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Contents

| | |
|---|-----|
| Foreword | 1 |
| <u>Section I — Policy Issues Relating to Strategic Export Controls</u> | |
| 1.1 Domestic Policy | 3 |
| 1.2 International Policy | 5 |
| <u>Section II — Export licensing decisions during 2003</u> | |
| 2.1 Background to export licensing decisions | 11 |
| 2.2 Standard Individual Export Licences and Open Individual Export Licences | 11 |
| 2.3 Open General Licences | 16 |
| 2.4 Performance in processing licence applications | 18 |
| 2.5 Statistics on exports of military equipment during 2003 | 20 |
| 2.6 Dealer to Dealer (Dealer) Open Individual Export Licences (OIELs) | 26 |
| 2.7 Export licence decisions during 2003 by country of destination | 28 |
| <u>Annexes</u> | |
| <u>Annex A</u> | |
| Part I and Part III (The Military List) of Schedule I to the Export of Goods (Control) Order 1994 | 444 |
| <u>Annex B</u> | |
| Summary of Dual-Use List Categories and Sub-Categories | 464 |
| <u>Annex C</u> | |
| Summary of HM Customs Tariff Codes | 466 |
| <u>Annex D</u> | |
| The United Kingdom's International Commitments on Export Controls in 2003 | 468 |
| <u>Annex E</u> | |
| The fifth Annual Report of the European Union Code of Conduct on Arms Exports | 478 |
| <u>Annex F</u> | |
| The Consolidated EU and National Arms Export Licensing Criteria | 491 |
| <u>Annex G</u> | |
| Ministerial Statement on Man-portable Air Defence Systems (MANPADS) given by the Minister for Europe, Dr Denis MacShane of 18 November 2003 | 495 |
| <u>Annex H</u> | |
| Ministerial Statement made by Participating States of the Wassenaar Arrangement, December 12, 2003 | 496 |

Introduction

On 1 May 2004 the Export Control Act came into force, concluding a thorough review of the United Kingdom's export control system. We are committed to ensuring that this system is as effective as any in the world, with comprehensive legislation backed up by a well-resourced licensing function and appropriate penalties for non-compliance. The recent revelations about Libya's weapons programmes, and the international clandestine supply network in nuclear materials, show more than ever the importance of this area of policy.

Under the Export Control Act, arms trafficking and brokering activities which take place either wholly or partly in the UK now require a licence, as do intangible technology transfers. The provision of technical assistance related to weapons of mass destruction is also now controlled. Extraterritorial controls on the brokering of equipment that may be used for torture, of long-range missiles and their components and of any military goods to embargoed destinations, have been in force since 3 March 2004. Copies of this legislation and guidance on it can be found at www.dti.gov.uk/export.control. We will monitor the impact of this legislation to ensure that it is achieving its objectives, and will carry out a formal review in three years' time.

Licence applications for brokering and for intangible technology transfers are considered in the same way as export licence applications, on a case-by-case basis against the Consolidated EU and National Arms Export Licensing Criteria. Neither export licences nor licences introduced under the new controls will be issued if the arguments for doing so are outweighed by the need to comply with our 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 other considerations as described in these criteria including effect on sustainable development.

The UK defence industry makes an important contribution to the security and prosperity of this country, and to achieving interoperability with our partners. We strongly support legitimate defence exports, and work to enable other countries to meet their defence needs in accordance with our international obligations and commitments. As our armed forces participate in humanitarian and peacekeeping operations around the world, they continue to rely on a highly skilled defence manufacturing sector.


We are encouraged by the continuing improvement in licence processing performance, which exceeded published Government targets in 2003. We are now working to consolidate these gains by improving the ways we work. One of the outcomes of our Joined-up and Efficient Working in Export Licensing project has been to apply more rigorously a risk management approach to export licence applications, allowing us to target resources on the most difficult cases. In doing so, we have insisted that nothing be allowed to undermine the quality and thoroughness of strategic export licence decision-making. The new *mission statement* of the UK's export control community — Promoting global security through strategic export controls, facilitating responsible exports — embodies our approach in this area.

This seventh Annual Report covers licensing decisions made during 2003 and details of policy developments over the last year. The Reports, which have been praised by the Quadripartite Committee on Strategic Export Controls, are seen internationally as a benchmark of openness. However, we have continued to look for ways to enhance transparency, consistent with commercial and other confidentiality requirements, and intend to make an announcement shortly on this subject.

We remain committed to being as transparent as possible about our export licensing decisions and policy, enabling members of the public, civil society and Parliament to hold us to account for them.



Hilary Benn



Patricia Hewitt



Geoff Hoon



Jack Straw

Section I

Policy Issues Relating to Strategic Export Controls

DOMESTIC POLICY

Implementation of the Export Control Act 2002

On 30 January 2003 the Government published a consultation document on the implementation of the Export Control Act 2002. This contained a partial Regulatory Impact Assessment (RIA); a description of current Export Controls; details of previous consultations; Government criteria on consultations; and the draft secondary legislation itself. This public consultation ended on 30 April. 258 responses were received.

Following careful consideration of the responses, the Government laid two Orders under the Act before Parliament on 31 October 2003. These Orders introduce new controls which came into force on 1 May 2004. At the same time as laying the Orders, the Government published a final RIA, detailed user guidance for those operating under the new controls, a new Open General Trade Control Licence (OGTCL) and application forms for individual trade licences.

To help industry prepare for the new controls, starting in October 2003 the Export Control Organisation within the Department of Trade and Industry together with trade associations have jointly run a series of seminars on the new controls, including workshops and regional roadshows, supported by HM Customs and Excise and the Ministry of Defence.

The Export of Goods, Transfer of Technology and Provision of Technical Assistance (Control) Order 2003 reproduces existing export controls as well as introducing new controls on the electronic transfer abroad of military technology the physical export of which is already controlled. This modernises and harmonises controls on military technology with similar EC controls on the electronic transfer of dual-use technology. The Order also brings in new controls on the transfer by any means of technology; and on the provision of technical assistance intended for any relevant use outside the EC. This essentially applies to

activities in connection with weapons of mass destruction (WMD) or related missile programmes.

The Trade in Goods (Control) Order 2003 extends controls beyond simple exports from the UK to cover trade (trafficking and brokering) of military equipment directly between overseas countries. These controls will apply to trade in any military equipment between overseas countries where any part of the trading activity takes place in the UK. This applies to any activity taking place in the UK, whether by a UK person (individual or company) or a foreign visitor. There are additional extra-territorial controls on UK persons operating wholly overseas who attempt to traffic or broker the Restricted Goods, ie torture equipment and certain long-range missiles and their components, to any destination.

The Trade in Controlled Goods (Embargoed Destinations) Order 2004 was laid before Parliament on 11 February 2004 and came into force on 3 March 2004. This Order introduces extra-territorial controls on trade in military goods to the nine destinations currently under full arms embargoes imposed either by the UK, the EU, or OSCE. Such controls already existed for destinations subject to UN arms embargoes.

The new OGTCL extends the risk management approach already applied for exports to the new trade controls, reducing bureaucracy for legitimate business and enabling the Government to focus on areas of greatest concern. It permits trade in overseas military goods from a wide list of source countries (i.e. any source other than Iraq, Zimbabwe or individuals to which the Al Qa ida sanctions apply) to a smaller group of countries (Part A ; for example, many European countries, the United States, Australia, Japan, etc.). The OGTCL also permits trade from the countries listed in Part A of the licence to another wide list of permitted destinations (Part B).

Part A includes countries which do not give rise to any concern under the Consolidated Criteria as destinations for military goods, and which have

robust and well established export control systems that follow the same core principles as those contained in the EU Code of Conduct on Arms Exports. Part B includes all countries other than those to which the UK is obliged by international law/sanctions regimes, or where the UK has given a specific commitment, to prevent or limit the supply of military goods; for example, embargoed destinations, ECOWAS (Economic Community of West African States) countries, etc. For activities or destinations outside the scope of the OGTCL, individual licences (the equivalent of SIELs and OIELs for brokering) will be required.

Implementation of the Export Control Act 2002 has concluded the most comprehensive review of strategic export controls for over sixty years. The new controls introduced under the Act will be a significant challenge both for industry and Government. It is therefore appropriate to keep their operation under close review. The Government is committed to systematic post-implementation reviews of major legislation; accordingly we will review this legislation within three years of its coming into force. The review will monitor and evaluate the implementation of the new export controls and will examine the effectiveness of the proposed enforcement regime and the extent to which the solutions solved the problem. Collecting reliable data on compliance will also be an important element of the review.

Exporters can obtain guidance on the new legislation from the DTI's export control website at <http://www.dti.gov.uk/export.control> or by contacting the ECO Helpline on 020 7215 8070 or at eco.help@dti.gsi.gov.uk

JEWEL (Joined up and more Efficient Ways of Export Licensing)

We have been reviewing ways of improving co-ordination between the various Government Departments involved in the export licensing process in order to deliver collectively a more efficient service consistent with achieving the

Government's policy aims. The JEWEL review has confirmed that while performance has been improving, we can do more to make it better. We are therefore now initiating a programme of improvements to help us meet the challenge. These include working towards common IT systems, new joint working procedures and staff training, new published performance targets and better communication with exporters. A joint mission statement will give strategic direction to the activities of the export licensing community in DTI, FCO, MOD and DFID (the text of this is below).

EXPORT LICENSING COMMUNITY JOINT MISSION STATEMENT

Promoting global security through strategic export controls, facilitating responsible exports

Guiding Principles

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

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

- within the framework of our case by case approach, ensure maximum predictability for exporters by taking decisions which are consistent with the Consolidated EU and National Arms Export Licensing Criteria and our policy statements
- aim to meet our published performance indicators which will set us challenging targets for processing applications in a timely manner

- be transparent about our performance and operations, including by publishing an Annual Report to Parliament
- establish a dialogue with exporters, our customers, to enable us to understand their concerns and them to understand our requirements. We shall support them in complying with the process through services such as DTI's helpline, website, and awareness activities and ratings. We shall keep our licence products under review to ensure they remain appropriate as circumstances change.
- benchmark ourselves against comparable licensing authorities elsewhere so that we capture best practice and ensure we are leaders in our field.

Transparency and Accountability

During the period since the last Annual Report, the Quadripartite Committee has continued its retrospective scrutiny of export licensing decisions and export control policy. To facilitate this work, the Government has provided the Committee with details of a large number of export licence applications which go beyond the information available in the public domain, and responded to many questions on policy matters. In addition, the Foreign Secretary appeared before the Committee on 25 February 2004 to give oral evidence.

INTERNATIONAL POLICY

The European Union Code of Conduct on Arms Exports

The most important development in the application of the Code of Conduct in the last year has been preparation for the enlargement of the European Union. The ten countries that joined the EU on 1 May 2004 have aligned themselves to the Criteria and to the principles contained in the Code. However, for the Code's continued success it is

important that it be applied in a consistent manner across the enlarged European Union.

With this in mind, the Government organised, in conjunction with the local host governments, two seminars in Tallinn (Estonia) and Bratislava (Slovakia) on the implementation of the Code of Conduct. The seminars focused on the use of the criteria in making licensing decisions, sharing best practice, as well as detailed consideration of the information-sharing and transparency obligations under the Code. The Government is considering what more it can offer by way of assistance in this area.

A report of EU activities in 2003 relating to the Code is set out in section II of the Fifth Annual Report of the Code. The document contains a useful compendium of Member States agreed practices within the framework of the Code (attached at Annex E), as well as a table giving country-by-country breakdowns of each Member State's exports.

A key element of the Code is the denial notification process that allows Member States to inform each other of export licence applications they have refused. It also places a requirement on Member States to consult other Member States if they propose to approve an application which is essentially identical to one which another Member State has refused. Member States agreed in late 2003 a User's Guide to improve the efficiency of the denial notification and consultation system, which started to apply in January 2004.

The UK also participated in an ad hoc group of Member States formed in February 2004 to discuss Criterion 8 (sustainable development). Member States recognise the importance of this criterion and have tasked the working group with producing guidance on how it can best be applied. In October 2003 the UK cited Criterion 8 for the first time in refusing an export licence application. The procedures for assessing applications against Criterion 8, announced by the Secretary of State

for Trade and Industry on 1 August 2002, formed the basis of the analysis which contributed to this refusal.

There are two key areas of ongoing work under the Code of Conduct. First, after five years of its operation, Member States are currently reviewing the Code. While the Government considers that the Code has been a success and is widely respected internationally, we also consider that the Code should extend to brokering and intangible (military) technology transfer activities; should take specific account of exports destined for use in overseas licensed production arrangements, and that transparency of licensing decisions taken using the Code could be improved. Secondly, Member States are investigating means of closer collaboration with non-EU countries which have chosen to apply the Code or which subscribe to its principles. Promoting wider adherence to the Code, including observance of EU arms embargoes (mentioned in Criterion 1) is an important objective which the Government pursues through Outreach (see page 10) and other activities.

European Union Arms Embargoes

Within the EU, the UK has taken a lead role in the development of a set of guidelines on implementation and evaluation of sanctions and for the establishment of an EU Sanctions Committee that will meet regularly to oversee the implementation, enforcement and upkeep of sanctions together with the exchange of experience and best practice among Member States.

Framework Agreement

The Framework Agreement, an intergovernmental agreement on collaborative defence projects, has now been fully ratified by all member countries (France, Germany, Italy, Spain, Sweden, United Kingdom). One of the aims is to simplify arrangements for the movement of defence items and technologies between partners and subsequent exports of the final product to jointly

agreed destinations. Last year the first Global Project Licence was issued by the UK under the export control elements of the treaty in 2003.

UK waiver from US International Traffic in Arms Regulations (ITAR)

Following the agreement in May 2003 on proposed texts for an ITAR waiver, the potential benefits of which were explained in last year's Annual Report, we continue to support the US Administration in its efforts to secure the necessary Congressional approval for the waiver.

Small Arms & Light Weapons

Following the January 2003 Lancaster House Conference on Strengthening Export Controls, the UK has been active in raising awareness and building consensus among states on the need to strengthen controls on Small Arms and Light Weapons (SALW) transfers. In July 2003, the UK organised two successful side meetings, in the margins of the UN Biennial Meeting of States (BMS) to review the implementation of the UN Programme of action (UN POA) on small arms. Around thirty co-sponsors and many other interested states discussed ways to strengthen international controls on small arms transfers. The meetings established a considerable degree of support for building regional consensus on a common approach on transfer controls in line with existing commitments in the UN POA. As a result we have launched the Transfer Controls Initiative. This seeks to prevent irresponsible transfers, which might contribute to instability, conflict or repression. Not only does the initiative cover export controls, but also import controls and transshipment. Diverse security concerns mean different regions approach this problem with distinct perspectives. Many countries are now constructively engaged in a regional process with the UK and key partners in carrying forward this process in Latin America, East and West Africa and South East Asia. Workshops were held in Buenos Aires in April 2004 and Nairobi in May 2004, with other workshops planned for Managua

and Bangkok. These are regions where the small arms problem is acute. We aim to seek minimum common international controls on SALW transfers within the UN Programme of Action (UN POA) at the UN Review meeting on small arms in 2006.

The UK is one of the largest donors to projects for combating the proliferation and misuse of small arms. Between 2001 — 2004 we have committed over £19.5 million to projects run by UN agencies, regional organisations, governments and NGOs. The UK supported projects include weapons collection, management and destruction programmes; assistance in effective implementation of existing regional agreements; development of national action plans on small arms; and support for civil society.

The UK continues to work to strengthen existing regional initiatives to combat SALW proliferation and abuse, including in Southern, East and West Africa, and Central and South America. This includes part-funding an ECOWAS conference on Combating Illicit Small Arms Brokering during March 2004, which also reviewed the existing ECOWAS moratorium on small arms and the responsibilities of the ECOWAS Small Arms Unit.

During 2003, the UK provided an expert for the UN Group of Government Experts on Marking and Tracing of SALW which presented its report to the July BMS. We also supported the Decision in SALW Resolution 58/241 in December 2003 to set up an Open Ended Working Group to develop an international instrument on Marking and Tracing; and will provide an expert accordingly.

Man-Portable Air Defence Systems

Man-Portable Air Defence Systems (MANPADS) are surface to air missiles, usually shoulder-launched and fired by an individual or operated by several individuals acting as a crew. MANPADS pose a particular threat in the hands of terrorists when used against civil aviation. The UK Government is fully committed to preventing terrorist acquisition of these weapons. Reflecting

international concern, the G8 Action Plan on Transport Security, which included a number of measures in the field of export and brokering controls on MANPADS, was agreed by the Prime Minister and other G8 leaders at the Evian Summit in June 2003. One of the measures in the G8 Action Plan agreed at Evian is to: *ban the transfer of MANPADS to non-state end users. MANPADS should only be exported to foreign governments or to agents authorised by a government*. A Written Ministerial Statement to Parliament on 18 November explained Government policy in support of the G8 Action Plan on the exports of MANPADS to non-state entities (Annex G). The Statement demonstrates the UK's commitment to preventing these weapons from falling into the wrong hands. The UK together with G8 partners, keeps progress under the Evian commitments under regular review and is working to explore further ways to minimise the MANPADS threat, focusing on best practice in stockpile management and security, and in the efforts to destroy surplus stocks globally.

Wassenaar Arrangement (WA)

The WA currently comprises 33 of the world's leading conventional arms exporters, including 19 EU countries, the US, Russia, Ukraine, Australia and Japan. On 10-12 December 2003, the Plenary concluded an Assessment Year for the WA (ie a major review every 4 years), leading to a number of changes and improvements in the Arrangement's operation.

The Plenary agreed tough standards on the export of MANPADS following the G8 Action Plan on Transport Security agreed in Evian in June 2003. The WA Elements for the control of MANPADS oblige the exporting state to assure itself that the recipient state is able to secure the weapons. The Plenary also agreed that in future WA Participating States will report on all Small Arms and Light Weapons transfers, including MANPADS. It also agreed lower reporting thresholds for transfers of artillery systems. However, no consensus was reached on a denial notification system (for military items) or consultation mechanism (for military and

dual-use items). We shall continue to pursue both objectives.

Guidelines on Arms Brokering were also agreed, as was a Statement of Understanding on Control of Non-Listed Dual-Use Items. The Statement enables export controls to be placed on non-listed dual-use items intended for military end-use to a destination subject to an arms embargo binding on a Participating State.

There was no agreement to admit new countries to the Arrangement. The applications of seven countries — Croatia, Cyprus, Estonia, Latvia, Lithuania, Malta and Slovenia — will be addressed during 2004. The UK supports the expansion of the WA to applicant countries which meet the eligibility requirements. We consider that applications from the new EU Member States are particularly strong and will contribute to the EU's overall effectiveness in implementing controls. The Plenary also agreed that contacts between the WA and major arms producers such as Brazil, South Africa and China will take place during 2004, to better explain the WA's role and to encourage the wider adoption of WA standards.

UN Register of Conventional Arms

The UN Register of Conventional Arms is a voluntary global reporting instrument, intended to promote greater transparency in international arms transfers and to help identify excessive build-ups of arms in particular countries or regions.

During 2003 the UK provided an expert for the Group of Governmental Experts on the Register (the fourth periodic review since 1994 carried out under a mandate from the UN General Assembly). For the first time since the Register's establishment in 1992, agreement was reached on significant technical improvements to the categories, including lowering the reporting threshold of artillery systems from 100mm to 75mm, and adding MANPADS as a subcategory under the existing category of Missiles and Missile

Launchers. Member States can now also record transfers of SALW in their annual report to the Register as part of additional background information.

In 2003 we also supported the UN Department for Disarmament Affairs in the production of a number of booklets about the Register, including a brochure highlighting the 2003 Report of Government Experts. In 2004 the UK intends to support regional and subregional workshops, which are designed to strengthen the progress of the Register and receive feedback on its further development.

The UK's Annual Return to the Register, which forms the basis for the table on "Exports of military equipment in major categories" will be available from August 2004 via www.fco.gov.uk International Security. Further information can be found at the UN website <http://www.disarmament.un.org:8080/cab/register.html>

OSCE (Organisation for Security and Co-operation in Europe)

The OSCE Handbook of Best Practices on Small Arms and Light Weapons was published in December 2003. The UK contributed substantially to the Handbook by co-authoring the chapter on Stockpile Management and Security, and by contributing in particular towards chapters on Brokering, Export Control and Marking and Tracing chapters. The intention is that this guidance will inform national policy-making, with the emphasis on encouraging higher common standards of practice among all Participating States. It builds on agreements reached in other multilateral fora.

The UK has supported efforts to agree a set of OSCE principles on the control of brokering to set an international standard in line with the UN POA on SALW.

In March the UK tabled a draft decision, based on the Wassenaar Arrangement Elements on

MANPADS mentioned above, entitled the OSCE Principles of Export Control of MANPADS. This draft was supported by several OSCE delegations and it is expected to be adopted before the end of the current OSCE session in July.

Nuclear Suppliers Group (NSG)

NSG is a group of nuclear supplier states, which aims to contribute to the non-proliferation of nuclear weapons through the implementation of two sets of guidelines for nuclear and nuclear-related exports. NSG guidelines control the export of Trigger list items specifically designed for nuclear applications and Dual Use items that have both legitimate civil and nuclear applications.

The annual NSG Plenary will be held in Gothenburg on 26-28 May 2004. A Consultative Group meeting will immediately precede the Plenary. The third Licensing and Enforcement Experts Meeting (LEEM) will also take place that week and will be chaired once again by the UK. The LEEM is a subsection of the Information Exchange Meeting. It aims to improve co-operation between participants through the sharing of both intelligence on programmes of concern and best practice to counter proliferators of sensitive items.

An NSG Consultative Group meeting was held in Vienna on 15-17 October 2003. The Consultative Group reached agreement on a Catch All text on control of non-listed dual-use items to be included in the guidelines, which has been put forward for endorsement at the 2004 Plenary. The group continued discussions on membership issues. Progress was also made on improving and expanding the lists of controlled items to account for technological advances in the manufacture of machine tools. Owing to the number of items for discussion the Consultative Group reconvened in Vienna on 23-24 March. Topics discussed included proposals supported by the UK making the IAEA's Additional Protocol a condition of supply for NSG Trigger List goods.

Missile Technology Control Regime

The Missile Technology Control Regime Plenary meeting was held in Buenos Aires from 19-26 September 2003. Discussion concentrated on strategies to tackle regional proliferation through national and regime outreach visits, information exchange and engaging the MTCR in the fight against terrorism. In order to further increase the effectiveness of the regime, MTCR Partners agreed to include national catch-all requirements in the Guidelines to control non-listed items where they are destined for missile programmes. A meeting of technical experts agreed changes which will ensure the regime control list keeps pace with advances in technology.

Hague Code of Conduct

The Hague Code of Conduct Against Ballistic Missile Proliferation (HCOC) held its second Regular Meeting of Subscribing States in New York on 2-3 October 2003. Launched on 25 November 2002, over one hundred countries have now subscribed to the Code which represents the first internationally agreed norms on ballistic missiles. The Code commits states to a number of transparency and confidence — building measures in the development and testing of ballistic missiles, and to maintain vigilance in not supporting or assisting ballistic missile programmes in countries seeking to develop or acquire weapons of mass destruction.

Australia Group

The 2003 Plenary of the Australia Group (AG) was held in Paris from 2-5 June. New measures agreed by the Group aimed at preventing the spread of chemical and biological weapons (CBW) included:

- Addition of 14 biological agents (human pathogens) to the Biological Control List.
- Endorsement of a cooperative program of action for more effectively engaging countries in the

Asia-Pacific region on CBW-related export control issues — a response, in part, to specific requests from several countries in that region.

- Approval of a practical guide for compliance and enforcement officers to help them more efficiently detect, identify and prevent illegitimate transfers of items controlled by the AG.
- New procedures for improving transparency and enhancing information sharing among members.

Discussion was wide-ranging. Good progress was made on key issues, including the desirability of controlling new precursor and other types of chemicals. Participants identified additional chemicals to be considered in coming months for inclusion on the control list.

Participants also reiterated their commitment to fair and transparent trade in chemical and biological materials for peaceful purposes. They agreed that non-discriminatory application of national export licensing measures allows legitimate trade to expand unhampered by proliferation fears. As parties to the Chemical Weapons Convention and the Biological Weapons Convention, participants reaffirmed that such measures were fully consistent with their obligations under these conventions.

Plutonium Disposition

The UK has committed £70m towards the disposal of Plutonium in Russia following a US-Russia agreement under which each will dispose of 34 tonnes of weapons-grade plutonium. There are a number of outstanding issues to resolve before this programme can be put into operation, including the legal framework incorporating mutually acceptable liability provisions, the implementation framework and a shortfall in funds pledged by Russia and donor countries. We are actively contributing to bilateral and multilateral discussions aimed at resolving the outstanding issues. However even if progress is made quickly, it is unlikely that we will be in a position to allocate funds towards the programme before 2007.

Outreach

Outreach, in the form of bilateral talks in London or overseas, awareness raising seminars and attendance at conferences plays a major role in the government's efforts to promote effective export controls and responsible licensing systems. Teams of officials from various Government Departments conduct export control visits to take this work forward. Since the publication of last year's Annual Report, officials have held bilateral talks on export controls with Albania, Bosnia and Herzegovina, China, Hong Kong, Macau, Norway, Russia, South Africa, Ukraine and the United Arab Emirates, in addition to the work with the EU Accession countries mentioned above. The UK also works closely with EU partners, the US and others in carrying out its export control outreach work.

Section II

Export Licensing Decisions during 2003

2.1 BACKGROUND TO EXPORT LICENSING DECISIONS

This part of the Report gives information on export licensing decisions taken by the Government between 1 January and 31 December 2003. There are three main types of licence:

- Standard Individual Export Licences (SIELs)
- Open Individual Export Licences (OIELs)
- Open General Export Licences (OGELs)

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

- items entered in Part I and Part III of Schedule 1 to the Export of Goods (Control) Order 1994. Part III of Schedule 1 to the Export of Goods (Control) Order 1994 is known as the Military List. The text of Part I and Part III, as at 1 January 2003, is at Annex A to this report; Part III was amended during the reporting period as indicated.
- items entered in the Council Regulation (EC) 1334/2000 setting up a Community regime for the control of exports of dual-use items and technology (the regulation was adopted in June 2000). A brief summary of the dual-use list categories and sub-categories is at Annex B.
- items subject to control because the exporter has been told, knows or suspects that the items would or might be used in activities connected with weapons of mass destruction or missiles for their delivery. This is the so-called WMD end-use or catch-all control and goods controlled for these reasons are given the rating End-Use .
- items subject to control because the exporter has been told, knows or suspects that the items

in question are or may be intended for a military end-use in a country subject to certain types of arms embargo, or for use as parts or components of military list items which have been exported in breach of United Kingdom export controls. This is the co-called Military End-Use control.

A simple comparison of the numbers of licences issued or refused in this period compared to that reported in previous Annual Reports is not a reliable indicator of the practical effect of changes in Government policy between the periods concerned. In the first place, companies are unlikely to apply for licences that they can judge for themselves are likely to be refused when assessed against the published criteria. More generally, the number and nature of the applications received in total or in relation to particular destinations can vary widely from one period to the next, and there can be many reasons for such variation. The information contained in this Report may be treated as definitive subject to the constraint that there is always some small risk of human error in the compilation of such a large body of data.

2.2 STANDARD INDIVIDUAL EXPORT LICENCES AND OPEN INDIVIDUAL EXPORT LICENCES

This part of the report provides information about Standard Individual Export Licences (SIELs) and Open Individual Export Licences (OIELs), granted, refused and revoked during 2003. It also deals with appeals against licensing decisions during this period.

SIELs generally allow shipments of specified items to a specified consignee up to the quantity specified by the licence. Such licences are generally valid for two years where the export will be permanent. Where the export is temporary, for example for the purposes of demonstration, trial or evaluation, the licence is generally valid for one year only and the items must be returned before the licence expires. A licence is not required for the majority of transshipments through the UK en route

from one country to another, providing certain conditions are met. Most other transshipments can be made under one of the Open General Transshipment Licences in force, provided in all cases that the relevant conditions are met. Where this is not the case, a standard individual transshipment licence (SITL) is required. The information on SIELs included in this part of the Report has been compiled using the Export Control Organisation's computer databases. The databases were interrogated during the compilation of the report to identify the status of all applications on which a decision was taken during the period covered by the report. In a small number of cases, there may be a subsequent change of status. There are two main reasons for such changes: a licence issued during the period may have been revoked, for example because of the imposition of trade sanctions or an arms embargo; or a decision during the period to refuse a licence might be overturned because the applicant later appealed successfully.

During the period 10,012 SIEL applications were processed, with 7,145 SIELs issued, 3 SIELs revoked, 193 SIEL applications refused and a further 1,381 were no licence required. In addition, 23 SITLs were issued, 1 SITL was refused and no SITLs were revoked.

OIELs are specific to an individual exporter and cover multiple shipments of specified items to specified destinations and/or, in some cases, specified consignees. OIELs covering the export of items entered on the Military List are generally valid for two years, while OIELs covering other items are generally valid for three years. There are no Open Individual Transshipment Licences. During the reporting period 542 OIELs were issued and/or amended to include particular destinations and/or items, including some OIELs originally issued before 1 January 2003. In addition, 2 OIELs were amended during the period to exclude particular destinations and/or items, 2 applications for OIELs were refused in full and no OIELs were revoked. It should be noted that the refusal of an application for an OIEL, amendment to exclude particular

destinations and/or items or the revocation of an OIEL does not prevent a company from applying for SIELs covering some or all of the items concerned to specified consignees in the relevant destinations. Clearly, however, the factors that led to the original decision would be taken into account in the decision on any such application.

The presentation of the 2003 Annual Report has undergone a couple of changes from last year's report. The information on SIELs and OIELs is set out in a single entry for each destination, but a further entry has been added to identify those applications where the goods are to be incorporated in the end user country. (It is not possible to break down exports covered by an OIEL as to identify incorporation cases.) Information on incorporation was, however, only collected from licences from March 2003 onwards. The information included in this Report for licences issued prior to this time has been collated by means of a manual search of the licence files over that period. While we are confident that this SIELs Incorporation information is a comprehensive record of the licensing information, we are however publishing it with this caveat.

Dealer-to-Dealer OIELs have been extracted to become section 2.6, rather than listed under each destination separately. This will reduce some of the repetition found within this section of the report. This will enable the reader to ascertain quickly what goods have been licensed for export to that destination. A summary description is provided for all items covered by licences issued for the period. The Annual Report also gives information on the number of small arms covered by SIELs issued in the period. However, this information is not provided in cases where, under the Code of Practice on Access to Government Information, the arguments for publication of the information are otherwise outweighed by the harm that this would cause to commercial confidentiality and/or legitimate security interests in the recipient country. No exclusions on those grounds were made in this year's Annual Report.

In the case of SIELs refused or revoked only details of ratings (whether or not a licence is required for a proposed export) are provided. Likewise for OIELs, only details of ratings are provided for licences revoked, refused in full or whose coverage was amended during the period by the exclusion of the destination (including items excluded in 2003 by the amendment of 2003 and pre-2003 licences).

INFORMATION ON SIELs, SITLs AND OIELs

The entry for each destination in section 2.7 contains the following information:

For SIELs:

- Total value of all applications in respect of which a SIEL was issued for the export of items to the destination concerned during the period, whether the export concerned was permanent or temporary. The total value will either be rounded up to the nearest £500,000 or stated as being less than £250,000. It should be noted that the actual value of exports that are actually made under the licences concerned is likely to be less than shown because some of these licences will not be used to make all of the exports authorised and others will not be used at all. In addition, some items are exported only temporarily and later returned to the UK.
- The number of licences issued, including numbers of licences for items on the Military List, for other items and for both.
- A summary description of the items covered by the licences issued during the period is given for each destination, with the items that were allowed for temporary export indicated by a (T). The data on refused SIELs applications does not include those refused during this period following an appeal against an earlier refusal. But it does include applications refused during the period that, at the end of it, were pending a decision on an appeal against a decision to refuse a licence. The SIELs data also does not cover applications from which specific goods were removed before

a licence was issued, applications withdrawn or stopped before a decision was reached, or applications where it was determined that no licence was required or that the goods could be exported to the destination concerned under an Open General Export Licence (OGEL).

In a small number of cases SIELs may be issued identifying more than one destination. This normally arises where a licence is issued for the temporary export of items for exhibition or demonstration in more than one destination. Details of all such licences issued are shown for all relevant destinations. This means that the total number of SIELs issued shown above is slightly lower than the sum of all SIELs issued shown on the destination pages (Section 2.7).

For Incorporation:

Information on incorporation is provided in the same format as for SIELs, and includes the same level of information.

For SITLs:

Information on SITLs is provided in the same format as for SIELs. The items covered by SITLs issued merely pass through the UK and it would therefore be misleading to include a value for these licences in the report.

For OIELs:

- The number of licences issued also includes additional items authorised in 2003 through amendment to a pre-2003 licence.
- A summary description of the items covered by all the relevant OIELs issued during the period is shown, including temporary OIEL licences identified with a (T).
- Information is also provided on the relevant destination pages for OIEL applications refused in full or for licences which were revoked or where coverage was amended during the period by the exclusion of the destination or by the exclusion of items in 2003 by amendment to licences issued in 2003 or earlier.

The destination coverage of an OIEL may be amended for a variety of reasons, but mainly in the light of recommendations received from advisory departments. Sometimes, amendments follow the imposition of an arms embargo, but they may also reflect general concerns about the country concerned or a relevant change in circumstances there. A decision to exclude a particular country from the coverage of an OIEL does not mean that country is permanently excluded. Where the concerns that led to the original decision are no longer relevant, it might be decided to reinstate the country concerned.

The OIELs data does not cover applications from which specific items or destinations were removed before an OIEL was issued, or applications withdrawn before a decision was reached, or those for which it was determined that no licence was required or that the items could be exported to the destination concerned under an OGEL.

The information in Sections 2.6 and 2.7 does not cover OIELs whose period of validity was extended temporarily during the period pending a decision on an application for a new OIEL; such cases amount to a temporary extension of an OIEL granted in an earlier period. The decision on the new application will be covered in this or a future report, as the case may be. As OIELs cover multiple shipments of specified goods to specified destinations or specified consignees, exporters holding OIELs are not asked to provide details of the value of goods they propose to ship under an OIEL and it is therefore not possible to provide information on the total value of applications for OIELs issued.

Special OIELs

There are three special categories of OIELs:

Media OIELs

Media OIELs authorise the export of protective clothing and equipment, mainly for the protection of aid agency workers and journalists, for example when working in areas of conflict. They are valid for two years, and cover the export to all destinations of items such as military helmets, body armour,

bullet-proof or bullet-resistant clothing, flak suits and specially designed components for any of these goods. Goods exported under a Media OIEL must be returned to the UK when they are no longer required for personal protection. During the period, 2 Media OIELs were issued.

Continental Shelf OIELs

Continental Shelf OIELs authorise the export of controlled goods to the UK sector of the Continental Shelf for the use only on, or in connection with, offshore installation and associated vessels. During the period 4 Continental Shelf OIELs were issued.

Global Project Licences

This is a new form of export licence that has recently been introduced by Framework Agreement partners, including the UK, to streamline the arrangements for licensing military goods and technologies between Framework Agreement (FA) Partners (UK, France, Italy, Sweden, Spain and Germany) where these transfers relate to their participation in specific collaborative defence projects. In relation to the collaborative project, each Partner state will, as appropriate, issue their own GPLs to permit transfers of specified goods and technology where these are required for that programme. The GPLs will operate on a similar basis to UK Open Individual Export Licences, and applications for GPLs will be assessed against the Consolidated Criteria in the UK, and against the EU Code of Conduct in other Framework Partner countries. One licence was issued in 2003 to France.

REFUSALS AND REVOCATIONS

Table 1 provides information on the main reasons for decisions to refuse and revoke SIELs and SITLs. There were 197 such decisions in 2003. The main reasons for the refusals and revocations in Table 1 are set out broadly in line with the criteria used in the consideration of arms exports, under the Consolidated EU and National Arms Export Licensing Criteria (attached at Annex F). The reasons have also been used to encompass

Table 1: Reasons for refusals and revocations of SIEL applications

| Reason | Number of cases |
|--|-----------------|
| Risk of contributing to proliferation of weapons of mass destruction or ballistic missiles (or contrary to UK international obligations under the non-proliferation Treaties and Conventions and export control regimes) | 116 |
| UK's commitment to observe UN, EU or OSCE arms embargoes | 11 |
| Existence of national embargoes or policy commitments | 2 |
| UK's obligations under the Ottawa Convention and the 1998 Land Mines Act | 1 |
| Risk of use for internal repression | 22 |
| Risk of contributing to internal tensions or conflict in the recipient country | 15 |
| Preservation of regional stability | 13 |
| National security of the UK, of allies, EU Member States and other friendly countries | 5 |
| Risk of diversion or re-export to undesirable end-users | 11 |
| Compatibility of the arms exports with the technical and economic capacity of the recipient country | 1 |
| Total | 197 |

reasons for revocation/refusal of dual use goods. In a number of cases, the refusals/revocations were made for more than one reason and in these instances, the main reason has been provided. Some licences were refused principally because of the application of national controls or policy commitments (See Annex D).

This information above does not include reasons for decisions to refuse OIELs in full or in part, to amend the coverage of an OIEL to exclude particular destinations and/or goods or to revoke an OIEL. As stated above, these decisions do not preclude a company from applying for SIELs covering some or all of the goods concerned to specified consignees in the relevant destinations.

APPEALS

This section provides information on all appeals against a decision to refuse an application for a SIEL or against a decision to revoke a SIEL, where

the decision on the appeal was taken in the relevant period. The Government has set a target of 30 working days from receipt of all relevant information from the applicant. There is no provision in the licensing procedure for a formal appeal against refusal or revocation decisions on OIELs. This is because such decisions do not prevent a company from applying for SIELs. Decisions to refuse licences are not taken lightly. Only in those cases where refusal is clearly justified is a final decision taken to refuse. In this context, appeals against refusals will often raise difficult and complex issues. Appeals are considered at an independent and more senior level than the original licence application. Every effort is made to deal with all appeals as expeditiously as possible, however, the time taken can be lengthy due to the need to examine afresh all relevant information.

In total, there were 130 appeals heard in 2003 against the original decision to refuse an

application for a SIEL. There were no appeals against the revocation of SIELs. The appeals against the original decisions on 77 applications were refused; the appeals against the original decisions on 37 applications were upheld and licences were issued. A further 16 appeals were withdrawn by the exporter.

2.3 OPEN GENERAL LICENCES

Open General Export Licences (OGELs) allow the export of specified controlled goods by any company, removing the need for exporters to apply for an individual licence, provided the shipment and destinations are eligible and the conditions are met. Exporters must register with the Export Control Organisation before they make use of most OGELs. There is also a small number of Open General

Transshipment Licences (OGTLs) for which registration is not required. All Open General Licences (OGLs) remain in force until they are revoked.

Note: Council Regulation (EC) No.1334/2000 on the export of dual-use items and technology entered into force on 28 September 2000. Annex II of the Regulation introduced a new Community General Export Authorisation (CGEA). The Regulation was subsequently amended by Council Regulation (EC) No. 149/2003, (the Amending Regulation) which entered into force on 7th March 2003. The Amending Regulation made changes to Annex I, II and IV of the Regulation which automatically changed the scope of the CGEA. (The CGEA is the Community equivalent of a UK OGEL and is directly applicable in all EU Member States).

Table 2. Open general export and transshipment licences in force at any time between 1 January and 31 December 2003¹

| Name | Made | Into Force | Revoked |
|---|--|--|----------------------------------|
| 1. Military Goods: Government End-Use | 10.07.02 27.01.03 | 10.07.02 28.01.03 | 28.01.03 |
| 2. Military Components | 13.05.02 27.01.03 | 14.05.02 28.01.03 19.09.03 | 28.01.03 22.09.03 22.09.03 |
| 3. Technology for Military Goods | 23.12.02 | 24.12.02 14.08.03 | 15.08.03 15.08.03 |
| 4. Export After Repair/replacement under warranty: Military Goods | 13.05.02 14.08.03 26.09.03 | 14.05.02 15.08.03 30.09.03 | 15.08.03 30.09.03 |
| 5. Export After Exhibition: Military Goods | 22.03.02 14.08.03 | 22.03.02 15.08.03 | 15.08.03 |
| 6. Export for Exhibition: Military Goods | 11.01.02 24.03.03 24.06.03 26.09.03 | 18.01.02 28.03.03 01.07.03 30.09.03 | 28.03.03 01.07.03 30.09.03 |
| 7. Military Surplus Vehicles | 17.05.00 14.08.03 | 18.05.00 15.08.03 | 15.08.03 |

1: copies of current OGELs may be obtained from the DTI's Export Control Organisation, or from the DTI's website (<http://www.gov.uk/export.control>).

Table 2: (cont)

| Name | Made | Into Force | Revoked |
|---|----------------------------------|--|--|
| 8. Export For Repair/Replacement Under Warranty: Military Goods | 17.05.00 27.01.03 21.05.03 | 18.05.00 28.01.03 30.05.03 14.08.03 | 28.01.03 30.05.03 15.08.03 15.08.03 |
| 9. Historic Military Goods: | 16.01.01 | 19.01.01 | |
| 10. Vintage Aircraft | 10.11.97 | 14.11.97 | |
| 11. Accompanied Personal Effects: Sporting Firearms | 27.07.98 14.08.03 | 03.08.98 15.08.03 | 15.08.03 |
| 12. Military Goods: For Demonstration to Governments | 27.01.03 14.08.03 | 28.01.03 15.08.03 | 15.08.03 |
| 13. Exports in support of UK Government Defence contracts | 30.10.03 | 31.10.03 | |
| 14. Turkey | 28.09.00 | 28.09.00 | |
| 15. Computers | 28.09.00 | 28.09.00 27.01.03 | 28.01.03 28.01.03 |
| 16. Technology for Dual-Use Items | 28.09.00 | 28.09.00 27.01.03 | 28.01.03 28.01.03 |
| 17. Export After Repair/replacement under warranty: Dual-Use Items | 10.09.01 21.05.03 | 14.09.01 30.05.03 | 30.05.03 |
| 18. Export After Exhibition: Dual-Use Items | 22.03.02 | 22.03.02 21.05.03 | 30.05.03 30.05.03 |
| 19. Low Value Shipments | 28.09.00 | 28.09.00 | |
| 20. X (covering specified dual-use items) | 28.09.00 | 28.09.00 | |
| 21. Chemicals | 08.02.02 | 28.02.02 | |
| 22. Export For Repair/Replacement under Warranty: Dual-Use Items | 10.09.01 21.05.03 | 14.09.01 30.05.03 | 30.05.03 |
| 23. Cryptographic Development | 28.09.00 | 28.09.00 | |
| 24. Dual-Use Items: Hong Kong Special Administrative Region (HKSAR) | 22.03.02 21.05.03 | 22.03.02 30.05.03 | 30.05.03 |
| 25. OGTL (Dual-Use Goods: HKSAR) | 28.09.00 | 28.09.00 | |
| 26. Open General Transhipment Licence | 28.09.00 | 28.09.00 14.08.03 | 15.08.03 15.08.03 |
| 27. Open General Transhipment Licence (Sporting Guns) | 17.05.00 14.08.03 | 18.05.00 15.08.03 | 15.08.03 |
| 28. Open General Transhipment Licence (Postal Packets) | 06.02.97 | 07.02.97 | |

2.4 PERFORMANCE IN PROCESSING LICENCE APPLICATIONS

The Export Control Organisation sets out the Government's commitments to exporters in a Service and Performance Code. The performance target is to provide a response on 70% of applications for SIELs within 20 working days. During the period, 76% of all SIEL applications that were circulated to other Government Departments were processed within 20 working days. The targets apply as soon as the applicant has supplied full documentation necessary to support their application. The targets do not apply to applications for OIELs because of the very wide variation in the goods and destination coverage of such licences, or to applications for licences to export goods that are subject to control solely because of United Nations Sanctions. Also the targets only applied for licences concerning Iran from 2 March 2003 and Iraq from 14 June 2003. As well as SIELs and OIELs, HMG processed and approved 119 Sanctions only licences to Iraq. Sanctions licences are licences for goods not subject to strategic controls but licensable by virtue of UN Sanctions.

Rating requests

The Export Control Organisation also responds to requests from exporters for advice on whether or not a licence is required to export particular goods of which the exporter has provided full technical details. During the period 3901 such requests were dealt with: of those that did not require circulation approximately 72% were given advice within 10 working days; of those that were circulated to other government departments, approximately 36% were given advice within 20 working days.

Licensing performance by department

Figures 1, 2, 3 and 4 provide a breakdown of the performance in the period of the main Government Departments involved in the processing of SIELs,

based on data compiled from the ELATE computer database within the Export Control Organisation.

Figure 1 gives a breakdown of the processing time taken by the Department of Trade and Industry alone in dealing with cases on which a substantive decision was reached. It covers all cases, whether or not circulated to advisory Departments. This shows that approximately 89% of cases were processed in DTI within its target of 10 working days.

Figures 2, 3 and 4 provide a breakdown of processing time taken in the Foreign and Commonwealth Office, Ministry of Defence and Department for International Development (DFID) respectively. DFID saw a relatively small proportion of all licences in this period. Approximately 77%, 79% and 61 % of licences circulated to FCO, MOD and DFID respectively were processed within their target of 10 working days.

Appeals performance

On appeals against a decision to refuse an application for a SIEL our aim is to provide a decision within 30 working days from receipt of all the relevant information from the appellant. The target does not apply to appeals concerning Iraq or Iran, or to appeals concerning goods that are controlled solely because of UN Sanctions. Of the 130 appeals decided in 2003, 1 fell into this category. Exporters withdrew a further 16 of the remaining 129 appeals. Of the remaining 113 appeals heard in 2003, 1 met the Government's 30 working day target. 35 of the 113 appeals circulated to MOD, and 11 of the 113 appeals circulated to FCO were processed within their target of 15 working days. 38 of the appeals were processed by DTI within its target of 15 working days. 2 of the 3 appeals circulated to DFID were processed within its target of 15 working days. DTI is working with other Government Departments on adjustments to the appeals procedure and appeal processing times to improve performance against this target.

Figures 1— 4: Breakdown of the performance of the main Government Departments involved in the processing of SIELs

Figure 1: Department of Trade and Industry

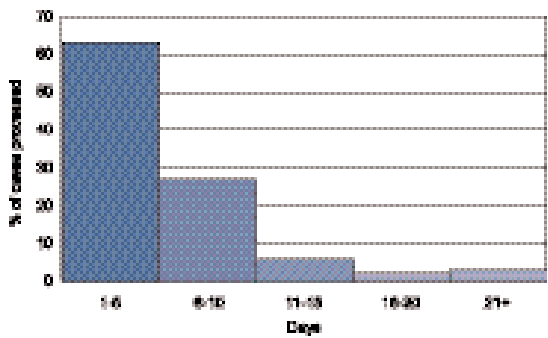


Figure 2: Ministry of Defence

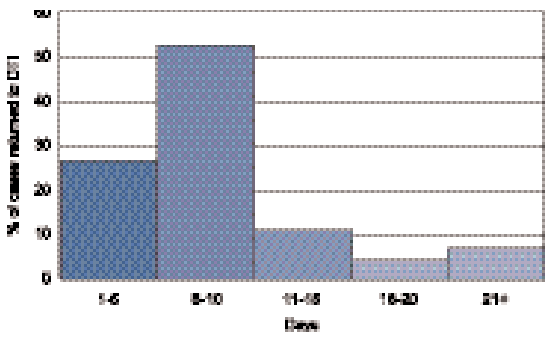


Figure 3: Foreign & Commonwealth Office

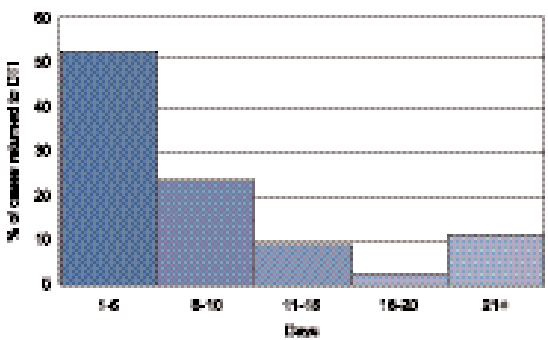


Figure 4: Department for International Development

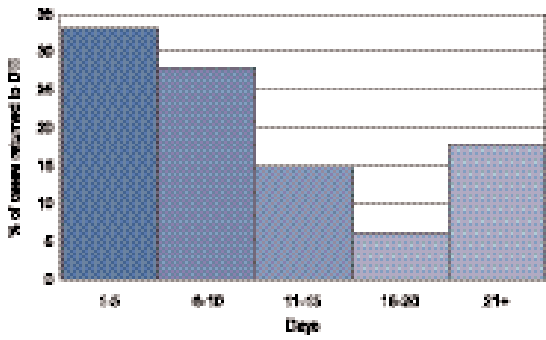
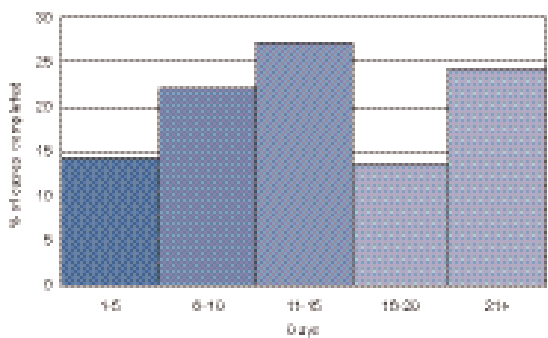


Figure 5: Government total processing time



2.5 STATISTICS ON EXPORTS OF MILITARY EQUIPMENT DURING 2003

Introduction

This section of the Report provides an overview of the physical export of defence equipment from the United Kingdom in 2003. The information on exports relates to deliveries of equipment in the period 1 January to 31 December 2003 and is comprised of data from HM Customs and Excise (Tables 4 and 5), and information on Government to Government exports (Table 6).

Information on UK armed forces small arms destroyed by the Ministry of Defence in 2003 in conformity with the UN Programme of Action on Small Arms and Light Weapons is shown at (Table 3). Policy on the disposal of small arms declared surplus by the Ministry of Defence is to restrict transfers to those which meet the legitimate defence and security needs of overseas Governments. In the absence of approved transfers in line with this policy, surplus small arms are routinely destroyed.

HM Customs and Excise

The HM Customs & Excise (HM C&E) system for calculating UK trade data provides information on the value of military goods, and the numbers of certain weapons (generally weapons and small arms) which have been identified as being exported from the UK during the reporting period. Information on exports is collected from two sources, with exports to European Community (EC) partners collected through the HM C&E Intrastat system and, for trade outside the EC, from customs declarations submitted by exporters. In both cases the identification of exports is based on the classification of goods in EU tariff codes, which do not match the classifications of goods subject to strategic export controls. Custom procedure codes, and knowledge of exporters active in the defence sector, have been used to distinguish between civil and military usage of mixed tariff codes. Tables 4 and 5 provide an indication of the level of trade with individual

countries identified under EC Codes, rather than a record of all exports of licensable goods during the period. The Government continues to explore opportunities to extend the data available on defence exports.

Government to Government transfers of equipment

Equipment sold Government to Government is listed in Table 6. Where the transfer of ownership of surplus goods sold to overseas Governments takes place in the UK, the purchasing government is required to obtain a UK export licence before collection, and those licences will appear in Section 2.7. Disposal sales are also made through UK contractors who, where they sell to overseas customers, are required to apply for export licences in the normal way. Licences for the export of those goods are included in Section 2.7.

The UK's main Government to Government supply agreement is the Saudi Arabia Armed Forces Project. This has provided for the supply of Tornado, Hawk and PC9 aircraft and Minehunters with associated weapons, in-service support and facilities. The project is in the sustainment phase, providing ongoing support for equipment already in service. There is also a Government to Government supply agreement in place with

Table 3: Small arms destroyed by the Ministry of Defence during 2003

| Description | Quantity |
|-----------------|--------------|
| Injector | 127 |
| Launcher | 1074 |
| Machine Gun | 837 |
| Mortar | 439 |
| Pistol | 7172 |
| Rifle | 12482 |
| Riot Gun | 1246 |
| Shotgun | 694 |
| Sub Machine Gun | 22 |
| Total | 24093 |

Kuwait. This currently includes the supply of spares and maintenance for Warrior vehicles and Hawk aircraft, flying training and the Kuwait Naval School Management Programme. In respect of the supply of submarines to Canada under the Government to Government Upholder Project, one submarine was exported to Canada in 2003. The Disposals Services Agency of the Ministry of Defence also enters into Government supply agreements covering the sale of surplus defence equipment. Items of surplus equipment sold

Government to Government during 2003 are listed in Table 6.

Government to Government transfers include items gifted as well surplus items that are sold. As the Import, Export and Customs Powers (Defence) Act 1939, and Export Control Act 2002, do not bind the Crown, no licence is generally required for Government to Government transfers by gifting. Items gifted in financial year 2003/04 are listed in Table 7.

Table 4: Statistics on exports of weapons and small arms between 1 January and 31 December 2003

| Country | Numbers of weapons and small arms exported ² | Country | Numbers of weapons and small arms exported ² |
|------------------------|---|----------------------|---|
| Australia | 1 | Kuwait | 56 |
| Bahrain | 48 | Latvia | 6 |
| Bangladesh | 625 | Malaysia | 1 |
| British Virgin Islands | 138 | New Zealand | 3 |
| Brazil | 16 | Oman | 10 |
| Brunei | 50 | Philippines | 530 |
| Canada | 27 | Qatar | 1 |
| Chile | 1 | Saudi Arabia | 1,471 |
| Cyprus | 21 | Singapore | 96 |
| Czech Republic | 1 | Slovakia | 1 |
| Ecuador | 2 | South Korea | 132 |
| Hong Kong | 11 | Sri Lanka | 4 |
| Hungary | 1 | Switzerland | 10 |
| India | 3 | Thailand | 7 |
| Irish Republic | 6 | United Arab Emirates | 662 |
| Israel | 3 | Turkey | 2 |
| Japan | 67 | USA | 877 |
| Jordan | 614 | Total | 5,505 |
| Kenya | 1 | | |

2: The number of weapons and small arms exported was compiled from the tariff codes listed in Part I of Annex C

Table 5: Value of exports of military equipment between 1 January and 31 December 2003

| Country | Value of exported goods (£M) ³ | Country | Value of exported goods (£M) ³ |
|------------------------|---|----------------|---|
| Algeria | 0.01 | Hong Kong | 0.1 |
| Australia | 14.55 | Hungary | 0.01 |
| Austria | 1.06 | India | 78.03 |
| Bahrain | 1.67 | Indonesia | 2.31 |
| Bangladesh | 0.05 | Irish Republic | 0.24 |
| Belgium | 3.48 | Israel | 0.24 |
| Belize | 0.01 | Italy | 82.24 |
| Botswana | 1.08 | Japan | 2.96 |
| British Virgin Islands | 0.06 | Jordan | 4.1 |
| Brazil | 5.3 | Kenya | 0.45 |
| Brunei | 0.64 | Kuwait | 22.9 |
| Canada | 18.98 | Latvia | 0.02 |
| Chile | 0.24 | Luxembourg | 0.15 |
| China | 0.03 | Malawi | 0.02 |
| Colombia | 0.01 | Malaysia | 97.26 |
| Cyprus | 0.12 | Malta | 0.03 |
| Czech Republic | 0.39 | Mauritius | 0.63 |
| Denmark | 5.9 | Netherlands | 4.55 |
| Ecuador | 0.03 | New Zealand | 4.55 |
| Egypt | 0.64 | Nigeria | 0.59 |
| Finland | 0.99 | Norway | 8.3 |
| France | 48.5 | Oman | 25.17 |
| Germany | 94.64 | Pakistan | 4.07 |
| Ghana | 0.02 | Philippines | 0.24 |
| Greece | 0.21 | Poland | 0.18 |
| Guyana | 0.03 | Portugal | 0.45 |

Table 5: (cont)

| Country | Value of exported goods (£M) ³ | Country | Value of exported goods (£M) ³ |
|--------------|---|----------------------|---|
| Qatar | 3.32 | Sweden | 9.4 |
| Romania | 0.01 | Switzerland | 8.64 |
| Saudi Arabia | 189.33 | Taiwan | 0.12 |
| Senegal | 0.01 | Thailand | 1.25 |
| Sierra Leone | 0.72 | Trinidad: Tobago | 0.01 |
| Singapore | 2.17 | Turkey | 42.37 |
| South Africa | 22.11 | United Arab Emirates | 25.19 |
| South Korea | 15.82 | USA | 116.3 |
| Spain | 20.35 | Zambia | 0.05 |
| Sri Lanka | 0.05 | Total | 992.4 |

3: The value of exports was compiled from the tariff codes listed in Part I and II of Annex C

Explanatory Notes

1. The total may not reflect the sum of individual values added together, this is due to rounding.
2. It is possible that some countries for which no values are shown may have received goods which appear on the military list but which are not identifiable under EC Tariff Codes.

Table 6: Government to Government transfers of equipment between 1 January and 31 December 2003

| Country | Type of Equipment | Quantity ⁴ |
|--------------|--|-----------------------|
| Austria | C130 | 2 |
| Bangladesh | Island Class Offshore Patrol Vessel | 1 |
| Canada | Upholder Class submarine and associated spares | 1 |
| Chile | Type 22 frigate | 1 |
| Finland | Radar displays | — |
| Jordan | Challenger main battle tanks | 94 |
| | Challenger driver training tanks | 2 |
| | Scammell Commander tank transporters | 59 |
| Kuwait | Components for armoured fighting vehicles Components for military aircraft Components for missiles | — |
| Saudi Arabia | Components and spares for aircraft and their engines Components for naval vessels and their systems; Components for ground based radar systems; Components for simulators | — |

4: Quantities are only shown for whole systems

Table 7: Items of military equipment gifted by the Government during financial year 2003/04

| Country/Strategy | Recipient | Total Cost (£) | Description (end use) |
|---------------------|--|----------------------|--|
| Afghanistan | Afghan Transitional Administration | 817,753 | Communications equipment and spares |
| Balkans | UNMIK | 555,101 | Surveillance equipment for tackling organised crime |
| Belize & Guatemala | Belize Defence Force | 116,566 | Non-lethal military equipment including uniforms, trucks, outboard motors, mess kits |
| Former Soviet Union | OSCE | 268,444 ⁵ | Riot shields and riot clothing for the OSCE Special Police Advisor in Kyrgyzstan |
| Ghana | Ghanaian contingent of ECOMICI and UNOCI | 250,000 | Observation and communications equipment |

5: Spent over FY 2002/03 & FY 2003/04

Table 7: (cont)

| Country/Strategy | Recipient | Total Cost (£) | Description (end use) |
|----------------------------|---|----------------------|--|
| Iraq | Iraqi Police, Fire & Ambulance Service | 1m | 3200 hand-held and 300 vehicle radios to improve the responsiveness of the Iraq Emergency Services in MND (SE) |
| | Iraqi Civil Defence Corps | 159,000 | To provide vehicles (13 GAZ trucks) to the 5th ICDC Battalion in MND (SE) in order to improve local security and create the conditions for the transition to local, national and strategic stand |
| Middle East & North Africa | Palestinian Authority | 3,516 | PHASE II (Gaza Project) 51 Merez Radio/phones |
| | Palestinian Authority | 5,480 | Jericho Monitoring Mission Infrastructure improvements at Jericho gaol included: 1 metal detector arch (paid to enhance UK/US monitor safety) |
| Mozambique | Mozambique contingent of African Union Peacekeeping Mission in Burundi (AMIB) | 3.3m | Mobility and Communications Equipment |
| Nepal | Government of Nepal RNA | 589,185 | Explosive Ordnance Detail (bomb disposal) |
| | | 272, 843 | Tactical radios |
| | | 400,000 ⁶ | Infrastructure work for UN Peacekeeping centre at Panchkal (Nepal) |
| Security Sector Reform | Uruguay Ministry of Interior | 7,240 | High visibility jackets |
| United Nations | Uruguayan armed forces | 30,000 | Firearms training simulator |

6: Spent over FY2001/02, FY2002/03 & FY2003/04

2.6 Dealer to dealer (Dealer) Open Individual Export Licences (OIEL s)

Dealer OIELs authorise UK registered firearms dealers to export certain categories of firearms and ammunition solely to other registered firearms dealers in the European Union only, provided that copies of valid documentation are forwarded to the Export Control Organisation at least 2 working days before each shipment.

The following is a list of the items that have been authorised for export to the following destinations only:

Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden

| No. of Licences issued | Goods Summary |
|------------------------|---|
| 2 | air guns, ammunition for veterinary/tranquillising rifles, blank ammunition, components for veterinary/tranquillising rifles, components for air guns, components for deactivated weapons, components for pistols, components for replica vintage guns, components for replica weapons, components for revolvers, components for rifles, components for semi-automatic pistols, components for shotguns, components for sporting pistols, components for sporting rifles, components for vintage guns, components for vintage shotguns, components for weapon sights, crowd control ammunition, deactivated weapons, inert ammunition, pistols, replica vintage guns, replica weapons, revolvers, rifles, semi-automatic pistols, small arms ammunition, smoke ammunition, sporting gun ammunition, sporting pistols, sporting rifles, training ammunition, veterinary/tranquillising rifles, vintage guns, weapon sights |
| 2 | air guns, ammunition for veterinary/tranquillising rifles, blank ammunition, components for air guns, components for deactivated weapons, components for replica vintage guns, components for replica weapons, components for rifles, components for shotguns, components for sporting rifles, components for veterinary/tranquillising rifles, components for vintage guns, components for weapon sights, crowd control ammunition, deactivated weapons, inert ammunition, replica vintage guns, replica weapons, rifles, shotguns, small arms ammunition |
| 1 | air guns, ammunition for veterinary/tranquillising rifles, blank ammunition, components for air guns, components for deactivated weapons, components for replica vintage guns, components for replica weapons, components for shotguns, components for veterinary/tranquillising rifles, components for vintage guns, crowd control ammunition, deactivated weapons, inert ammunition, replica vintage guns, replica weapons, shotguns, small arms ammunition, smoke ammunition, sporting gun ammunition, training ammunition, veterinary/tranquillising rifles, vintage guns |
| 1 | air guns, ammunition for veterinary/tranquillising rifles, blank ammunition, components for veterinary/tranquillising rifles, components for air guns, components for deactivated weapons, components for pistols, components for replica vintage guns, components for replica weapons, components for revolvers, components for rifles, components for semi-automatic pistols, components for shotguns, components for sporting pistols, components for sporting rifles, components for vintage guns, components for vintage shotguns, components for weapon sights, crowd control ammunition, deactivated weapons, inert ammunition, pistols, replica vintage guns, replica weapons, revolvers, rifles, semi-automatic pistols, small arms ammunition, smoke ammunition, sporting gun ammunition, sporting pistols, sporting rifles, training ammunition, veterinary/tranquillising rifles, vintage guns, weapon sights, shotguns |
| 9 | air guns, ammunition for veterinary/tranquillising rifles, blank ammunition, components for air guns, components for deactivated weapons, components for replica vintage guns, components for replica weapons, components for rifles, components for shotguns, components for sporting rifles, components for veterinary/tranquillising rifles, components for vintage guns, components for weapon sights, crowd control ammunition, deactivated weapons, deactivated weapons, inert ammunition, replica vintage guns, replica weapons, |

Iran

STANDARD INDIVIDUAL EXPORT LICENCES

| | |
|---|---------|
| Total value of SIEL applications for which a licence was issued | £545.0m |
|---|---------|

| | |
|-------------------------------------|------------|
| Number of SIELs issued covering: | |
| Items on the Military List | 2 |
| Other items | 168 |
| Military List and other items | 0 |
| Total number of SIELs issued | 170 |

The SIELs issued were granted for the following items (for permanent export except where the entry is followed by a (T), which indicates a Temporary Export):

accessories for electronic optical equipment, accessories for optical equipment, adhesives, anti-friction bearings, biochemicals, biotechnology equipment, ceramic materials, chemical mixtures, chemicals, civil aero-engines, civil aircraft³, components for biotechnology equipment, components for civil aero-engines, components for civil aircraft, components for corrosion resistant chemical manufacturing equipment, components for dimensional measuring equipment, components for electronic measurement equipment, components for marine vessels, components for materials processing equipment, components for optical equipment, components for pneumatic systems, components for spectrometers, corrosion resistant chemical manufacturing equipment, digital computers, dimensional measuring equipment, electrical switching equipment, electron microscopes, electronic measurement equipment, electronic test equipment, environmental test equipment, equipment employing cryptography, equipment for the use of materials testing equipment, equipment for the use of optical equipment, ferrous alloys, ferrous metals, gas detection equipment, gas processing equipment, general industrial production equipment, general laboratory equipment, global positioning satellite receivers, high performance air traffic control software, imaging cameras, inertial equipment, integrated circuit programming equipment, lightweight aircraft, lubricants, marine vessel equipment, materials analysis equipment, materials testing equipment, metallic powders, metalloid materials, military electronic equipment¹, night vision goggles², non-ferrous alloys, non-military toxic chemical precursors, nuclear radiation detection equipment, optical equipment, pressure monitoring equipment, production equipment for gas turbines, semiconductor lasers, signal generators, software for the use of digital computers, software for the use of dimensional measuring equipment, software for the use of electronic measurement equipment, software for the use of general laboratory equipment, software for the use of optical equipment, spectrometers, spectrophotometers, technology for the production of industrial generators, technology for the use of civil aircraft, technology for the use of electronic measurement equipment, technology for the use of materials testing equipment, toxic chemical precursors, valves, vibration test equipment

| | |
|--------------------------------------|-----------|
| Number of SIELs refused covering: | |
| Items on the Military List | 2 |
| Other items | 24 |
| Military List and other items | 0 |
| Total number of SIELs refused | 26 |

| Rating | 1C202 | 2B001 | 2B201 | 2B352 | END USE | ML6 | ML10 |
|---|-------|-------|-------|-------|---------|-----|------|
| No of SIELS covering items with this rating | 1 | 1 | 1 | 1 | 21 | 1 | 1 |

Footnote

A UK arms embargo is in place against Iran. The policy was announced by the then Foreign Secretary in his ministerial statement on 1 March 1993 and amended on 28 January 1998. Exceptions to the arms embargo in 2003 were made for the export of equipment, for use as an inspection tool on civil aircraft engines¹, and for night vision goggles to assist with counter-narcotics operations². (HC 3WS, 7 January 2003 and HL WA90, 21 May 2003).

Iran cont.

³ Over 90% of the total value of SIEL applications for Iran were for two licences for civil aviation. They are dual-use and licensable by Ministerial Statement (1/3/93). As the Ministerial Statement applies solely to Iran, these goods can be exported to all other destinations (except Iraq) without a licence.

OPEN INDIVIDUAL EXPORT LICENCES

| Licences issued or where coverage was amended during the period by the inclusion or reinstatement of this destination (this also includes additional goods authorised during 2003 through the amendment of a pre 2003 licence). | | |
|---|------|---|
| No. | Type | Goods Summary |
| 1 | P | components for civil aircraft, civil aero-engines, components for civil aero-engines, inertial equipment, components for inertial equipment, aircraft bladders, aircraft diaphragms, aircraft seals, aircraft gaskets, aircraft valve seats |
| 2 | T | civil NBC protection equipment, civil NBC protection clothing |
| 3 | P | components for civil aircraft, civil aero-engines, components for civil aero-engines, inertial equipment, components for inertial equipment, aircraft bladders, aircraft seals, aircraft gaskets, aircraft diaphragms, aircraft valve seats, aircraft bladders, aircraft seals, aircraft gaskets, aircraft diaphragms, aircraft valve seats |

Iraq

STANDARD INDIVIDUAL EXPORT LICENCES

| | |
|---|-----------|
| Total value of SIEL applications for which a licence was issued | £2.0m |
| Number of SIELs issued covering: | |
| Items on the Military List | 24 |
| Other items | 0 |
| Military List and other items | 0 |
| Total number of SIELs issued | 24 |

The SIELs issued were granted for the following items (for permanent export except where the entry is followed by a (T), which indicates a Temporary Export):

anti-riot shields, body armour, body armour (T), bomb suits, components for body armour, components for body armour (T), components for CBW munitions disposal equipment, components for NBC respirators, components for semi-automatic pistols, components for submachine guns, equipment for the use of semi-automatic pistols, equipment for the use of submachine guns, explosive ordnance disposal equipment, goods treated for signature suppression for military use, military helmets, military helmets (T), military improvised explosive device disposal equipment, NBC clothing, NBC decontamination equipment, NBC filters (T), NBC respirators (T), semi-automatic pistol maintenance equipment, semi-automatic pistols (235), small arms ammunition, smoke hand grenades, submachine gun maintenance equipment, submachine guns (135), technology for the use of semi-automatic pistols, technology for the use of weapon cleaning equipment, weapon cleaning equipment

STANDARD INDIVIDUAL EXPORT LICENCES – INCORPORATION

| | |
|---|----------|
| Total value of SIEL (Incorporation) applications for which a licence was issued | £1.0m |
| Number of SIELs issued covering: | |
| Items on the Military List | 0 |
| Other items | 1 |
| Military List and other items | 0 |
| Total number of SIELs issued | 1 |

Annex D

The United Kingdom's International Commitments on Export Controls in 2003

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

TABLE A: Arms embargoes in force in 2003

| Country | Details of Embargo | Dates in Force | Reference |
|---|--|-----------------|---|
| Armenia | OSCE arms embargo | Throughout 2003 | OSCE decision (28/2/1992) |
| Azerbaijan | OSCE arms embargo | Throughout 2003 | OSCE decision (28/2/1992) |
| Bosnia & Herzegovina | EU arms embargo ⁽¹⁾ (Transfers of small arms to the police forces in Bosnia & Herzegovina not covered by the embargo.) | Throughout 2003 | EU Declaration (5/7/1991); Common Position 96/184/CFSP (26/2/1996); Council Decision 99/481/CFSP (19/7/1999) |
| Burma | EU arms embargo. Ban on the supply of equipment that might be used for internal repression or terrorism. | Throughout 2003 | Declaration by General Affairs Council (29/7/1991); Common Position 96/635/CFSP (28/10/1996); Common Position 2000/346/CFSP (26/4/2000) |
| Burundi | See Rwanda entry in Table A. | | |
| China (Excluding Hong Kong and Macau Special Administrative Region) | 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.) | Throughout 2003 | Declaration by Madrid European Council (27/6/1989) |

| Country | Details of Embargo | Dates in Force | Reference |
|------------------------------|--|---|---|
| Democratic Republic of Congo | <p>EU arms embargo (with specified exemptions from 29 September 2003) (Also see Rwandan entry)</p> <p>UN arms embargo on North Kivu, South Kivu and Ituri (with specified exemptions)</p> | <p>Throughout 2003</p> <p>From 28 July 2003</p> | <p>EU Declaration (7/4/1993); Common Position 2003/680/CFSP (29/9/2003)</p> <p>UNSCR 1493 (28/7/2003)</p> |
| 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:</p> <p>a) Goods essential for the safety of civil aircraft and air traffic control systems;</p> <p>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 4.2 of the EC Dual Use Goods Regulation and Articles 4⁽²⁾(b)(i)(ii)(iii) and (c) and (d)(ii)(bb) of the Dual Use and Related Goods (Export Control) Regulations 1996 as amended) (3) and where WMD concerns are not subsequently substantiated.</p> | Throughout 2003 | <p>Ministerial Statement (1/3/1993); Official report, column 273-274 (28/1/1998)</p> |
| Iraq | UN arms embargo (with specified exemptions) | Throughout 2003 | <p>UNSCR 661 (6/8/1990) and subsequent resolutions, including UNSCR 1441 (8/11/2002) and UNSCR 1483 (22/5/2003)</p> |

| Country | Details of Embargo | Dates in Force | Reference |
|--------------|--|--------------------------------|--|
| Liberia | UN arms embargo (with specified exemptions) | Throughout 2003 | UNSCR 1343 (7/3/2001); renewed by UNSCR 1408 (6/5/2002); renewed by UNSCR 1478 (6/5/2003); revised by UNSCR 1521 (22/12/2003); |
| Libya | EU arms embargo | Throughout 2003 | EU Declaration (27/1/1986) |
| Rwanda | UN arms embargo, except to Government of Rwanda through named entry points. Exception for UN peacekeeping forces. Embargo applies to sale or supply to neighbouring states (Burundi, Tanzania & DRC) if the arms and related material are for use in Rwanda. | Throughout 2003 | UNSCR 918 (17/5/1994) UNSCR 997 (9/6/1995) UNSCR 1011 (16/8/1995) |
| Sierra Leone | UN arms embargo, except to the Government of Sierra Leone through named-entry points, and to UN Member States co-operating with the UN Mission in Sierra Leone (UNAMSIL) | Throughout 2003 | UNSCR 1171 (5/5/1998); and UNSCR 1299 (19/05/2000) |
| Somalia | UN arms embargo, with specified exemptions. Original UNSCR 733(1992), amended several times, but UNSCR 1425(2002) widened the scope of the arms embargo to prohibit direct or indirect supply to Somalia of technical advice, financial and other assistance, and training related to military activities. | Throughout 2003 | UNSCR 733 (23/01/1992), UNSCR 1356 (19/05/2001) and UNSCR 1425 (22/07/2002) |
| Sudan | EU arms embargo (does not apply to contracts entered into force prior to the date of entry into force of the embargo) | Throughout 2003 | Common Position 1994/165/CFSP (15/3/1994) |
| Tanzania | See Rwanda entry | | |
| Uganda | See Rwanda entry in Table A | | |
| Zimbabwe | EU embargo on arms, and related technical training and assistance (both with specified exemptions), and on items that could be used for internal repression | Throughout 2003 ⁽³⁾ | Common Position 2002/145/CFSP (18/2/2002) (and amendments); Council Regulation 310/2002 (18/2/2002) (and amendments); |

| Country | Details of Embargo | Dates in Force | Reference |
|------------------|--|-----------------|--|
| | | | Common Position 2003/145/CFSP (18/2/2003); Council Regulation 310/2002 (18/2/2003) |
| All Destinations | Arms embargo applying to Usama Bin Laden, the Taliban and Al-Qa'ida as defined by the UN list maintained on its website ⁽⁴⁾ | Throughout 2003 | UNSCR 1390 (2002) & UNSCR 1455(2003) <u>Common Position 2002/402/CFSP</u> [Official Journal (OJ) L 139, May 29, 2002]; <u>Council Regulation (EC) No 881/2002</u> (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

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 2003

| Country | Embargo/Prohibited Goods | Date 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 2003 | Ministerial Statement HC 199-203W 20/10/00 |
| All destinations | <p>The UK Government is a party to three sets of internationally agreed criteria governing the export of arms and military equipment. These are:</p> <ul style="list-style-type: none"> - The guidelines for conventional arms transfers agreed by the permanent five members of the UN Security Council; - The principles governing arms transfers agreed by the Forum for Security Cooperation of the OSCE; - EU Code of Conduct on Arms Exports. <p>All licence applications are considered case-by-case against these criteria.</p> | <p>Throughout 2003</p> <p>October 1991</p> <p>November 1993</p> <p>June 1998</p> | See website* |
| 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 2003 | 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 2003 | FCO Statement 24/9/91 |

*See export controls pages on FCO website www.fco.gov.uk

| Country | Embargo/Prohibited Goods | Date in Force | Reference |
|------------------|---|------------------|---|
| All destinations | All anti-personnel landmines and their component parts | Throughout 2003 | Ministerial Statement HC 72&135 21/5/97 |
| All destinations | Blinding Laser Weapons | Throughout 2003 | Ministerial Statement HC 360 11/2/99 |
| All destinations | There is a ban on the transfer of MANPADS to non-state end users. MANPADS will only be exported to foreign governments or to agents authorised by a government. | 18 November 2003 | Ministerial Statement HC 29-30 18/11/03 |

TABLE C — Restrictions for the maintenance of regional peace and stability in force in 2003

| Country | Embargo/prohibited goods | Date 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 2003 | 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" | | |

| Country | Embargo/prohibited goods | Date in force | Reference |
|--|---|-----------------|---|
| Cote d'Ivoire | See entry under "ECOWAS Member States" | | |
| Cyprus | <p>The Government will grant licences for the export of equipment only to the military forces of either side on the island of Cyprus which the Government is satisfied does not fall within the following categories as defined by the EU common embargo list:</p> <ul style="list-style-type: none"> a) weapons designed to kill and their ammunition; b) Weapons platforms; c) Ancillary equipment, which is specifically designed for use in conjunction with a) or b). <p>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> | Throughout 2003 | Ministerial Statement HC 282 13/2/97 |
| 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>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 2003 | Ministerial Statement HC 341 15/4/99 |
| Gambia | See entry under "ECOWAS Member States" | | |
| Ghana | See entry under "ECOWAS Member States" | | |

| Country | Embargo/Prohibited Goods | Date in Force | Reference |
|---------------|--|-----------------|---|
| 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" | | |
| 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 2003 | 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 | | |
| Zimbabwe | The Government will not grant export licences for dual-use equipment where there is a clear risk that the equipment would be used in the Democratic Republic of Congo (see Angola entry above). (Also see Zimbabwe entry in Table A). | Throughout 2003 | Ministerial Statement HC 184 & 185 9/2/00 |

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

TABLE D — Restrictions on non-conventional and dual-use items in force in 2003

| Country | Embargo/prohibited goods | Date 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. | Throughout 2003 | Ministerial Statement HC 688 10/7/98 |
| | 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 2003 | Ministerial Statement HC 3W 3/7/00 |
| 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. | | |
| 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. | Throughout 2003 | Ministerial Statement HC 688 10/7/98 |
| | 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 2003 | 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.