

# Annex A

## Part I and Part III (the Military List) of Schedule 1 to the Export of Goods (Control) Order 1994

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Note: This is the text of Part I of Schedule 1 to the Export of Goods (Control) Order 1994 as at 1 January 2002. It was subsequently amended by the Export of Goods (Control) (Amendment) Order 2002 (S.I. 2002/2059) which revoked Group 3 Vehicles and came into force on 28 August 2002

### PART I

#### Group 2 EXPLOSIVE RELATED GOODS

1. Equipment or devices, other than those specified in Part III of this Schedule or in entry 1A005, 3A229 or 3A232 in Annex I to Council Decision 94/942/CFSP, for detection of or use with explosives or for dealing with or protecting against improvised explosive devices (as defined in Part III of this Schedule), as follows, and specially designed components therefor:
  - (a) electronic equipment capable of detecting concealed explosives;  
except:  
television or X-ray inspection equipment;
  - (b) electronic jamming equipment specially designed to prevent the detonation by radio remote control of improvised explosive devices;
  - (c) equipment and devices specially designed to initiate explosions by electrical or non-electrical means, including firing sets, detonators, igniters and detonating cord;  
except:  
equipment and devices specially designed for a specific commercial use consisting of the actuation or operation by explosive means of other equipment or devices the function of which is not the initiation or creation of explosions;  
and:  
pressure controlled equipment specially designed for down-hole oilfield equipment applications and which are incapable of use at atmospheric pressure.
  - (d) equipment and devices, including shields and helmets, specially designed for the disposal of improvised explosive devices;  
except:  
bomb blankets and containers designed for holding improvised explosive devices or objects suspected of being such devices.
2. Linear cutting explosive charges.
3. Technology required for the use of the above (the words "technology", "required" and "use" being as defined in Part III of this Schedule).

#### Group 3 VEHICLES

1. The export of goods specified in this Group is prohibited to any destination in the Federal Republic of Yugoslavia.
  - (a) All wheel drive utility vehicles capable of off road use that have a ground clearance of greater than 175 millimetres;
  - (b) Heavy duty recovery vehicles capable of towing suspended a load of more than 6 tonnes or winching a load of more than 10 tonnes;
  - (c) Drop sided trucks that have a load carrying capacity of more than 5 tonnes.

Note: This is the text of Part III (the Military List) of Schedule 1 to the Export of Goods (Control) Order 1994 as at 1 January 2002. It was subsequently amended by the Export of Goods (Control)(Amendment) Order 2002 (S.I.2002/2059) which introduced changes to various definitions and entry ML4, ML8 and ML10 and came into force on 28 August 2002.

Note: The goods in this Part are for convenience specified by reference to the classification system used by the Department of Trade and Industry for export control purposes. For convenience only, defined terms are printed in "quotation marks".

### **PART III**

#### **MILITARY, SECURITY AND PARA-MILITARY GOODS AND ARMS, AMMUNITION AND RELATED MATERIAL**

##### **General Technology Note**

1. Subject to paragraph 2 below, the export of "technology" specified in this Part of this Schedule is prohibited by Article 2 of this Order if it is capable of being "required" for the "development", "production" or "use" of "goods" specified in this Part of this Schedule, whether or not the "technology" being exported in the particular case is intended to be applied in respect of such goods.
2. The prohibition in Article 2 does not apply to that "technology" which is the minimum necessary for the installation, operation, maintenance (checking) and repair of "goods" not specified in this Part of this Schedule, to "technology" "in the public domain", to "basic scientific research" or to the minimum necessary information for patent applications.

##### **Definitions**

In this Part:

"adapted for use in war" means any modification or selection (such as 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;

"additives" means substances used in explosive formulations to improve their properties;

"anti-idiotypic antibodies" means antibodies which bind to the specific antigen binding sites of other antibodies;

"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 special 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:

- a. enzymes for specific chemical or biochemical reactions;
- b. antibodies, monoclonal, polyclonal or "anti-idiotypic";
- c. specially designed or specially processed "receptors";

"critical temperature" (sometimes referred to as the transition temperature) of a specific superconductive material means the temperature at which the specific material loses all resistance to the flow of direct electrical current;

"development" is related to all stages prior to serial production, such as: design, design research, design analyses, design concepts, assembly and testing of prototypes, pilot production schemes, design data, process of transforming design data into a product, configuration design, integration design, layouts;

"end-effectors" means grippers, active tooling units (that is, devices for applying motive power, process energy or sensing to the workpiece) and any other tooling that is attached to the baseplate on the end of a "robot" manipulator arm;

"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;

"in the public domain" means available without restriction upon further dissemination (no account being taken of restrictions arising solely from copyright);

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

"microprogramme" means a sequence of elementary instructions, maintained in a special storage, the execution of which is initiated by the introduction of a reference instruction into an instruction register;

"military 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 military applications, are required to detonate;

"military pyrotechnics" means mixtures of solid or liquid fuels and oxidisers which, when ignited, undergo an energetic chemical reaction at a controlled rate intended to produce specific time delays, or quantities of heat, noise, smoke, visible light or infrared radiation; pyrophorics are a subclass of pyrotechnics, which contain no oxidisers but ignite spontaneously on contact with air;

"monoclonal antibodies" means proteins which bind to one antigenic site and are produced by a single clone of cells;

"nuclear reactor" means the items 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;

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

"production" means all production stages, such as: product engineering, manufacture, integration, assembly (mounting), inspection, testing, quality assurance;

"programme" means a sequence of instructions to carry out a process in, or convertible into, a form executable by an electronic computer;

"receptors" means biological macromolecular structure capable of binding ligands, the binding of which affects physiological functions;

"required" as applied to "technology", refers to only that portion of "technology" which is peculiarly responsible for achieving or exceeding the controlled performance levels, characteristics or functions. Such "required" "technology" may be shared by different "goods";

"riot control agents" means substances which produce temporary, irritating or disabling physical effects which disappear within minutes of removal from exposure. There is no significant risk of permanent injury and medical treatment is rarely required;

"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;

except:

- 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 (e.g., 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;

"software" means one or more "programmes" or "microprogrammes" fixed in any tangible medium of expression;

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

"superconductive" in relation to materials (i.e., metals, alloys or compounds) means those which can lose all electrical resistance (i.e., which can attain infinite electrical conductivity and carry very large electrical currents without Joule heating); the superconductive state of a material is individually characterized by a "critical temperature", a critical magnetic field, which is a function of temperature, and a critical current density which is a function of both magnetic field and temperature;

"tear gases" means gases which produce temporary irritating or disabling effects which disappear within minutes of removal of exposure;

"technology" means specific information necessary for the "development", "production" or "use" of a product. The information may take forms such as blueprints, plans, diagrams, models, formulae, tables, engineering designs and specifications, manuals and instructions written or recorded on other media or devices such as disk, tape, read-only memories;

"use" means operation, installation (which includes 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. A physical change in wiring or interconnections; or
- b. The setting of function controls including entry of parameters.

**ML1** Arms and automatic weapons with a calibre of 12.7 mm (calibre 0.50 inches) or less and accessories, as follows, and specially designed components therefor:

- a. Rifles, carbines, revolvers, pistols, machine pistols and machine guns;
- b. Smooth-bore weapons specially designed for military use;
- c. Weapons using caseless ammunition;
- d. Silencers, "special gun-mountings", weapons sights, clips and flash suppressers for arms specified in ML1.a., ML1.b. or ML1.c.  
except:
  - a. Air weapons (other than those declared by the Firearms (Dangerous Air Weapons) Rules 1969 to be specially dangerous);

- b. Firearms specially designed for dummy ammunition and which are incapable of firing any ammunition specified in this Part;
- d. Firearms certified by a registered UK Proof House as having been rendered incapable of firing any ammunition specified in this Part;
- e. Bayonets.

*Technical Note:*

*Smooth-bore weapons specially designed for military use as specified in ML1.b. are those which:*

- a. *Are proof tested at pressures above 1,300 bars;*
- b. *Operate normally and safely at pressures above 1,000 bars; and*
- c. *Are capable of accepting ammunition above 76.2 mm in length (e.g., commercial 12-gauge magnum shot gun shells).*

*The parameters in this Technical Note are to be measured according to the standards of the Commission Internationale Permanente.*

**PL5002** Telescopic sights for goods specified in PL5018, other than those specified in entries ML1, ML2 and ML5.

**PL5018** Smooth-bore weapons, other than those specified in ML1.b. or ML2, and specially designed components therefor;

except:

- a. Air weapons (other than those declared by the Firearms (Dangerous Air Weapons) Rules 1969 to be specially dangerous);
- b. Air (pneumatic) or cartridge (explosive) powered guns or pistols designed as:
  1. Industrial tools; or
  2. Humane stunning devices employed specifically for animal slaughter;
- c. Signal pistols.

**PL5021** Ammunition or cartridges, including projectiles, and specially designed components therefor, for the "goods" specified in entry PL5018;

except:

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

**ML2** Armament or weapons with a calibre greater than 12.7 mm (calibre 0.50 inches), projectors and accessories, as follows, and specially designed components therefor:

- a. Guns, howitzers, cannon, mortars, anti-tank weapons, projectile launchers, military flame throwers, recoilless rifles and signature reduction devices therefor;
- b. Military smoke, gas and pyrotechnic projectors or generators;
 

except:

Signal pistols.
- c. Weapons sights for arms specified in entry ML2.a. or ML2.b.

- ML3** Ammunition, and specially designed components therefor, for the weapons specified in ML1, ML2 or ML12.  
except:
- 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.

- ML4** Bombs, torpedoes, rockets, missiles, and related equipment and accessories, as follows, specially designed for military use, and specially designed components therefor:
- a. Bombs, torpedoes, grenades, smoke canisters, rockets, mines, missiles, depth charges, demolition-charges, demolition-devices and demolition-kits, devices that contain "military pyrotechnics", cartridges and simulators (i.e. equipment simulating the characteristics of any of these items);
  - 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 items specified 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 items specified by 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 specified in ML4.a., and specially designed components therefor.

except:

Inspection devices not employing electronic management.

- PL5030** Bombs and grenades, other than those specified in ML4 and specially designed components therefor.

- ML5** Fire control equipment and related alerting and warning equipment, related systems, test and alignment and countermeasure equipment, as follows, specially designed for military use, and specially designed components and accessories therefor:
- a. Weapon sights, bombing computers, gun laying equipment and weapon control systems;
  - b. Target acquisition, designation, range-finding, surveillance or tracking systems; detection, data fusion, recognition or identification equipment; and sensor integration equipment;
  - c. Countermeasure equipment for items specified in ML5.a. or ML5.b.
  - d. Field test or alignment equipment, specially designed for items specified in entry ML5.a. or ML5.b.

- ML6** Ground vehicles and components therefor specially designed or modified for military use.

*Technical Note:*

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

*Note: Modification of a ground vehicle for military use entails a structural, electrical or mechanical change involving one or more specially designed military components.*

**PL5031** Ground vehicles and related equipment, other than those specified elsewhere in this Part, as follows:

- a. 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; except:
  1. vehicles designed or fitted out for the transportation of valuables or funds;
  2. vehicles fitted with, or designed or modified to be fitted with, a plough or flail for the purpose of land mine clearance.
- b. Containers for mounting on vehicles, specially designed or modified for military use and components therefor specially designed or modified for military use.

**ML7** In this entry, references in square brackets to [Chemical Abstract Service] [CAS] numbers are included for convenience only. Goods of which the description in this entry includes a CAS reference are specified in this entry whether or not they fall within that reference.

Chemical or biological toxic agents, toxic chemicals and mixtures containing such agents or chemicals, "tear gases", radioactive materials, related equipment, components, materials and "technology" as follows:

- a. Chemical or biological toxic agents, toxic chemicals and radioactive materials, as follows:
  1. 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, and chemical warfare (CW) agents;
  2. Chemicals listed in items (1) to (6) of the Schedule to the Chemical Weapons Act 1996, read with notes 2 and 3 of that Schedule, whether or not they are CW agents within entry ML7.a and chemical mixtures containing one or more of these chemicals;
  3. 3-Quinuclidinyl benzilate (BZ) [CAS 6581-06-02] and chemical mixtures containing more than 1% by weight thereof;
- b. 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. O-Alkyl (H or equal to or less than C10, including cycloalkyl) O-2-dialkyl (Methyl, Ethyl, n-Propyl or Isopropyl) aminoethyl alkyl (Methyl, Ethyl, n-Propyl or Isopropyl) phosphonite and corresponding alkylated and protonated salts, such as:

QL: O-Ethyl-2-di-isopropylaminoethyl methylphosphonite  
[CAS 57856-11-8];
  3. Chlorosarin: O-Isopropyl methylphosphonochloridate [CAS 1445-76-7];
  4. Chlorosoman: O-Pinakolyl methylphosphonochloridate [CAS 7040-57-5];
- c. "Tear gases" and "riot control agents" including:

1. Bromobenzyl cyanide (CA) [CAS 5798-79-8];
  2. o-Chlorobenzylidenemalononitrile (o-Chlorobenzalmalononitrile) (CS) [CAS 2698-41-1];
  3. Phenylacyl chloride (w-chloroacetophenone) (CN) [CAS 532-27-4];
  4. Dibenz-(b,f)-1,4-oxazepine (CR) [CAS 257-07-8];  
except:  
Tear gases or riot control agents individually packaged for personal self defence purposes.
- d. Equipment specially designed or modified for the dissemination of any of the following and specially designed components therefor;
1. Materials or agents specified in entry ML7.a. or entry ML7.c.;
  2. CW agents made up of precursors specified in entry ML7.b.;

*Note: ML7.d. does not control equipment not specially designed or modified for military purposes.*

- e. "Goods" specially designed for defence against materials specified in entry ML7.a. or entry ML7.c. and specially designed components therefor;

*Note: ML7.e. does not control equipment not specially designed or modified for military purposes.*

- f. "Goods" specially designed for the detection or identification of materials specified in entry ML7.a. or entry ML7.c. and specially designed components therefor;  
except:  
Personal radiation monitoring dosimeters.

*Note: ML7.f. does not control equipment not specially designed or modified for military purposes.*

- g. "Biopolymers" specially designed or processed for the detection or identification of CW agents specified in entry ML7.a., and the cultures of specific cells used to produce them;
- h. "Biocatalysts" for the decontamination or degradation of CW agents, and biological systems therefor, as follows:
1. "Biocatalysts" specially designed for the decontamination or degradation of CW agents specified in ML7.a. resulting from directed laboratory selection or genetic manipulation of biological systems;
  2. Biological systems, as follows: "expression vectors", viruses or cultures of cells containing the genetic information specific to the production of "biocatalysts" specified in ML7.h.1.;
- i. "Technology" as follows:
1. "Technology" for the "development", "production" or "use" of toxicological agents, related equipment or components specified in ML7.a. to ML7.f.;
  2. "Technology" for the "development", "production" or "use" of "biopolymers" or cultures of specific cells specified in ML7.g.;
  3. "Technology" exclusively for the incorporation of "biocatalysts", specified in ML7.h.1., into military carrier substances or military material.

- Note 1: *ML7.a. and ML7.c. do not control:*
- a. Cyanogen chloride [CAS 506-77-4];
  - b. Hydrocyanic acid [CAS 74-90-8];
  - c. Chlorine [CAS 7782-50-5];
  - d. Carbonyl chloride (phosgene) [CAS 75-44-5];
  - e. Diphosgene (trichloromethyl-chloroformate) [CAS 503-38-8];
  - f. Ethyl bromoacetate [CAS 105-36-2];
  - 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 620-05-3];
  - j. Bromo acetone [CAS 598-31-2];
  - k. Cyanogen bromide [CAS 506-68-3];
  - l. Bromo methylethylketone [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. Chloropicrin [CAS 76-06-2].

- Note 2: *The "technology", cultures of cells and biological systems listed in ML7.g., ML7.h.2. and ML7.i.3. are exclusive and do not control "technology", cells or biological systems for civil purposes, such as agricultural, pharmaceutical, medical, veterinary, environmental, waste management, or in the food industry.*

**ML 8** In this entry, references in square brackets to [Chemical Abstract Service] [CAS] numbers are included for convenience only. Goods of which the description in this entry includes a CAS reference are specified in this entry whether or not they fall within that reference.

"Military explosives" and fuels, including propellants, and related substances, as follows:

- a. Substances, as follows, and mixtures thereof:
  1. 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;
  2. Metal fuels in particle form whether spherical, atomized, spheroidal, flaked or ground, manufactured from material consisting of 99 % or more of any of the following:
    - a. Metals and mixtures thereof:
      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] and 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;
  3. Perchlorates, chlorates and chromates composited with powdered metal or other high energy fuel components;

4. Deleted;
5. Compounds composed of fluorine and any of the following: other halogens, oxygen, nitrogen;  
except:  
chlorine trifluoride [see entry 1C238 of Annex I to Council Decision 94/942/CFSP];
6. Carboranes; decaborane [CAS 17702-41-9]; pentaborane and derivatives thereof;
7. Cyclotetramethylenetetranitramine [CAS 2691-41-0] (HMX); octahydro-1,3,5,7-tetranitro-1,3,5,7-tetrazine; 1,3,5,7-tetranitro-1,3,5,7-tetraza-cyclooctane; (octogen, octogene);
8. Hexanitrostilbene (HNS) [CAS 20062-22-0];
9. Diaminotrinitrobenzene (DATB) [CAS 1630-08-6];
10. Triaminotrinitrobenzene (TATB) [CAS 3058-38-6];
11. Triaminoguanidinenitrate (TAGN) [CAS 4000-16-2];
12. Titanium subhydride of stoichiometry TiH 0.65-1.68;
13. Dinitroglycoluril (DNGU, DINGU) [CAS 55510-04-8]; tetranitroglycoluril (TNGU, SORGUYL) [CAS 55510-03-7];
14. Tetranitrobenzotriazolobenzotriazole (TACOT) [CAS 25243-36-1];
15. Diaminohexanitrobiphenyl (DIPAM) [CAS 17215-44-0];
16. Picrylamino-dinitropyridine (PYX) [CAS 38082-89-2];
17. 3-nitro-1,2,4-triazol-5-one (NTO or ONTA) [CAS 932-64-9];
18. Hydrazine [CAS 302-01-2] in concentrations of 70% or more; hydrazine nitrate [CAS 37836-27-4]; hydrazine perchlorate [CAS 27978-54-7]; unsymmetrical dimethyl hydrazine [CAS 57-14-7]; monomethyl [CAS 60-34-4] hydrazine; symmetrical dimethyl hydrazine [CAS 540-73-8];
19. Ammonium perchlorate [CAS 7790-98-9];
20. Cyclotrimethylenetrinitramine (RDX) [CAS 121-82-4] ; cyclonite; T4; hexahydro-1,3,5-trinitro-1,3,5-triazine; 1,3,5-trinitro-1,3,5-triaza-cyclohexane (hexogen, hexogene);
21. Hydroxylammonium nitrate (HAN) [CAS 13465-08-2]; hydroxylammonium perchlorate (HAP) [CAS 15588-62-2];
22. 2-(5-cyanotetrazolato) penta amine-cobalt (III) perchlorate (or CP) [CAS 70247-32-4];
23. cis-bis (5-nitrotetrazolato) tetra amine-cobalt (III) perchlorate (or BNCP);
24. 7-Amino-4,6-dinitrobenzofurazane-1-oxide (ADNBF) [CAS 97096-78-1]; amino dinitrobenzofurozan;
25. 5,7-diamino-4,6-dinitrobenzofurazane-1-oxide [CAS 117907-74-1],(CL-14 or diamino dinitrobenzofurozan);
26. 2,4,6-trinitro-2,4,6-triazacyclohexanone (K-6 or Keto-RDX) [CAS 115029-35-1];
27. 2,4,6,8-tetranitro-2,4,6,8-tetraazabicyclo [3,3,0]-octa-3-one [CAS 130256-72-3] (tetranitrosemiglycouril, K-55 or keto-bicyclic HMX);
28. 1,1,3-trinitroazetidine (TNAZ) [CAS 97645-24-4];
29. 1,4,5,8-tetranitro-1,4,5,8-tetraazadecalin (TNAD) [CAS 135877-16-6];
30. Hexanitrohexaazaisowurtzitane [CAS 135285-90-4] (CL-20 or HNIW); and chlathrates of CL-20;
31. Polynitrocubanes with more than four nitro groups;

32. Ammonium dinitramide (ADN or SR 12) [CAS 140456-78-6];
  33. Trinitrophenylmethylnitramine (tetryl) [CAS 479-45-8];
- b. Explosives and propellants that meet the following performance parameters:
1. Any explosive with a detonation velocity exceeding 8,700 m/s or a detonation pressure exceeding 34 GPa (340 kbar);
  2. Other organic explosives not listed in ML8. 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;
  3. Any other United Nations (UN) Class 1.1 solid propellant not listed in ML8. with a theoretical specific impulse (under standard conditions) of more than 250 s for non-metallised, or more than 270 s for aluminised compositions;
  4. Any UN Class 1.3 solid propellant with a theoretical specific impulse of more than 230 s for non-halogenised, 250 s for non-metallised and 266 s for metallised compositions;
  5. Any other gun propellants not listed in ML8. having a force constant of more than 1,200 kJ/kg;
  6. Any other explosive, propellant or pyrotechnic not listed in ML8. that can sustain a steady-state burning rate of more than 38 mm/s under standard conditions of 6.89 MPa (68.9 bar) pressure and 294 K (21°C); or
  7. Elastomer modified cast double based propellants (EMCDB) with extensibility at maximum stress of more than 5% at 233 K (-40°C);
- c. "Military pyrotechnics";
- d. Other substances, as follows:
1. Aircraft fuels specially formulated for military purposes;
  2. Military materials containing thickeners for hydrocarbon fuels specially formulated for use in flamethrowers or incendiary munitions, such as metal stearates or palmates (also known as octal) [CAS 637-12-7] and M1, M2, M3 thickeners;
  3. Liquid oxidisers comprised of or containing inhibited red fuming nitric acid (IRFNA) [CAS 8007-58-7] or oxygen difluoride;
- e. "Additives" and precursors, as follows:
1. Azidomethylmethyloxetane (AMMO) and its polymers;
  2. Basic copper salicylate [CAS 62320-94-9]; lead salicylate [CAS 15748-73-9];
  3. Bis(2,2-dinitropropyl) formal [CAS 5917-61-3] or Bis(2,2-dinitropropyl) acetal [CAS 5108-69-0];
  4. Bis-(2-fluoro-2,2-dinitroethyl) formal (FEFO) [CAS 17003-79-1];
  5. Bis-(2-hydroxyethyl) glycolamide (BHEGA) [CAS 17409-41-5];
  6. Bis(2-methyl aziridiny) methylamino phosphine oxide (Methyl BAPO) [CAS 85068-72-0];
  7. Bisazidomethyloxetane and its polymers [CAS 17607-20-4];
  8. Bischloromethyloxetane (BCMO) [CAS 142173-26-0];
  9. Butadienenitrileoxide (BNO);
  10. Butanetrioltrinitrate (BTTN) [CAS 6659-60-5];
  11. Catocene [CAS 37206-42-1] (2,2-Bis-ethylferrocenyl propane); ferrocene carboxylic acids; N-butyl-ferrocene [CAS 319904-29-7]; Butacene [CAS 125856-62-4] and other adducted polymer ferrocene derivatives;
  12. Dinitroazetidene-t-butyl salt;

13. Energetic monomers, plasticisers and polymers containing nitro, azido, nitrate, nitraza or difluoroamino groups;
14. Poly-2,2,3,3,4,4-hexafluoropentane-1,5-diol formal (FPF-1);
15. Poly-2,4,4,5,5,6,6-heptafluoro-2-tri-fluoromethyl-3-oxaheptane-1,7-diol formal (FPF-3);
16. Glycidylazide Polymer (GAP) [CAS 143178-24-9] and its derivatives;
17. Hexabenzylhexaazaisowurtzitane (HBIW) [CAS 124782-15-6];
18. Hydroxyl terminated polybutadiene (HTPB) 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];
19. Superfine iron oxide (Fe<sub>2</sub>O<sub>3</sub> hematite) with a specific surface area more than 250 m<sup>2</sup>/g and an average particle size of 0.003 µm or less [CAS 1309-37-1];
20. Lead beta-resorcyate [CAS 20936-32-7];
21. Lead stannate [CAS 12036-31-6], lead maleate [CAS 19136-34-6], lead citrate [CAS 14450-60-3];
22. Lead-copper chelates of beta-resorcyate or salicylates [CAS 68411-07-4];
23. Nitratomethylmethyloxetane or poly (3-Nitratomethyl, 3-methyl oxetane); (Poly-NIMMO) (NMMO) [CAS 84051-81-0];
24. 3-Nitraza-1,5-pentane diisocyanate [CAS 7406-61-9];
25. N-Methyl-p-Nitroaniline [CAS 100-15-2];
26. Organo-metallic coupling agents, specifically:
  - a. Neopentyl [diallyl] oxy, tri [dioctyl] phosphato titanate [CAS 103850-22-2]; also known as titanium IV, 2,2[bis 2-propenolato-methyl, butanolato, tris (dioctyl) phosphato] [CAS 110438-25-0]; or LICA 12 [CAS 103850-22-2];
  - b. Titanium IV, [(2-propenolato-1) methyl, n-propanolatomethyl] butanolato-1, tris[dioctyl]pyrophosphate; or KR3538;
  - c. Titanium IV, [(2-propenolato-1)methyl, n-propanolatomethyl] butanolato-1, tris(dioctyl)phosphate;
27. Polycyanodifluoroaminoethyleneoxide (PCDE);
28. Polyfunctional aziridine amides with isophthalic, trimesic (BITA or butylene imine trimesamide), isocyanuric or trimethyladipic backbone structures and 2-methyl or 2-ethyl substitutions on the aziridine ring;
29. Polyglycidylnitrate or poly (nitratomethyl oxirane); (Poly-GLYN) (PGN) [CAS 27814-48-8];
30. Polynitroorthocarbonates;
31. Propyleneimine, 2-methylaziridine [CAS 75-55-8];
32. Tetraacetyldibenzylhexaazaisowurtzitane (TAIW);
33. Tetraethylenepentaamineacrylonitrile (TEPAN) [CAS 68412-45-3]; cyanoethylated polyamines and their salts;
34. Tetraethylenepentaamineacrylonitrileglycidol (TEPANOL) [CAS 68412-46-4]; cyanoethylated polyamines adducted with glycidol and their salts;
35. Triphenyl bismuth (TPB) [CAS 603-33-8];
36. Tris-1-(2-methyl)aziridinyl phosphine oxide (MAPO) [CAS 57-39-6]; bis(2-methyl aziridinyl) 2-(2-hydroxypropanoxy) propylamino phosphine oxide (BOBBA 8); and other MAPO derivatives;
37. 1,2,3-Tris[1,2-bis(difluoroamino)ethoxy] propane [CAS 53159-39-0]; tris vinoxyl propane adduct (TVOPA);
38. 1,3,5-trichlorobenzene [CAS 108-70-3];

39. 1,2,4 trihydroxybutane (1,2,4-butanetriol);
40. 1,3,5,7 tetraacetyl-1,3,5,7,-tetraaza cyclo-octane (TAT) [CAS 41378-98-7];
41. 1,4,5,8 Tetraazadecalin [CAS 5409-42-7];
42. Low (less than 10,000) molecular weight, alcohol-functionalised, poly(epichlorohydrin); poly(epichlorohydrindiol) and triol.  
except:  
Boron and boron carbide enriched with boron-10 (20% or more of total boron-10 content).

**ML9** Combatant vessels and vessels (surface or underwater) specially designed or modified for offensive or defensive action, whether or not converted to non-military use, regardless of current state of repair or operating condition, and whether or not they contain weapon delivery systems or armour, and components therefor specially designed or modified for military use.

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

- a. Combat "aircraft" and components therefor specially designed or modified for military use;
- b. Other "aircraft" specially designed or modified for military use, including military reconnaissance, assault, military training, transporting and airdropping troops or military equipment, logistics support, and components therefor specially designed or modified for military use;
- c. Aero-engines specially designed or modified for military use, and components therefor specially designed or modified for military use;
- d. Unmanned airborne vehicles, including remotely piloted air vehicles (RPVs), and autonomous, programmable vehicles specially designed or modified for military use and their launchers, ground support and related equipment for command and control and components therefor specially designed or modified for military use;
- e. Airborne equipment, including airborne refuelling equipment, specially designed for use with the "aircraft" specified in ML10.a. or ML10.b. or the aero-engines specified in ML10.c., and components therefor specially designed or modified for military use;
- f. Pressure refuellers, pressure refuelling equipment, equipment specially designed to facilitate operations in confined areas and ground equipment, developed specially for "aircraft" specified in ML10.a. or ML10.b., or for aero-engines specified in ML10.c.;
- g. Pressurised breathing equipment and partial pressure suits for use in "aircraft", anti-g suits, military crash helmets and protective masks, liquid oxygen converters used for "aircraft" or missiles, and catapults and cartridge actuated devices for emergency escape of personnel from "aircraft";
- h. Parachutes used for combat personnel, cargo dropping or "aircraft" deceleration, as follows:
  1. Parachutes for:
    - a. Pin point dropping of military personnel;
    - b. Dropping of paratroopers;
  2. Cargo parachutes;
  3. Paragliders, drag parachutes, drogue parachutes for stabilisation and attitude control of dropping bodies, (e.g. recovery capsules, ejection seats, bombs);
  4. Drogue parachutes for use with ejection seat systems for deployment and inflation sequence regulation of emergency parachutes;

- 5. Recovery parachutes for guided missiles, drones or space vehicles;
- 6. Approach parachutes and landing deceleration parachutes;
- 7. Other military parachutes;
- i. Automatic piloting systems for parachuted loads; equipment specially designed or modified for military use for controlled opening jumps at any height, including oxygen equipment.

**ML11** Electronic equipment, not controlled elsewhere in this Part, specially designed for military use and specially designed components therefor.

**ML12** High velocity kinetic energy weapon systems and related equipment, as follows, and specially designed components therefor:

- a. Kinetic energy weapon systems specially designed for destruction or effecting mission-abort of a target;
- b. Specially designed test and evaluation facilities and test models, including diagnostic instrumentation and targets, for dynamic testing of kinetic energy projectiles and systems.

*N.B.: For weapon systems using sub-calibre ammunition or employing solely chemical propulsion, and ammunition therefor, see ML1 to ML4.*

**ML13** Armoured or protective equipment and constructions and components, as follows:

- a. Armoured plate as follows:
  - 1. Manufactured to comply with a military standard or specification; or
  - 2. Suitable for military use;
- b. Constructions of metallic or non-metallic materials or combinations thereof specially designed to provide ballistic protection for military systems, and specially designed components therefor;
- c. Military helmets;
 

except:

  - a. Conventional steel helmets, neither modified or designed to accept, nor equipped with any type of accessory device;
  - b. Helmets manufactured before 1945.
- d. Body armour and flak suits manufactured according to military standards or specifications, or equivalent, and specially designed components therefor.
 

except:

Individual suits of body armour for personal protection and accessories therefor when accompanying their users.

**PL5014** Specially designed components for the "goods" specified in ML13.a. or ML13.c.

**ML14** Specialised equipment for military training or for simulating military scenarios and specially designed components and accessories therefor.

**PL5034** Simulators, other than those specified in entry ML14, for training in the use of any firearm or weapon specified in entry ML1, PL5018 or ML2, and specially designed or modified components and accessories therefor.

- ML15** Imaging or countermeasure equipment, as follows, specially designed for military use, and specially designed components and accessories therefor:
- a. Recorders and image processing equipment;
  - b. Cameras, photographic equipment and film processing equipment;
  - c. Image intensifier equipment;
  - d. Infrared or thermal imaging equipment;
  - e. Imaging radar sensor equipment;
  - f. Countermeasure or counter-countermeasure equipment for the equipment specified in ML15.a. to ML15.e.  
except:  
"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.: For weapons sights incorporating "first generation image intensifier tubes", see entries ML1, ML2 and ML5.*

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

- PL5020** Forgings, castings and semi-finished products specially designed for "goods" specified in entries PL5006 or PL5018.

- ML17** Miscellaneous "goods", materials and libraries, as follows, and specially designed components therefor:
- 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. Articles 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 hydraulic fluids with flash points higher than 839 K (566°C);  
or
    3. Specially designed or rated for operating in an electro-magnetic pulse (EMP) environment;
  - f. 'Libraries' (parametric technical databases) specially designed for military use with equipment specified in this Part;

- g. Nuclear power generating equipment or propulsion equipment, including "nuclear reactors", specially designed for military use and components therefor specially designed or modified for military use;
- h. "Goods" and material, coated or treated for signature suppression, specially designed for military use, other than those controlled elsewhere in this Part;
- i. Simulators specially designed for military "nuclear reactors";
- j. Mobile repair shops specially designed to service military equipment;
- k. Field generators specially designed for military use;
- l. Containers specially designed for military use; and
- m. Bridges specially designed for military use.
- n. Test models specially designed for the "development " of "goods" specified in ML4, ML6, ML9 or ML10.

*Technical Note:*

*For the purpose of ML17, the term 'library' (parametric technical database) means a collection of technical information of a military nature, reference to which may enhance the performance of military equipment or systems.*

**PL5033** Ferries and rafts specially designed or modified for military use and components therefor specially designed or modified for military use.

**ML18** Equipment and "technology" for the "production" (including design, examination, manufacture, testing and checking) of "goods" referred to in this Part of this Schedule, as follows:

- a. Specially designed or modified "production" equipment for the "production" of products specified in this Part, and specially designed components therefor;
- b. Specially designed environmental test facilities and specially designed equipment therefor, for the certification, qualification or testing of products specified in this Part;
- c. Specific "production" "technology", even if the equipment with which such "technology" is to be used is not controlled;
- d. "Technology" specific to the design of, the assembly of components into, and the operation, maintenance and repair of complete 'production' installations even if the components themselves are not controlled.

**PL5017** Equipment and test models, other than those specified by ML11 or by ML 17.n., specially designed or modified for the "development" or "use" of military "goods" specified in this Part.

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

- 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 specified in ML19.a. to ML19.c.;
- e. Physical test models and related test results for the systems, equipment and components specified in this Item.

- f. Continuous wave or pulsed "laser" systems specially designed to cause permanent blindness to unenhanced 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 accessories therefor:

- a. Equipment specially designed or configured to be installed in a vehicle for military ground, marine, airborne or space applications, capable of operating while in motion and of producing or maintaining temperatures below 103 K (- 170 °C);
- b. "Superconductive" electrical equipment (rotating machinery and transformers) specially designed or configured to be installed in a vehicle for military ground, marine, airborne or space applications, capable of operating while in motion.  
except:  
Direct-current hybrid homopolar generators that have single-pole normal metal armatures which rotate in a magnetic field produced by superconducting windings, provided those windings are the only superconducting component in the generator.

**ML21** "Software", as follows:

- a. "Software" specially designed or modified for the "development", "production" or "use" of equipment or materials specified in this Part;
- 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, not specified in ML14;
    - d. Command, Communications, Control and Intelligence (C3I) applications or Command, Communications, Control, Computer and Intelligence (C4I) applications;
  - 2. "Software" for determining the effects of conventional, nuclear, chemical or biological warfare weapons.
  - 3. "Software" not controlled under entry ML21.a or ML21.b.1 or ML21.b.2, specially designed or modified to enable equipment not specified in this part of this Schedule to perform military functions of equipment specified in any of the following entries: ML5, ML7.f., ML9, ML10.e., ML11, ML14, ML15, ML17.i. and ML18.

**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 specialised components therefor;
- b. Anti-riot and ballistic shields and specially designed components therefor;
- c. Restraints specially designed for restraining human beings, as follows:
  - 1. Leg-irons;
  - 2. Gangchains;
  - 3. Electric shock belts;
  - 4. Shackles having a maximum locked dimension exceeding 240mm overall (i.e., including cuffs and connecting chain);
  - 5. Individual cuffs having an internal perimeter dimension when fully locked exceeding 165mm and shackles made therewith.

- d. Portable anti-riot devices for administering an incapacitating substance, and specialised components therefor;
- e. Water cannon and 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. Portable devices designed or modified for the purpose of riot control or self-protection by the administration of an electric shock (including electric-shock batons, electric shock shields, stun guns and electric shock dart guns (tasers) and components therefor specially designed or modified for such a purpose.

**ML22** "Technology" according to the General Technology Note for the "development", "production" or "use" of "goods" specified in this Part, other than that "technology" controlled in ML7 and ML18.

#### **Legal Disclaimer**

The information in this Annex is for information purposes only and has no force in law.

# Annex B

## Summary of Dual-Use List Categories and Sub-Categories

Descriptions of the categories and sub-categories covering entries in Annex 1 to Council Regulation (EC) No.1334/2000 [1] and Schedule 2 of the Dual-Use Items (Export Control) Regulations 2000 (S.I.2000/2620) [2] as at 1 January 2002

Category	Sub-category
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, "Micro-organisms" & "Toxins"	1A : Systems, Equipment and Components
	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
	6E : Technology

Category	Sub-category
7 : Navigation and Avionics	7A : Systems, Equipment and Components
	7B : Test, Inspection and Production Equipment
	7D : Software
	7E : Technology
8 : Marine	8A : Systems, Equipment and Components
	8B : Test, Inspection and Production Equipment
	8C : Materials
	8D : Software
	8E : Technology
9 : Propulsion Systems, Space Vehicles and Related Equipment	9A : Systems, Equipment and Components
	9B : Test, Inspection and Production Equipment
	9C : Materials
	9D : Software
	9E : Technology

**Notes**

[1]: As last amended by Council Regulation (EC) No. 880/2002 (O.J.L139 29.5.2002, p7).

[2]: As last amended by S.I. 2002/2033.

# Annex C

## Summary of HM Customs Tariff Codes

### Part I – Tariff Codes used to compile data on the numbers of small arms and weapons exported.

CustomsTariff code	Goods Description
9301 11001,2	Artillery weapons (eg guns, howitzers, mortars) – self propelled
9301 19001,2	Artillery weapons (eg guns, howitzers, mortars) – other than self propelled
9301 20001,2	Rocket launchers; flame throwers; grenade launchers; torpedo tubes and similar projectors
9301 90001,2	Other military weapons (exc. Revolvers, pistols and the arms of heading 9307)
9302 0010	Revolvers and pistols: 9mm calibre and higher.
9302 0090	Revolvers and pistols below 9mm calibre.

### Part II - Additional tariff codes used to compile data on the value of defence exports.

CustomsTariff code	Goods Description
8710 0000	Tanks and other armoured fighting vehicles and parts thereof.
8802 1190	Helicopters, other than civil, of an unladen weight not exceeding 2,000 kg.
8802 1290	Helicopters, other than civil, of an unladen weight exceeding 2,000kg.
8802 2090	Aircraft, other than civil, of an unladen weight not exceeding 2,000kg.
8802 3090	Aircraft, other than civil of an unladen weight between 2,000 and 15,000kg.
8802 4090	Aircraft, other than civil, of unladen weight exceeding 15,000kg.
8803 1090	Aircraft propellers and parts thereof, other than civil.
8803 2090	Aircraft under-carriage and parts thereof, other than civil.
8803 3090	Other parts for use in aircraft/helicopters (other than civil).
8805 1010	Aircraft launching gear and parts thereof.
8805 1090	Deck arrestors or similar gear.
8805 2100	Air combat simulators and parts thereof
8805 2990	Other ground flying trainers and parts thereof (other than civil)
8906 10002	Warships.
9305 1000	Parts and accessories for revolvers and pistols.
9305 9100	Parts and accessories for military weapons within heading 9301.
9306 3010	Cartridges and parts thereof for revolvers and pistols within heading 9302 and for sub machine guns within heading 9301.
9306 3030	Cartridges and parts thereof for military weapons.
9306 9010	Munitions for military purposes and parts thereof – including bombs, grenades, torpedoes, mines and similar.
9307 0000	Swords, cutlasses, bayonets, lances and similar arms and parts thereof.

- 1 – Information only available for extra-EC destinations.
- 2 - New codes introduced for 2002 (derived from existing codes, hence minimal change to coverage)

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

Except where otherwise stated, the UK interprets the scope of 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)

## Annex D

### The United Kingdom's International Commitments on Export Controls in 2002

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

Except where otherwise stated, the UK interprets the scope of 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 in 2002**

Country	Details of Embargo	Dates in Force	Reference
Afghanistan	EU arms embargo on the whole territory of Afghanistan.  UN arms embargo of Taliban-controlled Afghanistan	Ended on 15 January 2002 by UN SCR 1390(2002) "See All Destinations" entry	Common Position 96/746/CFSP  UNSCR1333 19/12/2000
Angola	UN arms embargo except through named entry points. See also entry in Table C.	Terminated by UN SCR1448 on 9 December 2002.	UNSCR 864 15/9/93
Armenia	OSCE arms embargo	Throughout 2002	OSCE decision 28/2/92
Azerbaijan	OSCE arms embargo	Throughout 2002	OSCE decision 28/2/92
Bosnia & Herzegovina	EU arms embargo (1)  (Transfers of small arms to the police forces in Bosnia & Herzegovina not covered by the embargo.)	Throughout 2002	Declaration 5/7/91 and Common Position 96/184/CFSP Council Decision 99/481/CFSP
Burma	EU arms embargo. Ban on the supply of equipment that might be used for internal repression or terrorism.	Throughout 2002	Declaration by General Affairs Council 29/7/91. Confirmed by Common Position 96/635/CFSP Common Position 2000/346/CFSP
Burundi	See Rwanda entry in Table A and Angola entry in Table C.		
China (Excluding Hong Kong and Macau Special Administrative Region)	EU arms embargo (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; - Military aircraft and helicopters, vessels of war, armoured fighting vehicles and other such	Throughout 2002	Declaration by Madrid European Council 27/6/89

Country	Details of embargo	Dates in force	Reference
	<p>weapons platforms;  - Any equipment which might be used for internal repression.  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;  – Military aircraft and helicopters, vessels of war, armoured fighting vehicles and other such weapons platforms;  – Any equipment which might be used for internal repression.)</p>		
Democratic Republic of Congo	Democratic Republic of Congo EU arms embargo (Also see Rwandan entry)	Throughout 2002	Declaration of 07/04/1993; Common Position 2002/829/CFSP of 23 October 2002
Iran	<p>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 Decision 94/942/CFSP on the export of dual-use goods. This was replaced by EC Regulation 1334 on 28 September 2000. The embargo now covers items entered in category O (Nuclear List) in Annex 1 of that regulation.  Exceptions:  a) Goods essential for the safety of civil aircraft and air traffic control systems;  b) Radioactive material in the form of sources for medical equipment and deuterium labelled compounds for medical use.  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</p>	Throughout 2002	Ministerial Statement 1 March 1993 28/1/98 Official report column 273-274

Country	Details of embargo	Dates in force	Reference
	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.		
Iraq	UN ban on all exports to Iraq (with specified exemptions).	Throughout 2002	SCR 661 06/08/1990 and subsequent resolutions.
Liberia	UN arms embargo (with specified exemptions)	Throughout 2002	UNSCR 1343(2001), renewed UNSCR 1408(2002), and will be renewed again before 6 May 2003. Common Position 2001/357/CFSP, renewed and extended 2002/457/CFSP. Council Regulations 1146/2001 and 1318/2002
Libya	EU arms embargo	Throughout 2002	Declaration of 27/1/86
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 & DRC) if the arms and related material are for use in Rwanda.  See also Angola entry in Table C	Throughout 2002	SCR 918 17/5/1994  SCR 997 09/6/1995  SCR 1011 16/8/1995
Sierra Leone	UN arms embargo, except to the Government of Sierra Leone through named-entry points	Throughout 2002	UNSCR 1171(1998). Common Position 98/4091/CFSP
Somalia	UN arms embargo, with specified exemptions. Original UNSCR 733(1992), amended several times, but UNSCR 1425(2002) which came into force on 22 July 2002 widened the scope of the arms embargo to prohibit direct or indirect supply to Somalia of	Throughout 2002	Common Position: 2002/960/CFSP and Council Regulation, 147/2003

Country	Details of embargo	Dates in force	Reference
	technical advice, financial and other assistance, and training related to military activities.		
Sudan	EU arms embargo (does not apply to contracts entered into force prior to the date of entry into force of the embargo)	Throughout 2002	Common Position 1994/165/CFSP
Tanzania	See Rwanda entry		
Uganda	See Rwanda entry in Table A and Angola entry in Table C		
Zimbabwe	EU embargo on: arms; items that could be used for internal repression; and technical assistance for military items.	From February 18th 2002 (3)	Common Position 2002/145/CFSP; Council Regulation 310/2002
All Destinations	EU and UN sanctions, including arms embargo applying to Usama Bin Laden, the Taliban and Al-Qa'ida as defined by the UN list maintained on its website (4)	From 16 January 2002	UN SCR 1390 (2002) Common Position 2002/402/CFSP [Official Journal (OJ) L 139, May 29, 2002]; Council Regulation (EC) No 881/2002 (OJ L 139, May 29, 2002)

**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/Docs/sc/committees/Afghanistan/Afg\\_list\\_eng.htm](http://www.un.org/Docs/sc/committees/Afghanistan/Afg_list_eng.htm)

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 2002**

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 2002	Ministerial Statement HC 199-203W 20/10/00
All destinations	The UK Government is a party to three sets of internationally agreed criteria governing the export of arms and military equipment. These are: <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> All licence applications are considered case-by-case against these criteria.	Throughout 2002  October 1991  November 1993  June 1998	See website <sup>10</sup>
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 tasers, 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 2002	Ministerial Statement HC 65 28/7/97
All Destinations	As part of its policy to further strengthen the barriers against nuclear proliferation, the British Government has adopted a policy of full-scope safeguards as a condition of supply. This means that Britain does not allow the export of any significant new nuclear supplies or materials to any country, other than recognised nuclear weapons states, where there are any unsafeguarded nuclear installations.	Throughout 2002	FCO Statement 24/9/91
All Destinations	All anti-personnel landmines and their component parts	Throughout 2002	Ministerial Statement HC 72 & 135 21/5/97

<sup>10</sup> See export controls page on FCO website [www.fco.gov.uk](http://www.fco.gov.uk)

Country	Embargo/Prohibited Goods	Dates in force	Reference
All Destinations	Blinding Laser Weapons	Throughout 2002	Ministerial Statement HC 360 11/2/99

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 2002.**

Country	Embargo/Prohibited Goods	Dates in force	Reference
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 Licences to provide spares for UK equipment already supplied under pre-existing contracts will be examined on a case by case basis against our national criteria and the EU Code of Conduct on Arms Exports. In reaching decisions on such applications the Government will take into account the wider implications of forcing UK companies to break existing obligations.	Throughout 2002	Ministerial Statement HC 184&185 09/02/00
Benin	See 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"		
Cote d'Ivoire	See entry under "ECOWAS Member States"		
Cyprus	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: a) weapons designed to kill and their ammunition;	Throughout 2002	Ministerial Statement HC 282 13/2/97

Country	Details of embargo	Dates in force	Reference
	<p>b) Weapons platforms;  c) Ancillary equipment, which is specifically designed for use in conjunction with a) or b).  Note: among other items category a) includes guns, bombs, torpedoes, rockets, missiles, fire control systems and tanks.  Category b) includes armed and armoured vehicles or vehicles with fitted mountings for arms, vessels of war, aircraft and helicopters.</p>		
<p>ECOWAS Member States, which are:  Benin  Burkina Faso  Cape Verde  Cote d'Ivoire  Gambia  Ghana  Guinea  Guinea Bissau  Liberia  Mali  Niger  Nigeria  Senegal  Sierra Leone  Togo</p>	<p>The Government will take full account of the ECOWAS Moratorium declared on 1 November 1998 on the import, export and manufacture of light weapons when considering relevant licence applications to export small arms and light weapons to ECOWAS Member States. 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.</p> <p>(NB: Also see entries in Table A for Liberia and Sierra Leone which are subject to UN arms embargoes.)</p>	Throughout 2002	Ministerial Statement HC 341 15/4/99
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"		
Niger	See entry under "ECOWAS Member States"		
Nigeria	See entry under "ECOWAS Member States"		

Country	Details of embargo	Dates in force	Reference
Namibia	See Angola entry		
Rwanda	See Angola entry		
Senegal	See entry under "ECOWAS Member States"		
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 2002	Ministerial Statement HC 981 4/4/95 HC 349 4/6/98 HC WA66 8/6/98
Togo	See entry under "ECOWAS Member States"		
Uganda	See Angola entry	Throughout 2002	
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).		Ministerial Statement HC 184 & 185 9/2/00

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**Table D: Restrictions on non-conventional and dual-use items in force in 2002**

Country	Embargo/Prohibited Goods	Dates in force	Reference
India	Licences for items listed on the Nuclear Suppliers Group Dual-Use List will be denied to nuclear and nuclear-related end-users in India, as will all other goods to these end-users which could contribute to the India nuclear programme. 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.	Throughout 2002	Ministerial Statement HC 688 10/7/98
Iran	The UK prohibits the export, without a licence, of certain dual-use goods to Iran, Iraq and Libya. Details of the goods covered are listed in the Dual –Use items (Export Control) Regulations 2000, as amended.	Throughout 2002	Ministerial Statement HC 3W 3/7/00

Country	Details of embargo	Dates in force	Reference
Iraq	See Iran entry		
Libya	See Iran entry		
Pakistan	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. 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.	Throughout 2002  Throughout 2002	Ministerial Statement HC 688 10/7/98  Ministerial Statement HC 3W 3/7/00

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 2002**

Country	Embargo/Prohibited Goods	Dates in force	Reference
Argentina	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.	Throughout 2002	Ministerial Statement HC 721 17/12/98
Hong Kong Special Administrative Region	The Hong Kong Special Administrative Region (SAR) is a separate customs entity from the rest of China and implements its own independent trade controls, including for strategic goods. Licence applications are considered on a case by case basis but goods which would not be approved for export to the Chinese armed forces in mainland China (See Table A) will not be permitted for export for military end use in the Hong Kong SAR.	Throughout 2002	Ministerial Statement HC 225 14/1/98
Macau	Exports 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 2002	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

## Fourth Annual Report according to Operative Provision 8 of the European Union Code of Conduct on Arms Exports

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Official Journal No. C319, 2002, Item 1 (2002/C319/01, 19 December 2002)

### *Introduction*

The European Code of Conduct on Arms Exports was adopted on 8 June 1998, setting high minimum standards for the management of, and restraint in, conventional arms transfers by all Member States of the European Union. The Code sets up eight criteria for the export of conventional arms and a denial notification procedure obliging Member States to consult on possible undercuts.

Operative Provision 8 of the Code provides for an annual review of its implementation and identification of any necessary improvements. This document constitutes the fourth annual report and covers developments during the fourth year of operation of the Code.

Decisions by Member States on practices relating to the Code of Conduct and its application by Member States are recorded in subsequent annual reports. With each report the body of such decisions grows. In the interest of transparency it was therefore decided to publish a Compendium of Agreed Practices listing all decisions in a systematic way. Together with the Code itself the Compendium gives a comprehensive view of the Code and the way it is applied by Member States. The Compendium is annexed to this report and will be updated with each subsequent report.

### *I. Review of the Fourth Year of implementation of the Code*

During the fourth year of operation the European Union Code of Conduct on Arms Exports consolidated its position as the most comprehensive international arms export control regime, providing for a high degree of internal and external transparency, dialogue, respect for denial notifications and dynamism.

Priority objectives identified in earlier reports were achieved. However, many issues are not settled once and for all but are subject to a continuous dialogue on responsibility in arms transfers and ways to promote it.

When adopting the third annual report it was felt that although the fundamental elements of a common approach to the control of conventional arms exports by Member States of the European Union were in place much remained to be done. Also work needed to begin in certain areas which had not been addressed in the past.

This feeling was echoed in the explanatory statement of the Committee on Foreign affairs, Human Rights and CFSP of the European Parliament, concerning the Council third annual report of the Code of Conduct (EP Doc. A5-0286/2002), which acknowledged that the annual report revealed the extent to which the Code of Conduct had its own built-in dynamics and noted that progress was being made in areas regarded by the Parliament as important, but concluded with the words "a lot done, a lot more to do".

In specific terms, the substantive increase in the number of notified denials and consultations has produced a sizeable body of information which testifies to the growing confidence in this instrument. The Code's unique notification and consultation procedures and the continued exchange of views between Member States on aspects of national export policies including policies on exports to specific countries or regions contribute decisively to transparency, dialogue and convergence between Member States in the field of conventional arms exports.

Dialogue takes place not only between Member States, but also through troika meetings in the framework of the political dialogue of the EU with candidate countries and non-member states and by way of EU Member States' participation in other international and multilateral forums.

The dialogue with third countries which have aligned themselves with the Code's principles, particularly the Associated Countries of Central and Eastern Europe, as well as Cyprus, Malta and Turkey, was stepped up during the fourth year as a result of new initiatives aimed at improving the application of the Code in these countries both at the legislative level and in actual implementation by the operators concerned. Ad hoc expert meetings between all Member States and Associated Countries are now held on a regular basis.

On 9 May 2002 the Republic of Croatia aligned itself with the Code by announcing its acceptance of the principles contained in the Code.

A meeting of the Presidency and the Commission with the United States of America, attended by a number of EU Member States, was held in June 2002 on the subject of export control assistance, including in the field of arms exports.

Member States have been conscious of the increased need to prevent arms from falling into the hands of terrorists and have supported the inclusion of a terrorist clause in the "Initial Elements" of the Wassenaar Arrangement, of which all EU Member States are members. The clause was adopted at the Wassenaar plenary meeting in December 2001. EU Member States have contributed to the subsequent work on the issue in the Arrangement.

The next two sections of the report cover work on specific issues addressed by Member States during the fourth year of operation of the Code. The decisions reported in these sections are also reflected in the annexed Compendium of Agreed Practices (see Annex I).

## *II. State of play as regards the implementation of priority measures identified in the Third Annual Report*

### **Harmonisation of national reports**

Reporting procedures in Member States are different and do not necessarily produce comparable statistical data. Substantial efforts were therefore made to provide an agreed and uniform basis for national reporting providing greater transparency and comparability between data from individual Member States. Since national reporting procedures may take considerable time to change it is important to establish a uniform set of reporting requirements that can be implemented by all Member States. Some work remains to achieve this, but considerable progress was made increasing both the scope of reporting and the comparability of the data.

Member States agreed that the public report will provide, if available, data broken down by recipient country on the number and value of licences granted and the value of actual exports. It will also provide the total number of denials issued by each Member State and the total number of denials by all Member States for each recipient country and indicate the criteria invoked for denials and the number of times these criteria were invoked (see Annex II).

### **Controlling exports of non-military security and police equipment**

Throughout the year, COARM kept this item under review. The Commission announced its intention to present a proposal for a Community regulation covering such items and presented its preliminary ideas for the structure and content of such a proposal, which would ban, altogether, equipment used solely for torture and introduce strict controls on equipment that may be used for internal repression. COARM will continue to follow this issue.

## **Arms Brokering**

In the framework of COARM, Member States have collected and discussed relevant data concerning the control of brokering in their respective national legislation. Several Member States already have controls on brokering and others are in the process of introducing such controls. Member States have discussed ways of strengthening the political commitment to control arms brokering both among Member States and in a wider context. A draft Common position on the control of arms brokering was presented by the Spanish Presidency and is now under examination.

## **End-user certificates**

Member States agreed on a common core of elements that should be found in a certificate of final destination when it is required by a Member State, concerning the export of goods included in the "common list of military equipment". They also identified an additional set of elements, which might also be required in accordance with their national legislation.

The following are the minimal details to be set out in an end-user certificate:

- exporter's details, at least name, address and business name,
- end-user's details, at least name, address and business name. In the case of an export to a firm which resells the goods on the local market, the firm will be regarded as the end-user,
- final destination country,
- a description of the goods being exported (type, characteristics), or reference to the contract concluded with the authorities of the final destination country,
- quantity and/or value of the exported goods,
- signature, name and position of the end-user,
- the date of the end-user certificate,
- end-use and/or non re-export clause.

Moreover, in accordance with their national legislation, Member States can require, inter alia:

- a clause prohibiting re-export of the goods covered in the end-user certificate. Such a clause could, among other things:
  - contain a pure and simple ban on re-export,
  - provide that re-export will be subject to agreement in writing of the authorities of the original exporting country,
  - allow for re-export without the prior authorisation of the authorities of the exporting country, to certain countries identified in the end-user certificate,
  - indication of the end-use of the goods,
  - an undertaking, where appropriate, that the goods being exported will not be used for purposes other than the declared use,
  - an undertaking, where appropriate, that the goods will not be used in the development, production or use of chemical, biological or nuclear weapons or for missiles capable of delivering such weapons,
  - full details, where appropriate, of the intermediary,

- if the end-user certificate comes from the government of the destination country of the goods, the certificate will be authenticated by the authorities of the exporting country in order to check the authenticity of the signature and the capacity of the signatory to make commitments on behalf of their government (2002).

#### **Production of military goods under licence**

Member States have agreed that, when considering licence applications for the exports of controlled technology or goods for the purposes of production overseas of equipment on the common list of military equipment, account will be taken of the potential use of the finished product in the country of production and of the risk that the finished product might be diverted or exported to an undesirable end-user.

#### **Promoting the principles and criteria of the Code among non-member countries and international organisations**

The Code of Conduct was a primary subject of all political dialogue consultations carried out with non-member States. Consultations are ongoing with the United States on ways to follow-up on the December 2000 Declaration by the European Union and the United States on the responsibility of States and on transparency regarding arms exports.

#### **Involvement of Associated countries in denial notifications**

Member States agreed to share information on denials on an aggregate basis with Associated Countries and encourage these countries to similarly inform Member States about their denials. The information will be shared through the Presidency and contain the following details: country of destination; short description of equipment and military list rating of items; classification of end-user as government agency or private entity, and reasons for refusal (criteria of the EU Code of Conduct).

### *III. Further questions addressed by the COARM Working Party in connection with the implementation of the Code of Conduct*

Member States have continued their efforts to upgrade practices relating to the Code of Conduct in the following areas:

#### **EU common list of military equipment**

COARM agreed that Presidencies should periodically convene special meetings (at technical expert level) with a view to deciding on the possible update of the EU Common list in order to take account of modifications of the Wassenaar Arrangement (WA) list and coordinating Member States' positions and agreeing on possible common proposals for modifications of the WA list.

#### **Transit**

In those cases where Member States require a licence for transit or transshipment of any of the goods on the European Union common list, the criteria of the European Union Code of Conduct on arms exports should be duly taken into consideration by Member States when deciding on applications for such licences.

### *IV. Priority guidelines for the near future*

The first three annual reports established the practice of identifying a number of guidelines on topics requiring consideration or action in the near future, enabling Member States and their partners within and outside the European Union to monitor and measure progress in the implementation of the Code.

Following this example Member States have identified the following guidelines:

1. Continue efforts to increase harmonisation of national reports with the aim of increasing their transparency and producing clearer summary tables;
2. Pressing for definitive adoption of a system for controlling exports of non-military security and police equipment;
3. Continue deliberations in the area of arms brokering on the basis of the guidelines already approved, with a view to adopting a Common Position on the subject. Promote regulation of arms brokering in other relevant forums;
4. Continue work on standardising the information to appear in the certificates of final destination;
5. Continue work on issues related to manufacture under licence in non-member countries;
6. Establish how best the authorities of each Member State should control electronic transfers of the software and technology associated with equipment on the common list;
7. Continue efforts to promote the principles and criteria of the Code among third countries and international organisations;
8. Work towards even greater involvement of the candidate countries in the implementation of the Code of Conduct and provide practical assistance to this effect, including by sharing information on denials;
9. Consider practical measures to improve the implementation of the denial and consultation mechanism in national decision-making taking into account Member States' experiences and the handling of the growing volume of denials circulated among Member States.

## **ANNEX I**

### **COMPENDIUM OF MEMBER STATES AGREED PRACTICES WITHIN THE FRAMEWORK OF THE CODE OF CONDUCT**

#### *I. Introduction*

Since the adoption of the Code of Conduct in 1998, the Member States of the European Union have agreed on a number of practices relating to the Code and its operative provisions with a view to clarifying, detailing and sometimes broadening the scope of the Code's principles and operative provisions.

Agreed practices have been reported in the annual reports on the operation of the Code of Conduct by Member States. This compendium gathers them in a systematic way and will be updated and published on a yearly basis as an annex to the annual report. Together with the Code itself the compendium provides a transparent and comprehensive view of the Code of Conduct and its application by Member States. The compendium contains two parts. The first concerns general practices related to the operation of the Code and the second, practices linked to specific operative provisions of the Code. The year of publication in the annual reports is indicated in brackets. The Compendium does not cover issues under discussion or identified as priorities for future discussions.

## *II. General practices related to the operation of the Code of Conduct*

### **1. Export of equipment for humanitarian purposes**

The issue of the desirability of allowing exports of controlled equipment for humanitarian purposes in circumstances that might otherwise lead to a denial on the basis of the Code of Conduct has been addressed by the COARM Working Party. In post-conflict areas, certain types of controlled equipment can make important contributions to the safety of the civilian population and to economic reconstruction. Member States have come to the conclusion that such exports are not inconsistent with the EU Code of Conduct. These exports, like all others, must be dealt with on a case-by-case basis, taking full account of the criteria set out in the Code. Member States will require adequate safeguards against misuse of such exports and, where appropriate, provisions for repatriation of the equipment (2001).

### **2. Control of arms brokering activities**

In the context of the implementation of the Code of Conduct, the issue of arms brokering was raised and was discussed on several occasions by COARM. In accordance with the intention expressed in the second annual report, Member States have continued and deepened their discussions on the procedures for monitoring arms brokering activities. To that end, they have reached agreement on a set of guidelines for controlling brokering that could be a basis for national legislation.

Residents and entities within the EU must be prevented from engaging in arms transfer activities circumventing national, European Union, United Nations or OSCE embargoes or export criteria of the EU Code of Conduct on arms exports; it is also desirable to establish the necessary tools for information exchange on both licit and illicit brokering activities, thereby enhancing cooperation within the EU with a view to preventing and combating arms trafficking. Member States have thus agreed that arms brokers resident or established within the territory of the EU and/or brokering activities that take place within the territory of Member States should be controlled. Such controls should cover the activities of persons and entities that act as agents, traders or brokers in negotiating or arranging transactions that involve the transfer of arms and military equipment from one foreign country to another. These measures will also establish a clear framework for legitimate brokering activities.

In order to prevent loopholes stemming from different national approaches and to facilitate the work of Member States wishing to develop or further elaborate national regulations, some suggestions for controls on arms brokers were evaluated and the following conclusions were drawn.

For transactions involving the activities of buying and selling (where the arms or military equipment enter into the legal possession of the arms-brokering agent) or mediating (without direct acquisition of property), a licence or written authorisation should be obtained from the competent authorities in the Member State where the brokering activities take place or where the brokers are resident or legally established. Such licence applications should be assessed on a case-by-case basis against the criteria of the EU Code of Conduct on arms exports.

Additionally, Member States should seriously consider registering brokers or requiring them to obtain a written authorisation from the competent authorities of the Member State where they are resident or established. In the assessment of an application for authorisation to act as a broker, records of involvement in illicit activities should be taken into account. Such a system of registration or authorisation should not be construed as implying any form of official approval of brokering activities, a fact that is made clear also by the maintenance of a system of individual or global licences authorising transactions.

Legal controls in this important area should be supported by effective penalties. Member States could exchange information on legislation, registered brokers and brokers who have a history of proven involvement in illicit activities and could continue discussions in the COARM Working Party to further define, inter alia, possible criteria for the assessment of applications to register as a broker or obtain authorisation to act as a broker (2001).

In the framework of COARM, Member States have collected and discussed relevant data concerning the control of brokering in their respective national legislation. Several Member States already have controls on brokering and others are in the process of introducing such controls. Member States have discussed ways of strengthening the political commitment to control arms brokering both among Member States and in a wider context. A draft Common Position on the control of arms brokering was presented by the Spanish Presidency and is now under examination (2002).

### **3. Intangible transfers of technology**

COARM endorsed the importance of considering effective legal controls on electronic transfers of the software and technology associated with items on the common list, which is already done in certain Member States. It agreed to pursue its deliberations on this issue, taking into consideration the work done in the dual-use area (2001).

### **4. Transit**

In those cases where Member States require a licence for transit or transshipment of any of the goods on the European Union common list, the criteria of the European Union Code of Conduct on arms exports should be duly taken into consideration by Member States when deciding on applications for such licences (2002).

### **5. Production of military goods under licence**

Concerned by the consequences of uncontrolled flows and destabilising accumulations of arms and other military equipment, and the proliferation of the technology and means to produce such equipment, the EU has adopted measures to consolidate and strengthen controls on arms exports, to promote international cooperation in this area and as a contribution to the prevention of conflicts. In this respect the EU recognises the special responsibility of arms exporting States. Recalling the EU Code of Conduct on arms exports of 8 June 1998, Member States have agreed that, when considering licence application for the exports of controlled technology or goods for the purposes of production overseas of equipment on the Common list of military equipment, account will be taken of the potential use of the finished product in the country of production and of the risk that the finished product might be diverted or exported to an undesirable end-user (2002).

## *III. Practices related to the operative provisions of the Code of Conduct*

### **Operative Provision 3**

EU Member States will circulate, through diplomatic channels, details of licences refused in accordance with the Code of Conduct for military equipment together with an explanation of why the licence has been refused. The details to be notified are set out in the form of a draft proforma at Annex A. Before any Member State grants a licence which has been denied by another Member State or States for an essentially identical transaction within the last three years, it will first consult the Member State or States which issued the denial(s). If following consultations, the Member State nevertheless decides to grant a licence, it will notify the Member State or States issuing the denial(s), giving a detailed explanation of its reasoning. The decision to transfer or deny the transfer of any item of military equipment will remain at the national discretion of each Member State. A "denial of a licence" is understood to take place when the Member State has refused to authorise the actual sale or physical export of the item of military equipment concerned, where a sale would otherwise have come about, or the conclusion of the relevant contract. For these purposes, a notifiable denial may, in accordance with national procedures, include denial of permission to start negotiations or a negative response to a formal initial enquiry about a specific order.

#### **1. Denial notifications and consultations**

A serial number indicating the country of origin and the number of the denial will be introduced for denial notifications (accompanied by the Community acronym of the Member State concerned and indication of the year).

Denials still subject to appeal under national procedures will be notified under the Code of Conduct with an indication to that effect.

Decisions to revoke extant licences will be dealt with in the same way as refusals of licence applications.

Denial notifications that have been circulated in the international export control regimes will also be circulated as Code of Conduct denial notifications if relevant to the scope of the Code.

A period of two to four weeks, from the date the request for consultations has been received is established for the consultation procedure envisaged in operative paragraph 3 of the Code, unless a different time period is agreed upon between the parties concerned.

When an arms embargo is lifted, denials solely based on the embargo will expire unless they are renewed by the denying country within a period of one month on the basis of other criteria of the Code.

Denial notifications should include the following particulars:

- country of destination;
- full description of the goods concerned (with their matching common list number);
- buyer (specifying whether the buyer is a government agency, police, army, navy, air force, or paramilitary force, or whether it concerns a private natural or legal person and, if denial is based on criterion 7, the name of the natural or legal person);
- description of the end-use;
- reasons for denial (these should include not only the number(s) of the criteria, but also the elements on which the assessment is based);
- date of the denial (or information on the date when it takes effect unless it is already in force).

A denial of a licence for a transaction deemed essentially identical to a transaction already subject to a denial notified by another Member State should also be notified. The consulting State should always provide feedback on its final decision to the notifying State, irrespective of whether that decision is to grant or deny a licence. On denials issued more than three years previously, even though the obligation to consult ends after three years, as laid down in the Code of Conduct, such a denial does not expire but could be the subject of exchanges of information (2000).

## **2. Dialogue on undercuts**

Licensing cases in which denial consultations lead to a positive decision could be of particular use in enhancing the dialogue on the interpretation of the criteria of the Code and thus in promoting convergence in the field of conventional arms exports. Such cases might be based on developments concerning the destination in question and/or highlight different interpretations of the criteria. Member States deciding an undercut therefore agree to share, to the extent compatible with national considerations and on a confidential basis, information on the undercut decision not only (as specified in the operative provisions) with the State responsible for the relevant denial, but, in the context of COARM deliberations, with all Member States (2001).

## **3. The concept of "Essentially identical transactions"**

Discussions within COARM has led to the following common approach.

Daily operation of the Code's denial mechanism will result in an accumulation of experience that will provide the basis for a clear understanding of what is meant by an "essentially identical transaction".

This process will be facilitated by the adoption of a comprehensive approach to assessing transactions, and by initially using a broad interpretation of the concept of "essentially identical". The resulting

consultation will provide the experience needed to gradually evolve a more precise definition of the term.

In order to accelerate the process further, the consulting Member State will, to the extent compatible with national considerations and on a confidential basis, endeavour to share with other EU Member States, in the context of COARM deliberations, information on the occasions in which consultations result in the conclusion that two transactions are not essentially identical. According to the logic of the consultation mechanism, these cases are not considered as undercuts (2000).

#### **Operative provision 4**

EU Member States will keep such denials and consultations confidential and not to use them for commercial advantage.

##### **1. Confidentiality in consultations**

Member States have looked at the arrangements for the consultation procedures and, in particular, problems relating to the necessary confidentiality of such contacts, which should not, however, thwart the objective of transparency underlying the Code of Conduct (2000).

#### **Operative provision 5**

EU Member States will work for the early adoption of a common list of military equipment covered by the Code, based on similar national and international lists. Until then, the Code will operate on the basis of national control lists incorporating, where appropriate, elements from relevant international lists.

##### **1. The common list**

The common list of military equipment was adopted by the Council on 13 June 2000 and published in the Official Journal of 8 July 2000. The Council decided to publicise the list in accordance with the principle of wide-ranging transparency underlying the Code.

Member States will now use the common list's references in denial notifications (with retroactive effect for earlier denial notifications), thereby clarifying and simplifying their information exchanges on these matters.

Denials on items subject to national controls by Member States, but not included in the above-mentioned list, will continue to be notified to all Member States. Member States that do not control these items will inform others.

The common list of military equipment has the status of a political commitment in the framework of the Common Foreign and Security Policy. In this sense, all Member States have made a political commitment to ensure that their national legislation enables them to control the export of all the goods on the list. The common list of military equipment will act as reference point for Member States' national military equipment lists, but will not directly replace them.

Since the list has an evolutionary character, Member States will continue updating it on a regular basis within the COARM Working Party.

Member States have made it known that they would endorse efforts for any items from the common list of military equipment which are not contained in the Wassenaar list, to be put forward for consideration within the Wassenaar Arrangement. (2000)

COARM agreed that Presidencies should periodically convene special meetings (at technical expert level) with a view to deciding on the possible update of the EU common list in order to take account of modifications of the WA list and coordinating Member States' positions and agreeing on possible common proposals for modifications of the WA list (2002).

## **2. Controlling exports of non-military and police equipment**

COARM undertook to draw up a common list of non-military security and police equipment, the export of which should be monitored in accordance with criterion two of the code "Respect for human rights in the country of final destination". The Commission has now announced a proposal for a Community mechanism for controlling exports of non-military equipment that may be used for internal repression (2001).

The Commission announced its intention to present a proposal for a Community Regulation covering such items and presented its preliminary ideas for the structure and content of such a proposal, which would ban altogether equipment used solely for torture and introduce strict control with equipment that may be used for internal repression (2002).

### **Operative provision 7**

In order to maximise the efficiency of this Code, EU Member States will work within the framework of the CFSP to reinforce their cooperation and to promote their convergence in the field of conventional arms exports.

#### **1. Appeal procedures**

The COARM Working Party discussed possible appeal procedures relating to exports of military equipment (2001).

#### **2. End-user certificates**

Member States agreed on a common core of elements that should be found in a certificate of final destination when it is required by a Member State, concerning the export of goods included in the common list of military equipment. They also identified an additional set of elements, which might also be required in accordance with their national legislation.

The following are the minimal details to be set out in an end-user certificate:

- exporter's details, at least name, address and business name,
- end-user's details, at least name, address and business name. In the case of an export to a firm which resells the goods on the local market, the firm will be regarded as the end-user,
- final destination country,
- a description of the goods being exported (type, characteristics), or reference to the contract concluded with the authorities of the final destination country,
- quantity and/or value of the exported goods,
- signature, name and position of the end-user,
- the date of the end-user certificate,
- end-use and/or non re-export clause.

Moreover, in accordance with their national legislation, Member States can require, inter alia:

- a clause prohibiting re-export of the goods covered in the end-user certificate. Such a clause could, among other things:
- contain a pure and simple ban on re-export;
- provide that re-export will be subject to agreement in writing of the authorities of the original exporting country;
- allow for re-export without the prior authorisation of the authorities of the exporting country, to certain countries identified in the end-user certificate,

- indication of the end-use of the goods,
- an undertaking, where appropriate, that the goods being exported will not be used for purposes other than the declared use,
- an undertaking, where appropriate, that the goods will not be used in the development, production or use of chemical, biological or nuclear weapons or for missiles capable of delivering such weapons,
- full details, where appropriate, of the intermediary,
- if the end-user certificate comes from the government of the destination country of the goods, the certificate will be authenticated by the authorities of the exporting country in order to check the authenticity of the signature and the capacity of the signatory to make commitments on behalf of their government (2002).

### **3. Member States' Coordination**

Coordination within the European Union was exemplary at the United Nations Conference on the Illicit Trade in Small Arms and Light Weapons held in New York from 9 to 20 July 2001, where the European Union was the only group of States to submit an overall plan of action.

The EU also established a high profile at the Conference's preparatory committee meetings where it showed no hesitation in clearly articulating its ambitions in this area with one voice (that of the Presidency) (2001).

#### **Operative provision 8**

Each EU Member State will circulate to other EU Partners, in confidence, an annual report on its defence exports and on its implementation of the Code. These reports will be discussed at an annual meeting held within the framework of the CFSP. The meeting will also review the operation of the Code, identify any improvements which need to be made and submit to the Council a consolidated report, based on contributions from Member States.

#### **1. Harmonisation of national reports**

Member States agreed that the public report will provide data, broken down by recipient country, on the number and value of licences granted and the value of actual exports (if available). It will also provide the total number of denials issued by each Member State and the total number of denials by all Member States for each recipient country and indicate the criteria invoked for denials and the number of times these criteria were invoked (2002).

#### **Operative provision 9**

EU Member States will, as appropriate, assess jointly through the CFSP framework the situation of potential or actual recipients of arms exports from EU Member States, in the light of the principles and criteria of the Code of Conduct.

#### **1. Consultations within COARM**

Any individual case of arms exports can be raised for discussion by delegations in the COARM Working Group, if it is considered to be useful for national licensing deliberations (1999).

Member States continue to exchange information on national interpretations of embargoes imposed by the United Nations, the European Union and the Organisation for Security and Cooperation in Europe. Member States also concert on national policies to control arms exports to certain embargo-free countries or regions that are being closely monitored (existence of an internal or external conflict, human rights situation, etc.) (2000).

## **2. The Development of exchanges of information on national control policies for the export of arms to certain countries or regions regarded as requiring special vigilance**

A substantial body of denials, notified in the framework of the mechanism of the Code, is the concrete basis for such exchanges. The exchanges have also been supplemented by exchanges of views and information amongst all Member States undertaken on a regular and systematic basis within COARM, focusing on specific countries and regions (2001).

### **Operative provision 11**

EU Member States will use their best endeavours to encourage other arms exporting States to subscribe to the principles of this Code of Conduct.

#### **1. Third Countries**

Non-EU countries which have declared their adherence to the principles and criteria of the Code, and which have become involved in the restructuring of the European defence industry, shall be allowed to gain access to the evolving interpretation of the Code's principles and criteria. This shall not entail access to information made available in the course of the procedures referred to in the operative provisions of the Code.

The European Union and the Member States continue to encourage other arms-exporting countries to subscribe to the principles of the Code (2001).

The Code of Conduct was a primary subject of all political dialogue consultations with non-member States carried out. Consultations are ongoing with the United States of America on ways to follow-up on the December 2000 Declaration by the European Union and the United States of America on the responsibility of States and on transparency regarding arms exports (2002).

#### **2. Involvement of Associated Countries in denial notifications**

Member States agreed to share information on denials on an aggregate basis with Associated Countries and encourage these countries to similarly inform Member States about their denials. The information will be shared through the Presidency and contain the following details: country of destination, short description of equipment and military list rating of items, classification of end-user as government agency or private entity, and reasons for refusal (criteria of the EU Code of Conduct) (2002).

*Note:* As mentioned on page 5 of this Report, Member States export licensing statistics, which form the remainder of Annex I, are not attached here. The internet address for these statistics is given on page 5.

## ANNEX II

National reports on arms exports are available in paper form or on the Internet at the following locations:

Belgium	<a href="http://diplobel.fgov.be">diplobel.fgov.be</a>
Denmark	Ministry of Foreign Affairs, N 4, Asiatisk Plads 2, DK-1448 Copenhagen K or <a href="http://www.um.dk">www.um.dk</a>
Finland	<a href="http://www.puolustusministerio.fi">www.puolustusministerio.fi</a>
France	<a href="http://www.defense.gouv.fr/actualités/dossier/d49/index.html">www.defense.gouv.fr/actualités/dossier/d49/index.html</a>
Germany	<a href="http://www.bmwi.de">www.bmwi.de</a> select 'politikfelder', select 'Aussenwirtschaft & Europa', select 'Exportkontrolle'
Ireland	<a href="http://www.irlgov.ie/iveagh">www.irlgov.ie/iveagh</a>
Italy	<a href="http://www.camera.it">www.camera.it</a> , select 'attività parlamentare', select 'lavori', select 'documenti parlamentari', select 'doc LXVII'
Netherlands	<a href="http://www.exportcontrole.ez.nl">www.exportcontrole.ez.nl</a>
Portugal	<a href="http://www.mdn.gov.pt">www.mdn.gov.pt</a>
Spain	<a href="http://www.mcx.es/sgcomex/mddu">www.mcx.es/sgcomex/mddu</a>
Sweden	<a href="http://www.utrikes.regeringen.se/inenglish/pressinfo/information/Publications.htm">www.utrikes.regeringen.se/inenglish/pressinfo/information/Publications.htm</a>
United Kingdom	<a href="http://www.fco.gov.uk">www.fco.gov.uk</a>

# Annex F

## The Consolidated EU and National Arms Export Licensing Criteria

(26 October 2000 - HC 199-203W)

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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.

For these purposes, equipment which might be used for internal repression will include, inter alia, equipment where there is evidence of the use of this or similar equipment for internal repression by the proposed end-user, or where there is reason to believe that the equipment will be diverted from its stated end-use or end-user and used for internal repression.

The nature of the equipment will be considered carefully, particularly if it is intended for internal security purposes. Internal repression includes, inter alia, torture and other cruel, inhuman and degrading treatment or punishment; summary, arbitrary or extra-judicial executions; disappearances; arbitrary detentions; and other major suppression or violations of human rights and fundamental freedoms as set out in relevant international human rights instruments, including the Universal Declaration on

Human Rights and the International Covenant on Civil and Political Rights.

The Government considers that in some cases the use of force by a Government within its own borders, for example to preserve law and order against terrorists or other criminals, is legitimate and does not constitute internal repression, as long as force is used in accordance with the international human rights standards described above.

#### *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:

- a) the existence or likelihood of armed conflict between the recipient and another country;
- b) 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;
- c) whether the equipment would be likely to be used other than for the legitimate national security and defence of the recipient;
- d) 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:

- a) 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;
- b) the risk of the goods concerned being used against UK forces or on those of other territories and countries as described above;

- c) the risk of reverse engineering or unintended technology transfer;
- d) the need to protect UK military classified information and capabilities.

#### *Criterion Six*

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

The Government will take into account inter alia the record of the buyer country with regard to:

- a) its support or encouragement of terrorism and international organised crime;
- b) its compliance with its international commitments, in particular on the non-use of force, including under international humanitarian law applicable to international and non-international conflicts;
- 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 also take into account the effect of proposed exports on their economic, social, commercial and industrial interests, but that these factors will not affect the application of the criteria in the Code.

The Government will thus continue when considering export licence applications to give full weight to the UK's national interest, including:

- a) the potential effect on the UK's economic, financial and commercial interests, including our long-term interests in having stable, democratic trading partners;
- b) the potential effect on the UK's relations with the recipient country;
- c) the potential effect on any collaborative defence production or procurement project with allies or EU partners;
- d) the protection of the UK's essential strategic industrial base. In the application of the above criteria, account will be taken of reliable evidence, including, for example, reporting from diplomatic posts, relevant reports by international bodies, intelligence and information from open sources and non-governmental organisations.

# Annex G

## Parliamentary answer given by the Secretary of State for Foreign and Commonwealth Affairs on 8 July 2002

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**Paddy Tipping:** To ask the Secretary of State for Foreign and Commonwealth Affairs how the Government considers applications for export licences for the supply of military equipment for incorporation into final products for possible onward export; and if he will make a statement.

[67534]

**Mr. Straw:** In recent years there have been far reaching changes in the defence industry in the United Kingdom, the rest of Europe and the United States. Against the background of the end of the Cold War and the resulting reduction in defence budgets world wide, the defence industry has been subject to massive rationalisation. One consequence of this change is that increasingly defence goods are manufactured from components sourced in several different countries.

This restructuring of the defence industry presents new challenges for the Government's approach to export licensing. Many export licence applications are for goods which are to be incorporated in defence equipment in a second country, which thereafter may be exported to a third country.

The Consolidated EU and National Arms Export Licensing Criteria set out in a statement by my right hon. Friend the Member for Neath (Mr. Hain), Official Report, column 199–203W on 26 October 2000, make clear that they "will not be applied mechanistically" to decisions on export licence applications, but rather "on a case-by-case basis, using judgment and common sense". The criteria do not provide specific guidance on what approach should be adopted in these "incorporation" cases.

Other EU and NATO member states face the same rapidly changing environment for their defence industries as the UK. Enquiries by Her Majesty's Government suggest, however, that while as yet there is no common policy in such cases, many of our European partners recognise the need to adopt a special approach towards cases involving incorporation for onward export.

*8 Jul 2002 : Column: 651W*

After very careful consideration, Her Majesty's Government has, therefore, decided that it is necessary to set out how it will in future approach licence applications for goods where it is understood that the goods are to be incorporated into products for onward export. The Government will continue to assess such applications on a case by case basis against the Consolidated Criteria, while at the same time having regard to, inter alia, the following factors:

- (a) the export control policies and effectiveness of the export control system of the incorporating country;
- (b) the importance of the UK's defence and security relationship with the incorporating country;
- (c) the materiality and significance of the UK-origin goods in relation to the goods into which they are to be incorporated, and in relation to any end-use of the finished products which might give rise to concern;
- (d) the ease with which the UK-origin goods, or significant parts of them, could be removed from the goods into which they are to be incorporated; and
- (e) the standing of the entity to which the goods are to be exported.

Against this background the Government has considered its response to a number of applications for the export of parts, subsystems and components to the USA for incorporation into equipment eventually destined for other countries. These include Head Up Display units (HUDs) for incorporation in F-16 aircraft scheduled for delivery to Israel in 2003. The UK content in F-16s is less than 1 per cent. in value, but the supply of HUDs is part of a long-standing collaboration in this US programme. Any interruption to the supply of these components would have serious implications for the UK's defence relations with the United States.

The Government continues to be seriously concerned about the situation in Israel and the Occupied Territories. There has to be a break to the cycle of violence, which has brought so much misery to both peoples, and a resumption of the peace process. We are working closely with partners including the US to reduce the level of tension and to bring about a sustainable and peaceful settlement through negotiation.

The United States Government maintains a strong and effective export licensing system. The Quadripartite Committee has noted that the United States' conventional arms transfer policy "does not appear to differ in any important way from the EU Code or the UK national criteria. In some respects . . . it is an improvement" (HC 467 xxix 73 (25 July 2000)). Appropriate use of arms exported to Israel by the US is the subject of regular dialogue between the two countries, and when the US have concerns they make these known to the Israelis (as required by Congressional legislation). The State Department has been monitoring Israeli actions carefully and will continue to do so.

At the same time the Government carefully takes into account the importance of maintaining a strong and dynamic defence relationship with the US. This relationship is fundamental to the UK's national security as well as to our ability to play a strong and effective role in the world. The importance of this role has been demonstrated repeatedly in recent months. There are also wider benefits to the UK's national security of maintaining a strong indigenous defence industrial capability.

*8 Jul 2002 : Column: 652W*

Taking account of all these considerations, the Government considered that the applications should be approved, and my right hon. Friend the Secretary of State for Trade and Industry has today granted licences for the export of the HUDs, and other equipment to the USA. The Government will apply similar considerations to similar applications in future.