



MINISTERSTVO
PRŮMYSLU A OBCHODU

**2011 ANNUAL REPORT
ON THE CONTROL OF EXPORTS
OF MILITARY EQUIPMENT,
SMALL ARMS FOR CIVILIAN USE
AND DUAL-USE ITEMS AND TECHNOLOGIES
IN THE CZECH REPUBLIC**



Contents

Introduction.....	3
1. The System Used to Control Foreign Trade in Military Equipment, Small Arms for Civilian Use and Exports of Dual-Use Items and Technologies in the Czech Republic	4
1.1 Foreign Trade in Military Equipment.....	4
1.2 Foreign Trade in Small Arms for Civilian Use and Imports of Pyrotechnic Products Manufactured outside the European Union	8
1.3 Exports of Dual-Use Items and Technologies	11
1.3 Exports of Dual-Use Items and Technologies	11
1.4 Revenues Brought to the State Budget by Administrative Acts of the License Administration Department of the Ministry of Industry and Trade	15
1.5 Roles and Positions of State Authorities and Other Stakeholders in the System of Controls	16
1.5.1 Ministry of Foreign Affairs.....	16
1.5.2 Ministry of Interior	18
1.5.3 Ministry of Defence.....	19
1.5.4 Ministry of Finance – General Directorate of Customs.....	20
1.5.5 State Office for Nuclear Safety.....	22
1.5.6 Cooperation between Control Authorities and the General Public in the Field of Export Controls.....	23
2. The European Union and International Cooperation in the Field of Conventional Arms Control	24
2.1 European Union.....	24
2.1.1 Council Common Position 2008/944/CFSP	24
2.1.2 User's Guide to the EU Code of Conduct	26
2.1.3 Activities Aimed at Strengthening Control Mechanisms of Other Countries	27
2.1.4 Position of the Czech Republic in the EU	27
3. International Cooperation	28
3.1 Arms Trade Treaty	28
3.2 UN Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects	30
3.3 Cluster Munitions	31
4. International Control Regimes	32
5. International Arms Embargoes.....	34
6. List of Annexes.....	36

Introduction

The long-term objective of the Czech Republic is to develop a transparent, credible and generally respected system regulating trade in sensitive goods and to reconcile the diverse interests that are inevitably involved in such activities.

The government of the Czech Republic has recently been fulfilling its commitment to increase the transparency of its policies in this trading segment, while also gradually improving the effectiveness of the principles and tools used to exercise control over exports in this field.

The present Annual Report is a successor of the “Information on the Import, Export and Possession of Small Arms and Light Weapons in the Czech Republic” reports published between 2001 and 2003, later replaced by “Reports on the Control of Exports of Military Equipment”, which followed the EU methodology applying to the preparation of joint annual reports, and is the ninth of its kind. It was prepared by the Ministry of Industry and Trade in collaboration with the Ministry of Foreign Affairs, Ministry of Defence, Ministry of Interior, General Directorate of Customs and State Office for Nuclear Safety. The Annual Report is primarily focused on foreign trade in military equipment and also contains information from other areas subject to control.

The first part of the Annual Report describes the system used to control the trade in military equipment and small arms for civilian use, imports of pyrotechnic products manufactured outside the European Union (a new addition to the report), and exports of dual-use items and technologies, including the roles and positions of the various authorities cooperating in the control process and information on changes and amendments of relevant Czech legislation.

The next part is an evaluation of activities in the field of international cooperation, information on the progress of preparations of the global Arms Trade Treaty and information on UN activities in the area of control of small and light arms in the framework of the *Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects*.

The following part of the Annual Report presents information on the Czech Republic’s involvement in various international control regimes and describes activities of the so-called Wassenaar Agreement (WA) in the control of exports of conventional arms and dual-use items and technologies.

The last part of the Annual Report presents a current overview of international arms embargoes in the formulation and updating of which the Czech Republic has been actively involved in as a member of international organizations.

The Annual Report is supplemented by overviews containing numerical data on granted permissions to deal in foreign trade in military equipment and licenses granted with respect to individual business transactions, as well as tables of licenses granted for exports (sales), imports (purchases) and re-exports (brokering), broken down by volume, end-user country and end-user percentage share.

1. The System Used to Control Foreign Trade in Military Equipment, Small Arms for Civilian Use and Exports of Dual-Use Items and Technologies in the Czech Republic

1.1 Foreign Trade in Military Equipment

The basic framework of the control regime in the field of foreign trade in military equipment is provided by Act No. 38/1994 Coll., on foreign trade in military equipment, as amended (hereinafter “Act No. 38/1994 Coll.”), which stipulates conditions applying to the exercise of the government’s authorization and control responsibilities in the area where business activities might jeopardize economic, foreign policy or security interests of the Czech Republic, and also by Decree No. 332/2009 Coll., implementing some of the provisions of Act No. 38/1994 Coll. The Act stipulates procedures applying to permissions to deal in military equipment, conditions applying to the granting and use of licenses, and the general control of the trade in military equipment, including sanctions imposed for violations of the Act. The Act entrusts the management and exercise of the relevant licensing regime to the Ministry of Industry and Trade.

The first half of 2011 saw work on amendments of Act No. 38/1994 Coll., on foreign trade in military equipment, as amended. The latest amendment of legislation governing on foreign trade in military equipment was implemented by Act No. 248/2011 Coll., promulgated in the Collection of Acts of the Czech Republic on August 30, 2011.

The main reasons which necessitated the amendment of Act No. 38/1994 Coll. were the need to implement Directive 2009/43/EC of the European Parliament and the Council, simplifying terms and conditions of transfers of defence-related products within the Community, and also efforts to fulfil the Programme Declaration of the Czech Government, which aims to redefine the position and status of the Ministries of Defence and Interior so that they can make purchases of military equipment directly, which step is expected to make such purchases and procurements cheaper.

The commitment outlined above was also reflected in two effective dates of the amendment; while provisions redefining the position and status of the Ministries of Defence and Interior have been in effect since September 1, 2011, the effective date of the remaining provisions implementing Directive 2009/43/EC of the European Parliament and the Council is June 30, 2012.

The purpose of the newly implemented Directive is to harmonize national laws and regulations of EU Member States dealing with transfers and movements of military equipment. As of now, the former still contain many differences adversely affecting the operation of the internal market and not supporting cooperation of EU entities, as a result of which the competitive ability of the European defence industry is impaired. The undesirable situation will change on June 30, 2012, i.e. the date as of which all EU Member States, in accordance with Article 18 of Directive 2009/43/EC of the

European Parliament and the Council, should start applying and enforcing acts and regulations implementing it.

As mentioned above, the transposition of the Directive into Act No. 38/1994 Coll. significantly reduces administrative workload, thus facilitating transfers and movements of military equipment in cases of Czech companies effecting business transactions with partners from EU Member States.

The facilitation has been made possible, first and foremost, by the abolition of import licenses with respect to transfers between EU Member States. From now on, there will be no traditional export and import transactions between EU Member States; the arrangement will consist in monitoring movements – transfers – from a supplier based in one EU Member State to a customer in another state. There will be no import licenses. Considering the present state of affairs, it is reasonable to assume that the abolition of import licenses will relieve importers of the necessity to apply for some 500 licenses every year. This will both reduce their administrative workload and save the costs of administrative fees paid for the licenses.

Insofar as Czech exporters are concerned, the Directive's provision according to which an export transfer license issued by the relevant authority of an EU Member State will be valid throughout the European Union and the transit through or entry to another EU Member State will require no further permissions will be very important. Another innovation in the field of foreign trade in military equipment within the European Union is that it will be open to natural persons as well, not just legal entities as it has been until now.

Another substantial change is the introduction of new categories of licenses used for transfers from a supplier based in one EU Member State to a customer in another state. From now on, legal entities and natural persons will be able to choose whether to apply for an individual, one-off license for a transfer to a single customer, or a collective license for multiple customers, or a general license, if the customer of military equipment is a certified customer or armed forces and in the case of participation in fairs and exhibitions or maintenance, repairs or complaints regarding supplied military equipment and submitted to the original supplier.

As to the new option permitting transfers under a general license, it is necessary to mention the legal institution of so-called certification of natural persons and legal entities – manufacturers launching products in the market under their names. Suppliers of such certified companies can then make use of a simplified arrangement of deliveries under the general license, being obliged only to report these transactions.

Given the sensitive nature of deals involving military equipment, it goes without saying that the amendment and all changes contained therein and facilitating the conduct of business in this field have been formulated and implemented in a way guaranteeing that they will never threaten security and other protected interests of the Czech Republic and continue to be strictly controlled.

The control of foreign trade in military equipment in the Czech Republic comprises two stages, namely:

- 1) a business entity is allowed to offer its products and services and enter into negotiations with foreign partners etc. only after it has received, and subject to, a relevant decision on the issuance of an **authorization to conduct foreign trade in military equipment**;
- 2) to carry out specific transactions, it is necessary to apply for the issuance of a decision granting a **license**.

In 2011, only legal entities with their seat in the Czech Republic were entitled to the authorization referred to above. The abovementioned amendment permits natural persons to hold it as well. The authorization lists the specific items of military equipment the legal entity or natural person is authorized to trade in, as well as the countries which such trading activities may be carried out with. The authorizations are issued by the License Administration Department of the Ministry of Industry and Trade, subject to approvals of the Ministry of Foreign Affairs, the Ministry of the Interior and the Ministry of Defence.

For every single business transaction, any legal entity or natural person authorized to trade in military equipment under the authorization referred to above has to apply for a license the validity of which may exceed one year. This means it can be used during a period of time spanning several years. The licenses also specify the scope and conditions of the transaction.

Decisions on the issuance or denial of licenses are made in the course of administrative proceedings conducted by the MIT License Administration Department once the other ministries concerned have provided their binding opinions. A decision denying a licence is issued if the applicant fails to meet applicable legal requirements, or for reasons associated with the Czech Republic's foreign policy, trade or national security interests (Council Common Position 2008/944/CFSP and the common database of denials of the EU Member States are also taken into consideration).

Regulation of foreign trade in military equipment falls into the purview of the Ministry of Industry and Trade (MIT), which also conducts all administrative proceedings associated with foreign trade in military equipment, in particular those related to the issuance of authorizations to conduct foreign trade in military equipment or of licenses for specific transactions.

As of the end of 2011, there were 177 legal entities holding authorizations permitting them to deal in foreign trade in military equipment; 70 authorizations had been modified, either to expand the range of military equipment items the authorized legal entity in question is allowed to deal in, or to add new entries to the list of countries that can be traded with.

In 2011, 1,092 **military equipment export** licenses were granted, the aggregate value of which was CZK 8,514.1 million (€ 346.3 million). The aggregate value of transactions based on the use of the licenses, including those granted in previous years, (hereinafter “the usage rate”) amounted to CZK 4,509.1 million (€ 183.4 million).

30 administrative proceedings concerning export licenses applications were terminated, 28 of them because of the applications having been withdrawn by the applicants, 2 of them *ex officio* (the applications did not contain necessary particulars). Two license applications were denied and four applications were revoked because of reasons of foreign policy.

Increasing risks of trading in military equipment with countries of North Africa and the Middle East resulted in a temporary suspension of exports of certain types of military equipment to Egypt and Yemen by the License Administration Department (reacting to a request of the Ministry of Foreign Affairs) in early February 2011. In mid-February, the suspension was extended to Libya as well. The next step was a revocation of three licenses for exports to Libya and another for exports to the United Arab Emirates. The Czech Republic had thus reacted to developments in the region even before the UN Security Council (followed by the European Union) decided to impose an arms embargo on Qaddafi’s regime.

A total of 521 licenses for exports to EU Member States were issued, the aggregate value and usage rate of which were CZK 3,911.6 million (€ 159.1 million) and CZK 1,809.5 million (€ 73.6 million), respectively. Most of the licenses were related to exports to Slovakia (115), Poland (115) and Germany (65). In terms of value, the highest exports were to Austria (CZK 572.8 million, i.e. € 23.3 million), Poland (CZK 302.6 million, i.e. € 12.3 million), Slovakia (CZK 199.1 million, i.e. € 8.1 million), Italy (CZK 181.9 million, i.e. € 7.4 million). As to non-EU countries, the highest numbers of licenses were related to exports to Thailand (84), United States (64) and Israel (37). In terms of value, the highest exports were to Algeria (CZK 494.9 million, i.e. € 20.1 million), United States (CZK 329.7 million, i.e. € 13.4 million) and India (CZK 307.3 million, i.e. € 12.5 million).

In 2011, 911 **military equipment import** licenses were granted, the aggregate value of which was CZK 3,352.8 million (€ 136.4 million). The aggregate value of transactions based on the use of the licenses, including those granted in previous years, (hereinafter “the usage rate”) amounted to CZK 5,855.6 million (€ 238.2 million).

16 administrative proceedings concerning import licenses applications were terminated, 15 of them because of the applications having been withdrawn by the applicants and one *ex officio* (the application did not contain necessary particulars).

A total of 522 licenses for imports from EU Member States were issued, the aggregate value and usage rate of which were CZK 1,534.2 million (€ 62.4 million) and CZK 5,018 million (€ 204.1 million), respectively. Most of the licenses were related to imports from Slovakia (121), Germany (89) and United Kingdom (74). In terms of value, the highest imports were from Austria (CZK 3,923.9 million, i.e. € 159.6 million), United States (CZK 339.3 million, i.e. € 13.8 million), Norway (CZK 238.5 million,

i.e. € 9.7 million), Slovakia (CZK 199.1 million, i.e. € 8.1 million), Germany (CZK 183.9 million, i.e. € 7.5 million) and Italy (CZK 183.9 million, i.e. € 7.5 million).

A total of 21 licenses concerning **imports followed by subsequent exports** (“brokering”) were issued, in respect whereof the aggregate values of related imports and subsequent exports were CZK 46.5 million (€ 1.9 million) and CZK 68.8 million (€ 2.8 million), respectively. In terms of value, the biggest brokering transaction involved imports from Slovakia amounting to CZK 9.5 million (€ 386,000), followed by exports to Poland valued at CZK 11.3 million (€ 462,000).

1.2 Foreign Trade in Small Arms for Civilian Use and Imports of Pyrotechnic Products Manufactured outside the European Union

In the Czech Republic, foreign trade in civilian weapons and ammunition is regulated by Act No. 228/2005 Coll., on the control of trade in products whose possession is regulated in the Czech Republic for security reasons (hereinafter “Act No. 228/2005 Coll.”). The regulation implementing Act No. 228/2005 Coll. is Government Regulation No. 230/2005, which lists the products subject to the act referred to above. The legislation applies to revolvers, pistols and certain types of rifles, as well as their ammunition. Contrary to the two-stage system used to control foreign trade in military equipment, the control of trade in these arms comprises just one stage.

The Czech Republic is bound by common EU rules governing the control of exports of military technologies and equipment (Common Position 2008/944/CFSP), as well as other documents of international law, including, in particular, international sanctions applying to exports of arms and ammunition. Insofar as applications for export authorizations are concerned, the Ministry of Foreign Affairs provides its opinion to the License Administration Department of the Ministry of Industry and Trade with opinions, which must be taken into account before the latter decides to grant or deny the application.

The authorization is denied if the application requirements are not met, or if national security interests of the Czech Republic require so, or if the applicant's authorization was revoked in the past. According to the law, the authorization may be revoked if its holder fails to comply with the conditions stipulated in the authorization, or if false information was stated in the application, or if security interests require so.

In 2007, the EU Commission, in response to a report prepared by a working group of experts, drew up a comprehensive “Action Plan on Enhancing the Security of Explosives”, the principal objective of which is to enhance the security of explosives in the European Union. Its key priorities include better control of explosives and pyrotechnic products available in the market.

In 2011, the Czech Republic, acting in accordance with the Action Plan referred to above, thus adopted legislation permitting control of technical parameters of pyrotechnic products imported to

the Czech Republic. As of August 1, 2011, the legal framework permitting control of imported pyrotechnic products from the viewpoint of their technical parameters and compliance with safety regulations of the European Community is set forth in Government Regulation No. 178/2011 Coll., listing some pyrotechnic products and stipulating terms and conditions under which they can be imported, including a specimen of an import permit application. The Government Regulation implements Act No. 228/2005 Coll., on the control of trade in products whose possession is regulated in the Czech Republic for security reasons, and amending some other legal acts, and introduces a permit procedure applying to pyrotechnic products manufactured outside the Community.

The Government Regulation obligates importers of pyrotechnic products manufactured outside the European Union to submit an import permit issued by the License Administration Department of the Ministry of Industry and Trade in administrative proceedings when releasing selected pyrotechnic products to free circulation in the customs territory of the Czech Republic. The import permit is issued on the basis of a certificate issued under Act No. 156/2000 Coll., on the authentication of firearms, ammunition and pyrotechnic articles, and amending some other acts, as amended, or a certificate issued by a notified body in another EU Member State, in accordance with Directive 2007/23/EC of the European Parliament and of the Council, on the placing on the market of pyrotechnic articles. Other requirements include a proof of contractual arrangements of the import transaction and information on the end user of the pyrotechnic products.

Customs authorities thus have at their disposal an import permit including unambiguously identified imported pyrotechnic products, including their quantities and prices, which have been proven to comply with applicable EU standards in the course of the import permit procedure.

In 2011, the **aggregate value of exports of semi-automatic pistols, revolvers, long firearms and ammunition amounted to CZK 1,161,386,000.**

Revolvers and semi-automatic pistols: 36,703 pcs, at CZK 234,126,000

The list of non-EU countries to which these firearms were exported includes: Argentina, Australia, Bangladesh, Belize, Brazil, Chile, Montenegro, the Philippines, Guatemala, Croatia, Indonesia, Iceland, Israel, South Africa, Canada, Kazakhstan, Kenya, Lebanon, Costa Rica, Malaysia, Moldova, Mozambique, Namibia, Nicaragua, Norway, New Caledonia, New Zealand, Pakistan, Paraguay, Peru, Russian Federation, El Salvador, Singapore, Serbia, United Arab Emirates, United States, Switzerland, Tanzania, Thailand, Turkey, Ukraine, Uruguay and Zambia.

Long firearms: 49,876 pcs, at CZK 309,927,000

The list of non-EU countries to which these firearms were exported includes: Argentina, Australia, Azerbaijan, Bangladesh, Belorussia, Bosnia and Herzegovina, Brazil, China, Georgia, Guatemala, Chile, Montenegro, the Philippines, Greenland, Croatia, Indonesia, Iceland, Israel, South Africa, Canada, Kazakhstan, Kenya, Costa Rica, Kyrgyzstan, Former Yugoslav Republic of Macedonia,

Malaysia, Moldova, Mongolia, Mozambique, Namibia, Norway, New Caledonia, New Zealand, Pakistan, Peru, Russian Federation, El Salvador, Singapore, United Arab Emirates, United States, Serbia, Sri Lanka, Switzerland, Tajikistan, Tanzania, Thailand, Turkey, Ukraine, Uruguay, Vietnam, Zambia and Zimbabwe.

Ammunition: 286 455 871 rounds, at CZK 617,333,000

The list of non-EU countries to which these exports went includes: Argentina, Australia, Brazil, Bosnia and Herzegovina, Botswana, Montenegro, Egypt, The Gambia, Georgia, Greenland, Honduras, Hong Kong, Croatia, India, Indonesia, Iceland, Israel, Japan, South Africa, Jordan, Canada, Kazakhstan, Kenya, Costa Rica, Kuwait, Lebanon, Macao, Former Yugoslav Republic of Macedonia, Mongolia, Namibia, Norway, New Caledonia, New Zealand, Pakistan, Paraguay, Peru, Russian Federation, United States, Saudi Arabia, Serbia, Switzerland, Tanzania, Thailand, Taiwan, Turkey, Ukraine, Uruguay.

Revolvers and pistols, Item 9302 – Largest exports

<u>Country</u>	<u>Quantity</u>	<u>Value (CZK)</u>
1. United States	17 764	94 068 789
2. Canada	2 624	22 710 302
3. Thailand	2 259	20 644 188
4. Peru	2 112	12 755 849
5. Pakistan	1 519	12 070 655

Long firearms, Item 9303 – Largest exports

<u>Country</u>	<u>Quantity</u>	<u>Value (CZK)</u>
1. United States	19 090	89 142 641
2. Australia	6 266	34 074 516
3. Russian Federation	5 544	43 377 519
4. Thailand	5 178	31 489 543
5. Canada	3 560	25 507 829

As to imports of pyrotechnic products, 80 import permits the aggregate declared import value of which was CZK 275,220,000 were issued between August 1, when the controls started, and the end of 2011.

1.3 Exports of Dual-Use Items and Technologies

Dual-use items and technologies comprise a broad range of products with industrial, nuclear, chemical and biological uses. Although primarily manufactured and intended for civilian applications, these items can also be used for military purposes due to their nature and properties, and in particular for the manufacture of weapons of mass destruction (hereinafter "WMD") and means of their delivery or for the manufacture of conventional arms. As a key component of the general strategy preventing the proliferation of WMD, the export control system used in this area is a mechanism the purpose of which is to prevent the production and accumulation of conventional weapons in high-risk regions and the proliferation of WMD and means of their delivery. An effective common system of controls on exports of dual-use items and technologies is vital in order to secure compliance with international commitments and obligations of the Member States of groups engaged in international control regimes (see Chapter 4 of the Report) and of the EU in the field of non-proliferation.

In June 2003, the EU Member States adopted, at the level of their heads of state and government, the Action Plan on Non-Proliferation of Weapons of Mass Destruction. In December 2003, the EU Council subsequently adopted the EU Strategy against the Proliferation of Weapons of Mass Destruction. This strategy specifically calls for a strengthening of policies and procedures for controlling exports of dual-use items.

In April 2004, the UN Security Council adopted Resolution No. 1540, under which all the Member States undertook to adopt and strengthen effective measures to implement national control mechanisms designed to prevent the proliferation of nuclear, chemical and biological weapons and means of their delivery by introducing appropriate controls of relevant materials and including, *inter alia*, controls of transit of and brokering of services related to the material in question. At the end of 2006, the European Commission therefore issued a Communication on the review of the regime of controls of exports of dual-use items and technologies, and simultaneously submitted a draft revision of the Council Regulation. The main reasons for this were to increase the effectiveness of controls in order to provide a higher level of security, to ensure a better regulatory environment for manufacturing industries, and to achieve a higher measure of consistency in the application of the Council Regulation by Member States through the adoption of general principles or best practices for its implementation.

In the framework of the common trade policy of the European Union, the controls of exports of dual-use items and technologies are governed by **Council Regulation (EC) No. 428/2009, setting up**

a Community regime for the control of export, transfer, brokering and transit of dual-use items, which is binding in its entirety and directly applicable in all EU members states. The Regulation has replaced and supersedes the previous Council Regulation (EC) No. 1334/2000. An annex to the Regulation lays down a list of dual-use items, summarizing all the items on lists agreed upon in the various international control regimes, i.e. the Wassenaar Arrangement (WA), the Australia Group (AG), the Nuclear Suppliers' Group (NSG) and the Missile Technology Control Regime (MTCR). This list of controlled items is updated annually in accordance with relevant commitments and obligations which each Member State has undertaken as a participant in the respective international non-proliferation regimes and as a party to agreements on export controls or as a signatory that has ratified the respective international treaties.

To implement the export control regime at the national level, the Czech Republic adopted **Act No. 594/2004 Coll., implementing the Community regime for the control of export, transfer, brokering and transit of dual-use items**, subsequently amended by Act No. 343/2010 Coll., effective from December 7, 2010. The Act regulates in particular the system of controls of exports of dual-use items, as well as rights and obligations of entities transporting such items from the Czech Republic to another Member State of the European Union and entities importing such items to the Czech Republic and, as a new addition, provisions on the control of the provision of brokering services in connection with dual-use items and their transit. The Act also implements measures adopted under Council Joint Action No. 2000/401/CFSP, dated June 22, 2000, concerning the control of technical assistance related to certain military end-uses.

The licensing process is applicable in particular to exports of goods that are on the list of controlled items (Annex I to Council Regulation (EC) No. 428/2009) and which can only be exported from the EU on the basis of an export authorization. An authorization is also required for the provision of brokering services and technical assistance.

Individual authorizations are issued by the respective licensing authorities of each Member State. Exporters, brokers or providers of technical assistance must apply for authorizations in the country where they have their seat. The authorizations have a prescribed format, and can also be submitted to customs authorities in an EU country other than the one in which they were issued. In cases where goods are located in a Member State other than the one in which the export authorization is applied for, a consultation procedure is provided for between relevant authorities of the two Member States involved.

In the end of 2011, Regulation (EU) No. 1232/2011 of the European Parliament and of the Council amended Annex II of Council Regulation (EC) No. 428/2009 by adding five new EU General Export Authorizations on the basis of which certain goods may be exported to certain destinations, subject to compliance with requirements set forth in each General Export Authorization. Exporters can thus make use of six EU General Export Authorizations, namely:

- EU001 — exports to Australia, Canada, Japan, Norway, New Zealand, Switzerland (including Liechtenstein) and United States of America,
- EU002 — exports of certain dual-use items to certain destinations,
- EU003 — export after repair/replacement,
- EU004 — temporary export for exhibition or fair,
- EU005 — telecommunications, and
- EU006 — chemicals.

Exporters wishing to make use of the EU General Export Authorizations must register at the Ministry of Industry and Trade.

The authorization for the export of dual-use items which are not listed in Annex I to Council Regulation (EC) No. 428/2009 is also required whenever the exporter has been informed that the items in question are or may be intended, either in whole or in part, for use in connection with the development, production, handling, operation, maintenance, storage, detection, identification or distribution of chemical, biological or nuclear weapons or other nuclear explosive devices, or the development, production, maintenance or storage of missile systems capable of delivering such weapons. In addition, the authorization is also required if the purchasing country or country of destination is subject to an arms embargo and the exporter has been informed that the items in question are or may be intended, either in whole or in part, for a military end use, or that the items in question are or may be intended, either in whole or in part, for use as parts or components of items listed in the national List of Military Equipment.

As early as since 2005, the Ministry of Industry and Trade has been informing all known exporters of items classified under Subcategories 8456 - 8466 of the Czech Integrated Tariff (which include various types of machine tools and their accessories) that, no matter whether these items meet the technical requirements stated on the list of controlled items or not, they may be exported to Iran and Syria solely on the basis of an individual export authorization issued by the License Administration Department of the Ministry of Industry and Trade. As a result of international sanctions against North Korea, exports of a wide range of products to this country are subject to an authorization. Based on information obtained primarily from the General Customs Directorate, a total of 232 exporters have so far been notified of this obligation, and others continue to be alerted to it.

The authority in charge of issuing export authorizations is the Licence Administration Department of the Ministry of Industry and Trade. The authorities collaborating with the Licence Administration Department in assessing individual export authorization applications include the Ministry of Foreign Affairs, Ministry of Defence, Ministry of Interior and central intelligence services, each of which provides its opinion based on its field of competence; the General Customs Directorate, which is the control authority appointed by law, and also the State Office for Nuclear Safety ("SONS") in its role of the executive and control authority for any nuclear, chemical or biological items.

One of the key elements of the system used to control exports of dual-use items and technologies is collaboration with the private sector. Exporters and, in particular, manufacturers and state authorities are jointly responsible for the effectiveness of the system of controls. Information on the implementation of the system of export controls is exchanged primarily in consultations held in the course of routine contacts between applicants and the License Administration Department of the Ministry of Industry and Trade as the latter's applications are processed. Exporters can obtain complete and up-to-date information either on the website of the Ministry of Industry and Trade, or at seminars which the Ministry organizes. In March 2011, the MIT Licence Administration once again organized, together with the CzechTrade agency, a **seminar (with 70 participants) on "Control of Exports of Dual-Use Items – New Legislation in Practice"**, which followed up on similar seminars held in previous years.

In 2011, the Ministry of Industry and Trade issued 303 decisions related to dual-use items and technologies, including:

281 export authorizations for exports to 49 countries;

8 decisions denying the export authorization;

- 14 decisions suspending administrative proceedings (pursuant to provisions of Section 66, Paragraph 1, Subparagraph a), of Act No. 500/2004 Coll., the Code of Administrative Procedure, as amended by Act No. 413/2005 Coll.).

In addition, the Ministry of Industry and Trade issued 15 opinions reacting to requests of exporters for a preliminary examination of the possibility of the issuance of an authorization, and 1 opinion containing an analysis as to whether it is necessary to apply for an authorization or not.

Major customers in 2011 included the Russian Federation (48 export transactions), People's Republic of China (35), Iran (35), India (22), Turkey (19), Saudi Arabia (11), Serbia (10), Bosnia and Herzegovina (10) and Ukraine (7).

The most frequent export items in 2011 included:

- mechanical engineering products (machine tools, including spare parts, Nanospider electro-spinning unit, including accessories);
- chemicals – sodium and potassium cyanide, Krasol® (liquid hydroxyl-terminated polybutadiene) hydrofluoric acid, carbon and aramid fibres;
- scanning electronic microscopes,
- detection tubes, paper strips for detection of chemical warfare agents;
- protective gas masks.

In 2011, 15 more companies exporting to seven specified countries registered for the use of the EC General Export Authorization (Annex II to Council Regulation (EC) No. 428/2009), **thus bringing the total number of companies allowed to export under the General Export Authorization to 66.**

1.4 Revenues Brought to the State Budget by Administrative Acts of the License Administration Department of the Ministry of Industry and Trade

The table below presents an overview of state budget revenues attributable to administrative acts of the License Administration Department of the Ministry of Industry and Trade between January 1, 2011, and December 31, 2011, divided by the act type.

Administrative act	Number of administrative acts	Revenues (CZK)
Authorization to trade in military equipment (Administrative fee equal to CZK 20,000 remitted to bank account)	45	900,000
License – military equipment (Administrative fee equal to CZK 1,000 paid by a duty stamp)	1,730	1,730,000
Authorization – arms for civilian use and ammunition (Administrative fee equal to CZK 500 paid by a duty stamp)	1,481	740,500
Permit – pyrotechnic products (Administrative fee equal to CZK 500 paid by a duty stamp)	80	40,000
Permit – international control regimes (Administrative fee equal to CZK 500 paid by a duty stamp)	281	140,500
Permit – instruments of torture (Administrative fee equal to CZK 500 paid by a duty stamp)	14	7,000
Administrative penalties (remitted to bank account)	20	208,000
Copies of pages from administrative files		340
Total revenues		3,766,340

Note:

Licenses for exports and imports of military equipment, civilian arms and ammunition for exhibitions, demonstrations, complaint handling and cost-free exports and imports of samples, as well as imports of pyrotechnic products for exhibitions, demonstrations and cost-free imports of samples are exempt from the administrative fee.

1.5 Roles and Positions of State Authorities and Other Stakeholders in the System of Controls

1.5.1 Ministry of Foreign Affairs

The role and position of the Ministry of Foreign Affairs (hereinafter “MFA”) in the control of exports of military equipment are defined in Act No. 38/1994 Coll., as amended, which explicitly stipulates that the opinion of the MFA is binding. Under the abovementioned Act, the MFA is obligated to make sure that licenses granted under the Act and subsequent exports of equipment are not at variance with foreign policy interests of the Czech Republic, including, in particular, commitments and obligations ensuing from promulgated international treaties and the Czech Republic's membership in international organizations.

Insofar as arms exports are concerned, the Czech Republic's foreign policy interests include a range of national security, human rights, humanitarian and other aspects. The policy in this area is based on a comprehensive assessment involving every department and desk of the MFA, including active participation of Czech embassies and consulates abroad and consultations with partners in the EU and other international actors. The fundamental prerequisite is that exports be carried out in compliance with international control regimes and laws of the importing country. Another requirement aims at minimizing the risk that exports will be carried out in a manner other than stated and guaranteed in the documentation. These risks, which could potentially be associated with criminal activities and potentially also further redirecting of the exported items (whether intentional or unintentional) to users other than those mentioned in the end user certificate, are also carefully examined by other state authorities involved in the licensing procedure.

In the course of the evaluation process, which involves several of its departments, the Ministry of Foreign Affairs assesses every export transaction of military equipment to a non-EU end-use country in a comprehensive manner, taking into account the situation in that country, the entity or person of end user and the foreign business partner, or the stated end use of the goods. The Ministry also considers other circumstances and adverse impacts, which the delivery may result in with respect to human rights and internal security in the receiving country, potential disruption of the regional balance or the overall situation in the region. A relatively clear statement of the fundamental aspects involved is summarized in the eight criteria of Council Common Position 2008/944/CFSP, which the present Report discusses in Chapter 2.1.1. The Ministry of Foreign Affairs invariably evaluates license applications on the basis of the true end-use country, although the military equipment in question may be exported via another country, e.g. an EU Member State.

The criteria outlined above are evaluated and submitted documents are checked in close cooperation between the Ministry's headquarters in Prague and Czech embassies and consulates resident in or accredited for the countries of stated end-users. This process is sometimes quite time-consuming, especially if the Czech Republic has no resident embassy/consulate in the country

involved. In such cases, the MFA has no other option but to apply, in accordance with Act No. 38/1994 Coll., for an extension of the 20-day deadline applying to the submission of its binding opinion. The system of mutual formal and informal consultations with other EU Member States is also being continuously developed. The Ministry of Foreign Affairs is making ever greater efforts to use preventive dialogue and communication with exporters to preclude the submission of applications for export licences which would be unacceptable for the Ministry from the very outset. This approach not only reduces the administrative burden of state authorities, but also the risk of unnecessarily spent costs for exporters, as well as that of potential court disputes. In cooperation with Czech embassies and consulates abroad, the Ministry of Foreign Affairs often includes post-licensing control conditions in its favourable opinions, which not only reduce the risk of violations of the criteria stipulated in Council Common Position 2008/944/CFSP, but also create pressure on end-users to use the imported military equipment in a transparent and responsible manner.

In the last few years, the system of preventive dialogue and communication with exporters combined with the fact that exporter now can make use of an opportunity to formally ask for a preliminary opinion has significantly reduced the number of applications denied on the grounds of non-compliance with foreign policy interests of the Czech Republic. As part of its contacts with exporters and representatives of business associations, the Ministry openly declares its attitude to various export territories and provides information on arms embargoes and other restrictive measures and its views on exports of different categories of military equipment. Exporters thus generally have enough information to decide whether it makes sense, in a particular case, to submit a license application or not.

In the two-stage system used to control exports of military equipment, the Ministry of Foreign Affairs, in accordance with Czech laws, also provides its opinion on applications for authorization to trade in military equipment. The MFA generally presumes that there is, as a rule, no reason to refuse the authorization on the grounds of non-compliance with foreign policy interests of the Czech Republic if the applicant meets the conditions stipulated by law. In 2011, the Ministry of Foreign Affairs did not assume a negative stance to any applications for authorization to trade in military equipment for reasons related to foreign policy interests.

An integral part of the assessment of applications for authorization to trade in military equipment is a territorial aspect. In 2011, the Ministry of Foreign Affairs denied authorizations to trade in military equipment, or restricted the territorial validity of trading authorizations in the case of territories subject to arms embargoes of the international community, and countries whose policies threaten international or regional security or foreign policy interests of the Czech Republic and its allies¹. For example, the MFA has partly reconsidered its policy towards Armenia and Azerbaijan, both of which were formerly ineligible territories. It now grants approvals limited to exports of military equipment of a non-weapon and non-lethal nature. Using the same logic, it also assesses specific applications for

¹ This issue is also addressed in Chapter 5 – International Arms Embargoes

licenses so as to remain in compliance with the OSCE embargo of 1992. In 2011, the Ministry of Foreign Affairs did not approve applications for authorization to trade in military equipment with Syria, Burma (Myanmar), Somalia, Belorussia, Cuba, North Korea, Eritrea and Zimbabwe.

In 2011, the Ministry of Foreign Affairs, together with other stakeholders, was actively participating in the drafting of the amendment to Act No. 38/1994 Coll., its primary focus being the Czech Republic's commitment to implement provisions of Directive 2009/43/EC of the European Parliament and the Council, simplifying terms and conditions of transfers of defence-related products within the Community, in the Czech legislation.

Thanks to, inter alia, its intensive communication with the business sector, the Ministry of Foreign Affairs is attempting to define the cross-section of foreign policy interests of the Czech Republic on the one hand and interests of the state and the private sector in the development of export relations in a clearer way. The MFA is aware of the fact that military equipment and arms for civilian use have traditionally ranked among important export commodities of the Czech industry, often with a high added value and frequently playing a significant role in regional economies while also offering a substantial development potential to Czech science and research.

As one of the authorities participating in the control of exports of dual-use items, the Ministry of Foreign Affairs provides its opinions based on a foreign policy perspective also on applications for export licenses involving the above items.

1.5.2 Ministry of Interior

The role and position of the Ministry of Interior (hereinafter "MoI") in the control of exports of military equipment are defined in Act No. 38/1994 Coll. The act requires the Ministry to provide, within a set time limit, its opinion on all applications for authorization to trade in military equipment or licenses to effect an export transaction involving military equipment to the Ministry of Industry and Trade, which opinion is binding and covers the issues of public order, security and protection of the public.

In the process of issuing its binding opinions, the MoI cooperates closely with the intelligence services and the Police of the Czech Republic, from which it obtains essential information needed to assess the applications. It analyses it and assesses its relevance and only then prepares a binding opinion for the Ministry of Industry and Trade. To make sure that all applicants are treated equally, the Ministry of Interior has issued internal guidelines outlining the procedure to be followed when issuing opinions and providing information to the MIT. Whenever necessary, the information obtained is, as a matter of course, discussed and reviewed by the Ministry's staff with the entity that provided the information; only after this has been carried out does the MoI prepare its binding opinion, which must have a proper rationale, especially if it is unfavourable. The MoI prepares all its binding opinions immediately after obtaining supporting evidence and materials from the

intelligence services and the Czech Police, and submits them within the time limits set by Act No. 38/1994 Coll.

The role and position of the Ministry of Interior in the control of exports of dual-use item are defined in Act No. 594/2004 Coll. The Act requires the Ministry to submit, within a set time limit, its opinion on all applications for authorization to export dual-use items to the Ministry of Industry and Trade from the perspective of security interests of the Czech Republic. In doing so, it cooperates with the Security Information Service and the Police Presidium of the Czech Republic, just like in the case of foreign trade in military equipment.

The Ministry of Interior very much appreciates the weekly meetings at the Ministry of Industry and Trade, which are attended by all parties concerned and which analyze different applications delivered to the Ministry from the perspective of their compliance with the legal acts mentioned above.

1.5.3 Ministry of Defence

The role of the Ministry of Defence (hereinafter “MoD”) in the field of foreign trade in military equipment is defined in Act No. 38/1994 Coll. Within the two-stage Czech national control system, the Ministry of Defence, pursuant to Section 6, Paragraph 2, of the above Act, submits its opinions on applications of legal entities for authorization to deal in foreign trade in military equipment in the first stage and, pursuant to Section 16, Paragraph 1, Subparagraph c) of the above Act, submits its opinion on applications of holders of the above authorization for licenses related to specific business transactions the subject matter of which is significant military equipment. The applications are delivered to the Ministry via the License Administration Department of the Ministry of Industry and Trade.

As to the proceedings concerning authorizations to deal in foreign trade in military equipment, the MoD issues a binding opinion from the perspective of ensuring the Czech Republic’s national defence.

In 2011, the Ministry of Defence received 60 applications, including 48 requesting authorization to deal in foreign trade in military equipment and 12 seeking an extension of the scope of an existing authorization. The Ministry’s opinion was favourable in all the above cases.

As to the proceedings concerning licenses for specific foreign trade transactions involving military equipment, the MoD issues a binding opinion from the perspective of ensuring the Czech Republic’s national defence. The Ministry’s opinion is sought if the transaction involves significant military equipment, as defined in Section 20 of Act No. 38/1994 Coll.

In 2011, the Ministry of Defence received 145 requests for opinions on foreign trade transactions involving significant military equipment submitted by 30 entities, including 58 seeking an opinion on an import transaction, 5 requests concerning import of services, 4 seeking an opinion on a brokering

(import + subsequent export) transaction, 1 request pertaining to an import/export transaction without any movement through the territory of the Czech Republic, 72 requests seeking an opinion on an export transaction and 1 concerning export of services. Three requests asked for an extension of an existing license. The Ministry's opinion was favourable in all the above cases. One request was submitted directly by a company, but the Ministry of Defence preferred not to handle it.

The commodities involved included: tanks and armoured vehicles; military vehicles; aircraft; engineer equipment; large-calibre weapons and their spare parts; missile technologies; cryptographic devices; small firearms; and large-calibre ammunition.

The countries/territories involved included: Afghanistan 1x, Belgium 1x, Bulgaria 8x, via Bulgaria to Afghanistan 1x, Denmark 3x, Ethiopia, 1x, France 1x, Italy 5x, Yemen 4x, Kazakhstan 1x, Kenya 1x, Lithuania 1x, Hungary 10x, Germany 13x, Nigeria 1x, Norway 10x, Pakistan 1x, Peru 1x, Poland 8x, Austria 2x, Slovakia 32x, via Slovakia to Egypt 1x, Slovenia 3x, United Arab Emirates 1x, Serbia 2x, Sweden 3x, Switzerland 2x, Thailand 1x, Ukraine 7x, United States 8x, United Kingdom 4x, Vietnam 3x, from Afghanistan to United States and back 1x, from Bulgaria to Ethiopia 1x, from Romania to Nigeria 1x.

The Ministry of Defence has an internal regulation in place which governs the procedure of issuing opinions on foreign trade in military equipment. Each relevant department of the Ministry submits its opinion in the course of the proceedings. Apart from Czech national defence considerations, the departments' opinions reflect international commitments arising from the Czech Republic's membership in the NATO, EU, UN and OSCE, as well as the criteria set forth in Council Common Position 2008/944/CFSP, which defines common rules governing control of exports of military technology and equipment, and, last but not least, obligations arising from the need to comply with provisions of the Treaty on Conventional Armed Forces in Europe (published in the Czech Republic's Collection of International Agreements No. 94/2003) and the Vienna Document 1999.

1.5.4 Ministry of Finance – General Directorate of Customs

Customs authorities make sure that trading activities involving military equipment are carried out only by legal entities holding the authorization in accordance with Act No. 38/1994 Coll., and that the transactions in question are accomplished in the scope and under the terms and conditions stipulated in relevant licenses. In addition, the Czech Directorate of Customs controls and monitors exports of dual-use items in accordance with Act No. 594/2004 Coll. In 2011, 1,946 dual-use items were exported, either under an individual export license granted by the Ministry of Industry and Trade, or under a General Export Authorization.

To make the General Directorate of Customs (hereinafter "GDC") able to exercise its supervisory and monitoring responsibilities, the Ministry of Industry and Trade provides it with necessary information on licenses granted for trade in arms, military equipment and dual-use items. In turn, the GDC

provides the MIT with feedback data on the utilization of the licenses, which is generated by customs offices.

Between January 1 and December 31, 2011, the GDC database registered the following numbers of export transactions and items related to military equipment:

HS Code	Description	Number of exports
8710	Tanks and other armoured fighting motor vehicles, including those fitted with weapons, and their parts and components	92
8801	Balloons and dirigibles, gliders, hang gliders and other non-powered aircraft	21
8802	Other aircraft (e.g.: rotary-wing, fixed-wing), spacecraft (including satellites) and ballistic and orbital launch vehicles	124
8803	Parts and components of products falling under Codes 8801 or 8802	1707
8804	Parachutes (including dirigibles and paragliders) and rotochutes, their parts, components and accessories	600
8805	Aircraft-launching gear and similar gear and equipment, aircraft carrier landing gear and similar gear and equipment, ground flying training equipment, and their parts and components	21
9301	Military weapons other than revolvers, pistols and arms falling under Code 9307	73
9302	Revolvers and pistols other than those falling under Codes 9303 or 9304	606
9303	Other firearms and similar devices operating on a principle of an explosive propellant charge	489
9304	Other arms (e.g.: rifles, carbines and spring-powered handguns), except for cutting and stabbing weapons falling under Code 9307	114
9305	Parts, components and accessories of products falling under Codes 9301 to 9304	586
9306	Bombs, grenades, torpedoes, mines, guided missiles and similar war ordnance, including their parts and components, cartridges and similar ammunition, including their parts and components, shot and cartridge wads	530

Many headings of the Combined Nomenclature are further divided into sub-headings, namely “for civilian use” and “others”; the latter is used to accommodate all items not specified in detail.

In 2011, two cases of exports of items subject to provisions of Section 10, Paragraph 4, of Act No. 228/2005 Coll. without an export license were identified. As to military equipment, there was one export transaction in respect whereof criminal proceedings were initiated. In addition, the General Directorate of Customs identified four instances of violation of Act No. 594/2004 Coll. in 2011.

1.5.5 State Office for Nuclear Safety

In its capacity of a central state administration authority, the State Office for Nuclear Safety (hereinafter “SONS”) is responsible for the fulfilment of tasks arising from the Nuclear Non-Proliferation Treaty (NPT), the Chemical Weapons Convention (CWC) and the Biological and Toxin Weapons Convention (BTWC). As the sole executive and supervisory authority for nuclear, chemical or biological items, the Office, acting within the scope of its assigned powers and in compliance with Act No. 18/1997 Coll., on the peaceful use of nuclear energy and ionizing radiation (the Atomic Act), and amending and supplementing certain other acts, as amended, Act No. 19/1997 Coll., on some measures related to prohibition of bacteriological (biological) and toxin weapons and amending the Trades Licensing Act, as amended, exercises state oversight with respect to chemical, biological and radioactive agents and nuclear materials, and monitors compliance with duties and obligations applying to the handling of such materials.

Of the controlled items which fall into the purview of the SONS, only the chemical substances listed in Schedule 1 of the Chemical Weapons Convention (highly hazardous substances according to Act No. 19/1997 Coll.) qualify as military materiel. No export transaction involving such chemicals took place in the Czech Republic in 2011.

As to the control of exports of other chemicals dealt with in the Chemical Weapons Convention, substances listed in Schedule 2 and Schedule 3 of the Convention (which Act No. 19/1997 Coll. defines as “hazardous substances” and “less hazardous substances”, respectively) were exported from the Czech Republic in 2011. As to the former, a chemical substance which is a component of a fabric fireproofing formula was exported to Poland. Schedule 3 substances were exported mainly to EU Member States (Slovakia, Hungary, Bulgaria, Romania, Latvia, France and Germany). Schedule 3 substances were also exported to non-EU countries (Serbia, Bosnia and Herzegovina). Even exports of chemical substances listed in the Chemical Weapons Convention to EU Member States need to be monitored, as the data has to be submitted to the Technical Secretariat of the Organization for the Prohibition of Chemical Weapons.

In 2011, the State Office for Nuclear Security issued 229 decisions concerning licenses for export and import transactions involving nuclear materials, selected items and nuclear dual-use items in accordance with Section 9, Paragraph 1, Subparagraph k), of Act No. 18/1997 Coll., including 5 and 15 pertaining to imports and exports of nuclear materials, respectively, 4 and 2 concerning imports and exports of selected items, respectively, and 26 and 145 related to imports and exports of nuclear dual-use items, respectively. 7 licenses for export and re-import of nuclear materials, 6 licenses for export and re-import of nuclear dual-use items, and one license for import and re-export of nuclear dual-use items were issued. There were 17 cases in which the Office changed conditions of licenses pertaining to exports and imports of nuclear items, and one ruling terminating the administrative proceedings because of the withdrawal of the request by the applicant. The SONS did not issue any

decision not permitting activities described in Section 9, Paragraph 1, Subparagraph k), of Act No. 18/1997 Coll. in 2011.

The year 2011 saw exports of some high-risk biological agents from the Czech Republic. More specifically, Baxter BioScience s.r.o. exported H5N1 poultry influenza virus (A/H5N1/Indonesia/05/2005) to Austria for the purpose of testing and verifying the quality of a vaccine. In addition, Bioveta a.s. exported rabies, swine fever and Newcastle poultry disease vaccines both to EU Member States (Bulgaria, Lithuania, Hungary, Germany, Poland, Romania, Slovakia) and to non-EU countries (Bosnia and Herzegovina, Montenegro, the Philippines, Croatia, Moldova, Pakistan, Serbia, Kosovo, Syria). The Veterinary Research Institute exported strains of *Francisella tularensis* bacteria to Spain and the Institute of Vertebrate Biology of the Academy of Sciences of the Czech Republic exported strains of West Nile virus to Germany and the Netherlands, in both cases for the purpose of scientific cooperation.

1.5.6 Cooperation between Control Authorities and the General Public in the Field of Export Controls

The exercise of controls of foreign trade in military equipment requires cooperation and coordination of all state administration stakeholders concerned – Ministry of Industry and Trade, Ministry of Foreign Affairs, Ministry of Interior, Ministry of Defence and intelligence services – to be effective.

One of the objectives of the efforts to develop and implement a system of export controls which would be as transparent as possible is to familiarize the Czech public (and in particular journalists and the staff of non-governmental organizations on the one hand, and representatives of manufacturers of and traders in military equipment on the other) with the principles and procedures of controls which result from the step-by-step adaptation of the national system to standards common in developed Member States of the European Union. For this purpose, annual reports are published which are available to the public in both Czech and English versions.

To make the process of granting and rejecting license applications as transparent as possible for both the professional community and the general public, the Ministry of Foreign Affairs was maintaining continuous communication with major non-profit organizations engaged in the monitoring of trade in military equipment and its control by relevant authorities of the Czech Republic in 2011.

Throughout 2011, the Ministry of Foreign Affairs continued to be actively involved in efforts of the European Union related to the control of exports of conventional arms in third countries. Its representatives took part in so-called outreach projects supporting the adoption of the Arms Trade Treaty, seminars and workshops organized by the EU for countries of the Western Balkans, as well as regular meetings with representatives of the non-profit sectors and the professional community organized by the Council Working Group on Conventional Arms Exports (COARM).

The Ministry of Foreign Affairs continues to be available to authorization holders wishing to discuss their business plans.

2. The European Union and International Cooperation in the Field of Conventional Arms Control

2.1 European Union

Just like all the other EU Member States, the Czech Republic has for many years been abiding by the basic principles of the EU's Common Foreign and Security Policy (CFSP). In the area of export controls, these principles include a responsible approach to exports of military equipment and the will to reduce and eliminate risks arising from uncontrollable proliferation of weapons. The Czech legislation governing the trade in arms and military equipment has recently been amended to comply with the relevant legal framework of the European Union, in particular with the requirements set forth in Council Common Position 2008/944/CFSP and Directive 2009/43/EC of the European Parliament and the Council, simplifying terms and conditions of transfers of defence-related products within the Community.

2.1.1 Council Common Position 2008/944/CFSP

In 2008, the Council of Foreign Ministers of the EU Member States adopted Common Position 2008/944/CFSP defining common rules governing the control of exports of military technologies and military equipment. Article 2 of this document sets out eight criteria that are used to evaluate every arms export transaction in the Member States. These are the eight criteria which were adopted by the EU Member States in 1998 as a politically binding Code of Conduct on Arms Exports². In addition, several Articles of Council Common Position 2008/944/CFSP contain reformulated Operative Provisions, which also formed a part of the EU Code of Conduct.

The adoption of the eight common criteria referred to above and in the form of a legally binding Common Position, which the Member States are to take into account when deciding on applications for export licences, is seen by the EU as a signal to both its partners and the European public, which shows the important place of arms export control issues on the European agenda.

Contrary to instruments of the first pillar (Treaty Establishing the European Community), the Common Position is not directly applicable in legal systems of the Member States, and neither does it fall under the jurisdiction of the European Court of Justice. However, Article 15 of the Treaty on European Union (as amended by the Treaty of Nice) stipulates that "*Member States shall ensure that their national policies conform to the common positions.*" For this reason, some Member States, and

² EU Code of Conduct on Arms Exports. The established Czech translation does not accurately match the meaning, as the Code covers not just arms in the sense of weapons, but the whole area of military equipment.

the Czech Republic among them, took the implementation of the principles of Common Position 2008/944/CFSP³ into account as early as in 2009, when amending their national legislations.

In day-to-day business, the Ministry of Foreign Affairs did not register any significant change of the arms export control policy, as all export transactions had already been assessed using the criteria of the Code of Conduct before. However, there is no doubt the elevation of the status of the EU Code of Conduct in the arms export control to an EU Common Position and the implementation of its principles into national legislation have strengthened the Czech control system, increased its transparency, and provided for its full integration into the EU framework.

The basic principles of the common approach of the EU Member States defined by the eight criteria can be summarized as follows:

1. international commitments of EU Member States (sanctions imposed by the UN Security Council, EU/EC, OSCE, non-proliferation agreements etc.);
2. respect for human rights in the end-use country (Common Position 2008/944/CFSP also newly mentions respect for and observance of international humanitarian law);
3. internal situation in the end-use country;
4. preservation of regional peace, security and stability;
5. national security of Member States and territories that Member States are responsible for in external relations, as well as that of friendly and allied countries;
6. behaviour of the buyer country to the international community, in particular the former's attitude to terrorism;
7. a risk that the equipment will be diverted to other than the stated user within the buyer country, or re-exported under undesirable conditions;
8. compatibility of the exported equipment with technical and economic capabilities of the recipient country.

The above criteria, their full text, a commentary and recommended procedures for interpreting them, which are contained in the User's Guide, comprise a detailed description of the common approach to export policy in the area of conventional arms. In the Czech Republic every licence application is also assessed according to these criteria⁴.

The EU Member States have taken many steps within the COARM to achieve a uniform interpretation and to increase transparency in the area of export controls. Based on the obligations ensuing from the Code and the twelve Operative Provisions adopted together with the Code, the EU has started publishing Annual Reports on Arms Exports (8th Provision) and sharing practical

³ Many Member States (e.g. Germany) had incorporated criteria of the EU Code of Conduct into their national legislations even earlier.

⁴ In some cases, e.g. of criteria 3 and 7, it is difficult to define their territorial applicability. The Ministry of Foreign Affairs monitors the permeability of borders of, or boundaries of problematic areas within, particular countries. In most cases the logical unit to which restrictions are applied is a nation state.

information on the interpretation of the criteria of the Code and on denied license applications (3rd provision).

Effects of the third Operative Provision are probably the most significant reason of diplomatic correspondence among COARM members. The Member States notify all other members of denials of applications for military equipment export licenses (*denial notifications*) in a prescribed form. Because of a risk of their misuse to gain a business advantage, these notifications are treated as classified information.

The database of denials is regularly updated by the Council Secretariat, and authorities of EU Member States assessing licence applications use it to cross-check and find out whether another EU Member State has not assessed a similar case as being in conflict with the criteria of the Code. If it is found out that the database contains valid information on a prior denial of an "essentially identical transaction"⁵ by any other Member State, the state assessing the current licence application is obliged to consult it with the state that had previously rejected a similar transaction. If the consultation indeed confirms that the two transactions are "essentially identical", the current licence application is denied. If a licence is granted in spite of the fact that the consultation has confirmed the "essentially identical" character of the contemplated transaction (*undercutting*), the Member State granting it shall notify the others thereof and provide a detailed explanation of its procedure.

According to provisions of Article 15, Council Common Position 2008/944/CFSP ought to have been updated three years after its adoption, i.e. i.e. in 2011. However, the year 2011 only saw the beginning of preparations for the updating of the Common Position, and a final decision on any changes thereof cannot be expected earlier than in 2012.

2.1.2 User's Guide to the EU Code of Conduct

An important document that is produced by meetings of the COARM group is the User's Guide to Common Position 2008/944/CFSP. The text of the document has been updated on a regular basis since it was first published in 2003. In the first half of 2008, during the Slovenian Presidency, the User's Guide was supplemented by a short analysis of the technical capacity of end-users to make effective use of the supplied equipment (pages 70-71 of the English version of the text, the part interpreting the fifth criterion).

The User's Guide provides more precise rules of communication among the Member States, makes reference to the best practices in licensing, and gives a more detailed explanation of the criteria of Common Position 2008/944/CFSP, namely: 1 (*international commitments of EU Member States*), 2 (*respect for human rights in the end-use country*), 3 (*internal situation in the end-use country resulting from tension or an armed conflict*), 4 (*preservation of regional peace, security and stability*), 5 (*national security of Member States and territories that Member States are responsible for in*

⁵ The term "essentially identical transaction" generally denotes a transaction with the same end user and similar supplied equipment.

external relations, as well as that of friendly and allied countries), 6 (behaviour of the buyer country to the international community, in particular the former's attitude to terrorism), 7 (a risk that the equipment will be diverted to other than the stated user within the buyer country, or re-exported under undesirable conditions), and 8 (compatibility of the exported equipment with technical and economic capabilities of the recipient country). It also defines the manner in which Member States are expected to contribute to the EU Annual Reports prepared pursuant to and in accordance with Article 8 of Common Position 2008/944/CFSP.

The most difficult task associated with the preparation of the User's Guide is to strike a balance between a formulation encompassing all different aspects of each of the criteria and the need to apply the detailed formulation to specific cases in practice. The attitudes of Member States to the above issue differ; some advocate a comprehensive formulation, others prefer a briefer version. The Czech Republic is not opposed to the use of relatively complex and comprehensive formulations, but it is also aware of potential complications resulting from the increasing number of assessment aspects.

2.1.3 Activities Aimed at Strengthening Control Mechanisms of Other Countries

Many EU Member States, but also other countries with developed export control systems, are trying to support the control mechanisms of third countries in many different ways. These activities are bilateral or carried out through international organizations. In 2011, the European Union implemented a project based on Council Decision 2008/1012/CSFP and consisting of four seminars/workshops on the control of exports of conventional arms for three countries of the West Balkans region (Croatia, Montenegro, FYROM), as well as regional seminars attended by experts from EU Member States. There was also an ongoing political dialogue at the EU level on issues of exports of arms and military equipment with other countries, including Russia and the United States.

2.1.4 Position of the Czech Republic in the EU

The Czech Republic is actively involved in the system of common EU standards for the control of foreign trade in conventional arms. In accordance with the rules set forth in Council Common Position 2008/944/CFSP, the Czech Republic consults denial notifications issued by other EU Member States. Besides, there are ongoing informal consultations with partner states within the EU, both at meetings of the COARM working group and via telephone or email.

Although the cooperation within the COARM group is presently characterized by a sharing of fairly detailed information on licensing mechanisms and their practical applications, export policies of individual Member States continue to be different, just like their opinions on the EU's policy toward different parts of the world. These differences have historical roots or result from traditional

practices, but are also due to business opportunities and relationships which have arisen in the modern era.

The Czech Republic too has its own specific characteristics, which differentiate it from the other Member States. A comparison of exports from the Czech Republic and from the other countries which contributed to the 13th EU Annual Report for the year 2010⁶ indicates that there are destinations (in territories other than that of the EU and NATO member states), where the Czech Republic is a major exporter of military equipment from the EU in terms of the volume of exports⁷. These exports should be viewed in the context of the abovementioned specific characteristics of each of the EU Member States and reflecting business activities taking place in a given year rather than as an indication of any trends in foreign trade in military equipment.

More detailed information regarding the nature of the equipment supplied, broken down according to the EU list, can be found in the Thirteenth Annual Report of the EU, which was published in the Official Journal of the EU on December 30, 2011, under reference number 2011/C 9/01.

3. International Cooperation

A great deal of attention is likewise being given on a global level to the issue of the control of trade in – and generally transfers of – military equipment. It is therefore coming to the forefront of international cooperation among countries and is discussed at meetings of a number of international organizations. The volume of arms trading worldwide is growing. However, the greatest problem does not arise from legal exports to trustworthy state entities, but from arms sold to illegal non-state paramilitary entities, terrorist groups etc., as these lead to the general destabilization of the situation in certain regions – for example in Sub-Saharan Africa.

3.1 Arms Trade Treaty

The beginnings of the project of a global legally binding treaty to regulate trade in conventional arms date back to around 2003, when a coalition of non-governmental organizations launched the Control Arms Campaign calling for an Arms Trade Treaty (ATT). The objective of the campaign was to initiate discussion at international forums and to persuade the governments of as many countries as possible of the urgent need for such an instrument of control of international trade in military equipment. The main principles which the legally binding international treaty should include are as follows: the responsibility of each individual state; restrictions on transfers of arms in cases where such arms could be put to ill use to violate international law and to support organized crime and corruption, to jeopardize regional security, stability and sustainable development, or to violate international, regional or national commitments; transparency; and comprehensive controls.

⁶ European data on exports in 2011 was not available at the time of the preparation of the present Report.

⁷ The EU Report on export controls does not contain any data on exports from non-EU countries that are not bound by the EU Code of Conduct.

The Czech Republic supports the conclusion of the Arms Trade Treaty and is making efforts to help promote it at both bilateral and multilateral levels. At a session of the General Affairs Council in Luxembourg in October 2005, the European Union as a whole also declared its support for the concept of the ATT.

On 6 December 2006, the 61st meeting of the UN General Assembly passed Resolution No. 61/89 – “Towards an Arms Trade Treaty: Establishing a Common International Standard for the Import, Export and Transfer of Conventional Arms” with support from delegates of 153 countries. The Resolution also invited UN members to submit their opinions on a new international treaty regulating the trade in conventional arms. More than a hundred answers supporting the conclusion of the Arms Trade Treaty, naturally accentuating different aspects of its content, were received. The Czech Republic’s answer, produced in the framework of a coordinated approach of EU Member States, was included in a summary of national reports the UN Secretary General presented to the First Committee of the 62nd Session of the UN General Assembly in the autumn of 2007.

Throughout 2008, there were meetings of a 28-strong Group of Government Experts (GGE), which was expanded into an Open Ended Working Group (OEWG) in 2009, with a mandate to consider the objectives, scope of operation and parameters of the potential treaty. In 2009, the Czech Republic held the position of one of the vice-chairs of the OEWG. The difficult negotiations of the GGE and OEWG resulted in a compromise Final Report for the UN General Assembly, which opened a way for subsequent steps.

The mandate to convene the four-week Diplomatic Conference on the Arms Trade Treaty in 2012 was provided by UN General Assembly Resolution No. 64/48 of December 2, 2009 (literally: “*in the interest of supporting the purpose and objectives of the UN Charter, to establish the highest possible common international and universally applicable standard governing imports, exports and transfers of conventional arms*”). The OEWG was transformed into the ATT Preparatory Committee, which met in July 2010 and twice in 2011, late in February/early in March and again in July. The leader of the preparatory process is the Argentine ambassador R. G. Moritán, an experienced negotiator who submitted his own draft of the Arms Trade Treaty on July 14; although not yet discussed, not to speak of being approved as a basis for negotiations at the ATT Diplomatic Conference, it is the only coherent pre-concept of the future Arms Trade Treaty. The ATT Diplomatic Conference will be convened in New York on July 2 – July 27, 2012.

In the opinion of the Czech Republic, the Arms Trade Treaty should lay down legally binding regulations on trade in all conventional arms and their ammunition in all its forms, i.e. including re-export, transit, trans-shipment and brokering. The adoption of a powerful internationally binding legal instrument will make it possible to guarantee the legality and transparency of international arms trade.

By adopting Council Decision 2009/42/CFSP, “on support for EU activities in order to promote among third countries the process leading towards an Arms Trade Treaty, in the framework of the European

Security Strategy”, the European Union became actively involved in ATT preparations. Between 2009 and 2001, the European Union organized several regional and accompanying events in Geneva and New York. The preparations of the Arms Trade Treaty have become a standard item on the agenda of many bodies of the Council and the EU Commission.

3.2 UN Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects

An important platform of UN activities in the field of the control of small arms and light weapons (hereinafter "SALWs") is the *UN Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects* (hereinafter the “UN Programme of Action”). The UN Programme of Action was approved in 2001. The first conference assessing the implementation and progress of objectives of the international community in this area was held in 2006, the second one will take place in 2012. Every two years, there are a review of the progress in achieving the set objectives and an exchange of lessons learned the purpose of which is to strengthen implementation mechanisms. Every year, the UN Secretary General submits a report on small arms (together with a set of recommendations for the UN Security Council) to the General Assembly, and the latter routinely adopts resolutions named “Illicit Trade in Small Arms and Light Weapons in All Its Aspects” and “Assistance to States for Curbing the Illicit Traffic in Small Arms and Light Weapons and Collecting Them”.

One particular advantage and benefit of the UN Programme of Action is that it sets out specific obligations and mechanisms aimed at improving controls on SALWs which are to be implemented. These measures can be distinguished according to the level at which they are to be adopted - i.e. the national, regional or global levels. As to the *national* level, the measures include, *inter alia*, the adoption and implementation of legislative standards relating to: controls on the manufacturing, export and import of SALWs; maintaining records and monitoring the movements of SALWs; and destruction of surplus SALWs. The measures taken at the *regional* level are voluntary and their primary objective is to increase mutual transparency. They may also include regionally binding moratoria on the manufacture, import and export of SALWs in order to prevent their undesirable accumulation in a given region or area. The primary objective of the measures taken at the *global* level is to promote cooperation in combating illicit arms trade.

All the measures listed above are a part of efforts of the international community to avert conflicts in which SALWs are misused, and to resolve such conflicts. The primary measures involved include demobilization, demilitarization, disarmament and reintegration projects for ex-combatants. Naturally, a key element of these efforts is the destruction of SALWs in conflict-affected areas.

One of the components of the implementation of the UN Programme of Action was the adoption in 2005 of a politically binding document named “International Instrument to Enable States to Identify

and Trace, in a Timely and Reliable Manner, Illicit Small Arms and Light Weapons” (shortened to “International Tracing Instrument- ITI”).

The European Union supports the UN Programme of Action through projects of cooperation based on specific decisions of the Council. One of the EU's measures in relation to the illicit proliferation of SALWs is a clause prohibiting the illicit accumulation and proliferation of small arms and light weapons. As of December 8, 2008, this clause has been a binding component of international agreements between the EU and third countries. Joint Actions of the Council represent another way of dealing with the issue of preventing the illicit trafficking of SALWs by air and newly also by sea.

As far as the implementation of the UN Programme of Action is concerned, the Czech Republic has been actively participating in the efforts of the international community to prevent illicit trafficking and uncontrolled proliferation and accumulation of SALWs. At the national level, this translates into a strengthening of legislative standards regulating the possession, carrying and registration of SALWs; controls on the manufacture, exports, imports, transit and transfer of SALWs in order to prevent illegal activities, including legal sanctions; marking of arms at their points of manufacture and import; maintenance of records; and destruction of surplus SALWs. At the regional and global levels, the Czech Republic has joined the EU initiatives; in addition, it kept supporting the activities of the United Nations Office for Disarmament Affairs (UNODA) by making a voluntary contribution that was used to fund a UNODA seminar on the implementation of the International Tracing Instrument for participants from West African nations, which took place in the Czech Republic between September 14 and 18, 2009.

3.3 Cluster Munitions

The use of cluster munitions presents great humanitarian risks. Containers dropped out of aircraft or launched from the ground contain relatively large quantities of explosive sub-munitions (bomblets), which explode before, upon or after hitting the ground. As a weapon with a great effective range, cluster munitions do not discriminate between combatants and civilians when improperly used. Up to 25% of cluster munitions fail to explode on impact, which means its effect then becomes similar to that of an anti-personnel mine, even when the conflict is over. The sub-munitions have an appearance appealing to children (generally resembling a shiny round jingle bell), and explode either unpredictably or upon contact, for example during farm work.

The February 2007 Conference on Cluster Munitions held in Oslo marked the beginning of the so-called “Oslo Process”. Altogether 46 countries (including the Czech Republic and 20 other EU Member States) agreed to conclude, by the end of 2008, a legally binding international instrument that would prohibit the use, production, movement and storage of cluster munitions.

The Convention on Cluster Munitions (CCM) was agreed upon in Dublin on May 30, 2008, and ceremonially opened for signature in Oslo on December 3, 2008. Over a hundred countries signed the CCM on the spot, including the Czech Republic represented by Minister of Foreign Affairs

Karel Schwarzenberg. The CCM entered into force on August 1, 2010, and had 68 States Parties by the end of 2011. The Czech Republic ratified the Convention and deposited the instruments of ratification with the depositary in September 2011 and will become a State Party of CCM as of March 1, 2012. In accordance with the Czech Republic's commitments under the Convention, the Armed Forces of the Czech decommissioned the cluster munitions in their inventory and destroyed their remaining stocks of Soviet-made cluster munitions in 2010.

The conclusion of the CCM outside the United Nations was a reaction to lengthy negotiations concerning a new cluster munitions reduction protocol (Protocol VI) to the Convention on Certain Conventional Weapons (CCW) under the auspices of the United Nations. Its too stringent requirements, namely an absolute ban of cluster munitions, dissuaded the principal users and manufacturers of this type of ordnance from signing it. The Convention thus covers just a small portion of global stocks and inventories of cluster munitions (approximately 10%), and an obsolete portion at that. It was also for this reason that negotiations concerning Protocol VI to the Convention on Certain Conventional Weapons continued in Geneva. However, these negotiations crashed, in spite of the best efforts of the participants, in the end of 2011, and there is hardly any hope the process will be resumed in the foreseeable future. To a great extent, the failure was due to difficult issues of compatibility and complementarity of two international instruments stipulating different requirements, but dealing with the same subject matter.

4. International Control Regimes

Just like other developed industrial countries, the Czech Republic too is an active participant in all the important international control regimes covering foreign trade in military equipment, technologies and dual-use items which are applicable to it.

The security risks which the Czech Republic seeks to eliminate in this way at the global level arise mainly from potential proliferation of weapons of mass destruction and dual-use items, excessive accumulation of conventional arms in some countries or regions, and use of weapons by terrorists.

In terms of their focus, the international control regimes can be divided as follows:

- *The Zangger Committee* and the *Nuclear Suppliers Group*⁸ in the field of non-proliferation of nuclear weapons,
- *The Australia Group* in the field of non-proliferation of chemical and biological weapons,
- *The Missile Technology Control Regime* in the field of missile delivery systems for weapons of mass destruction⁹,
- *The Wassenaar Arrangement* in the field of conventional arms and dual-use items and technologies.

⁸ Nuclear Suppliers Group (NSG)

⁹ Missile Technology Control Regime (MTCR). The related Hague Code of Conduct (HCOC) is a political document which was adopted in 2002 and which defines measures for building mutual trust in this area.

While the activities of most of the international control regimes listed above are not derived from international treaties (an exception being the Zangger Committee, whose role is derived from the *Treaty on the Non-Proliferation of Nuclear Weapons*), they are nonetheless focused on consistent performance of obligations of the participating countries under legally binding international agreements of the UN relating to the ban on and/or non-proliferation of weapons of mass destruction¹⁰. In this respect, the international control regimes effectively complement and reinforce the system of the UN instruments referred to above. The Arms Trade Treaty, which is currently being drafted at the UN, may result in further improvements in this field¹¹.

As said above, the trade in nuclear, chemical and biological weapons and means of their delivery is prohibited under Act No. 38/1994 Coll. in the Czech Republic¹². A directly related issue is the control of exports of dual-use items, which forms part of the work of the abovementioned international control regimes. In the Czech Republic, exports of all items falling under the international control regimes are controlled in accordance with Council Regulation (EC) No. 428/2009 of May 5, 2009, setting up a Community regime for the control of exports, transfer, brokering and transit of dual-use items (which entered into force on August 27, 2009, fully superseding Council Regulation (EC) No. 1334/2000), and in accordance with Act No. 594/2004 Coll., implementing the European Community regime for the control of exports of dual-use items and technologies. With the exception of the Wassenaar Arrangement, the activities of the Czech Republic in these international control regimes have no direct impact on Czech foreign trade in military equipment, and for the most part remain in the area of diplomacy and prevention¹³.

The proliferation of weapons of mass destruction is not the only problem connected with military equipment. Small arms and light weapons kill unacceptably large numbers of civilians worldwide, and the global community is becoming increasingly concerned about and aware of this issue. The danger posed by transfers of small arms and light weapons to non-state actors has been demonstrated by examples of the use of man-portable surface-to-air systems against civilian aircraft.

True to its policy, the Czech Republic is also actively involved in existing control regimes in the area of small arms and light weapons, and advocates the global enforcement of stricter controls, similar to those by which the Czech Republic itself is bound.

As mentioned above, the global control regimes include bodies focusing on specific types of weapons, most often on weapons of mass destruction. The only similar global level initiative focused solely on small arms and light weapons - although limited to illicit trade in them - is the "UN Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light

¹⁰ An important document in this context is United Nations Security Council Resolution No. 1540 (2004), on the non-proliferation of weapons of mass destruction (WMD) to non-state actors.

¹¹ See Chapter 3.1.

¹² "Trade in military equipment may not involve weapons of mass destruction, meaning specifically nuclear, chemical and biological weapons." Section 4 of Act No. 38/1994 Coll.

¹³ As to chemical weapons, a possible impact of the international control regimes on Czech foreign trade cannot be ruled out. The issue of the proliferation of weapons of mass destruction is rather more closely related to the issue of dual-use items than to that of military equipment.

Weapons in All Its Aspects" referred to above. An alternative to the creation of additional special regimes for small arms and light weapons is an increased emphasis placed on this type of equipment in control regimes with a broader focus, whether at the regional¹⁴ or global levels¹⁵.

Wassenaar Arrangement - WA (*The Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies*)

The Wassenaar Arrangement (WA) on Export Controls for Conventional Arms and Dual-Use Goods and Technologies was established in 1995 as a control group of countries focusing their attention on a wide range of conventional weapons and dual-use items, i.e. items intended primarily for use in industry, but also capable of being used for the production of conventional weapons.

as well as the exchange of specific information on particular transfers of such items and on denials of licence applications for non-member countries. The essence of activities carried out by the WA is a specific system of international exchange and sharing of information on general aspects of international trade in strategic goods, such as global trends in the arms trade, security situation in certain regions, suspicious acquisition patterns of certain countries, suspicious projects or businesses operating in certain countries etc., as well as reports containing information on specific transfers of such items to non-WA countries or on denied applications for export licenses applications involving non-WA countries. The Wassenaar Arrangement is continuously updating its lists of controlled items, expanding the set of its key documents (*WA Initial Elements*), criteria and best practice rules in order to keep abreast of technological progress and geopolitical changes. Although the WA tools mentioned above are not of a binding nature and there are just 41 participating countries (*Note: Mexico joined the Wassenaar Arrangement on January 21, 2012, as the 41st country*), the organization, through developing relations with non-WA countries, succeeds in expanding its geographic and material (in terms of the number of controlled items) coverage, and thus the scope of practical applications of its tools.

5. International Arms Embargoes

The Czech Republic respects all arms embargoes¹⁶ imposed by the UN, the EU and the Organization for Security and Cooperation in Europe (even though the measures announced by the OSCE are not mandatory). It also actively participates in the formulation and updating of such embargoes in the framework of all the international organizations mentioned above.

The list of countries subject to partial or complete international embargoes and the scopes of different embargoes change continuously in the course of the year, depending on relevant UN

¹⁴ Aside from the EU mechanism for the control of arms exports described above (Common Position 2008/944/CFSP), other examples of regional cooperation in controlling arms transfers include the Nairobi Protocol and similar initiatives in the framework of MERCOSUR, OSCE or CARICOM.

¹⁵ Apart from the Wassenaar Arrangement, the main example is the currently prepared Arms Trade Treaty.

¹⁶ The present Report does not contain any information on restrictive measures in the fields of dual-use items and instruments of torture.

Security Council Resolutions (“UNSCR”), EU Council Common Positions (“CP”) or decisions of other potential parties.

As a rule, texts of embargoes describe the equipment and/or materiel the embargoes apply to, and the area or end-users that they are directed against. The equipment and/or materiel is often described in very broad terms, such as “arms and related materiel”; in some cases, the embargoes apply to heavy equipment¹⁷, or, conversely, light firearms¹⁸. As far as the embargoes are concerned, undesirable end-users may include, for example, governments of nation states (e.g. the EU embargo against Burma/Myanmar), or nongovernmental armed militias operating in a certain territory (e.g. the embargo against Lebanon). Relevant UNSC resolutions or Council Common Position 2008/944/CFSP generally provide for exemptions from the embargoes, allowing supplies to peace-keeping or –enforcing missions or to security personnel protecting the embassies of EU countries.

The European Union applies full-scale embargoes with minimal exceptions to the *Democratic People’s Republic of Korea, Burma/Myanmar, Iran, the Sudan and Zimbabwe, newly also Syria and Belorussia*. EU embargoes imposed on *Iraq, Democratic Republic of the Congo, Liberia, Libya, Ivory Coast, Somalia and the Republic of South Sudan* permit only deliveries to international missions operating in these countries, and in some cases also to their central governments.

The restrictive measures applying to *Lebanon* limit supplies to transactions approved by the Lebanese government. The EU’s Madrid Declaration of June 27, 1989, which imposed an embargo on *China* shortly after the events on Tiananmen Square, explicitly declares a ban on the export of weapons which can be misused for the suppression of human rights. The embargo against the forces engaged in the Nagorno-Karabakh conflict is interpreted by the EU as an embargo against *Armenia* and *Azerbaijan*. A special control regime is applied by member countries of ECOWAS among themselves (i.e. in the region of West Africa). The regime covers small arms and light weapons, or, where applicable, other selected types of military equipment and materiel. The Czech Republic supports the application of the control regime, and any deliveries to the ECOWAS countries must be supported by appropriate documentation.

Specific examples of restrictive measures are *bans on supplies to terrorist groups* and the *ban on the trade in anti-personnel mines and cluster munitions*, which is in force in the Czech Republic¹⁹.

A list of restrictions presently in force is available at:

http://www.mfcr.cz/cps/rde/xchg/mfcr/xsl/leg_mezinarod_sankci.html

¹⁷ The UN term “heavy equipment” denotes weapons in the UN’s UNROCA register. Such UN embargoes restrict imports to Iran and Democratic People’s Republic of Korea.

¹⁸ E.g. the ECOWAS moratorium.

¹⁹ See Chapter 3.3.

6. List of Annexes

Annex No. 1

Specifications of items on the List of Military Equipment (LME) valid as of October 1, 2009

Annex No. 2

Licenses granted and utilized for exports (sales) of military equipment in 2011

Annex No. 3

Shares of items on the List of Military Equipment in the utilization of export licenses in 2011

Annex No. 4

Exports (sales) of some military equipment items to foreign entities in 2011

Annex No. 5

Exports (sales) of military equipment between 2003 and 2011 by the end-use country

Annex No. 6

Exports of military equipment – sales to foreign entities between 1994 and 2011

Annex No. 7

Licenses granted and utilized for imports (purchases) of military equipment in 2011

Annex No. 8

Shares of items on the List of Military Equipment in the utilization of import licenses in 2011

Annex No. 9

Imports (purchases) of some military equipment items from foreign entities in 2011

Annex No. 10

Imports of military equipment – purchases from foreign entities between 1994 and 2011

Annex No. 11

Licenses granted and utilized for imports and subsequent exports of military equipment in 2011

Annex No. 12

Imports and subsequent exports (brokering) of military equipment to foreign entities in 2011

Annex No. 13

Authorizations to deal in foreign trade in military equipment in 2011

Annex No. 14

Licenses for transactions in the field of foreign trade in military equipment

LME Military Equipment Categories		LME Code according to Decree No.332/2009 Coll.
Smooth-bore weapons with a calibre of 20 mm, and rifled-barrel weapons with a calibre of 12.7 mm or smaller	1	
services		
Smooth-bore weapons with a calibre larger than 20 mm, other weapons with a calibre larger than 12.7 mm	2	
services		
Ammunition, fuze setting devices and components for weapons falling under LME Codes 1, 2 and 12	3	
services		
Mines, bombs, torpedoes, rockets, missiles, explosive devices, charges and their components	4	
services		
Fire control equipment, alarms and warning devices, testing equipment	5	
services		
Ground vehicles and their specifically designed components	6	
services		
Chemical and biological toxic substances, radioactive materials and related equipment	7	
services		
Energy-releasing substances (explosives and related propellants)	8	
services		
War vessels, naval armament, gear and equipment, and accessories	9	
services		
Aircraft, lighter-than-air aircraft, unmanned aerial vehicles	10	
services		
Electronic devices specifically designed for military applications and their components	11	
services		
Kinetic energy weapons systems and their specifically designed components	12	
services		
Armour or protective equipment, its designs and components	13	
services		
Equipment for military training and simulation of military operations and its components	14	
services		
Imaging equipment (infra-red, image-intensifying and recording), special notebooks	15	
services		
Forgings, castings and semi-finished products for products falling under LME Codes 1 to 4, 6, 9, 10, 12 and 19	16	
services		
Equipment, materials and “libraries” of technical documentation	17	
services		
Production equipment for the manufacture of products on the LME	18	
services		
Directed-energy weapon systems	19	
services		
Cryogenic and “supraconductive” devices	20	
services		
Software	21	
services		
Technologies for the manufacture of products on the LME	22	
services		

Licenses granted and utilized for exports (sales) of military equipment in 2011*)

Export - country	Number of licenses	Licenses granted	Value EUR 1,000	Licenses utilized	Utilized EUR 1,000
		Principal items of military equipment (LME)		Principal items of military equipment (LME)	
North Africa	18	6,10	26 882	10,6,3,22	20 941
Algeria	12	6,10	24 685	10,6,3,22	20 130
Tunisia	6	10	2 197	10	811
Sub-Saharan Africa	29	10,1,3,6,8	5 020	3,10,6,1	1 719
Ethiopia	4	1,10	973	10	200
Gabon	1	3	472	3	439
Ghana	1	10	63	10	59
South Africa	4	8,6,10	37	6,10	14
Cameroon	2	3	360	3	641
Kenya	7	1,3	247	1,3	66
Mauritania	1	3	5	3,1	2
Namibia	1	1	22		0
Nigeria	5	10	2 738	10	176
Equatorial Guinea	1	6	81	6	70
Uganda	1	10	8	10	8
Zambia	1	3	14	3	44
North America	74	10,3,1,8,14,6,11,4	66 743	10,3,1,14,6,22,11,4,8,2	14 816
Canada	10	3,1,10	4 096	3,1,10,2	1 406
United States	64	10,3,1,8,14,6,11,4	62 647	10,14,6,1,3,22,11,4,8,2	13 410
Central America and the Caribbean	16	3,1,10	971	1,3,13,2	549
Costa Rica	5	3,1	140	3,1	97
Mexico	9	3,1,10	721	1,13,2	363
Nicaragua	1	1	11	1	20
Panama	1	3	99	3	62
El Salvador	0		0	1	7

Export - country	Number of licenses	Licenses granted	Value EUR 1,000	Licenses utilized	Utilized EUR 1,000
		Principal items of military equipment (LME)		Principal items of military equipment (LME)	
South America	15	3,6,1,18	972	3,6,1	722
Brazil	10	6,1,18	499	6,3,1	562
Ecuador	1	3	183		0
Chile	3	3,1	184	3	152
Paraguay	0		0	1	8
Peru	1	1	106		0
Central Asia	4	10,7,4	291	10,7,4	282
Kazakhstan	2	7,4	83	7,4	83
Uzbekistan	2	10	208	10	199
Northeast Asia	14	10,3,18,1,11	328	10,18,3,1,11	495
China	5	10,18	204	10,18	383
Hong Kong	4	1	12	1	11
Republic of Korea	2	11,18	4	18,11	44
Macao	1	3	8	3	29
Mongolia	2	3	100	3,1	28
Southeast Asia	123	1,10,3,11,6,8,14,18,15	14 734	1,10,11,3,6,14,8,15,18,2	15 929
The Philippines	4	1	215	1	209
Indonesia	14	11,6,8,1,3	2 038	11,6,8,1,3	1 860
Malaysia	4	3,1	627	1	2
Singapore	2		0	2	0
Thailand	84	1,10,3	10 401	1,10,3,11	9 750
Vietnam	15	10,1,14,11,18,15	1 453	11,10,1,14,15,18	4 108
South Asia	78	6,10,11,3,18,4,1,14,7	23 666	6,10,2,3,18,22,1,11,14,7	21 548
Afghanistan	9	10,3,1	5 633	10,2,3,1	2 734
Bangladesh	24	10,4,11	2 268	10,11	2 273
India	25	6,18,7	10 659	6,18,7	12 464
Pakistan	13	11,10,18,14,6	4 819	10,18,22,14,11	4 009
Sri Lanka	7	10,6	287	10,6	68

Export - country	Number of licenses	Licenses granted	Value EUR 1,000	Licenses utilized	Utilized EUR 1,000
		Principal items of military equipment (LME)		Principal items of military equipment (LME)	
European Union	521	6,10,3,4,8,5,11,13,1,7,14,16,2,17,18,22,15	159 131	6,10,3,11,5,14,8,4,13,17,16,18,7,2,1,22,15,21	73 553
Belgium	13	8,3,1	4 020	8,3,4,1	1 713
Bulgaria	16	4,14,10,2,6,11,3,1	8 224	3,6,10,2,4,11,1	2 244
Denmark	8	3,18,6	161	3,18,6,1	304
Estonia	8	10,7,1,13	648	11,10,7,1,13	117
Finland	5	18,3,1	219	18,3,1	198
France	28	6,10,8,1,18,4,3	803	10,6,8,4,18,3,1	1 184
Italy	15	10,3,8,1,6	8 521	10,3,8,1,6	7 410
Lithuania	10	8,10,4,1	1 137	8,11,10,3,1	1 019
Latvia	3	10	26	10,1	48
Luxembourg	6	3,11,1	7 658	3,4,1	2 656
Hungary	9	8,3,10,4,1	738	10,8,5,6,1	1 291
Malta	9	1	117	1	45
Germany	65	3,10,16,5,6,8,1,18,17,7,4,2	15 201	11,3,16,10,14,5,6,18,1,8,17,7,4,2	5 990
The Netherlands	11	18,7,10,1,4	323	18,7,4,1,13,10	275
Poland	115	6,10,11,4,3,1,14,8,18,2	17 199	6,10,11,4,3,8,18,14,2,22,1	12 309
Portugal	5	3,7	301	3,7	300
Austria	8	6,5,7,1	66 068	6,3,5,14,11,17,15,7,1,22	23 278
Romania	11	3,10	366	3,10	341
Greece	2	3	484		0
Slovakia	115	4,6,10,13,3,17,11,1,7,22,8,2,5,15	16 388	6,10,13,7,4,22,11,1,3,2,5,18,8	8 143
Slovenia	5	6,1,7,8	65	11,6,1,7,8,21,2	85
Spain	8	3,1,10	363	10,1,3	544
Sweden	14	10,3,8,1	2 590	10,3,14,8,1	3 061
United Kingdom	32	10,8,3,6,11,18,1	7 511	10,6,11,8,3,18,13	998
Other European countries	85	6,10,2,3,1,18,14,4,11,5,7,17,15,8	24 362	6,10,14,3,18,17,1,11,4,7,5,15,8,2,16	14 024
Albania	1	3	65	3	64
Azerbaijan	0		0	10,17	2 542

Export - country	Number of licenses	Licenses granted	Value EUR 1,000	Licenses utilized	Utilized EUR 1,000
		Principal items of military equipment (LME)		Principal items of military equipment (LME)	
Bosnia and Herzegovina	1	1	53		0
Montenegro	2	7	34	7	35
Georgia	1	6	7 880	6	3 464
Croatia	5	3	298	3,11	287
Moldova	4	1	131	1	113
Norway	3	6,3,18	927	6,3,18	704
Russian Federation	11	10,11,2,8	4 087	10,11,2,8	1 207
Serbia	5	4,18,11	571	18,11,4,10	366
Switzerland	22	10,14,5,17,1,8,6	2 494	10,14,5,17,1,8,3,7	2 668
Turkey	11	3,6,15,18,8	910	3,15,18,8	95
Ukraine	19	6,2,1,10,3,18,11	6 912	6,10,18,3,11,1,16,2	2 479
Middle East	107	6,3,4,15,2,1,8,7,18,10,11,17,13	23 173	6,3,15,4,8,11,7,18,1,10,17,13,2	18 827
Egypt	13	3,6,1,7,18,10	6 630	3,6,11,7,18,10,1,2	4 477
Iraq	1		0	1	0
Israel	37	15,6,3,18,17,11,10,13	2 251	15,6,18,3,11,17,10,13	2 601
Yemen	6	2,3,6	2 526	6	1 749
Jordan	12	3,6,1	1 111	3,1,6	472
Qatar	1		0		0
Kuwait	3	8	77	8	76
Oman	3	3,8	50	8	2
Saudi Arabia	5	4,8,7,11	3 315	3,4,8,7,11	4 637
United Arab Emirates	26	6,10,11,1	7 213	6,3,11,10,1	4 813
Australia and Oceania	8	4,1	65	1	18
Australia	4	4,1	50	1	5
New Zealand	4	1	15	1	13
Total	1 092	6,10,3,1,4,11,8,2,5,14,18,7,13,15,16,17,22	346 338	6,10,3,1,11,14,5,8,4,18,13,15,17,2,7,16,22,21	183 423

*) The utilized licenses also include licenses granted in previous years.

**Shares of items on the List of Military Equipment in the utilization
of export licenses in 2011 *)**

Country	Share %	LME in %	LME in %	LME in %	LME in %
Austria	12.70	LME 6 - 46	LME 3 - 24	LME 5 - 12	LME 14 - 9
Algeria	10.98	LME 10 - 54	LME 6 - 45		
United States	7.32	LME 10 - 79	LME 14 - 6	LME 6 - 5	
India	6.80	LME 6 - 99			
Poland	6.72	LME 6 - 42	LME 10 - 19	LME 11 - 16	LME 3 - 9
Thailand	5.32	LME 1 - 75	LME 10 - 16	LME 3 - 9	
Slovakia	4.44	LME 6 - 36	LME 10 - 25	LME 13 - 19	
Italy	4.04	LME 10 - 83	LME 3 - 13		
Germany	3.27	LME 11 - 30	LME 3 - 17	LME 16 - 14	LME 14 - 12
United Arab Emirates	2.63	LME 6 - 93	LME 3 - 5		
Saudi Arabia	2.53	LME 3 - 76	LME 4 - 12	LME 8 - 9	
Egypt	2.45	LME 3 - 63	LME 6 - 27	LME 11 - 6	
Vietnam	2.24	LME 11 - 41	LME 10 - 28	LME 1 - 26	
Pakistan	2.19	LME 10 - 85	LME 18 - 11		
Georgia	1.89	LME 6 - 100			
Sweden	1.67	LME 10 - 77	LME 3 - 18		
Afghanistan	1.50	LME 10 - 49	LME 2 - 24	LME 3 - 23	
Switzerland	1.46	LME 10 - 70	LME 14 - 26		
Luxembourg	1.45	LME 3 - 96			
Israel	1.42	LME 15 - 52	LME 6 - 41		
Azerbaijan	1.39	LME 10 - 93	LME 17 - 7		
Ukraine	1.36	LME 6 - 86	LME 10 - 7		
Bangladesh	1.24	LME 10 - 98			
Bulgaria	1.23	LME 3 - 48	LME 6 - 16	LME 10 - 15	LME 2 - 14
Indonesia	1.02	LME 11 - 52	LME 6 - 42		
Yemen	0.96	LME 6 - 100			
Belgium	0.94	LME 8 - 55	LME 3 - 43		
Canada	0.77	LME 3 - 69	LME 1 - 29		
Hungary	0.71	LME 10 - 62	LME 8 - 23	LME 5 - 9	LME 6 - 5
Russian Federation	0.66	LME 10 - 98			
France	0.65	LME 10 - 40	LME 6 - 38	LME 8 - 10	LME 4 - 5
Lithuania	0.56	LME 8 - 34	LME 10 - 23	LME 11 - 23	LME 3 - 19
United Kingdom	0.55	LME 10 - 68	LME 6 - 11	LME 11 - 8	LME 8 - 7
Tunisia	0.45	LME 10 - 100			
Norway	0.39	LME 6 - 76	LME 3 - 20		
Cameroon	0.35	LME 3 - 100			
Brazil	0.31	LME 6 - 53	LME 3 - 35	LME 1 - 12	
Spain	0.30	LME 10 - 99			
Jordan	0.26	LME 3 - 64	LME 1 - 23	LME 6 - 13	
Gabon	0.24	LME 3 - 100			
China	0.21	LME 10 - 82	LME 18 - 18		
Serbia	0.20	LME 18 - 62	LME 11 - 20	LME 4 - 16	
Mexico	0.20	LME 1 - 66	LME 13 - 34		

Country	Share %	LME in %	LME in %	LME in %	LME in %
Romania	0.19	LME 3 - 62	LME 10 - 38		
Denmark	0.17	LME 3 - 82	LME 18 - 13	LME 6 - 6	
Portugal	0.17	LME 3 - 94	LME 7 - 6		
Croatia	0.16	LME 3 - 99			
The Netherlands	0.15	LME 18 - 47	LME 7 - 28	LME 4 - 19	LME 1 - 5
The Philippines	0.12	LME 1 - 100			
Ethiopia	0.11	LME 10 - 100			
Uzbekistan	0.11	LME 10 - 100			
Finland	0.11	LME 18 - 80	LME 3 - 19		
Nigeria	0.10	LME 10 - 100			
Chile	0.09	LME 3 - 100			
Estonia	0.07	LME 11 - 41	LME 10 - 34	LME 7 - 22	
Moldova	0.07	LME 1 - 100			
Costa Rica	0.06	LME 3 - 74	LME 1 - 26		
Turkey	0.06	LME 3 - 50	LME 15 - 28	LME 18 - 22	
Slovenia	0.05	LME 11 - 50	LME 6 - 35	LME 1 - 7	LME 7 - 5
Kazakhstan	0.05	LME 7 - 77	LME 4 - 23		
Kuwait	0.05	LME 8 - 100			
Equatorial Guinea	0.04	LME 6 - 100			
Sri Lanka	0.04	LME 10 - 52	LME 6 - 48		
Kenya	0.04	LME 1 - 96			
Albania	0.04	LME 3 - 100			
Panama	0.04	LME 3 - 100			
Ghana	0.04	LME 10 - 100			
Latvia	0.03	LME 10 - 54	LME 1 - 46		
Malta	0.03	LME 1 - 100			
Zambia	0.03	LME 3 - 100			
Republic of Korea	0.03	LME 18 - 94	LME 11 - 6		
Montenegro	0.02	LME 7 - 100			
Macao	0.02	LME 3 - 100			
Mongolia	0.02	LME 3 - 53	LME 1 - 47		
Nicaragua	0.02	LME 1 - 100			
South Africa	0.01	LME 6 - 81	LME 10 - 19		
New Zealand	0.01	LME 1 - 100			
Hong Kong	0.01	LME 1 - 100			
Uganda	0.01	LME 10 - 100			
Paraguay	0.01	LME 1 - 100			
El Salvador	0.01	LME 1 - 100			
Australia	0.01	LME 1 - 100			
Mauritania	0.01	LME 3 - 100			
Malaysia	0.01	LME 1 - 100			
Oman	0.01	LME 8 - 100			

*) including exports effected as part of brokering arrangements (import/export licenses)

Exports (sales) of some military equipment items to foreign entities in 2011

Military equipment (examples)	Qty total	Countries (most important)
Revolvers and pistols	26 408	
<i>CZ 75, CZ 2075 RAMI, CZ 97, CZ 92, CZ 85, pistol CZ 52, P-07 DUTY, CZ Skorpion 61, Star B, CZ 50/70, GLOCK 34 a COP, CZ 83, CZ 75 BD POLICE a CZ 85 B Luger, Kevin</i>		Thailand, United States, Jordan, Brazil, Moldova, Mexico, Costa Rica, Nicaragua
Rifles and carbines	3 985	
<i>CZ 858 Tactical semi-automatic rifle, Mauser rifle, M1 semi-automatic rifle, repeating and semi-automatic rifles</i>		Canada, The Philippines, Spain, Slovakia, Slovenia, The Netherlands, Latvia, Malta
Submachine guns	2 270	
<i>Model 26 and Model 61 submachine guns, Sudayev PPS-43, Thompson, Beretta, AKS 74 U, Škorpion Model 61 automatic submachine gun</i>		Austria, Thailand, Slovakia, Germany, Malta, Luxembourg
Automatic rifles	539	
<i>Model 58 automatic assault rifle/submachine gun, CZ 805 BREN A2 automatic assault rifle</i>		Kenya, Belgium, Poland, Canada, New Zealand, United States
Light machine guns	612	
<i>PKT, DShK-M Model 38/46, DShK(M), DShK, UK-59 machine guns</i>		Vietnam, Afghanistan, United States, Poland, Malta
Heavy machine guns	83	
<i>KPVT machine gun</i>		Bulgaria, United States
Tanks	48	
<i>2S1 GVOZDIKA 122 mm self-propelled howitzer turret assembly</i>		Ukraine
Armoured fighting vehicles	0	
Large-calibre artillery systems	24	
<i>2S1 self-propelled howitzer, Model 37 towed howitzer</i>		Bulgaria, Slovenia
Rockets and missiles, man-portable anti-tank guided missile launchers	802	
<i>RPG-7V rocket-propelled grenade launcher, RPG 7 grenade launcher</i>		Afghanistan, Bulgaria, Egypt
Fixed-wing and rotary-wing aircraft	1	
<i>L-159 light combat aircraft/jet trainer</i>		Hungary

In addition, other pieces of equipment modified as collector's items, including a D-44 85 mm divisional gun, a T-72 tank chassis, a T-72 tank with a 125 mm main gun, a BRDM-2 armoured personnel carrier, an unarmed OT-90 infantry fighting vehicle, a BMP-1 infantry fighting vehicle, a DANA Model 77 152 mm self-propelled cannon howitzer and a MIG-21F13 fighter, were exported.

Exports (sales) of military equipment between 2003 and 2011 by the end-use country

2011	2010	2009	2008	2007	2006	2005	2004	2003
------	------	------	------	------	------	------	------	------

Indicative value, EUR 1,000

North Africa	20 941	9 493	7 717	17 791	14 650	7 096	3 470	6 043	19 659
Algeria	20 130	8 961	6 651	17 221	9 339	2 213	2 265	5 292	17 491
Libya	0	13	0	383	2 233	712	0	0	0
Morocco	0	0	0	0	0	0	362	199	0
Tunisia	811	519	1 066	187	3 078	4 171	843	552	2 168
Sub-Saharan Africa	1 719	1 315	9 439	9 394	11 434	1 581	1 683	1 051	2 188
Angola	0	0	0	0	0	0	304	0	0
Chad	0	0	0	0	0	0	3	0	0
Ethiopia	200	754	6 980	2 432	7 334	1 015	839	709	307
Gabon	439	0	0	0	0	0	0	0	0
Ghana	59	0	0	0	135	0	0	0	0
South Africa	14	2	0	26	160	0	0	81	0
Cameroon	641	0	2 002	106	0	0	0	0	0
Cape Verde	0	0	7	4	2	0	5	0	0
Kenya	66	29	0	0	0	0	0	222	733
Democratic Republic of the Congo	0	0	0	0	0	0	0	0	992
Madagascar	0	0	0	0	37	0	0	0	0
Malawi	0	0	0	0	0	0	0	1	0
Mali		181	0	0	0	3	422	0	0
Mauritania	2	6	0	0	0	0	0	0	0
Namibia		148	0	0	0	0	0	0	0
Nigeria	176	118	446	6 532	1 736	539	110	38	156
Equatorial Guinea	70	42	4	0	2 030	0	0	0	0
The Sudan	0	0	0	294	0	0	0	0	0
Togo	0	35	0	0	0	0	0	0	0
Uganda	8	0	0	0	0	0	0	0	0
Zambia	44	0	0	0	0	24	0	0	0

2011	2010	2009	2008	2007	2006	2005	2004	2003
------	------	------	------	------	------	------	------	------

Indicative value, EUR 1,000

North America	14 816	12 430	10 305	10 801	10 636	9 433	13 215	4 668	5 429
Canada	1 406	551	539	433	410	96	207	110	467
United States	13 410	11 879	9 766	10 368	10 226	9 337	13 008	4 558	4 962
Central America and the Caribbean	549	2 735	1 196	3 156	798	221	1 450	212	281
Dominican Republic	0	0	0	0	0	0	33	0	0
Haiti	0	0	0	57	0	0	0	0	0
Honduras	0	0	0	168	0	0	0	0	0
Costa Rica	97	153	4	3	0	0	0	0	0
Mexico	363	2 485	1 192	2 928	533	221	1 333	212	281
Nicaragua	20	0	0	0	0	0	0	0	0
Panama	62	97	0	0	265	0	0	0	0
El Salvador	7	0	0	0	0	0	0	0	0
Trinidad and Tobago	0	0	0	0	0	0	84	0	0
South America	722	517	7 560	1 192	563	1 208	1 907	1 505	615
Brazil	562	401	6 358	75	64	0	0	0	0
Ecuador	0	0	1 015	0	0	68	63	0	0
Chile	152	91	7	87	62	3		1	243
Colombia	0	0	176	815	251	438	1 733	1 424	372
Paraguay	8	0	0	0	0	0	0	0	0
Peru	0	0	0	0	0	0	1	0	0
Surinam	0	5	0	0	0	0	0	0	0
Uruguay	0	20	4	215	186	118	110	80	0
Venezuela	0	0	0	0	0	581	0	0	0
Central Asia	282	41	27	4	0	324	1 515	1 815	122
Kazakhstan	83	41	22	0	0	324	1 515	1 685	122
Kyrgyzstan	0	0	5	4	0	0	0	0	0
Uzbekistan	199	0	0	0	0	0	0	130	0
Northeast Asia	495	938	57	630	299	1 282	2 165	3 038	132
China	383	921	44	189	0	1 166	2 162	3 006	100
China - Hong Kong	11	0	1	0	0	1	0	0	0

2011	2010	2009	2008	2007	2006	2005	2004	2003
------	------	------	------	------	------	------	------	------

Indicative value, EUR 1,000

Japan	0	0	7	16	93	81	0	0	0
Republic of Korea	44	17	5	67	0	0	0	0	32
Macao	29	0	0	0	0	0	0	0	0
Mongolia	28	0	0	24	4	34	3	31	0
Taiwan	0	0	0	334	202	0	0	1	0
Southeast Asia	15 929	11 550	10 992	23 129	5 622	5 650	6 032	4 921	5 262
Brunei		21	0	0	0	0	0	0	0
The Philippines	209	365	40	151	69	19	0	12	83
Indonesia	1 860	54	0	19	431	167	0	625	1 778
Cambodia	0	0	0	29	0	0	0	0	0
Malaysia	2	54	3 633	17 306	473	357	21	3	45
Singapore	0	0	0	95	0	139	15	0	0
Thailand	9 750	5 897	5 260	4 209	4 277	2 221	2 268	3 146	2 519
Vietnam	4 108	5 159	2 059	1 320	372	2 747	3 728	1 135	837
South Asia	21 548	37 205	33 104	41 282	53 423	9 186	5 579	20 791	17 736
Afghanistan	2 734	2 560	347	520	920	205	355	1 842	
Bangladesh	2 273	1 438	785	414	326	437	578	1 021	565
India	12 464	29 382	17 097	20 430	39 457	7 024	3 793	17 240	17 025
Nepal	0	0	33	0	0	0	0	0	0
Pakistan	4 009	3 481	14 289	9 004	12 697	46	3	2	12
Sri Lanka	68	344	553	10 914	23	1 474	850	686	134
European Union	73 553	86 553	70 823	44 562	41 326	38 639	33 850	30 314	21 043
Belgium	1 713	1 791	1 533	573	528	257	277	456	179
Bulgaria	2 244	4 684	1 976	517	182	0	0	0	0
Czech Republic	0	0	0		5 454	0	0	0	0
Denmark	304	480	438	116	0	4	0	0	0
Estonia	117	747	423	51	4 231	3 158	19	68	29
Finland	198	308	54	10	19	72	138	48	85
France	1 184	505	506	1 786	375	216	12	534	248
Cyprus	0	0	1	0	0	59	488	0	0

2011	2010	2009	2008	2007	2006	2005	2004	2003
------	------	------	------	------	------	------	------	------

Indicative value, EUR 1,000

Ireland	0	17	0	0	0	0	0	0	0
Italy	7 410	7 680	10 477	5 733	226	13	0	0	0
Lithuania	1 019	617	2 375	445	2 415	435	797	262	1 295
Latvia	48	993	349	78	2 486	3 318	606	47	16
Luxembourg	2 656	69	17	184	300	18	0	0	0
Hungary	1 291	3 098	1 529	171	1 012	99	1 283	988	2 377
Malta	45	0	25	14	26	0	0	0	0
Germany	5 990	6 026	8 754	4 234	5 918	3 865	1 765	3 992	1 466
The Netherlands	275	181	137	113	232	100	48	33	54
Poland	12 309	4 450	4 502	7 648	3 149	6 271	4 556	7 424	1 639
Portugal	300	642	77	14	28	14	50	7	0
Austria	23 278	31 348	11 584	1 868	2 442	956	7	52	4
Romania	341	256	193	175	299	0	0	0	0
Greece		223	502	226	343	361	286	69	21
Slovakia	8 143	10 874	21 613	18 972	10 696	18 748	21 089	13 085	12 866
Slovenia	85	14	1 345	21	19	14	97	64	70
Spain	544	8 528	1 845	1 033	295	206	193	330	325
Sweden	3 061	2 235	322	247		383	240	0	334
United Kingdom	998	787	246	333	651	72	1 899	2 855	35
Other European countries	14 024	18 525	6 758	27 795	20 802	9 598	7 734	5 314	3 961
Albania	64	0	0	0	0	0	0	0	0
Azerbaijan	2 542	3 117	0	466	470	230	717	165	363
Bosnia and Herzegovina	0	28	22	0	0	0	0	0	0
Bulgaria	0	0	0	0	0	540	1 622	460	169
Montenegro	35	0	0	0	0	0	0	0	0
Georgia	3 464	4 022	40	14 023	13 244	6 196	3 264	2 043	1 363
Croatia	287	133	650	120	593	0	0	96	13
FYROM	0	0	0	190	0	68	25	1 148	0
Moldova	113	35	14	3	43	0	0	0	0
Norway	704	2 218	72	14	544	2	0	0	1

2011	2010	2009	2008	2007	2006	2005	2004	2003
------	------	------	------	------	------	------	------	------

Indicative value, EUR 1,000

Romania	0	0	0	0	0	838	207	81	263
Russian Federation	1 207	3 890	3 218	9 864	3 142	327	1 021	911	1 705
Serbia	366	0	0	0	0	0	0	0	0
Switzerland	2 668	1 320	248	2 347	241	66	25	31	82
Turkey	95	356	195	251	30	9	41	21	2
Ukraine	2 479	3 406	2 299	517	2 495	1 322	812	358	
Middle East	18 827	35 664	17 129	9 872	15 065	8 744	9 456	10 019	6 460
Egypt	4 477	7 750	4 191	7 124	6 177	4 646	3 443	1 648	854
Iraq	0	1 491	975	962	2 404	38	2 063	2 873	2 286
Israel	2 601	1 440	362	161	394	261	1 289	821	1 803
Yemen	1 749	12 525	10 498	1 230	1 854	3 071	4	2 355	0
Jordan	472	2 268	38	121	553	299	0	1	295
Qatar	0	5	0	0	0	0	0	0	0
Kuwait	76	41	143	0	0	12	186	0	0
Lebanon	0	24	0	0	0	0	712	342	140
Oman	2	3	83	0	0	0	5	0	0
Saudi Arabia	4 637	8 556	4	0	2 578		551	957	0
United Arab Emirates	4 813	1 561	835	274	1 105	202	936	1 022	972
Syria	0	0	0	0	0	215	267	0	110
Australia and Oceania	18	24	10	6	107	27	2	7	0
Australia	5	10	0	6	0	0	2	0	0
New Zealand	13	14	10	0	107	27	0	7	0
Total	183 423	216 990	175 117	189 614	174 725	92 989	88 058	89 700	82 888

**Exports of military equipment – sales to foreign entities between 1994
and 2011 (based on available data)**

(EUR million)

Year	Financial volume (value)
1994	172.00
1995	136.00
1996	103.00
1997	161.00
1998	92.00
1999	89.90
2000	86.70
2001	60.50
2002	77.00
2003	82.90
2004	89.70
2005	88.00
2006	92.70
2007	174.00
2008	189.60
2009	175.10
2010	216.99
2011	183.42

Licenses granted and utilized for imports (purchases) of military equipment in 2011*)

Import - country	No. of licenses	Licenses granted	Value EUR 1,000	Licenses utilized	Utilized EUR 1,000
		Principal items of military equipment (LME)		Principal items of military equipment (LME)	
North Africa	2	10	37	10	683
Algeria	2	10	37		0
Tunisia	0		0	10	683
Sub-Saharan Africa	1	5	6	5	6
South Africa	1	5	6	5	6
North America	218	10,11,16,1,15,6,14,3,7,5,13	34 816	10,11,22,13,1,15,6,14,5,7,3,4	13 987
Canada	11	7,1,3	211	1,3,7,10	165
United States	207	10,11,16,15,1,6,14,3,7,5,13	34 605	10,11,22,13,1,15,6,14,5,7,3,4	13 822
Central America and the Caribbean	1		0		0
Mexico	1		0		0
South America	3	3	305	3	308
Brazil	2	3	305	3	308
Peru	1		0		0
Central Asia	5	3,2,11	7 464	11	4
Kazakhstan	4	3,2	7 443		0
Kyrgyzstan	1	11	21	11	4
Northeast Asia	2	10,11	53	11	0
China	1	11	0	11	0
Mongolia	1	10	53		0
Southeast Asia	2	14,3	402	14,3	167
Malaysia	1	3	0	3	0
Vietnam	1	14	402	14	167
South Asia	2		0		0
Pakistan	2		0		0

Import - country	No. of licenses	Licenses granted	Value EUR 1,000	Licenses utilized	Utilized EUR 1,000
		Principal items of military equipment (LME)		Principal items of military equipment (LME)	
European Union	522	3,10,6,11,1,2,13,4,18,8,12,5,15,22,19,17,7,16,14	62 433	6,3,10,11,14,5,1,2,15,17,13,4,18,8,22,12,7,19,16,21,9	204 066
Belgium	22	18,11,1,6,5,10	2 521	11,1,6,5,10	839
Bulgaria	10	6,4,3,10,15,2	1 559	4,6,3,8,2,15,13,22	840
Denmark	4	22,11,15	280	22,11,13	290
Estonia	1	10	61	10	45
Finland	2	3,6	323	6,1	610
France	22	1,11,12,3,10,15,5	2 017	10,11,15,12,5	1 364
Italy	40	6,10,3,1	2 538	6,10,3,1,22	7 472
Lithuania	7	10,3	239	18,10,3	1 216
Latvia	8	10	199	10	161
Luxembourg	2	3	8 308	3	0
Hungary	16	10,6,4,1,3,8	1 786	3,6,1,4	345
Germany	89	10,6,11,3,1,19,4,17,8,15,2,7,5,13	7 967	11,10,5,6,1,4,3,19,8,17,22,7,15	7 480
The Netherlands	3	15,5	91	15,21,12,11	1 160
Poland	50	3,1,2,6,10,4,8	11 108	10,3,1,6,2,4,8	2 095
Portugal	0		0	11	0
Austria	15	1,6	325	6,3,14,17,1	159 589
Romania	10	3,10,11,2	1 667	4,3,11,2,10	600
Slovakia	121	6,10,1,2,13,11,4,3,5,7,18,8,16,15	12 814	6,10,13,1,2,3,5,4,8,7,9,11,15	8 057
Slovenia	4	6,1,3	57	6,3	40
Spain	6	10,3,4,1	4 162	10,3,16,4,1	2 285
Sweden	16	2,8,15,4,3,11	1 863	5,14,2,15,8,4,3,11	6 445
United Kingdom	74	11,13,10,1,6,14,4,3	2 548	11,13,10,6,1,22,7,14,4,3	3 133
Other European countries	135	10,6,3,1,11,2,17,5,8,13,4,14	29 202	2,10,3,11,17,1,5,6,8,4,13,22	18 446
Albania	2	3	2 182	3	43
Montenegro	0		0	4	63
Norway	21	11,2,5,8	1 891	2,3,11,5,8,22	9 656
Russian Federation	37	10,6,11	7 732	10,6,11	5 199
Serbia	11	6,1,2,3,13	3 239	1,6,13	560

Import - country	No. of licenses	Licenses granted	Value EUR 1,000	Licenses utilized	Utilized EUR 1,000
		Principal items of military equipment (LME)		Principal items of military equipment (LME)	
Switzerland	21	17,5,10,1,3,2,4,14	1 268	17,5,10,1,3,2,4	988
Turkey	0		0		0
Ukraine	43	1,6,10,3,11	12 890	3,6,10,11	1 937
Middle East	18	6,3,1,4,11	1 655	6,13,1,4,3,11,18,10	501
Israel	17	6,3,1,4,11	1 582	6,13,1,4,3,11,18,10	499
Jordan	1	6	73	6	2
Total	911	10,3,6,11,1,2,13,4,18,16,17,8,14,5,15,12,7,22,19	136 373	6,10,3,11,2,14,5,1,13,15,17,4,22,18,8,7,12,19,16,21,9	238 168

*) The utilized licenses also include licenses granted in previous years.

Shares of items on the List of Military Equipment in the utilization of import licenses in 2011

Country	Share %	LME in %	LME in %	LME in %	LME in %
Austria	67.01	LME 6 - 91	LME 3 - 6		
United States	5.81	LME 10 - 58	LME 11 - 13	LME 22 - 7	LME 13 - 6
Norway	4.06	LME 2 - 62	LME 3 - 17	LME 11 - 16	
Slovakia	3.39	LME 6 - 43	LME 10 - 19	LME 13 - 12	LME 1 - 8
Germany	3.15	LME 11 - 44	LME 10 - 32	LME 5 - 7	LME 1 - 6
Italy	3.14	LME 6 - 91	LME 10 - 5		
Sweden	2.71	LME 5 - 57	LME 14 - 25	LME 2 - 15	
Russian Federation	2.19	LME 10 - 97			
United Kingdom	1.32	LME 11 - 72	LME 13 - 10	LME 10 - 7	
Spain	0.96	LME 10 - 91	LME 3 - 7		
Poland	0.88	LME 10 - 33	LME 3 - 30	LME 1 - 13	LME 6 - 9
Ukraine	0.82	LME 3 - 59	LME 6 - 20	LME 10 - 16	LME 11 - 5
France	0.58	LME 10 - 45	LME 11 - 27	LME 15 - 16	LME 12 - 11
Lithuania	0.52	LME 18 - 60	LME 10 - 40		
The Netherlands	0.49	LME 15 - 98			
Switzerland	0.42	LME 17 - 65	LME 5 - 19	LME 10 - 12	
Bulgaria	0.36	LME 4 - 43	LME 6 - 26	LME 3 - 22	LME 8 - 7
Belgium	0.36	LME 1 - 38	LME 11 - 38	LME 6 - 13	LME 5 - 10
Tunisia	0.29	LME 10 - 100			
Finland	0.26	LME 6 - 89	LME 1 - 11		
Romania	0.26	LME 4 - 52	LME 3 - 20	LME 11 - 12	LME 2 - 10
Serbia	0.24	LME 1 - 97			
Israel	0.21	LME 6 - 46	LME 13 - 16	LME 1 - 14	LME 4 - 13
Hungary	0.15	LME 3 - 52	LME 6 - 28	LME 1 - 12	LME 4 - 8
Brazil	0.13	LME 3 - 100			
Denmark	0.13	LME 22 - 79	LME 11 - 16	LME 13 - 5	
Vietnam	0.08	LME 14 - 100			
Canada	0.07	LME 1 - 46	LME 3 - 23	LME 7 - 22	LME 10 - 10
Latvia	0.07	LME 10 - 100			
Montenegro	0.03	LME 4 - 100			
Estonia	0.02	LME 10 - 100			
Albania	0.02	LME 3 - 100			
Slovenia	0.02	LME 6 - 74	LME 3 - 26		
South Africa	0.01	LME 5 - 100			
Kyrgyzstan	0.01	LME 11 - 100			
Jordan	0.01	LME 6 - 100			
China	0.01	LME 11 - 100			
Malaysia	0.01	LME 3 - 100			

*) including imports effected as part of brokering arrangements (import/export licenses)

Imports (purchases) of some military equipment items from foreign entities in 2011

Military equipment (examples)	Qty total	Countries (most important)
Revolvers and pistols	128	
<i>Makarov PM63 semi-automatic, GLOCK 17, GLOCK 19, BRS-99, Jericho 941 PSL</i>		Austria, Germany, Poland, Israel
Rifles and carbines	1 222	
<i>Various types of semi-automatic and repeating rifles (SVT 40, L1A1, Works 11, STGW 57, WF), Mosin Nagant 1891/1930 rifle, Mauser 98, 98K and 33/40 carbines</i>		Germany, Italy, Israel, Poland, Switzerland, Belgium, United States
Submachine guns	13 696	
<i>M41, M49/59 and M56 submachine guns, Model 24 and Model 26 submachine guns, Thompson M1/M1A1, PM-06, Beretta</i>		Serbia, Slovakia, Austria, Israel, Poland, Italy
Automatic rifles	26 942	
<i>Model 58P and Model 58V automatic rifles, HK417 assault rifle, Colt M4 Commando Flat Top automatic rifle, AKM rifle cuts</i>		Slovakia, Israel, Germany, Canada, Poland
Light machine guns	3 835	
<i>RPK (M72 machine gun, PKM, PKMS, PKMN, PKMSN, DShK Model 38/46, M53/42, PKB, M2QCB machine guns, PKT tank machine gun</i>		Serbia, Slovakia, Poland, Hungary, Israel, Belgium
Heavy machine guns	18	
<i>ZU-23-2 anti-aircraft gun</i>		Romania
Tanks	37	
<i>T-72</i>		Slovakia
Armoured fighting vehicles	51	
<i>PANDUR II in different role versions, OT-90, BMP-1 and BTR 60 PU12, MTLB-U</i>		Austria, Slovakia, Poland
Large-calibre artillery systems	123	
<i>2S1 (Gvozdika) self-propelled howitzer, SPG-9 recoilless gun, Model 82 and Model 52 mortars, DANA self-propelled cannon howitzer Model 77</i>		Slovakia, Poland

Rockets and missiles, man-portable anti-tank guided missile launchers	1 762
<i>S-5 MO 57 mm unguided air-to-ground rockets, Model 74 Pallad grenade launcher, RPG-7 and RPG-7V rocket-propelled grenade launchers, 9M14P1 anti-tank guided missile</i>	Bulgaria, Poland, Slovakia
Fixed-wing and rotary-wing aircraft	0

In addition, other pieces of equipment modified as collector's items, including a 3Skoda 150 mm field howitzer, a M4 Sherman tank, a Republic F-84G Thunderjet airplane, North American T-28A and T-28B Trojan trainers, a personnel carrier an unarmed OT-90 infantry fighting vehicle, a BMP-1 infantry fighting vehicle, a Hawker Sea Fury T.Mk.20 and North American F51D Mustang WWII fighters, an Aero L-29 Delfin jet trainer and a Tatra T-813 8x8 truck were imported.

**Exports of military equipment – sales to foreign entities
between 1994 and 2011 (based on available data)**

(EUR million)

Year	Financial volume (value)
1994	39.00
1995	44.00
1996	30.50
1997	29.30
1998	38.80
1999	102.30
2000	150.50
2001	113.30
2002	92.00
2003	120.40
2004	125.00
2005	726.80
2006	93.00
2007	193.00
2008	106.70
2009	179.60
2010	376.63
2011	238.17

Licenses granted and utilized for imports and subsequent exports (brokering) of military equipment in 2011*)

Import (I) - Country	Export (E) - Country	No. of licenses	Licenses granted		Licenses utilized		Utilized I EUR 1,000	Utilized E EUR 1,000
			Principal items of military equipment (LME)	Value I EUR 1,000	Value E EUR 1,000	Principal items of military equipment (LME)		
North America		7	11,1,10	535	613	11,1,10	255	297
United States	Estonia	1	1	8	11		0	0
United States	Croatia	1	11	4	5	11	4	6
United States	Latvia	1	1	18	24	1	17	25
United States	Poland	3	11	495	554	11	224	247
United States	Thailand	1	10	10	19	10	10	19
European Union		6	4,1,10,11	858	1 484	1,6,10,11	1 170	1 959
Hungary	Slovakia	1	4	529	773		0	0
Germany	Slovakia	1	11	2	3	11	2	3
Romania	Bulgaria	1	1	256	564	1	256	437
Romania	Latvia	1		0	0		0	0
Romania	Poland	0		0	0	1	161	308
Slovakia	Poland	0		0	0	6	386	462
Slovakia	Russian	0		0	0	10	44	138
Slovakia	Vietnam	0		0	0	10	255	484
United Kingdom	Poland	1	11	17	22	11	14	19
United Kingdom	Thailand	1	10	54	122	10	52	108
Other European countries		5	11	417	624	10,6,5,11	666	953
Russian Federation	Algeria	0		0	0	10	0	0
Russian Federation	Azerbaijan	0		0	0	10	286	454
Russian Federation	Bangladesh	1	10	13	17	10	19	25
Russian Federation	Ethiopia	1	10	66	94	10	72	100
Russian Federation	Sri Lanka	1	11	17	21	11	1	3

Import (I) - Country	Export (E) - Country	No. of licenses	Licenses granted		Licenses utilized		Utilized I EUR 1,000	Utilized E EUR 1,000
			Principal items of military equipment (LME)	Value I EUR 1,000	Value E EUR 1,000	Principal items of military equipment (LME)		
Ukraine	Algeria	0		0	0		0	6
Ukraine	Bangladesh	1	10	125	181	10	101	147
Ukraine	Egypt	1	11	196	311	5	67	94
Ukraine	Ethiopia	0		0	0	6	120	124
Middle East		3	10	83	121	11	6	11
Israel	Mongolia	2	11	6	13	11	6	11
Israel	Thailand	1	10	77	108		0	0
Total		21	11,4,10,1	1 893	2 842	10,6,1,11,5	2 097	3 220

*) The utilized licenses also include licenses granted in previous years.

Imports and subsequent exports (brokering) of military equipment to foreign entities in 2011

Military equipment (examples)	Qty	Countries of import (most important)	Countries of export (most important)
Submachine guns			
<i>AKM and AK-47 submachine guns</i>	10300	Romania	Poland, Belgium

Authorizations to deal in foreign trade in military equipment in 2011

Number of submitted applications for authorization	49
Number of decisions on issuance of authorization	45
of which unfavourable	0
Number of cancelled authorizations	0

Number of applications for a modification of an authorization	72
Number of decisions on modifications of authorizations	70

Number of authorization holders as of the end of 2011	177
--------------------------------------------------------------	------------

Number of authorization holders as of the end of 2010	169
--------------------------------------------------------------	------------

Licenses for transactions in the field of foreign trade in military equipment in 2011

Administrative procedure concerning the granting or extending
the validity of a license *)

**a) Administrative procedure resulting in a new license being granted
or an existing license extended**

Granted licenses - total	2 024
Export	1 092
Import	911
Import and subsequent export (brokering)	21

b) Administrative procedure resulting in a denial

Denied licenses - total	2
Export	2
Import	0
Import and subsequent export (brokering)	0

c) Terminated license-granting procedures

Total	46
ca) Number of applications withdrawn by the applicant	43
Export	28
Import	15
Import and subsequent export (brokering)	0
cb) License-granting procedures terminated <i>ex officio</i>	3
Export	2
Import	1
Import and subsequent export (brokering)	0

*) Including licenses granted in previous years.