the participants obtains access to this military equipment and technology?
- Is the export in nature such, that it is or could be used in an armed conflict within the region? What is the likelihood of this equipment being used in a conflict?

#### The end-user

A judgement would have to be made on whether the end user would allow this equipment to be used in a manner inconsistent to Criterion 4. If it is going directly to the military/government, a decision has to be made on whether the equipment will be used in any military action against another country.

More complex cases arise when equipment may be going to a research institute or private company. Here a judgement should be made on the likelihood of diversion, and views on criterion 4 should be based on the other criteria, specifically concerns related to criterion 7: the risk of diversion.

The following might be considered:

- Is the export likely to be deployed in conflict with a neighbouring state? Or would it most likely go to the Police / a UN contribution, or some other branch of the security forces not directly connected to the criterion 4 concern?

**3.4.4 Arriving at a judgement:** Based on information and the over-all risk assessment as suggested in the paragraphs above Member States will reach a judgement on whether the proposed export should be denied on the basis of Criterion 7.

## ANNEX I to Chapter 3 Section 4

### NON-EXHAUSTIVE LIST OF INTERNET WEBSITES OF RELEVANT INFORMATION SOURCES INCLUDE:

United Nations

([www.un.org/peace/](http://www.un.org/peace/))

1540 Committee

(<http://disarmament2.un.org/Committee1540>)

## Section 5: Best practices for the interpretation of Criterion 5

### How to apply Criterion 5

3.5.1 The EU Code of Conduct applies to all arms exports by Member States, without any restrictions on destination. The extent of its application is also valid for Criterion 5. Unlike the other seven criteria, which draw Member States' attention to a particular aspect of the country of destination deemed to be a source of risk, Criterion 5 requires the Member States to carry out an analysis focused on a parameter specific to them: their national security and that of friends, allies and other Member States. The objective of Criterion 5 is to prevent an arms export from affecting the national security of Member States, allied or friendly countries. Exports will have to be evaluated in the light of Criterion 5, without prejudice to compliance with the other criteria set by the Code.

Three points must be subject to analysis before any licence is issued:

- (a) the potential impact of the operation on the security and defence interests of friends, allies or other Member States, without prejudice to observance of the other criteria, particularly Criteria 2 and 4;
- (b) the consequences of the export on the operational security of the armed forces of Member States and of friendly or allied countries;
- (c) the risk of reverse engineering or unintended technology transfer.

3.5.2 **Information sources:** The information relating to the national security of Member States and of territories whose external relations are the responsibility of a Member State, and to defence interests, come mainly from the following sources:

- Charter of the United Nations;
- NATO Treaty<sup>14</sup>;
- OSCE: Conference on Security and Cooperation in Europe (Helsinki Final Act 1975); Principles governing conventional arms transfers (25 November 1993)
- Council of Europe;
- Brussels Treaty, establishing the Western European Union<sup>15</sup>;
- Treaty on European Union; the basic CFSP texts ("A secure Europe in a better world. European Security Strategy");
- National or regional texts: defence agreements; assistance agreements; military cooperation agreements; alliances, etc.

Since security and defence agreements are usually confidential, the Member States may, when dealing

3.5.4 **National security.** National security refers to the capability of the Member States to ensure territorial integrity, protect the population and preserve national security interests as well as the resources and supplies deemed essential for its subsistence and its independence vis-à-vis all kinds of threats and attacks.

National security is closely linked to the security of Europe. The European Security Strategy adopted by the European Council in December 2003 defined the spectre of threats to the security of the European Union. These include: terrorism (religious extremism, electronic networks); proliferation of weapons of mass destruction; regional conflicts (violent or frozen conflicts which persist on our borders, threatened minorities); State failure (corruption, abuse of power, weak institutions, lack of accountability, civil conflict); organised crime (cross-border trafficking in drugs, women, illegal migrants and weapons, maritime piracy).

National security must also be assessed by taking account of **international (or collective) security**, which is among the aims pursued by the Charter of the United Nations. The latter provides that **regional systems** of collective security are lawful, provided that such arrangements are consistent with the purposes and principles of the universal system (Article 52). It recognises the **inherent right of individual or collective self-defence** (Article 51).

3.5.5 **Territories whose external relations are the responsibility of a Member State.** The territories in question may be assimilated to the following types:

- The territories covered by Article 5 of the NATO Treaty, which defines the geographical scope of an armed attack which might trigger the mechanism of military assistance between the parties;
- The outermost regions (ORs): the four French overseas departments (ODs) (Guadeloupe, French Guiana, Martinique, Réunion); the Portuguese autonomous regions of the Azores and Madeira in the Atlantic Ocean; the Spanish autonomous community of the Canary Islands in the Atlantic Ocean;
- The overseas countries and territories, covered by Articles 182 to 188 of the TEC, and listed in Annex II to the TEC: Greenland, New Caledonia and Dependencies, French Polynesia, French Southern and Antarctic Territories, Wallis and Futuna Islands, Mayotte, Saint Pierre and Miquelon, Aruba, Netherlands Antilles, Anguilla, Cayman Islands, Falkland Islands, South Georgia and the South Sandwich Islands, Montserrat, Pitcairn, Saint Helena and Dependencies, British Antarctic Territory, British Indian Ocean Territory, Turks and Caicos Islands, British Virgin Islands, Bermuda;
- The European territories to which the provisions of the TEC apply under certain conditions (Article 299(4) and (6) of the TEC).

3.5.6 **Allied countries.** Allied countries may be defined as the States associated by a treaty or an international agreement providing for a solidarity clause or a mutual defence clause. A solidarity clause provides for the mobilisation of all the instruments available to the States parties, including military means,

The WEU includes ten EU Member States (France, Germany, Italy, United Kingdom, Belgium, Netherlands, Luxembourg, Portugal, Spain, Greece) which are also members of NATO<sup>6</sup>.

3.5.7 **Friendly countries.** The description "friendly countries" is less precise than "allied countries". Generally speaking, it is likely to apply to countries with which the Member State maintains a close and/or long-standing bilateral relationship, particularly in the field of defence and security, or with which it shares values and interests and pursues common objectives.

To determine whether a country may be described as a friend by a particular Member State, the Member States may check for the existence of a body of positive evidence, including: the number of persons holding dual nationality, the presence of European nationals, the existence of a language community, the number of trade agreements and cooperation agreements, etc.

#### FACTORS TO CONSIDER WHEN EXAMINING REQUESTS IN TERMS OF CRITERION 5

The text of Criterion 5 reads as follows:

"Member States will take into account:

- (a) the potential effect of the military technology or equipment to be exported on their defence and security interests and those of friends, allies and other Member States, while recognizing that this factor cannot affect consideration of the criteria on respect for human rights and on regional peace, security and stability;
- (b) the risk of use of the military technology or equipment concerned against their forces or those of friends, allies or other Member States;
- (c) the risk of reverse engineering or unintended technology transfer."

#### 3.5.8 **Criterion 5a**

##### 3.5.8.1. *The meaning of the potential effect of export*

###### (a) Positive effect

If the proposed export helps to reinforce the national security, in particular the defence and security

The assessment will take into account in particular:

- the maintenance of strategic balance;
- the offensive nature of the equipment exported;
- the sensitivity of the material;
- the increase in operational performance which would be brought about by the material exported;
- the deployability of the equipment exported and/or the deployability conferred by that equipment;
- the end use of the material;
- the risk that the material will be diverted.

#### **3.5.8.2. Defence and security interests**

When analysing the risk to their defence and security interests and to those of allies, friends and other Member States, Member States must not fail to take into account the possible impact on the security of their forces when deployed out of area.

Moreover, this assessment will be without prejudice to compliance with the other Criteria.

#### **3.5.9 Criterion 5b**

The operational risk is analysed as follows:

- (a) Is there a direct threat to the security of the forces of a Member State or those of a friendly or allied country?

The threat may be permanent or temporary. The Member State will consider very carefully those applications where the final recipient is in a region known to be unstable, in particular where the export is for armed forces which might not always be under total or permanent control. In time such instability is likely to give rise to a threat for our forces or for those of an ally or friend, particularly where such forces are present in the region for military cooperation or peace-keeping operations.

In sum, if an export is liable to engender a direct threat to the security of the forces of a Member State or of an allied or friendly country, who are present either in the country of final destination or in a neighbouring country, the a priori assessment will be unfavourable. The same approach will be used to ensure the security of international peace-keeping forces.

- (b) Is there a risk that arms will be diverted to a force or body which is hostile to the interests or forces of a Member State, friend or ally?
- [REDACTED]
- [REDACTED]

These impact studies could include the following questions:

- In its analysis of the reality of the risk, the Member State will in particular take into account:
  - the nature of the equipment; whether it is directly offensive in character, the technological superiority which it would confer on the forces possessing it, its autonomy of use, the increase in operational performance which the equipment would allow;
  - any distinctions in the doctrine for the use of the equipment, depending on the user;
  - the nature of the operations: war between conventional forces, asymmetric war, civil war, etc.
- In its analysis of the risk of diversion, the Member State will in particular take into account:
  - whether the equipment can be easily diverted, then easily used even by non-military agents, and/or incorporated into other systems;
  - whether the equipment can be adapted for military use, or used to modify other equipment for military use (in particular, to transform non-lethal equipment into a lethal weapon);
  - some equipment could be the subject of special attention under this heading, in particularly small arms and light weapons (including MANPADS) and night-vision and light-intensifying equipment;
  - in this respect, operations with increased control measures (marking and traceability, on-site inspection) or in the fight against dissemination (destruction of old stocks, quantity surveillance mechanism) will receive a less restrictive prior assessment.

### 3.5.10 Criterion 5c

When the Member States are deciding on an export licence application, account must be taken of the capabilities of the recipient, whether State or private, to analyse and to divert the technology contained in the military equipment being acquired. The Member States will be able to exchange the relevant information with a view to establishing the capabilities of a potential purchaser of European military equipment.

In this context, and particularly for equipment which uses sensitive technology, the following factors must be considered:

- the sensitivity and the level of protection of the technology contained in the system, as regards the estimated level of expert knowledge of the recipient, and the evident desire of that recipient to acquire some of those technologies;
- the ease with which those technologies could be analysed and diverted, either to develop similar equipment, or to improve other systems using the technology acquired;

~~the acquisition to be expected the purchase of a number of such systems or types of equipment~~

~~the acquisition to be expected the purchase of a number of such systems or types of equipment~~

~~the acquisition to be expected the purchase of a number of such systems or types of equipment~~

**ANNEX I to Chapter 3 Section 5**

**INFORMATION SOURCES**

EU (European Union)  
[http://europa.eu/index\\_en.htm](http://europa.eu/index_en.htm)

UN (United Nations)  
<http://www.un.org/english/>

OSCE (Organisation for Security and Cooperation in Europe)  
<http://www.osce.org/>

NATO (North Atlantic Treaty Organisation)  
<http://www.nato.int/home.htm>

WEU (Western European Union)  
<http://www.weu.int/index.html>

## Section 6: Best practices for the interpretation of Criterion 6

### How to apply Criterion 6

3.6.1 The EU Code of Conduct applies to all exports by Member States of military equipment and technology included in the Common Military List, and to dual use items as specified in operative paragraph Six of the Code of Conduct. Thus, generally speaking, Criterion Six applies to exports directed to all non EU recipient countries.

However, because Criterion Six establishes a link to the behaviour of the recipient country with regard to the international community, special attention should be given to those countries which represent reasons of concern because of their attitude to terrorism, the nature of their alliances and respect for international law.

3.6.2. **Information sources.** A common EU base of information sources available to all Member States consists of EU Heads of Mission (HOMs) reports, EU Council statements/conclusions, as well as UN Security Council Resolutions.

Additional information might be obtained also from:

- Member States' diplomatic missions and other national governmental institutions;
- the United Nations and other International and regional bodies and agencies, such as the Organization for Security and Co-operation in Europe (OSCE), the Regional Centre on Small Arms in Nairobi, the Organisation of American States and the International Atomic Energy Agency;
- the International Committee of the Red Cross (ICRC), the International Federation of Red Cross and Red Crescent Societies, and other humanitarian bodies;
- Europol, Interpol and intelligence agencies;
- non-governmental organizations and other reliable sources;

A non-exhaustive list of relevant information sources is contained in Annex I.

3.6.3. **Key concepts.** Criterion Six refers to a broad field of overarching issues which should be taken into account in any assessment, and which are highlighted in its text:

*"The behaviour of the buyer country with regard to the international community, as regards in particular its attitude to terrorism, the nature of its alliances and respect for international law."*

Member States will take into account *inter alia* the record of the buyer country with regard to:

[REDACTED]

Criterion Six has to be considered for buyer countries whose Governments exhibit negative behaviour with respect to the above provisions, thus - during the assessment - the specific identity and the nature of the end-user or the equipment to be exported are not the main focus. In fact the focus of the analysis is the **behaviour of the buyer country**, more than any consideration of the risk that a particular transfer might have particular negative consequences.

Thus, concerning the key concepts stressed in Criterion Six, Member States could consider the following suggestions:

### **3.6.4. Buyer country's support or encouragement of terrorism and international organised**

**3.3.4 Buyer Country's Support of Encouragement of Terrorism and International Organized Crime.** A higher degree of scrutiny is required when evaluating individual export licence applications to buyer countries suspected of supporting terrorism and international organized crime in any way.

In this framework, the term "terrorism" is to be understood to mean "terrorist acts" prohibited under International law, such as deliberate attacks on civilians, indiscriminate attacks, hostage taking, torture or deliberate and arbitrary killings, when the purpose of such an act, by its nature or context, is to intimidate a population or to compel a government or an international organisation to commit or to abstain from committing any act.

Concerning "international organised crime", reference should be made to activities such as drug trafficking, trade in human beings, illegal immigrant smuggling, trafficking in nuclear and radioactive substances, money laundering et similia, conducted by a structured group of persons, existing for a period of time and acting in concert with the aim of committing serious crimes or offences established in accordance with the UN Convention against Trans-national Organised Crime.

A buyer country may encourage or support terrorism and international crime in many ways and before granting a licence, the competent authority might ask, among others, the following questions:

- Does the recipient country have a record of past or present terrorist/criminal activities?
  - Are there any known or suspected links between the buyer country and terrorist/criminal organizations (or even individual terrorists/criminals) or any reasons to suspect that entities within - and tolerated by - the recipient country have those links?
  - Is there any other reason to suspect that the buyer country tolerates arms re-export or diversion to terrorist/criminal organizations, or that it organizes re-export or diversion itself?
  - Does the recipient country have internal legislation that tolerates terrorist/criminal activities, or does failure to apply legislation result in tolerance of terrorist/criminal activities?

Many of these questions may also be asked during an assessment under Criterion Seven, but under Criterion Six they involve the recipient country's government rather than the end-user.

More detailed questions should be:

3.6.5. **Nature of buyer country's alliances.** In a strict interpretation, the term "alliance" might mean an international treaty that links a State to one or more other States and foresees the conditions in which they should give each other assistance. Considering that few of the many relations between States concerning economic, military or defence cooperation can fit into such a strict interpretation of the term "alliance". In the context of Criterion Six the term "alliance" should be interpreted in a wider sense, and include all those economic, military and defence agreements which, by their nature, are aimed at establishing a significant connection (intended also as common political aims) between two or more States.

Wider interpretation of the term "alliance" will also include any shared vision of international relations (originated, *inter alia*, by a common political view, economic interests or matters of convenience), which will result in a significant action intended to pursue a mutual goal. For instance this can be any type of combined support to a party involved in a situation of crisis, tension or conflict.

Thus, as the nature of alliances is mostly a political assessment, the term "alliance" should be interpreted *cum grano salis*, on the basis of Member States' national interests.

Bearing in mind the above, when considering whether to grant an arms export licence, Member States may ask, among others, the following questions:

- Does the recipient country belong to an alliance founded or acting against a Member State, or against an allied or friendly country?
- Does the recipient country belong to an alliance that does not respect or promote the respect of the founding principles of the United Nations Organization?
- Does the recipient country belong to an alliance that acts for the destabilization of the international community?

3.6.6. **Buyer country's compliance with its international commitments.** When considering whether to grant an arms export licence, Member States may also consider if the recipient country (*i.e.* government of the buyer country) does or does not respect its international commitments.

Attention should be paid to those commitments that are legally binding for every State as both norms of international law and norms of treaty universally accepted by every State, including in particular commitments which by their nature could be violated (such as non-use of force (Article 41 of the UN Charter), or respect of international law during a conflict) in most cases by using military equipment.

Member States should also consider:

- Does the recipient country respect its commitments to enforce UN, OSCE, and EU arms embargoes?
- Does the recipient country use, has it used, or is it threatening to use force in violation of Article 41 of the UN Charter, in order to solve an international crisis?

As mentioned above, the type of equipment to be exported does not seem to be in the main focus of the analysis, neither does the final user of this equipment, as Criterion Six is meant to avoid any kind of arms exports to those countries whose governments do not comply with international commitments.

In this framework, Criterion 1 of the Code of Conduct Best Practices (the "international commitment" Criterion) is of particular relevance. Thus Member States should also refer to it.

A non-exhaustive list of international treaties is included in Annex II.

### **3.6.7. Buyer country's commitment to non-proliferation and other areas of arms control and disarmament.**

Criterion Six also requires consideration, during the assessment, of the buyer country's record with regard to its commitments in the area of disarmament and arms control. In particular Member States will examine both the recipient country's internal legislation and its international commitments. Attention should be paid primarily to those conventions included in Criterion One.

Some questions that might be asked are:

- Has the buyer country signed/ratified/acceded to the Nuclear Non-Proliferation Treaty, the Biological and Toxin Weapons Convention and the Chemical Weapons Convention, and does it adhere to the obligations contained in these treaties? If not, why?
- Is the buyer country a member/participant in, or does it respect the commitments of international arrangements or regimes, in particular the Nuclear Suppliers Group, the Australia Group, the Missile Technology Control Regime, and the Wassenaar Arrangement?
- Does the buyer country respect the commitment not to export any form of anti-personnel landmine, based on the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction?

Even if Criterion Six reports the above mentioned issues as more relevant during the assessment, Member States might also ask some of the questions that they should ask during assessment under Criterion Seven, and others:

- Does the recipient country report to the UN Register of Conventional Arms; if not, why not?
- Has the recipient country aligned itself with the principles of the EU Code of Conduct or similar regional arrangements?
- Is the recipient country involved in the Conference on Disarmament?
- Does the recipient country apply effective export and transfer controls encompassing dedicated control legislation and licensing arrangements that conform to international norms?

Once more, Members States should note that when making assessments under Criterion Seven (risk of diversion), it is possible to make a distinction between qualities of arms, or between end-users; when the

## ANNEX I to Chapter 3 Section 6

### INTERNET WEBSITES OF RELEVANT INFORMATION SOURCES:

United Nations/conventional arms

(<http://disarmament.un.org/cab/register.html>)

Security Council Sanction Committees

(<http://www.un.org/Docs/sc/committees/INTRO.htm>)

Security Council Report

(<http://www.securitycouncilreport.org>)

Security Council Counter Terrorism Committee

(<http://www.un.org/sc/cctc/>)

1540 Committee

(<http://disarmament2.un.org/Committee1540>)

Global Programme against Corruption, UN Office on Drugs and Crime

(<http://www.unodc.org/unodc/corruption.html>)

United Nations Institute for Disarmament Research/UNIDIR

(<http://www.unidir.org>)

OSCE/arms control

(<http://www.osce.org/activities/13014.html>)

European Union

(<http://www.consilium.europa.eu>)

CIA World Fact Book

(<https://www.cia.gov/cia/publications/factbook/index.html>)

Jane's foreign report

(<http://www.foreignreport.com>)

Jane's Defence

(<http://jdw.janes.com>)

SIPRI

(<http://www.sipri.org>)

International Action on Small Arms

(<http://www.iasa.org>)

## ANNEX II (to Chapter 3 Section 6)

### RELEVANT INTERNATIONAL TREATIES:

Charter of the United Nations  
Biological and Toxin Weapons Convention  
Chemical Weapons Conventions  
Non-Proliferation Treaty (NPT)  
Comprehensive Nuclear Test Ban Treaty (CTBT)  
Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction  
Rarotonga Treaty  
Treaty of Pelindaba  
Treaty of Tlatelolco  
Bangkok Treaty  
Central Asia a nuclear-weapon-free zone treaty  
Antarctic Treaty  
Sea-bed Treaty  
Outer Space Treaty  
Strategic Arms Limitation Talks (SALT)  
Geneva Conventions  
ENMOD Convention  
Certain Conventional Weapons Convention (CCWC)

The texts of these and other international treaties could be found at <http://untreaty.un.org/>

## ANNEX III (to Chapter 3 Section 6)

## Section 7: Best practices for the interpretation of Criterion 7

### How to apply Criterion 7

3.7.1 The EU Code of Conduct applies to all arms exports by Member States. Thus a priori Criterion 7 applies to exports to all recipient countries without any distinction. However, these practices follow the principle that cases where there is a higher potential risk should be subject to a greater degree of scrutiny than cases with less risk. Evaluation of individual export license applications should be done on a case-by-case basis and include an over-all risk analysis, based on the potential risk level in the recipient state, the reliability of those involved in the transactions, the nature of the goods to be transferred and the intended end-use. Member States are encouraged to exchange information regarding countries of concern on a case-by-case basis through the co-operation in COARM, or by other channels. In addition, improved documentation in diversion risk-assessment at the licensing stage would make diversion more difficult. Effective systems of end-user control contribute to the prevention of undesirable diversion or re-export of military equipment and military technology. End-user certificates and their authentication at the licensing stage should play a central role in counter-diversion policies. (see also Chapter 2). Nevertheless, using end-user certificates cannot substitute for a complete risk assessment of the situation in the particular case.

3.7.2 *Information sources.* Information on diversionary risks should be sought from a wide variety of sources. A common EU base of information sources available to all Member States consists of EU HOMs reports, Open-source defence publications and Export Control regimes Information exchanges and websites as well as reports from relevant Security Council Committees, in particular Security Council Committee established pursuant to resolution 1540 (2004); additional information might be obtained as appropriate from Member States diplomatic missions and other governmental institutions such as customs, police and other law enforcement services as well as those providing intelligence information or through exchange of views among Member States regarding export to the country in question. A non-exhaustive list of relevant internet websites is contained in Annex I.

### ELEMENTS TO CONSIDER WHEN FORMING A JUDGEMENT

3.7.3 *Key concepts.* Criterion 7 refers to a broad field of overarching issues which should be taken into account in any assessment. It should be kept in mind that diversion can be initiated at various levels, can take place within a country or can involve detour or retransfer to a third "unauthorised" country. It can be of possession (end-user) and/or function (end-use).

"In assessing the impact of the proposed export on the importing country and the risk that exported goods might be diverted to an undesirable end-user, the following will be considered:

- (a) the legitimate defence and domestic security interests of the recipient country, including any

All nations have the right to defend themselves according to the UN Charter. Nonetheless, an assessment should be made of whether the import is an appropriate and proportionate response to the recipient country's need to defend itself, to ensure internal security, or assist in United Nations or other peace-keeping activity. The following questions might be asked:

- Is there a plausible threat to security that the planned arms import could meet?
- Are the armed forces equipped to meet such a threat?
- What will the destination be of the imported goods after the participation in UN or other peace-keeping activity has been terminated?

**Ad (b) The technical capability of the recipient country to use the equipment;**

The "technical capability of a recipient country to use the equipment" can be a key indicator of the "existence of a risk" of diversion. A proposed export that appears technically beyond what one might normally expect to be deployed by the recipient state may be an indication that a third-country end-user is in fact the intended final destination. This concept applies equally to complete goods and systems, as well as components and spares. The export of components and spares where there is no evidence that the recipient country operates the completed system in question may be a clear indicator of other intent.

Some questions that might be asked are:

- Is the proposed export high-tech in nature?
- If so, does the recipient have access to, or are they investing in, the appropriate technical backup to support the sale?
- Does the proposed export fit with the defence profile of the recipient state?
- If components or spares are being requested, is the recipient state known to operate the relevant system that incorporates these items?

**Ad (c) The capability of the recipient country to exert effective export controls;**

Recipient states' adherence to international export control norms can be a positive indicator against either deliberate or unintentional diversion. Some questions that might be asked are:

- Is the recipient state a signatory or member of key international export control treaties, arrangements or regimes (e.g. Wassenaar)?

[REDACTED]

Ad (d) The risk of arms being re-exported or diverted to terrorist organisations (anti-terrorist equipment would need particularly careful consideration in this context);

In assessing the potential risk in the recipient state, the competent authority might ask the following questions:

- Does the recipient state have a record of past or present terrorist activities?
- Are there any known or suspected links to terrorist organisations (or even individual terrorists) or any reason to suspect that entities within the recipient state participate in the financing of terrorism?
- Is there any other reason to suspect that the arms might be re-exported or diverted to terrorist organisations?

If the answer is "yes" to one or more of the questions asked, a higher degree of scrutiny is necessary. The competent authority should consult with open and other sources when continuing that risk assessment.

In addition to the considerations pursuant to lit. a) – d) the competent authority should also assess the reliability of the specific consignee:

- Is the equipment intended for the government or an individual company?

If the importer is the government:

- Is the government/the specific government branch reliable in this respect?
- Has the government/the specific government branch honoured previous end-user certificates?
- Is there any reason to suspect that the government/the specific government branch is not reliable?

If the importer is a company:

- Is the company known?
- Is the company authorised by the government in the recipient state?
- Has the company previously been involved in undesirable transactions?

**3.7.4 Arriving at a judgement.** Based on information and the over-all risk assessment as suggested in the paragraphs above Member States will reach a judgement on whether the proposed export should be denied on the basis of Criterion 7.

**ANNEX I to Chapter 3 Section 7****INTERNET WEBSITES OF RELEVANT INFORMATION SOURCES INCLUDE:**

- United Nations/conventional arms  
(<http://disarmament.un.org/cab/register.html>)
- Security Council Sanctions Committees  
(<http://www.un.org/Docs/sc/committees/INTRO.htm>)
- Security Council Counter Terrorism Committee  
(<http://www.un.org/sc/ctc/>)
- 1540 Committee (<http://disarmament2.un.org/Committee1540>)
- Global Programme against Corruption, UN Office on Drugs and Crime  
(<http://www.unodc.org/unodc/corruption.html>)
- United Nations Institute for Disarmament Research/UNIDIR  
([www.unidir.org](http://www.unidir.org))
- OSCE/arms control (<http://www.csce.org/activities/13014.html>)
- European Union ([www.consilium.europa.eu](http://www.consilium.europa.eu))
- Wassenaar Arrangement ([www.wassenaar.org](http://www.wassenaar.org))
- Nuclear Suppliers Group ([www.nuclearsuppliersgroup.org](http://www.nuclearsuppliersgroup.org))
- The Australia Group ([www.australiagroup.net](http://www.australiagroup.net))
- Zangger Committee ([www.zanggercommittee.org](http://www.zanggercommittee.org))
- MTCR (<http://www.mtcr.info>)
- Jane's Foreign report ([www.foreignreport.com](http://www.foreignreport.com))
- Jane's Defence ([jdw.janes.com](http://www.janes.com))
- Small Arms Survey ([www.smallarmssurvey.org](http://www.smallarmssurvey.org))
- Security Council Report ([www.securitycouncilreport.org](http://www.securitycouncilreport.org))
- International Action Network on Small Arms (<http://www.iansa.org>)

## Section 8: Best practices for the interpretation of Criterion 8

### How to apply Criterion 8

3.8.1 The EU Code of Conduct applies to all arms exports by Member States. Thus *a priori* Criterion 8 applies to exports to all recipient countries without any distinction. However, because Criterion 8 establishes a link with the sustainable development<sup>1</sup> of the recipient country, special attention should be given to arms exports to developing countries. It would be expected only to apply when the stated end-user is a government or other public sector entity, because it is only in respect of these end-users that the possibility of diverting scarce resources from social and other spending could occur. Annex A outlines a two-stage "filter" system to help Member States identify export licence applications which may require assessments against Criterion 8. Stage 1 identifies country-level development concerns, while Stage 2 focuses on whether the financial value of the licence application is significant to the recipient country.

3.8.2 *Information sources.* If the filter system outlined in paragraph 3 indicates that further analysis is required, Annex B lists a series of social and economic indicators for Member States to take into account. For each indicator it provides an information source. The recipient country's performance against one or more of these indicators should not in itself determine the outcome of Member States' licensing decisions. Rather these data should be used to form an evidence base which will contribute to the decision-making process. Paragraphs 6-12 outline elements of criterion 8 on which further judgement needs to be reached.

#### Elements to consider when forming a judgement

3.8.3 Criterion 8 refers to a number of broad, overarching issues which should be taken into account in any assessment, and which are highlighted in the following text.

*The compatibility of the arms exports with the technical and economic capacity of the recipient country, taking into account the desirability that states should achieve their legitimate needs of security and defence with the least diversion for armaments of human and economic resources.*

*Member States will take into account, in the light of information from relevant sources such as UNDP, World Bank, IMF and OECD reports, whether the proposed export would seriously hamper the sustainable development of the recipient country. They will consider in this context the recipient country's relative levels of military and social expenditure, taking into account also any EU or bilateral aid.*

#### Technical and Economic Capacity

<sup>1</sup> *Economic capacity* refers to the impact of the arms export on the availability of the financial and economic resources of the recipient country, including its capacity to meet its legitimate needs of security and defence.

3.8.4b. **Technical capacity** refers to the ability of the recipient country to make effective use of the equipment in question, both in material and human terms. In this regard, Member States should consider the following questions:

- Does the recipient country have the military infrastructure to be able to make effective use of the equipment?
- Is similar equipment already in service well maintained?
- Are enough skilled personnel available to be able to use and maintain the equipment?

#### **Legitimate Needs of Security and Defence**

3.8.5 All nations have the right to defend themselves according to the UN Charter. Nonetheless, an assessment should be made of whether the import is an appropriate and proportionate response to the recipient country's need to defend itself, to ensure internal security, and assist in international peace-keeping and humanitarian operations. The following questions should be considered:

- Is there a plausible threat to security that the planned arms import could meet?
- Are the armed forces equipped to meet such a threat?
- Is the planned arms import a plausible priority considering the overall threat?

#### **Least diversion for armaments of human and economic resources**

3.8.6 What constitutes "least diversion" is a matter of judgement, taking all relevant factors into consideration. Member States should consider *inter alia* the following questions:

- Is the expenditure in line with the recipient country's Poverty Reduction Strategy or programmes supported by the International Financial Institutions (IFIs)?
- What are the levels of military expenditure in the recipient country? Has it been increasing in the last five years?
- How transparent are state military expenditures and procurement? What are the possibilities for democratic or public involvement in the state budget process?
- Is there a clear and consistent approach to military budgeting? Is there a well-defined defence policy and a clear articulation of a country's legitimate security needs?
- Are more cost-effective military systems available?

#### **Relative levels of military and social expenditure**

- What is the recipient country's level of military expenditure relative to its expenditure on health and education?
- What is the recipient country's military expenditure as a percentage of Gross Domestic Product (GDP)?
- Is there an upward trend in the ratio of military expenditure to health and education and to GDP over the last five years?
- If the country has high levels of military expenditure, does some of this "hide" social expenditure? (e.g. in highly militarised societies, the military may provide hospitals, welfare etc)
- Does the country have significant levels of "off-budget" military expenditure (i.e. is there significant military expenditure outside the normal processes of budgetary accountability and control)?

#### Aid Flows

3.8.8 Member States should take into account the level of aid flows to the importing country and their potential fungibility.

- Is the country highly dependent on multilateral as well as EU and bilateral aid?
- What is the country's aid dependency as a proportion of Gross National Income?

#### Cumulative Impact

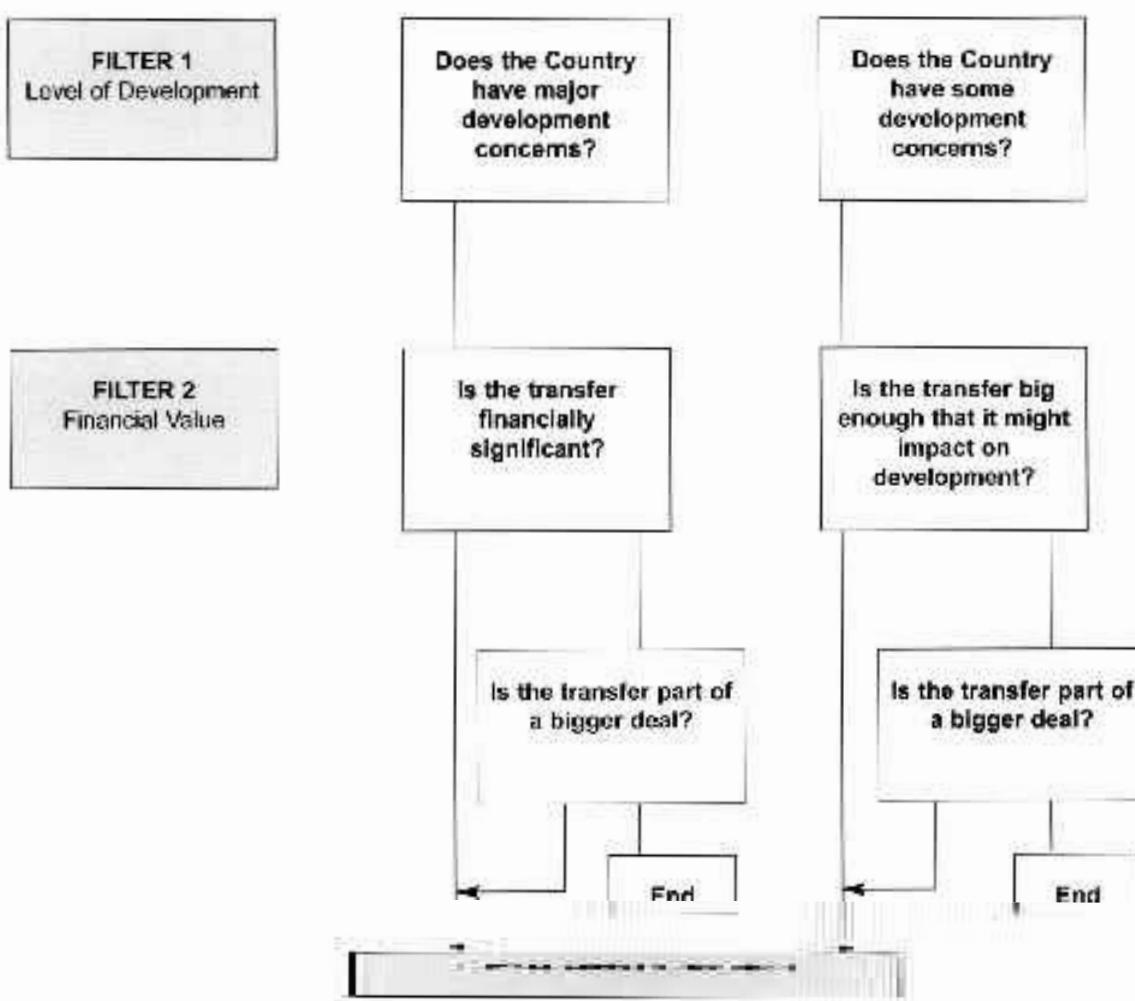
3.8.9 An assessment of the cumulative impact of arms imports on a recipient country's economy can only be made with reference to exports from all sources, but accurate figures are not usually available. Each Member State may wish to consider the cumulative impact of its own arms exports to a recipient country, including recent and projected licence requests. It may also wish to take into account available information on current and planned exports from other EU Member States, as well as from other supplier states. Potential sources of information are, inter alia, the EU Annual Report, Member States' annual national reports, the Wassenaar Arrangement, the UN Arms Register and the annual reports of the Stockholm International Peace Research Institute.

3.8.10 Data on cumulative arms exports may be used to inform a more accurate assessment of:

- historical, current and projected trends in a recipient country's military expenditure, and how this would be affected by the proposed export.
- Trends in military spending as a percentage of the recipient country's income and/or expenditure.

## ANNEX A to Chapter 3 Section 8

In order to make an initial decision as to whether an export licence application merits consideration under Criterion 8, Member States will need to consider the level of development of the recipient country and the financial value of the proposed export. The following graph is designed to assist Member States in their decision-making process.



## ANNEX B to Chapter 3 Section 8

Member States may wish to consider a number of social and economic indicators relating to recipient countries, and their trend in recent years which are listed below, along with data sources.

Indicator	Data source
Level of military expenditure relative to public expenditure on health and education	IISS Military Balance; SIPRI; WB/IMF Country Reports; WDI
Military expenditure as a percentage of Gross Domestic Product (GDP)	IISS Military Balance; SIPRI; WB/IMF Country Reports; WDI
Aid dependency as a proportion of GNI	WDI
Fiscal sustainability	WDI, WDR, IFI Country Reports
Debt sustainability	WB/IMF, including Country Reports
Performance against Millennium Development Goals (post-2005)	UNDP, Human Development Report

### LIST OF ABBREVIATIONS

- IFI : International Financial Institutions watchnet
- IISS : International Institute For Strategic Studies
- IMF : International Monetary Fund
- SIPRI : Stockholm International Peace Research Institute
- UNDP : United Nations Development Programme
- WB : World Bank
- WDI : World Development Indicators
- WDR : World Development Reports

### LIST OF SOURCES (WEBSITES)

- IFI : <http://www.ifwatchnet.org>

- IISS : <http://www.iss.org>



## Annex G

### List of direct Internet addresses of EU Member States National Reports on Arms Exports

EU's Annual Report	<a href="http://www.consilium.europa.eu">www.consilium.europa.eu</a>
Austria:	Gouvernement <a href="http://www.austria.gv.at">http://www.austria.gv.at</a> Foreign Ministry <a href="http://www.bmae.gv.at">http://www.bmae.gv.at</a>
Belgium:	Rapport du Gouvernement au Parlement sur la loi relative à l'importation, l'exportation et le transit d'armes <a href="http://www.diplomatie.be/fr/press/homedetails.asp?TEXTID=8481">http://www.diplomatie.be/fr/press/homedetails.asp?TEXTID=8481</a> (diplobel.fgov.be) <a href="http://docs.vlaanderen.be/buitenland/caelsites/wapenhandel.htm">http://docs.vlaanderen.be/buitenland/caelsites/wapenhandel.htm</a> <a href="http://gov.wallonie.be/code/fr/rap_2005.pdf">http://gov.wallonie.be/code/fr/rap_2005.pdf</a>
Bulgaria	<a href="http://www.mee.government.bg/ind/lic/arms.html">http://www.mee.government.bg/ind/lic/arms.html</a>
Czech Republic:	Yearly National Reports : 2001, 2002, 2003, 2004 <a href="http://www.mzv.cz/www/mzv/default.asp?id=15135&amp;idj=2&amp;amb=1&amp;ikony=True&amp;trid=1&amp;prsl=True&amp;pocc1=6">http://www.mzv.cz/www/mzv/default.asp?id=15135&amp;idj=2&amp;amb=1&amp;ikony=True&amp;trid=1&amp;prsl=True&amp;pocc1=6</a> ( <a href="http://www.mzv.cz/kontrolaexportu">www.mzv.cz/kontrolaexportu</a> )
Denmark:	Udfoersel af våben og produkter med dobbelt anvendelse fra Danmark 2004 <a href="http://www.um.dk/NR/rdonlyres/5D6C5BD3-E87B-484B-B974-AA62D12D949B/0/2004Udfoerselafvaabenogdualuseprodukterrev2.pdf">http://www.um.dk/NR/rdonlyres/5D6C5BD3-E87B-484B-B974-AA62D12D949B/0/2004Udfoerselafvaabenogdualuseprodukterrev2.pdf</a>
Estonia:	<a href="http://www.vm.ee/eng/kat_153">http://www.vm.ee/eng/kat_153</a>
Finland:	Annual report according to the eu code of conduct on arms exports 2003 » <a href="http://www.defmin.fi/index.php?page_id/334/lopmenu_id/75/menu_id/334/this_topmenu/75/lang/3/lst/12">http://www.defmin.fi/index.php?page_id/334/lopmenu_id/75/menu_id/334/this_topmenu/75/lang/3/lst/12</a>
France:	Rapport au Parlement sur les exportations d'armement de la France en 2002 et 2003. <a href="http://www.defense.gouv.fr/sites/defense/actualiteset_dossiers/rapport_sur_les_exportations_d'armement_en_2002_et_2003">http://www.defense.gouv.fr/sites/defense/actualiteset_dossiers/rapport_sur_les_exportations_d'armement_en_2002_et_2003</a>
Germany:	2004 Military Equipment Export Report <a href="http://www.bmwi.bund.de/Navigation/Service/bastellservice,did=72610.html">http://www.bmwi.bund.de/Navigation/Service/bastellservice,did=72610.html</a>
Hungary:	<a href="http://www.mkeh.hu">http://www.mkeh.hu</a>
Ireland:	<a href="http://www.entrepreneur.ie/trade/export/military.htm">http://www.entrepreneur.ie/trade/export/military.htm</a>
Italy:	<a href="http://www.senato.it/leg/15/BGT/Schede/docnonleg/12689.htm">http://www.senato.it/leg/15/BGT/Schede/docnonleg/12689.htm</a>
Latvia:	<a href="http://www.mfa.gov.lv">www.mfa.gov.lv</a>
Lithuania:	<a href="http://www.urm.lt/index.php?1703452064">http://www.urm.lt/index.php?1703452064</a>
Luxembourg:	<a href="http://www.mae.lu">www.mae.lu</a>
Malta:	<a href="http://mcimp.gov.mt/commerce_trade04.asp">http://mcimp.gov.mt/commerce_trade04.asp</a>
Netherlands:	Bijlage: Jaarrapport Wapenexportleid 2004 <a href="http://www.exportcontrole.nl">http://www.exportcontrole.nl</a>
Poland:	<a href="http://dke.mng.gov.pl">http://dke.mng.gov.pl</a> [REDACTED] [REDACTED] [REDACTED] [REDACTED]

## Annex H

### UK Returns to UN Conventional Arms Register

#### INFORMATION REQUIRED FOR THE UN CONVENTIONAL ARMS REGISTER

##### **EXPORTS**

Reporting Country: United Kingdom – For reporting period 1 January 2006 and 31 December 2006

A	B	C	D	E	REMARKS	
Category (I – VII)	Final Importer (States)	Number of Items	State of Origin (if not exported)	Intermediate Location	Description of item	Comments on the transfer
I. Battle Tanks	Czech Republic	1	–	–	Centurion Tank Mk 9 T72 Tank Hulk	Museum use only Display/off road driving
	Denmark	1	–	–		
II. Armoured Combat Vehicles	Australia	1	–	–	FV 532 Mk 2 APC	For use by Private Collectors
	Canada	1	–	–	Spartan APC	For use by Private Collector
	Denmark	1	–	–	FV 432 Mk 2 APC	For use by Private Collector
	Iraq	4	–	–	OT64 8x8 APC BRDM2 4x4 Armoured cars	Fully deactivated Fully deactivated
	New Zealand	1	–	–	OT90 APC	Display/off road driving
	USA	4	–	–	Spartan APC (tracked)	For use by Private Collectors
		2	–	–	Sullim CRVT	
		5	–	–	OT90 APC	
		4	–	–	PV 432 Mk 2 APC	
		2	–	–	Ford Sual Car	
III. Large Calibre Artillery	–	–	–	–	–	–

**INFORMATION REQUIRED FOR THE UN CONVENTIONAL ARMS REGISTER**
**IMPORTS**

Reporting Country: United Kingdom – For reporting period 1 January 2006 and 31 December 2006

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>REMARKS</b>	
Category (I – VII)	Exporter State(s)	Number of items	State of Origin (if not exporter)	Intermediate Location (if any)	Description of item	Comments on the transfer
I. Battle tanks				–	–	–
II. Armoured combat vehicles	USA	12	USA	–	Cougar (or Mastiff) APC	–
III. Large-calibre artillery systems					–	–
IV. Combat aircraft	USA	1 1	USA	–	ME 163 B Comet Harrier FA2	–
V. Attack helicopters		–	–	–	–	–
VI. Warships	–	–	–	–	–	–
VII. Missiles and missile launchers	–	–	–	–	–	–

**THE UN REGISTER OF CONVENTIONAL ARMS**
**PROCUREMENT FROM NATIONAL PRODUCTION**

Reporting Country: **United Kingdom**

For reporting period **2006**

Category (I-VII)	Number	Details of model,
–	–	–
–	–	–
–	–	–

## **THE UN REGISTER OF CONVENTIONAL ARMS**

## MILITARY HOLDINGS

Reporting Country: United Kingdom

For reporting period: **2006**

<b>Category</b>	<b>Definition</b>	<b>Number</b>
<b>Category I Battle Tanks</b>	<b>TOTAL</b> Challenger 1 Challenger 2	14 365
<b>Category II Armoured Combat Vehicles</b>	<b>TOTAL</b> AFV 432 Stormer APC CVR(T) Scorpion CVR(T) Scimitar CVR(T) Spartan CVR(T) Sturgeon CVR(T) Striker CVR(T) Salamander Saxon Warrior Viking Mastiff	721 28 0 329 497 35 53 32 386 450 102 14
<b>Category III Large Calibre Artillery Systems</b>	<b>TOTAL</b> 105mm Lt Gun AS90 SP Howitzer MLRS 81mm (all types)	166 146 58 345
<b>Category IV Military Aircrafts</b>	<b>TOTAL</b> Harrier Hawk Jaguar Tornado Nimrod Seneca	80 131 17 234 19 7

Category	Definition	Number
<b>Category V Attack Helicopters</b>	<b>TOTAL</b>	
	Gazelle	65
	Lynx AH7	88
	Lynx AH9	24
	Apache AH1	67
	Sea King HC4	37
	Sea King HC6	5
	Puma HC1	37
	Merlin HC3	22
	Chinook HC2/2a	40
	Bell 212	6
	Augusta A109	4
	Chinook HC3	8
<b>Category VI Warships</b>	<b>TOTAL</b>	
	Submarines	11
	Aircraft Carriers	2
	Frigates/Destroyers	23
	Amphibious Ships	7
	Survey Vessels	5
	Offshore Patrol Vessels	4
	Repair and Maintenance ship	1
	Tanker/Replenishment Ship	12
	Logistic Landing Ship	1
	MCMV	7
<b>Category VII Missiles and Missile Launchers</b>	<b>TOTAL</b>	2067

Military Holdings defined as equipment in-service with UK Armed Forces.

**Government to Government transfers of equipment between 1 January and 31 December 2006**

Country	Type of Equipment	Quantity
Chile	Type 32 Frigate	1
Jordan	Tracked cranes  Spares and support equipment for cranes	6  -

**Small Arms destroyed by UK MOD between 1 January and 31 December 2006**

Gun type	Number
Carbine	1
Injector	41
Launcher	3
Light anti-armour weapon	691
Machine gun	978
Mortar	16
Pistol	4745
Rifle	3269
Rot gun	15
Shotgun	9
Submachine gun	27
<b>TOTAL</b>	<b>9799</b>

**Statistics on exports of Small Arms and Light weapons in 2006**

Destination Country	Weapon Type	Quantity exported (from Standard Individual Export Licences issued)
Abu Dhabi	Assault Rifle	7
	Automatic Rifle	1
	Pistol	199
	Revolver	4
	Semi Automatic Pistol	6
	Shotgun	60
	Sporting Rifle	321
	Sub Machine Gun	516
Afghanistan	Assault Rifle	11,026
	Pistol	26
Algeria	Assault Rifle	1
	Pistol	1
Angola	Assault Rifle	1
	Pistol	1
Bahrain	Assault Rifle	1
	Pistol	1
Brunei Darussalam	Assault Rifle	1
	Pistol	1
Cambodia	Assault Rifle	1
	Pistol	1
China	Assault Rifle	1
	Pistol	1
Colombia	Assault Rifle	1
	Pistol	1
Egypt	Assault Rifle	1
	Pistol	1
Guinea	Assault Rifle	1
	Pistol	1
Iraq	Assault Rifle	1
	Pistol	1
Jordan	Assault Rifle	1
	Pistol	1
Kuwait	Assault Rifle	1
	Pistol	1
Liberia	Assault Rifle	1
	Pistol	1
Malta	Assault Rifle	1
	Pistol	1
Morocco	Assault Rifle	1
	Pistol	1
Niger	Assault Rifle	1
	Pistol	1
Oman	Assault Rifle	1
	Pistol	1
Pakistan	Assault Rifle	1
	Pistol	1
Qatar	Assault Rifle	1
	Pistol	1
Senegal	Assault Rifle	1
	Pistol	1
Singapore	Assault Rifle	1
	Pistol	1
Sudan	Assault Rifle	1
	Pistol	1
Tunisia	Assault Rifle	1
	Pistol	1
Uganda	Assault Rifle	1
	Pistol	1
Zambia	Assault Rifle	1
	Pistol	1

Bahamas	Assault Rifle	12
	Pistol	32
	Revolver	6
	Shotgun	1
	Sub Machine Gun	4
Bahrain	Pistol	2
	Revolver	2
	Rifle	3
	Semi Automatic Pistol	2
	Shotgun	1
	Sniper Rifle	1
	Sporting Rifle	2
	Sub Machine Gun	11
Barbados	Assault Rifle	2
	Pistol	2
	Semi Automatic Pistol	1
	Shotgun	2
	Sub Machine Gun	35
Belarus	Sporting Rifle	1
Belgium	Assault Rifle	2
	Machine Gun	1
	Pistol	1
	Rifle	1
	Semi Automatic Pistol	7
	Shotgun	1
	Sniper Rifle	1
Bermuda	Sporting Rifle	1
Botswana	Shotgun	2
	Sporting Rifle	4
Brazil	Assault Rifle	10
	Sub Machine Gun	27
Brunei	Sniper Rifle	9
Canada	Assault Rifle	606
	Automatic Rifle	20
	General Purpose Machine Gun	4
	Light Machine Gun	20
	Machine Gun	76
	Pistol	42
	Rifle	440
	Shotgun	28
	Sub Machine Gun	137

Denmark	Shotgun	1
	Sniper Rifle	2
Duba	Semi Automatic Pistol	1
	Shotgun	1
	Sporting Rifle	4
Ecuador	Pistol	1
Egypt	Pistol	1
Falkland Islands	Shotgun	10
	Sporting Rifle	19
Finland	Assault Rifle	54
	General Purpose Machine Gun	1
	Pistol	200
	Rifle	125
	Semi Automatic Rifle	200
	Shotgun	110
	Sporting Rifle	2
	Sub Machine Gun	2
France	Shotgun	13
	Sniper Rifle	3
	Sporting Rifle	20
	Sub Machine Gun	160
Germany	Pistol	32
	Assault Rifle	2
	Revolver	2
	Rifle	3
	Semi Automatic Pistol	23
	Shotgun	20
	Sporting Rifle	40
	Sub Machine Gun	1
Gibraltar	Rifle	1
	Shotgun	1
	Sporting Rifle	2
Greece	Shotgun	2
	Sub Machine Gun	74
Guernsey	Revolver	1
	Shotgun	14
	Sporting Rifle	1
Haiti	Pistol	8
	Revolver	15
	Shotgun	6
	Smg	6
	Sub Machine Gun	1
	Total	212

Irish Republic	Combination Rifle-Shotgun	3
	Pistol	3
	Revolver	8
	Rifle	1
	Semi Automatic Pistol	34
	Shotgun	64
	Sprouting Rifle	20
Italy	Assault Rifle	4
	Semi Automatic Pistol	20
	Shotgun	8
	Sporting Rifle	10
	Sub Machine Gun	4
Japan	Semi Automatic Pistol	13
	Sniper Rifle	21
	Sub Machine Gun	10
Jersey	Assault Rifle	5
	Pistol	1
	Semi Automatic Pistol	1
	Shotgun	8
	Sporting Rifle	13
Jordan	Assault Rifle	27
	Pistol	25
	Revolver	20
	Rifle	60
	Semi Automatic Pistol	40
	Shotgun	200
	Sniper Rifle	160
	Sporting Rifle	70
	Sub Machine Gun	33
Kenya	Pistol	1
	Revolver	1
	Semi Automatic Pistol	18
	Shotgun	1
	Sporting Rifle	3
Korea, South	Semi Automatic Pistol	21
	Sniper Rifle	9
	Sub Machine Gun	115
Kuwait	Assault Rifle	10
	General Purpose Machine Gun	5
	Semi Automatic Pistol	3
	Shotgun	1
	Sniper Rifle	1
	Sub Machine Gun	1
	Assault Rifle	1
	General Purpose Machine Gun	1
	Semi Automatic Pistol	1
	Shotgun	1
	Sniper Rifle	1
	Sub Machine Gun	1



Slovakia	Combination Rifle-Shotgun	2
	Shotgun	8
	Sniper Rifle	14
	Sporting Rifle	3
Slovenia	Shotgun	1
South Africa	Assault Rifle	6
	General Purpose Machine Gun	6
	Heavy Machine Gun	1
	Rifle	1
	Shotgun	37
	Sporting Rifle	22
	Sub Machine Gun	2
Spain	Shotgun	6
	Sporting Rifle	2
Sri Lanka	Revolver	1
	Semi Automatic Pistol	50
St Helena	Sporting Rifle	2
Swaziland	General Purpose Machine Gun	3
Sweden	Assault Rifle	2
	Shotgun	9
	Sniper	3
	Sporting Rifle	7
Switzerland	Assault Rifle	7
	General Purpose Machine Gun	1
	Pistol	1
	Semi Automatic Pistol	20
	Shotgun	13
	Sniper Rifle	17
Taiwan	Sniper Rifle	14
Trinidad and Tobago	Assault Rifle	235
	Sniper Rifle	1
	Sub Machine Gun	90
Turkey	Shotgun	1
	Sniper Rifle	5367
Ukraine	Rifle	10
	Sniper Rifle	35
	Sporting Rifle	8
United States of America	Assault Rifle	177
	Combination Rifle-Shotgun	2
	General Purpose Machine Gun	294
	Pistol	3
	Shotgun	1
	Sniper Rifle	1
	Sporting Rifle	1
	Sub Machine Gun	1
	Unknown	1
	Total	3294

## **UNITED KINGDOM RESPONSE TO THE UNITED NATIONS SECRETARY GENERAL'S REQUEST FOR VIEWS**

## TOWARDS AN ARMS TRADE TREATY: ESTABLISHING COMMON INTERNATIONAL STANDARDS FOR THE IMPORT, EXPORT AND TRANSFER OF CONVENTIONAL ARMS

(b) Introduction

1. The United Kingdom, working closely with other supporters, has led calls for a global legally binding instrument on the trade in conventional arms and, with Argentina, Australia, Costa Rica, Finland, Japan and Kenya, co-authored the United Nations General Assembly Resolution A/Res/61/89. We were greatly encouraged by the high level of international support the Arms Trade Treaty (ATT) Resolution received at the UN on 6 December 2008. We believe that this indicates that there is overwhelming support amongst Member States for a concerted effort to take forward this important initiative.
  2. In adopting the Resolution the General Assembly:
    - Reaffirmed "the inherent right of all States to individual or collective self defence in accordance with Article 51 of the Charter";
    - Acknowledged "the right of all States to manufacture, import, export, transfer and retain conventional arms for self-defence and security needs, and in order to participate in peace support operations";
    - Recognised "that the absence of common international standards on the import, export and transfer of conventional arms is a contributory factor to conflict, the displacement of people, crime and terrorism, thereby undermining peace, reconciliation, safety, security, stability and sustainable development";
    - Recalled "the obligations of all States to fully comply with arms embargoes decided by the Security Council in accordance with the Charter";
    - Reaffirmed "respect for international law, including international human rights law and international humanitarian law, and the Charter".

Currently standards for national controls of the international trade in conventional arms vary greatly. Some States have highly developed transfer controls and systems in place to enforce them stringently. Others have good controls on paper, but have weak enforcement practices; while some have, in practical terms, no real controls at all. This means that, given the international nature of the arms trade, and the ease which arms can be transported, today there is no universally effective way to prevent irresponsible or illegal arms transfers, such as those in breach of international or regional agreements. This situation will continue so long as the existing commitment of States to not develop and

- destabilise countries or regions;
  - undermine sustainable development, including ensuring the least diversion for armaments of the world's human and economic resources;
  - allow arms to flow from the legitimate to the illicit market;
  - undermine the establishment and maintenance of international peace and security;
- In the conduct of the arms trade States subscribe to the highest standards of good governance, including the need to tackle bribery and corruption;
- States maintain control of the flow of arms into and out of their territory by establishing and implementing national legislation, with penalties for breaches of this legislation;
- States, if they wish, are able to participate in the legitimate international defence trade:
- to maintain and develop their industries to meet their own defence and security needs;
  - to execute international collaborative defence projects;
  - to import arms for their legitimate needs; and
  - to export arms to help other nations to meet their own defence and security needs.
4. A failure to address the existing gaps in the control of this international trade would be a failure to take responsibility for the arms we allow to be traded into and out of our States or by our citizens. The United Kingdom firmly believes that States who wish to do so should be able to develop their own defence manufacturing capabilities, to meet their own legitimate defence needs, and for export, and that this trade can pay dividends in ensuring, promoting and maintaining peace and security. However, it is also clear that the right of states to self-defence is accompanied by the responsibilities of states to prevent threats to peace, and to ensure respect for international law, including human rights and humanitarian law.
5. We also believe that the vast majority of those involved in the arms trade act responsibly and ensure their goods are only supplied to legitimate end users. But there are traders who will sell to any buyer for any use, regardless of whether this would be in breach of any existing national and international commitment. These unscrupulous traders are more easily able to do this because of significant differences between national controls and implementation mechanisms, which exist in part because of the lack of internationally accepted standards of control backed by an overarching legally binding international instrument.

(a) Feasibility

.....

- Those contained within Common Article 1 of the Geneva Conventions (in particular the obligation to uphold international humanitarian law), by which States are already bound.

Or in other legally binding obligations contained in:

- The Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons Which May be Deemed to be Excessively Injurious or to Have Indiscriminate Effects; and
- The 1997 Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on Their Destruction.

And politically binding guidelines, including:

- The 1991 P5 Guidelines for Conventional Arms Transfers;
- The 1996 United Nations Guidelines for International Arms Transfers;
- The 2001 UN Programme of Action on Small Arms and Light Weapons, including specifically Section II, paragraph II.

This indicates that concluding an instrument is feasible since it builds upon established principles. Similarly there are a growing number of other agreements relating to the arms trade, such as the -

- The 1993 OSCE Principles Governing Conventional Arms Transfers;
- The adoption of politically binding rules such as those set out in the 1998 European Union Code of Conduct on Arms Exports;
- The 2000 OSCE Best Practice Guidelines on Small Arms and Light Weapons;
- The 2001 Protocol on the control of firearms, ammunition and other related materials in the Southern African Development Community (SADC);
- The Wassenaar Arrangement on Export Controls for Conventional Arms and Dual Use Goods and Technologies, in particular the 2002 Best Practice Guidelines for Exports of Small Arms and Light Weapons, and the 2003 Elements for Export Controls of Man Portable Air Defence Systems (MANPADS);
- The 2005 Nairobi Protocol and Best Practice Guidelines on Small Arms and Light Weapons;
- The 2005 Central American Integration System (SICA) Code of Conduct on the Transfer of Arms, Ammunition, Explosives and Other Related Material;
- The 2006 Economic Community of West African States (ECOWAS) Convention on Small Arms and Light Weapons.

These also indicate that there is a growing realisation of the need for states to conclude and implement agreements covering the trade in conventional arms. But in considering feasibility it should be noted that not all States are party to such agreements, and those agreements that do exist

~~do not cover all types of conventional arms, and they may not be fully implemented or enforced.~~

- (d) Scope
8. The two main issues that need to be defined in the scope of an instrument will be the items and transfers to be covered.
  9. Bearing in mind the need to ensure that transfers do not provoke or exacerbate conflicts, aid the commission of human rights abuses or of serious violations of international humanitarian law, undermine sustainable development, or allow arms to flow from the legitimate to the illicit market, the United Kingdom believes that an instrument must cover all conventional arms, ranging from handguns and other Small Arms and Light Weapons (SALW), to Main Battle Tanks and other Armoured Fighting Vehicles, Combat Aircraft (including helicopters), Warships and conventionally armed Missiles. To ensure that such arms are not used in breach of international commitments an instrument should also cover munitions for the equipment listed above, including ammunition for SALW and larger weapons, the technology to produce and maintain such equipment, and their parts and components.
  10. Noting that views have been sought on a comprehensive instrument, and while recognising that coverage of dual-use items is a complex issue, the United Kingdom believes it would also be desirable for the Group of Governmental Experts to consider, in some detail, coverage of dual-use items directly relevant to the above arms, munitions and production technology.
  11. Whatever the scope of the items to be included, coverage and controls will need to be set out in a way which can be easily and consistently understood by industry and by those responsible for regulating the arms trade. A simple generic description of the categories of arms, possibly stemming from the categories of the UN Register on Conventional Arms (with the addition of other areas covered by an instrument, e.g. ammunition, parts, components, technology to produce etc), would be relatively easy to keep current, but might leave open the possibility for confusion over whether an item is covered or not. A detailed listing, like that used by the European Union (which is drawn from the listing maintained by the Wassenaar Arrangement) would help remove the risk of ambiguity, but whether such a listing would in practical terms meet the needs of all States will need further consideration. The United Kingdom is open to suggestions on how best this issue may be addressed to meet the needs of all States.
  12. The range of transfers to be covered by an instrument will also have to be clearly defined. The Resolution refers to import, export and transfers. An instrument will have to make clear what is meant by these terms (making reference to existing norms). An instrument should also cover other activities, including brokering, transit and transhipment, loans, gifts, and temporary imports / exports for

## (e) Parameters

14. One of the key elements of an ATT will be an agreement on establishing legally binding international standards which States agree to follow. Some of these are already set out in a number of different agreements. Others need further elaboration.
15. The first step in this process will be to collate and set out clearly the existing standards by which States are bound to comply, including those which set out clear prohibitions on the supply of arms. For example, commitments under :-
  - The United Nations Charter, including the need to comply with Security Council Resolutions;
  - The Convention on the Prevention of and Punishment of the Crime of Genocide;
  - The Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment;
  - The International Covenant on Civil and Political Rights;
  - The International Covenant on Economic, Social and Cultural Rights;
  - The Geneva Conventions and associated Protocols.
16. Stemming from these international commitments the United Kingdom would suggest that an instrument needs to set out clearly the conditions which States must apply when considering a transfer. The United Kingdom would suggest that the key considerations, for importing and exporting States, and for other States involved in the transfer of an item, to be considered while bearing in mind the right of all States to arm themselves for self defence, must be whether the proposed transfer will :-
  - Breach any international or regional commitments;
  - Be diverted to a use which would breach any international or regional commitments;
  - Be used in the commission of serious violations of international humanitarian or human rights law;
  - Be used in the furtherance of terrorist acts;
  - Be used in the commission of violent crimes;
  - Be used to provoke or exacerbate internal or regional conflict;
  - Be used to destabilise countries or regions
  - Seriously undermine the economy or hamper the overall development of the importing State.
  - Be diverted to one of the above uses.

- refuse to allow a transfer because they cannot be satisfied arms will not be used in the furtherance of terrorist acts just because there has been one terrorist incident in the State in question. But if a State was aware that the intended recipient was a known terrorist grouping (for example those identified by a relevant UN body) or a trader associated with procurement for terrorist groupings, they should clearly not approve the transfer.
18. To ensure States can be confident that agreed standards are adhered to, they must be applied in a transparent and accountable manner. There will therefore need to be a requirement that States share adequate information on the transfers that they approve. A mechanism will be needed to ensure this information is available in a timely manner and accessible to all States. It would also be helpful for States to share information on transfers that they do not allow. Thus if one State refuses a transfer, others would be able to take note of this if they receive an application for permission to carry out a similar transfer. The United Kingdom recognises that sharing information on refused transfers will be particularly sensitive, and another complex issue for the Group of Governmental Experts to consider.
  19. The United Kingdom is convinced that to have a real impact an instrument will need to include an effective mechanism for enforcement and monitoring, building on an information sharing mechanism (see above), and including provision to look into and address any alleged breaches of commitments. An instrument will also need to set out measures to be taken if a State is in breach of commitments. This should be a visible process, designed to investigate in a timely manner any alleged breaches, but also designed to avoid unnecessary investigation of frivolous suggestions of wrong doing. In this context consideration should also be given to the need to ensure that items are appropriately marked to ensure traceability.
  20. To aid this process an instrument should also set out the basic practical mechanisms and guidance States should use when deciding on a case by case basis whether or not to allow a transfer. This does not need to be overly burdensome, but may set out, for example, the basic need to ensure all transfers are supported by appropriate documentation, and that records must be kept of all transfers.
  21. Existing work to improve the practical control of the transfer of conventional arms, as mentioned in the feasibility section (above), will set the foundation for putting an instrument into practice. But an instrument will also need to include provisions on transitional implementation periods, and on the need for those able to, to offer assistance to other States to help them meet and successfully implement the commitments an instrument will entail.
  22. Consideration will also be required of the resources needed to support implementation of an instrument. This may include:

