

*Annual Report on the Czech Republic's
Control of the Export of Military
Equipment and Small Arms for Civilian
Use - 2007*

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1. Introduction

In recent years, the government of the Czech Republic has been committed to a focused effort on the improvement of the transparency of its policies in the area of military equipment export controls as well as to the continuing development of principles and mechanisms applicable to the implementation of such controls.

The Ministry of Industry and Trade is the guarantor of Objective No. 143 from the Government Policy Statement – "Enhance the Transparency of Exports of Military Equipment from the Czech Republic". The preparation and publication of the Annual Report on the Czech Republic's Control of Exports of Military Equipment and Small Arms for Civilian Use - 2007 (hereinafter only '**Report**') is one of the individual steps that are being taken to establish a common understanding of the issue on the part of governmental administrative bodies, the members of both chambers of the Czech Parliament, non-governmental organisations and the Czech general public.

This report is based on information on the import, export and possession of small arms and light weaponry in the Czech Republic, published throughout the 2001 – 2003 period. This information served as a basis for the subsequently released reports on military equipment export controls, which already reflected the methodology used for the preparation of the consolidated EU annual reports.

2. Controlling the Export of Military Equipment from the Czech Republic

2.1. Controlling Foreign Trade in Military Equipment – Objectives

The Czech Republic is one of the traditional manufacturers and exporters of arms and military equipment and the export of limited, controlled quantities of conventional weapons and spare parts are allowed not just for economic reasons but also for reasons related to foreign policy, security and defence.

Every developed, democratic country that manufactures and exports military equipment is also responsible for making sure that these materials are not used for any illegal purposes and that they are never placed in the wrong hands (terrorists, illegal militias, illegal arms dealers, organised crime, etc.). The country is also responsible for the prevention of any exports that might contribute to an escalation of international or national conflicts, which might be abused for the suppression of human rights or which might go against the security interests of the country's friends and allies.

The national control system put in place in the Czech Republic, naturally, also incorporates a number of different factors for the promotion of trade and export and this

control system does not need to be seen as being in direct conflict with these factors. Notwithstanding, in such a sensitive area, the development of a system that is reliable and generally respected is a long-term project. At the same time, a single illegal transaction is all that is needed to destroy a good reputation.

2.2. Controlling Foreign Trade in Military Equipment in the Czech Republic – Framework and Key Elements of the Control System

The basic framework for the system of controls in the area of foreign trade in military equipment is set out in Act No. 38/1994 Coll. on foreign trade in military equipment (as last amended) and Government Decree No. 89/1994 Coll. This legislation establishes the procedures applicable when issuing trading permits, the criteria for the issuance and use of trade licences and the general controls applicable in the area of trade in military equipment – including the imposition of sanctions for violations of the law.

In the Czech Republic, foreign trade in military equipment is overseen by the **Ministry of Industry and Trade of the Czech Republic**, which oversees all administrative proceedings related to foreign trade in military equipment – i.e. administrative procedures related to the issuance of trading permits, the issuance of licences, the cancellation of permits and the removal of licences and any related legal violations.

In accordance with legislation in force and to ensure the most effective implementation of the system of controls in foreign trade in military equipment, the Ministry of Industry and Trade works closely with and coordinates its activities with all sections of governmental administration involved in this area – i.e. the **Ministry of Foreign Affairs**, the **Ministry of the Interior**, the **Ministry of Defence** and **intelligence services**.

The system of controls over foreign trade in military equipment in the Czech Republic is administered at two levels:

- 1) A business entity may only market its products and services, enter into negotiations with foreign partners, etc. after obtaining the necessary **trading permit for military equipment**.
- 2) A **licence** must also be applied for in order to engage in specific trading transactions.

Re: 1)

The holder of such a licence may only be a legal entity with a registered address in the Czech Republic. The permit lists the individual types of military equipment in which the given legal entity is permitted to conduct trade and the list of countries in which such trading activities can be carried out. The permits are issued by the Licensing Section of the Ministry of Industry and Trade; during which process, approval from the Ministry of Foreign Affairs, the Ministry of the Interior and the Ministry of Defence is also required. The permits are issued for a limited time period (a maximum of 5 years).

Re: 2)

To engage in a specific trading transaction, the given entity (holder of a permit) must apply for an export (import) licence. Licences can only be issued for a single, specific transaction. In addition, the validity of each licence is time-constrained and the scope and terms and conditions of the given transaction are specified in the licence. Decisions concerning the issuance of licences (or their denial) are made in administrative proceedings held by the Licensing Section of the Ministry of Industry and Trade. The decision on the issuance of a licence is made after the other, above-listed departments have provided their input. A decision not to grant a licence is made if the applicant has failed to meet the applicable legal criteria or if such a decision is justified by national interests related to foreign policy (the EU Code of Conduct on Arms Exports and the joint denial database of the EU member states are also taken into consideration), trade or national security issues.¹

As of the end of 2007, there were 155 business entities that were holders of a permit to engage in foreign trade in military equipment.

In 2007, a total of 941 licences for the exporting of military equipment were issued with a total value of € 477 million. Compared to 2006, the number of licences issued increased by 64%. The utilisation of the licences granted reached a total volume of € 174 million, which represented an increase of €81 million over 2006.

455 licences were issued for exports to EU countries with a total value of € 120 million. The level of licence utilisation was €51 million. The greatest number of licences were issued for exports to Slovakia (157), Germany (90) and Poland (52). In terms of value, the following exports topped the list: Slovakia (€ 20.7 million worth of vehicles and electronic equipment), Austria (€7.6 million for services and ammunition), Germany (€6.8 million for electronic equipment and services) and Estonia (€4.2 million worth of services).

For exports outside of the EU, the greatest number of licences were issued for exports to the USA (70), Thailand (70) and India (32). In terms of value, the following exports topped the list: India (€35.6 million for vehicles), Georgia (€13.2 million for ammunition), Pakistan (€ 12.7 million for electronic equipment) and the US (€ 10.2 million for aircraft and helicopters).

Work on the amendment to Act No. 38/1994 Coll. was started in 2007. Based on Government Resolution 773, dated July 11, 2007, the party responsible for overseeing this task is the Ministry of Industry and Trade. The purpose of this amendment is to respond to the new conditions that apply after the Czech Republic has joined the EU and to apply generally accepted changes to certain provisions of the act with the objective of achieving a higher degree of transparency and therefore a reduction in the burden, which is being put on businesses operating in this area.

At the EU level, the EU is currently working on the preparation of a directive of the European Parliament and Council on the simplification of the conditions for the unrestricted movement of defence goods within the community. The new directive is expected to be passed during the first half of 2009. The transposition of this directive will likely require the implementation of major changes to existing legislation governing trade in military

¹ When planning a major export of military equipment, the exporting entity may also apply for a 'preliminary approval'. However, such an approval is only indicative and it does not assure the outcome of a final decision on the granting of an export licence.

equipment, which also includes the passing of a new act to replace Act No. 38/1994 Coll. (estimate – by 2010).

2. 3. Cooperation between Governmental Bodies and Other Parties

Ministry of Foreign Affairs

The role and the status of the ministry with respect to controlling the export of military equipment are established under the Act on Foreign Trade in Military Equipment. Under this act, the ministry is required to make sure that the granting of the respective permits and licences and the subsequent export of the equipment do not violate any foreign policy interests of the Czech Republic. At a practical level, this assurance process involves evaluation of a number of different factors and circumstances relative to each specific trading transaction – not just a mere comparison to a list of existing embargos and establishing whether or not the recipient's country is subject to an arms embargo imposed by the international community.

When issuing its opinion as part of the licensing proceedings, the ministry also looks into other factors and potential impacts of the given transaction with respect to the following:

- The current human rights situation in the recipient's country and the potential for further deterioration.
- The current status of internal security in the country.
- The potential for a disruption to the regional balance and to the overall situation in the region.

The ministry also takes into consideration the quantity and the nature of the equipment that is being exported and the potential risks associated with its possible distribution (intentional or unintentional) to parties other than those included on the list of end-users. The above-discussed criteria and the documentation submitted are verified in close cooperation with the central offices of the ministry in Prague and the consular offices in the country of the intended user of the equipment.

In 2007, the ministry reviewed a total of 996 licence applications, which represented an increase of 19.3% over 2006. Applications were denied in 26 instances (about 2.6% of all applications). The rejected licence applications were related to items on the Czech List of Military Equipment (LME) 1 (12 instances), LME 3 (8 instances), LME 6 (2 instances), LME 10 (2 instances) and LME 24 (1 instance). Compared to years 2004 – 2006, the percentage of rejected applications has been slowly dropping. In 2007, the ministry negatively responded to specific applications for exports to end-users in Afghanistan, Chad, Ethiopia, Georgia, Indonesia, Iraq, Israel, Lebanon, Namibia, Sri Lanka, the Central African Republic, Syria, Thailand and Uzbekistan.

In terms of the time it takes to process an application, in 2007, the ministry responded within the statutorily stipulated timeframe of 20 days to 923 export applications², which

² Of this number, 579 applications (62.7%) were processed within 10 days and 344 applications (37.3%) were processed within 20 days.

represented 92.6% of all applications received. These processing times were achieved for exports to EU and NATO member countries, as well as in many cases to exports to third countries. Only in 73 instances was the ministry forced to request an extension of the application review period.³ Import licences were processed without any problems or delays in 2007.

In the two-level system of controls for the exporting of military equipment, the ministry is also required – in accordance with Czech legislation – to provide input on applications for a military equipment trading permit. The process generally works on the premise that if the applicant meets statutorily required criteria for the issuance of the permit, there is normally no reason to deny the permit with respect to the foreign policy interests of the Czech Republic. In 2007, the ministry did not respond negatively to any permit applications on foreign policy related grounds.

The territorial limitations of the trading permit play an important role in an evaluation of the application for the issuance of such a permit. In 2007, the ministry refused to approve the granting of a military equipment trading permit or recommended restricting the territorial applicability of such a trading permit to exclude those areas that were subject to an international arms embargo and countries whose policies were a threat to international or regional security or the foreign policy interests of the Czech Republic or its allies.

Ministry of Defence

The role of this ministry at the first level of the control mechanism used for foreign trade in military equipment is to provide input on applications for a permit to engage in foreign trade in military equipment submitted by an authorised entity. The role the ministry plays at the second level of this control mechanism consists of a review and response to proposals for specific trading transactions (the import or export of significant military equipment).⁴

Applications for a permit to engage in foreign trade in military equipment are reviewed by the Ministry of Defence, primarily, in terms of national security interests (i.e. making sure that the existence, sovereignty, territorial integrity and democratic principles of the country are not compromised and making sure that the country's citizens are provided with appropriate levels of security). Such national security interests seek to ensure that the country's territory has an appropriate defence posture through the use of domestic forces and resources, as well as through the joint efforts of its allies, as part of NATO membership; they also look to the proper pursuit of the country's strategic interests in order to ensure that the Czech Republic possesses the conditions and international standing to positively contribute to its national security and economic prosperity. The review process also takes into consideration the country's business interests.

Applications for a foreign trade licence for significant military equipment are primarily reviewed by the Ministry of Defence with respect to the ability of the Czech Republic to defend itself as a country (i.e. to make sure that the country's territorial integrity,

³ 28 applications (38.4%) were processed within 30 days, 14 applications (19.2%) within 40 days, 18 applications (24.7%) within 50 days, 7 applications (9.56%) within 60 days and 6 applications (8.2%) took more than 60 days to review. Source of data: internal database of the Ministry of Foreign Affairs of the Czech Republic.

⁴ Military equipment of a significant nature in terms of its effectiveness in combat or its quantity is defined in accordance with Section 20, Subsection 4 of Act No. 38/1994 Coll. and Ministry of Industry and Trade Decree No. 89/1994 Coll.

democratic principles, rule of law, its citizens and their property are protected against possible outside aggression); and, with respect to the ability to provide the conditions for the accomplishment of the above objective (material resources, human resources, etc.). The review process also works with the latest information about the current security situation in the target territory.

Ministry of the Interior

In accordance with the law, the Ministry of the Interior is required to provide input on all applications for the issuance of a permit and – in accordance with an agreement signed by the Minister of Industry and Trade and the Minister of the Interior in 2003 – the ministry is also required to provide its input on all applications for the issuance of a licence with respect to the security interests of the Czech Republic. As part of this process, the ministry works together with the respective intelligence services and the Police of the Czech Republic, which provide the ministry with substantial amounts of information. This information is subsequently evaluated by the ministry and the results are used for the preparation of a statement or an opinion given to the Ministry of Industry and Trade. In order to make sure that all applicants receive equal treatment, the Ministry of the Interior has issued an internal directive, which sets out the procedures that have to be followed when issuing opinions and providing information to the Ministry of Industry and Trade.

General Customs Directorate

The customs authorities are responsible for making sure that all trade involving military equipment is carried out exclusively by entities possessing a valid permit and for making sure that the respective activities are in compliance with the terms and conditions, which are specified in the respective licence. As part of such oversight activities, the customs authorities have a legal right to ask the holder of a licence to present the original copy and they have the right to enter important information related to the use of the licence onto the original copy of the licence. Any additions to the licence must be dated and the party adding the information must be clearly identified. Whenever the customs authorities discover that the respective trading activities involving military equipment are not being carried out in compliance with Act No. 38/1994 Coll. or with other regulations or terms and conditions related to the respective licence, customs immediately notifies the Ministry of Industry and Trade. For the purposes of the above-described oversight activities, the Ministry of Industry and Trade provides the General Customs Directorate with any necessary information about the licences that have been issued in accordance with Act No. 38/1994 Coll.

2.4. Cooperation between Governmental Bodies and the Public

To ensure the effective functioning of the system of controls in the area of foreign trade in military equipment, it is necessary to make sure that all involved levels of government administration work together in a coordinated manner (the Ministry of Industry and Trade, the Ministry of Foreign Affairs, the Ministry of the Interior and the Ministry of Defence and intelligence services).

To ensure the greatest possible degree of transparency for the system of export controls, it has always been the government's objective to keep the Czech public (in particular, members of the media and employees of non-governmental organisations, as well

as parties representing the manufacturers and dealers in military equipment) informed and up-to-date on the control principles and procedures that are being used as part of the upgrading of the national system to conform to those that are being used in developed EU countries. For the above purposes, the government has been publishing these annual reports, which are publicly available, in both Czech and English versions.

The 2006 report was distributed during the second half of 2007 (in accordance with Government Resolution No. 773) to the chairs of the Defence Committee, Security Committee, Foreign Relations Committee, the Defence Subcommittee, the Subcommittee for the Control of Trade in Military Equipment of the Chamber of Deputies of the Czech Parliament and the chair of the Foreign Affairs, Defence and Security Committee of the Czech Senate. In addition to what is required under the above-referenced government resolution, a printed copy of the report was sent to other selected governmental bodies.

To enhance the transparency of the process for the issuance or rejection of licences in 2007, the government communicated – through the Ministry of Foreign Affairs – with key non-profit organisations involved in the monitoring of trade in military equipment and its oversight by the relevant Czech authorities. The objective behind this effort was to achieve the greatest possible degree of transparency with respect to both the professional community, as well as the general public, and to avoid any gaps in communicating with the non-profit sector.

There were specific instances in which the government responded both to a press release put out by Amnesty International and to a letter criticizing third country transactions that was sent to the head of the Department for Common Foreign and Security Policies of the Ministry of Foreign Affairs. In the response to the letter sent to the Ministry of Foreign Affairs, there was an explanation containing the main reasons and arguments behind rejecting or approving certain export licence applications, which had become a subject of interest to the above-named non-profit organisation (the response to the letter provided additional information, which went beyond that published in the annual report). Certain specific data was also provided to SIPRI⁵ – a key non-governmental organisation – as required for a case study looking at the control of arms exports in the Czech Republic within the context of the implementation of the EU Code of Conduct on Arms Exports.

3. The European Union

Despite the fact that foreign and security policies – including issues surrounding arms exports and imports – are fully within the authority of the individual member states, the Czech Republic has respected, in a manner similar to all other EU member states, the **key principles of the Common Foreign and Security Policy of the EU**. In terms of export controls, these principles include a responsible approach to the exporting of military equipment and an effort to mitigate and eliminate the risk of uncontrolled arms proliferation.

⁵ SIPRI is an acronym for the Stockholm International Peace Research Institute. The above-referenced case study will soon be available on the SIPRI website: www.sipri.org/contents/armstrad/.

Thanks to the ongoing coordinated effort of its experts⁶ and politicians, the European Union, which is globally considered to be the most rigorous advocate of strict arms control measures, possesses a highly sophisticated system, which is used to evaluate each individual licensing application

3.1. EU Code of Conduct on Arms Exports

The EU Code of Conduct on Arms Exports⁷ is a politically binding document, which was adopted by consensus of EU member states in 1998. New members of the EU declared their acceptance of the Code of Conduct long before their official accession to the EU in 2004 or 2007. Early on, the Czech Republic started monitoring negotiations related to the Code of Conduct and it adopted its principles shortly after the Code was agreed to in 1998. The international standing of this document is also backed by the fact that the Code of Conduct is used as a principal tool for controlling military exports in other (non-EU) developed countries⁸.

The EU Code of Conduct establishes key criteria to be used to evaluate each export of military arms. Deciding whether to issue or reject a licence for the export of a specific arms shipment is within the full competency of each EU member state. However, the authorities responsible for making such decisions in each respective country have made a commitment to look at a set of eight common criteria as part of their decision-making process and to refuse to issue a licence if the subject export shipment fails to satisfy one or more of the criteria that have been established as part of the EU Code of Conduct.

Although the full version of the Code of Conduct, including the comments contained in the User's Guide is several pages in length,⁹ the key principles of the Common Position taken by EU member states, which have been defined as a set of eight criteria, can be briefly outlined as follows:

1. International commitments of EU member states (sanctions imposed by the UN Security Council, the EU/EC and OSCE, non-proliferation agreements, etc.).
2. Respect for human rights in the country of final destination.
3. The internal situation in the country of final destination.
4. The preservation of regional peace, security and stability.
5. The national security of the member states and of territories whose external relations are the responsibility of a member state, as well as that of friendly and allied countries.
6. The behaviour of the purchasing country with respect to the international community, in particular with respect to its attitude towards terrorism.
7. The existence of any risk that the equipment will be diverted within the purchasing country or re-exported under undesirable conditions.

⁶ The meetings of the COARM Council Working Group are attended by representatives of the authorities responsible for controlling the export of conventional weapons in the individual member states. In 2007, during the German and Portuguese presidencies, the group held a total of 6 meetings.

⁷ The EU Code of Conduct on Arms Exports – the commonly used Czech translation of the title of the document ("*Kodex chování EU při vývozu zbraní*") does not reflect the exact title of the document because the Code covers not just arms exports but also all military equipment in general.

⁸ Since 1998, countries such as Norway, Iceland, Canada and South Africa have incorporated the EU Code of Conduct into their own legislation; or, otherwise acknowledged their acceptance of the document's principles.

⁹ Complete versions of these documents can be found at: www.conciliium.europa.eu.

8. The compatibility of arms exports with the technical and economic capacity of the recipient country.

The above-listed criteria – the full version – including comments and recommended interpretation practices, contained in the User's Guide, provide a relatively detailed description of the Common Position to be followed with respect to the export of conventional arms. **Each licence application submitted in the Czech Republic is also reviewed based on the EU Code of Conduct.**¹⁰

Over the nearly ten-year period that has elapsed, since the Code of Conduct entered into force, by working through the COARM Council Working Group, the member states have undertaken a number of steps towards standardising an interpretation of the Code and enhancing its transparency with respect to export controls. Based on the requirements established in the Code of Conduct and the twelve Operative Provisions that have been adopted as part of the Code, the EU has initiated the publication of the Annual Report on the Implementation of the EU Code of Conduct (Provision No. 8); and, at a practical level, authorities have started to share their respective interpretations of the individual criteria from the Code and to exchange information on licence applications that were denied due to a failure to meet the criteria contained in the EU's Code of Conduct (Provision No. 3).

The impact of the third operative provision has likely become the most significant driving force behind the diplomatic correspondence, exchanged between the members of the COARM Council Working Group. The member states use a standardised set of procedures to notify other member states about any instances in which an export licence application for military equipment was denied. This information is treated as restricted in order to prevent any possible commercial abuse of such data.

The database of rejected licence applications is updated by the Secretariat of the EU Council and by authorities of the various EU member states, who are responsible for reviewing licence applications and crosschecking each application against the database in order to make sure that another member state has not already flagged a similar transaction in the past as failing to meet the criteria of the EU Code of Conduct. If it is discovered that the database contains information on a prior rejection of a 'practically identical transaction' by any other member state, the member state reviewing the current licence application is required to consult with the member state that had previously rejected a similar transaction about the case in question. If the results evidence that the two transactions are 'practically identical', the current licence application is denied. Whenever a licence is issued, despite the fact that the results of an investigation confirmed the prior rejection of a similar transaction, the member state issuing the licence must notify the other members and provide a detailed explanation to support their particular decision.

Immediately after entering into force, the EU Code of Conduct on Arms Exports became a highly effective tool for controlling the export of military equipment. Over time, with the implementation of the Code's Operative Provisions and the release of the User's Guide to the Code, the Code of Conduct has provided a significant contribution to the convergence of national arms control policies. **Along with other European countries, the**

¹⁰ In certain cases – e.g. in the case of Criteria 3 and 7 – it can become problematic to define the territorial applicability of the respective criterion. The Ministry of Foreign Affairs monitors the permeability of borders, as well as the delineation of problem areas in various countries, while using the entire country as a logical unit to which the respective restrictions shall apply in the majority of cases.

Czech Republic has been sharing this common, highly functional and effective control system, which is regarded as the most sophisticate system of its kind in the world.

In 2005, the member states declared their common intention to transpose the politically binding EU Code of Conduct into the legally binding Common Position of the EU, which may become the next step in the development of a common foreign and security policy. In December 2006, foreign ministers of the EU member states discussed the adoption of a common position on the export of military equipment and technology. Unfortunately, they were unable to reach a consensus due to certain differences in their perception of the circumstances under which the common position would come into effect. In 2007, there were no new developments in this area.

3.2. User's Guide to the EU Code of Conduct on Arms Exports

The User's Guide to the EU Code of Conduct on Arms Exports is an important document, which was drafted by the COARM Council Working Group. Since its first release in 2003, the User's Guide has been updated on a regular basis. In the first half of 2007, during the German presidency of the EU, the document underwent significant revisions by the member states, which jointly updated the interpretations of the Code's criteria 1, 5 and 6. The new text that was passed in December 2007 is 108 pages long and consists of 6 individual sections and with 3 annexes.

The User's Guide provides more detailed rules for communications between member states. It refers to best licensing practices and explains in detail Criterion 1 (*the international commitments of EU member states.*), Criterion 2 (*respecting the human rights of individuals in the country of final destination*), Criterion 3 (*the internal situation in the country of final destination as a function of the existence of tensions or armed conflicts*), Criterion 4 (*preservation of regional peace, security and stability*), Criterion 5 (*the national security of the member states and of territories whose external relations are the responsibility of a member state, as well as that of friendly and allied countries*), Criterion 6 (*the behaviour of the purchasing country with respect to the international community, in particular with respect to its attitude towards terrorism*), Criterion 7 (*the existence of a risk that the equipment will be diverted within the purchasing country or re-exported under undesirable conditions*) and Criterion 8 (*the compatibility of the arms exports with the technical and economic capacity of the recipient country*). It provides guidance on the contributions of the member states to the annual EU report as required by Operative Provision 8.

Following initial consideration and approval of the interpretation of Criterion 8 in 2005, work on the interpretation of Criteria 2 and 7, which started in 2005, was completed under the Austrian Presidency in 2006. A more in-depth explanation of Criteria 3 and 4 was added under the Finnish Presidency during the second half of 2006. In 2007, the ambitious German presidency was able to complete interpretation of the remaining Criteria: 1, 5 and 6, over a period of just six months.

In developing the User's Guide, the most difficult task has been finding a balance between comprehensive, detailed definitions covering all aspects of each criterion, and the feasibility of their application in practice. The views of the member states differ. Some prefer a comprehensive description, while others prefer a more concise description. **The Czech Republic is not opposed to the use of lengthier and more complex descriptions, but**

understands that an ever-increasing list of aspects to be considered in each case may eventually pose difficulties.

3.3. Activities Targeting the Improvement of Control Mechanisms in Other Countries

Many EU member states, as well as other countries with well-developed export control systems, have been trying to support the control mechanisms that are being used by other countries in a variety of ways. Such activities are either carried out bilaterally or through international organisations.

During the second half of 2007, the Portuguese presidency proposed a “Joint Action” for all EU member states, which would coordinate and bring together the previously disparate activities of the various member states. This initiative received strong support, including support from those countries that will hold the presidency of the EU at the time of the planned Joint Action’s implementation (this includes the Czech Republic).

In 2007, the Joint Action was discussed during fall meetings of the COARM Group; however, the project’s approval was deferred until 2008, due to certain technical considerations. The expected length of the project is 24 months and the countries presiding over the EU will be organising seminars for countries of the Western Balkans, Turkey, the Ukraine and other countries of the European Neighbourhood Policy in collaboration with the Secretariat of the EU Council.

3.4. The Czech Republic's Position within the EU

The Czech Republic has been actively participating in the EU system of common standards for controlling foreign trade in conventional arms. During 2007, the Czech Republic adhered to the standard protocol and notified the other member states on rejected licence applications in 15 individual cases. The transactions involved the export of various types of military equipment to Afghanistan, Azerbaijan, Georgia, Thailand, Syria, the Central African Republic and Uzbekistan.

In 14 instances, the Czech Republic also held consultations with other countries, regarding their approach to exports in the form of questions or answers related to reported licence application rejections.

Despite the fact that it has become standard practice to share fairly detailed information on the respective licensing mechanisms and their application in practice between members of the COARM Group, differences continue to exist between the export policies of the various member states, as well as their positions towards EU policies, concerning the different geographical regions of the world. Such differences grow out of an historical context and the existence of certain traditional practices, as well as from newly arising business opportunities and relationships.

In certain respects, the Czech Republic also differs from the other member states. As shown in the comparison of Czech exports to the exports of other countries that were included

in the eighth annual report of the EU for the year 2006¹¹, there are certain geographic regions (outside of the territories of the EU and NATO members), where the Czech Republic holds a position of a major exporter of military equipment in terms of total export volume¹². However, this data should be judged in light of the specific situation and approaches of each member state. The data merely reflects the transactions taking place in the given year, and should not be treated as indicative of any trends in foreign trade in military equipment.

In 2006, the countries where the Czech Republic accounted for more than half of all EU exports of military equipment included: Mali (100%), Mongolia (100%), Syria (100%)¹³, Yemen (99.1%), Zambia (97.6%), Libya (96.4%), Sri Lanka (89.2%), Vietnam (83.4%), Uruguay (74.2%), Georgia (67.5%), Nigeria (57.58%) and the Ukraine (55.9%). The Czech Republic also had a major share of EU exports to the following countries: Azerbaijan (42.1%), Ethiopia (36.2%), Bangladesh (19.9%), Columbia (14.7%), Tunisia (13.7%), Kazakhstan (13.5%), Thailand (11.6%) and Afghanistan (11.5%).¹⁴ In terms of exports to other EU member states, the Czech Republic has the highest percentage of the exports to Slovakia (93.4%). The Czech Republic's share of the EU's total global exports is 0.97%.¹⁵

Further information on the equipment exported with a breakdown based on the official EU list of equipment can be found in the eighth annual report of the EU, which was published in the Official Journal of the EU (No. 2007/C 253/ 01) on 26 October 2007.

3.4.1. The Czech Republic's Position on EU Council Document 2007/ST/16534 - Proposal for a Directive of the European Parliament and Council on the Simplification of the Terms and Conditions for Transfers of Defence-Related Products within the Community

The party responsible for drafting the new directive in the Czech Republic is the Ministry of Industry and Trade. In collaboration with governmental authorities involved in this area and with the members of the business community, the ministry is fully involved in drafting the new directive, which is part of a larger package of defence-related measures (the defence package), which, in addition to a proposal for the above-referenced directive, also includes a proposal for a directive on defence procurement and a communication of the Commission titled "A Strategy for a Stronger and More Competitive European Defence Industry".

The objective of the new directive is to simplify the movement of defence-related goods and, over time, the directive should be able to contribute to the development of the European Defence Market (EDEM) and to the development of a stronger European Defence Technological and Industrial Base (EDTIB). The new legislation is expected to contribute to

¹¹ European data on 2007 exports were unavailable at the time of this report's preparation.

¹² This report does not work with information on exports from countries that are not bound by the EU Code of Conduct.

¹³ Spare parts for previously supplied aviation equipment (L-39).

¹⁴ In some cases the total value of Czech exports was very small – e.g. exports to Mali – 3,000 EUR, Mongolia – 34,000 EUR and Zambia – 24,000 EUR.

¹⁵ In terms of transactions completed in 2006, the Czech Republic ranked 9th in terms of all EU states. In comparison to the member states that joined the EU since 2004, the Czech Republic is the number one arms exporter.

the competitiveness of European defence industries, while also enhancing the security of its deliveries.

The basic framework is defined through the Common Military List (CML), which is part of the EU Code of Conduct on Arms Exports (this solution is much more convenient than the creation of an additional list of military equipment).

4. International Cooperation

Recently, the monitoring of trade in military equipment and the transfer of such equipment in general has also received a lot of attention globally. This area has therefore been moving to the forefront of discussions on international cooperation between different countries and it has become a major area of interest to a number of different international organisations. Overall volume of global trade in defence-related goods has been increasing. However, legal trade in such goods and their export to government entities has not been creating a problem; rather, defence equipment that is being sold illegally to non-governmental militias, terrorist organisations, etc. is of concern. Sales and transfers to such entities have been contributing to a general destabilization of the security situation in such regions as Sub-Saharan Africa.

4.1. The United Nations

4.1.1. The UN Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons¹⁶ in All Its Aspects

The Czech Republic has been supportive of the international community's efforts to prevent illegal trade in small arms and light weapons (SALW) and the uncontrolled distribution and accumulation of such equipment. 2007 was another year in which the "*Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects*" (UN Programme of Action) was used as an important framework for United Nations' initiatives concerning the monitoring of trade in small arms and light weapons. The UN Programme of Action was first adopted in 2001 as a programme that laid out the objectives of the international community in the subject area for the period through 2006. An advantage of the UN Programme of Action is the fact that it defines specific commitments and mechanisms to be adhered to in order to improve control over trade in small arms and light weapons, which are to be placed into circulation. These measures can be categorized based on the level at which they are to be adopted (national, regional or global).

At the "*national*" level, this includes the approval and implementation of legislation covering the following areas:

1. Control over the manufacturing, export and import of SALW.

¹⁶ According to the definition used by the UN, small arms are weapons intended for personal use and usually operated by a single person (e.g. automatic weapons and light machine guns); light weapons are operated by a group of individuals and transported using light transportation equipment (e.g. lower caliber mortars and certain types of portable cannon)

2. Monitoring and tracking of transfers of SALW.
3. Destruction of excess SALW.

Measures implemented at a “*regional*” level are voluntary and they focus on the overall enhancement of transparency. Such efforts can also include regionally binding moratoriums on the manufacture, import and export of SALW intended to prevent any undesirable accumulation of this equipment in a given region or territory.

At the “*global*” level, this primarily involves cooperation in the fight against illegal trade in SALW.

These measures are part of international efforts focused on the prevention of conflicts, involving SALW abuses, and the resolution of such conflicts. These measures primarily consist of demobilisation, demilitarisation, disarmament and reconsolidation projects for militants that have been involved in a conflict. Naturally, liquidation of SALW located in the affected areas is the primary goal.

As part of these efforts, the UN General Assembly passed Resolution No. 61/66 ("The Illicit Trade in Small Arms and Light Weapons in All Its Aspects") and Resolution No. 61/71 ("Assistance to States for Curbing the Illicit Traffic in Small Arms and Light Weapons and Collecting Them").

As part of the UN Programme of Action, during 2007, the Czech Republic continued focusing on the implementation of measures at a national level. In particular, such measures included improvements to legislation regulating the possession, carrying and tracking of SALW; control over manufacturing, export, import, trafficking and transfer of SALW in order to prevent illegal activities (including related legal sanctions); clear identification of arms as part of the manufacturing process or importation; record keeping; and, the disposal of excess SALW. At regional and global levels, the Czech Republic took part in EU initiatives (joint actions and the EU Code of Conduct on Arms Exports) and the country supported activities aimed at restricting SALW transfers – in particular to non-governmental entities.

Part of the implementation process for the measures that are included in the UN Programme of Action included adoption of the "**International Instrument to Enable States to Identify and Trace Illicit Small Arms and Light Weapons**". As part of the implementation of this politically binding international document, in 2007 the Czech Republic submitted its first report on the national system for the identification of SALW to the UN Secretary General. The country also made a contribution of USD 100,000 to organising a seminar on the identification of SALW, which was held in December 2007 in Nairobi, Kenya. The Czech Agency for Testing Arms and Ammunition was also actively involved in the programme and presented the technical aspects and their experience related to the identification of SALW in the Czech Republic.

4.1.2. The Arms Trade Treaty

The project for a legally binding global treaty to regulate trade in conventional arms started in 2003, when a coalition of non-governmental organisations launched the Arms Trade Treaty (ATT) campaign. Its objective was to initiate a series of discussions at international forums and to persuade as many governments as possible of the urgent need for

a mechanism to control international trade in military equipment. The main principles of such a legally binding international treaty would include the following: state responsibility; a limitation on the transfers of arms where the arms are likely to be used in a manner in violation of international law, where the transfer is likely to facilitate organised crime and corrupt practices, adversely affect regional security or stability, adversely affect sustainable development, involve corrupt practices or are in conflict with other international, regional or national commitments; transparency; and comprehensive controls.

The Czech Republic supports this initiative and seeks to promote it both bilaterally and multilaterally. The EU as a whole expressed its support for the ATT at a meeting of its General Affairs and External Relations Council in Luxembourg in October 2005.

On 6 December 2006 at the 61st annual UN General Assembly, the representatives of 153 governments voted in favour of Resolution No. 61/89 – "Towards an Arms Trade Treaty: Establishing Common International Standard for the Import, Export and Transfer of Conventional Arms".

As part of this initiative, which should lead to drafting an international treaty regulating trade in conventional arms as part of a coordinated approach of EU member states and the implementation of UN General Assembly Resolution No. 61/89, the Czech Republic submitted a national report supporting the UN initiative to kick-start the process leading towards the passage of the ATT to the secretary general of the UN. A compendium of such national reports was released by the UN Secretary General during a session of the 1st Committee of the 62nd UN General Assembly, in the fall of 2007.

In 2008, the Group of Government Experts (GGE) is scheduled to hold a series of three meetings. The group is expected to expand upon issues related to the feasibility, content and parameters of a future (legally binding) treaty establishing international standards for the import, export and transfer of conventional arms. The report, which is to be produced by the GGE, should be presented by the UN Secretary General and discussed by the 1st Committee at the 63rd UN General Assembly, in the fall of 2008. The resolution that is to be passed as a follow-up to this process is expected to designate a further course of action in this area. However, it has already become evident that, due to financial constraints related to the organising of further steps in this process, no significant developments in the negotiation and drafting of the treaty are anticipated to take place previous to the beginning of 2010. The EU has seven members representing it as part of the 28-member group of government experts (FI, FR, DE, RO, IT, UK and ES).

The Czech Republic believes that the Arms Trade Treaty should regulate – in a legally binding manner – trade in all types of conventional arms and related ammunition. The Czech Republic also believes that, in order to become the foundation of a reliable and well-functioning system for arms control, the treaty should regulate all types of international transactions, including import, export, re-export, transit and transfer, as well as the brokering of such transactions. By adopting such an international, legally binding instrument, the authorities can make sure that the ATT will become a powerful instrument to ensure the transparency and legality of international trade in arms.

4.2. *International Export Control Regimes*

Like other developed industrial countries, the Czech Republic takes an active role in all important, international control regimes, concerning foreign trade in military equipment, technologies and dual-use goods.

By participating in these regimes, the Czech Republic seeks to provide assistance in the elimination of risks to global security that are posed mainly by the proliferation of weapons of mass destruction and dual-use goods, the excessive accumulation of conventional arms in individual countries or regions and the use of weapons by terrorists.

Following are the different *types* of existing international export control regimes:

- *Zangger Committee and the Nuclear Suppliers Group*¹⁷ for nuclear non-proliferation.
- *Australia Group* for non-proliferation of chemical and biological weapons.
- *Missile Technology Control Regime* for Missiles Capable of Delivering Weapons of Mass Destruction¹⁸.
- *Wassenaar Arrangement* on export controls for conventional arms and dual-use goods and technologies.

Although the implementation of most international export control regimes is not based on international treaties (with the exception of the Zangger Committee whose role is established in the *'Treaty on the Non-Proliferation of Nuclear Weapons'*), all of these activities generally focus on thorough fulfilment of a participating country's obligations arising out of legally binding international treaties of the United Nations related to a ban on and/or the non-proliferation of weapons of mass destruction¹⁹. In this sense, the international export control regimes have provided an effective means of support for the control mechanisms put into place by the UN. The Arms Trade Treaty, which the UN is currently drafting, can be expected to positively impact this area²⁰.

In the Czech Republic, trade in nuclear, chemical and biological weapons, as well as in equipment capable of delivering such weapons is prohibited under Act No. 38/1994 Coll.²¹. The Czech Republic's participation in the above-listed international export control regimes (with the exception of the Wassenaar Arrangement) therefore has no direct impact on Czech foreign trade in military equipment and it is generally limited to diplomacy and prevention²².

¹⁷ Nuclear Suppliers Group (NSG)

¹⁸ Missile Technology Control Regime (MTCR). The related Hague Code of Conduct (HCOC) is a political document, which was adopted in 2002, that sets out measures for the building of mutual trust in this area.

¹⁹ In this regard, the UN Security Council Resolution No. 1540 (2004) on the non-proliferation of weapons of mass destruction plays an important role.

²⁰ See previous section of the report.

²¹ "Weapons of mass destruction, which specifically refer to nuclear, chemical and biological weapons, may not be the subject of trade in military equipment" – quote from Section 4 of Act No. 38/1994 Coll.

²² In the area of chemical weapons, there could be some impact on Czech foreign trade from international export control regimes. The Czech Ministry of Industry and Trade tends to associate the matter of the proliferation of weapons of mass destruction with dual-use goods rather than with military equipment.

The proliferation of weapons of mass destruction is not the only problem associated with trade in military equipment. Small arms and light weapons have claimed the lives of an unacceptably high number of civilians across the globe and the global community is starting to pay more attention to this area of concern. The risks associated with the transfer of small arms and light weapons to non-governmental entities have been demonstrated in numerous examples of the abuse of man-portable air defence systems against civilian aircraft.

As part of its commitment, the Czech Republic has been actively participating in the existing regimes overseeing the movement and use of small arms and light weapons and it has been an advocate of the global enforcement of tighter control measures, similar to those that are binding in the Czech Republic.

The various international export control regimes have their own secondary sections, which specialise in specific types of weapons – in most cases, weapons of mass destruction. The only similar type of global initiative, which specifically focuses on illicit trade in small arms and light weapons is the previously referenced "UN Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects". One alternative to the creation of additional special regimes for controlling small arms and light weapons is to place additional emphasis on this type of equipment in broader scope control regimes at both regional²³ and global levels²⁴.

The following section of the report only discusses those parts of the international export control regimes, which have a direct impact on controlling the export of military equipment and small arms for civilian use in the Czech Republic (i.e. the Wassenaar Arrangement). This report deliberately avoids going into detail on the fight against the proliferation of weapons of mass destruction. The report also avoids going into any detailed discussions about compliance with obligations arising out of the Treaty on Conventional Arms in Europe because these matters tend to be more related to security policies and less related to the controlling of trade in military equipment.

Wassenaar Arrangement

The Wassenaar Arrangement (WA) on export controls for conventional arms and dual-use goods and technologies was established in 1995 to include a group of countries that focused their attention on a broad spectrum of conventional arms and dual-use goods and technologies (i.e. items that are primarily intended for industrial use but which could also be used for the production of conventional arms).

WA activities largely consist of information sharing on the general aspects of international trade in strategic goods, which include global trends in arms trade, the security situation in certain regions, suspicious procurement activities of specific countries, suspicious projects or businesses operating in certain countries, etc. The activities carried out under this regime also include an exchange of detailed information on particular transfers of such items and rejected licence applications for transactions with non-member countries.

²³ Besides the previously discussed EU Code of Conduct on Arms Exports, the Nairobi Protocol and similar types of initiatives that are part of MERCOSUR, OSCE or CARICOM can also be identified as examples of regional cooperative arrangements in controlling the movement of arms.

²⁴ Besides the Wassenaar Arrangement, the best example is the planned Arms Trade Treaty.

In 2007, the general meeting of the countries that participate in the WA approved certain changes to the list of restricted items, the "Updated Elements for Export Controls of Man-Portable Air Defence Systems" and the "Best Practices to Prevent Destabilising Transfers of Small Arms and Light Weapons Through Air Transport". The meeting also approved the "Statement of Understanding on Implementation of End-Use Controls for Dual-Use Items" and the members agreed to maintain a relationship with non-participating countries. The draft of the "Best Practices to Control the Subsequent Transfer (Re-Export) of Conventional Arms Specified in Appendix 3 to the Initial Elements of the WA" was not approved in 2007 and it will be on the agenda for the 2008 meeting.

5. Control of Trade in Small Arms and Light Weapons for Civilian Use

In Czech legislation, the term "firearms of a non-military nature" refers to weapons intended for sports, leisure, hunting and self-defence.²⁵ In the Czech Republic, any and all foreign trade in civilian weapons and ammunition is regulated by Act No. 228/2005 Coll. on the control of trade in products for which possession in the Czech Republic is restricted for security reasons. Government Decree No. 203/2005 – an appendix to Act No. 228/2005 Coll. – lists the products that are regulated by this legislation. In practice, it only applies to revolvers, pistols and certain types of rifles and related ammunition. The manufacturing information of leading Czech producers shows that a large part of their production and exports fall within this category of trade controlled goods.

Unlike the two-level system used for controlling foreign trade in military equipment, trade in civilian weapons is controlled using a single-level system. The **Ministry of Industry and Trade** issues a permit, on the basis of a written application that is filed by a natural person or a legal entity and contains information about the target destination, the purchaser, the number of units being supplied, etc. When deciding on the issue or denial of such a permit, the ministry may request that the applicant or other relevant governmental bodies provide additional information or documentation, as necessary for the application's appropriate assessment. The permit is never issued, if all applicable formal requirements have not been met, if its issue would be in conflict with the security interests of the Czech Republic or if the applicant has had a previously issued permit revoked. In accordance with the law, a permit can be revoked if its holder fails to adhere to the requirements, which have been specified in the permit; if false information was provided in the application or if revocation of the permit is justified by circumstances related to national security.

In comparison with the system used for controlling trade in military equipment, the role played by the Ministry of Foreign Affairs, as part of the process of reviewing applications for an export permit for small arms for civilian use, is somewhat different. Although the law does not permit the review of such an application from a foreign policy interest perspective, the Czech Republic is still bound by the EU Code of Conduct and other legally binding international arrangements and the country is required to respect any embargos when

²⁵ Act No. 119/2002 Coll. breaks down arms and ammunition into several categories. Military arms fall into Category "A", which is used for weapons and their ownership, possession or carrying, which is prohibited. The Czech Police can grant an exemption from this ban to holders of an "arms passport" or an "arms licence" – provided the conditions established in the above Act are complied with.

approving trade involving this type of goods. As a result, in practice, the Ministry of Foreign Affairs only provides a broad review of the information, which has to be taken into consideration as part of the decision on issuing an export permit, to the Licensing Section of the Ministry of Industry and Trade. In 2007, the Ministry of Foreign Affairs provided information on 226 export permit applications, a number which represents a decrease of 31.7% from the number examined in 2006 (331 applications).

6. International Arms Embargos

The Czech Republic respects all embargos imposed by the UN, the EU and the Organisation for Security and Cooperation in Europe (even though the restrictions imposed by the OSCE are non-mandatory). The country also plays an active role in drafting and updating of such measures as a member of the above-named organisations.

The list of countries that are subject to partial or complete international embargos can change through the course of the year, as can the extent of any individual embargo, based on decisions approved by the UN Security Council (UN SC resolutions), the EU Council (Common Position) or other entities.

In 2007, a new embargo was put in place against **Iran**. In 2006, the UN Security Council passed a resolution (1737/2006) prohibiting the export of goods and services related to Iran's nuclear programme. The Security Council's course of action was followed in February 2007 by a similar measure passed by the EU Council (Common Position 2007/140/CFSP); however, just as with the above-referenced UN resolution, this measure failed to include any limits on the export of conventional arms to this country. It was not until the passing of UN SC Resolution 1747/2007 that member states were asked to refrain from the export of heavy weapons to Iran. This resolution was implemented in March 2007 by the EU Council through Common Position 2007/246/CFSP, which went even further by prohibiting member states from exporting any type of weaponry to Iran, with no end date.

On the other hand, there were other embargos that were partially relaxed. In 2007, the UN Security Council extended the validity of an embargo imposed against the **Democratic Republic of the Congo** in Resolutions No. 1768/2007 and 1771/2007. However, the second resolution also loosened existing restrictions on technical training and assistance provided to government-controlled military and police forces. The EU Council approved an identical loosening of the embargo in question and its extension through 15 February 2008 in Common Position 2007/654/CFSP.

The export regime concerning **Rwanda** was also relaxed with UN SC Resolution No. 1749/2007, which eliminated the requirement to report export transactions. However, the existing embargo on the supply of arms to non-governmental bodies remains in force.

The existing embargo against **Somalia** has also been partially relaxed. UN SC Resolutions No. 1725/2006, 1744/2007 and 1772/2007 have permitted – under certain conditions – arms to be exported in support of the African Union mission, in an effort to support the establishment of local security forces. The EU Council adopted the provisions of

the first two of the above-referenced resolutions through Common Positions 2007/94/CFSP and 2007/391/CFSP, respectively.

As part of an extension of the existing embargo against **Liberia** (for an additional 12 months), the UN Security Council imposed (through UN SC Resolution No. 1792/2007) a reporting duty on certain types of arms exports permitted as part of exemptions from the existing embargo. A parallel common position of the EU Council (2008/109/CFSP) was not adopted until the beginning of 2008; however, unlike the UN resolution, the EU common position has no time constraints.

Additionally, four existing embargos were extended without any changes to the existing restrictions: **Myanmar** (Common Position 2007/248/CFSP, validity extended through 30 April 2008), **Ivory Coast** (Common Positions 2007/92/CFSP and 2007/761/CFSP, validity extended through 31 October 2008 in response to related UN SC Resolutions No. 1727/2006 and 1782/2007), **Uzbekistan** (Common Position 2007/734/CFSP has consolidated earlier documents and extended the validity of the embargo through 13 May 2008) and **Zimbabwe** (Common Position 2007/120/SFSP, validity extended through 20 February 2008).

Other embargos that were in force or were introduced in 2006 remained in effect through 2007. This was also the case of a special control regime imposed on countries that were members of **ECOWAS** (Economic Community of West African States), which relates to small arms and light weapons, as well as to certain other types of military equipment.

7. Annexes

Annex No. 1

List of Military Equipment

Annex No. 2

Licences for the Export (sale) of Military Equipment Issued and Used in 2007

Annex No. 3

Breakdown of Export Licences by Type of Military Equipment in 2007

Annex No. 4

Military Equipment Exports by Country in 2007 (breakdown by %)

Annex No. 5

Utilisation of Licences for the Export (sale) of Military Equipment from 2003 to 2007 by Country of Final Use

Annex No. 6

Exports of Military Equipment (sales to foreign entities from 1994 to 2007)

Annex No. 7

Export / Sale of Selected Military Equipment to Foreign Entities in 2007

Annex No. 8

Imports of Military Equipment (Procurement from foreign entities from 1994 to 2007)

Annex No. 9

Breakdown of Import Licences by Type of Military Equipment in 2007

Annex No. 10

Import / Procurement of Selected Military Equipment from Foreign Entities in 2007

Annex No. 11

Permits to Engage in Foreign Trade in Military Equipment in 2007

Annex No. 12

Overview of Restrictive Measures Controlling the Export of Conventional Military Equipment during 2007

**Items on the Czech List of Military Equipment (SVM)
and on the Common Military List of the European Union(ML)**

SVM

→

ML

SVM 1	Weapons and components specially designed for them	ML 1
SVM 2	Large-calibre arms or weapons and launchers and components specially designed for them	ML 2
SVM 3	Ammunition and components specially designed for them	ML 3
SVM 4	Bombs, torpedies, rockets, and missiles and components specially designed for them	ML 4
SVM 5	Fire-control systems and sub-systems and components specially designed for them	ML 5
SVM 6	Vehicles	ML 6
SVM 7	Toxic agents	ML 7
SVM 8	Military explosives and combustibles	ML 8
SVM 9	Vessels of war	ML 9
SVM 10	Aircraft and helicopters	ML 10
SVM 11	Electronic equipment specially designed for military use	ML 11
SVM 12	Photographic and electro-optic imaging equipment	ML 15
SVM 13	Special armoured materials	ML 13
SVM 14	Specialised equipment for military training	ML 14
SVM 15	Military infra-red equipment, heat-imaging and image-enhancing equipment	ML 15
SVM 16	Forgings, castings and unfinished products	ML 16
SVM 17	Miscellaneous materials	ML 17
SVM 18	Production equipment	ML 18
	Technologies	ML 22
SVM 19	Cryogenic and "superconductive" equipment	ML 20
SVM 20	Electrically triggered photo-chromic or electro-optic-type shutters	ML 15
SVM 21	Directed energy weapon systems	ML 19
SVM 22	Software	ML 21
SVM 23	Kinetic energy weapon systems	ML 12
SVM 24	Services	ML 22

Licences for the Export (Sale) of Military Equipment Issued and Used in 2007

	LICENCES GRANTED			USE OF LICENCES	
	NUMBER OF LICENCES	MAIN MILITARY EQUIPMENT ITEMS (SVM)	APPROXIMATE VALUE EUR '000	MAIN MILITARY EQUIPMENT ITEMS (SVM)	APPROXIMATE VALUE EUR '000
North Africa	15	10,6,24	11 972	24,6,10,1	8 107
Algeria	11	10,6,24	9 309	10,24,1	2 874
Libya	1	6	1 919	6,24	2 155
Tunisia	3	10,24	743	24,10	3 077
Sub-Saharan Africa	32	24,11,10,6,14,3,1,4	162 437	14,6,24,10,1,3,2	11 199
Ethiopia	15	14,6,24,10,4	6 372	14,6,24,10,2	7 331
Ghana	1	24	64	24	63
Cape Verde	1	3	2	3	2
Madagascar	2	1,3	27	1,3	37
Nigeria	10	24,11,10,6	153 803	24,10	1 735
Equatorial Guinea	3	6,3	2 168	6,3	2 029
North America	83	10,1,24,3,6,14,2,16,4,15,11,8,7	13 049	10,3,1,6,24,14,8,2,15,16,4,11,7	10 651
Canada	13	1,3,8,7	581	1,3,8,7	437
United States of America	70	10,1,24,6,3,14,2,16,4,15,11	12 467	10,3,6,1,24,14,8,2,15,16,4,11	10 213
Central America and the Caribbean	7	1,6,24	2 072	1,3,6	984
Haiti	2	6,24	245	6	186
Mexico	5	1	1 827	1	533
Panama	0		0	3	265
South America	16	8,1,3,17,7	1 281	1,3,8,7,24	377
Brazil	4	8,17,1	90	8,1	64
Chile	5	3,7,1	162	3,7,1	62
Colombia	7	8,1	1 028	1,24,8	250
North-East Asia	5	17,3,1,7	57	4,1,7	96
China	1	17	39		0
Japan	1	7	2	4,7	92
Republic of Korea	1	3	10		0
Mongolia	1	1	4	1	4

Taiwan	1		0
South-East Asia	98	11,1,24,3,10,2,8,18,6	31 760
Philippines	2	1,3	87
Indonesia	7	2,1,6,24	498
Malaysia	9	11,3,24,18,10	19 043
Singapore	3	11	12
Thailand	70	1,24,3,10,8	11 494
Vietnam	7	11,10	623
South Asia	66	6,24,18,10,1,3,4,13,5,7	72 820
Afghanistan	5	24,1,4	29 299
Bangladesh	7	10	314
India	32	6,18,5	38 226
Pakistan	9	10,24,6,13,7	4 346
Sri Lanka	13	3,6,24	633
European Union	475	11,6,24,3,10,1,17,13,8,14,5,4,22,15,18,7,2	121 217
Belgium	7	8,1,3	646
Bulgaria	11	8,4,3,1,10,19	218
Estonia	7	24,10,1,3,7	3 786
Finland	2	1	24
France	16	24,18,8,15,1,3	818
Italy	4	24	2 942
Lithuania	18	3,11,13,10,7,1	6 308
Latvia	3	6,3,24	2 495
Luxembourg	5	6,1	176
Hungary	10	15,24,10,17,7	989
Malta	6	1,3	37
Netherlands	9	3,18,8,7,1	460
Poland	52	6,3,24,11,4,8,10,7	5 403
Austria	28	11,24,6,17,14,3,15,7,8	26 948
Romania	9	10,24,8,17	614
Greece	4	3,8,24,7	352
Slovakia	157	6,11,10,24,1,13,3,5,8,4,18,7	51 661
Slovenia	2	6,8	19
Federal Republic of Germany	90	11,24,22,10,14,6,7,4,3,2,8	16 063
Spain	10	10,3	738
Sweden	6	10,18	197

	0
1,3,24,10,2,11,8,6,7	5 620
1,3	69
2,1,6,24	418
3,10	470
11,7	15
1,24,3,10,8	4 275
10,11,24	372
6,11,10,1,2,24,5,3,7	49 587
1,2,24	920
10,3	317
6,5	35 631
11,10,6,7,24	12 695
24	23
6,24,11,3,10,1,13,8,5,22,4,15,14,18,7,17,16	52 110
8,1	528
8,4,1,10,16,3	184
24,11,10,1,3,7	4 231
1	19
10,24,18,8,15,1,3	366
24	225
3,11,13,10,7,1	2 554
6,3,24	2 485
6,1	174
15,24,10,13,11,7,1	1 002
1,3	26
18,7,8,4	232
6,11,3,4,24,8,17,10,7	3 352
24,3,11,6,8,7	7 588
10,24,8,17	556
3,8,24,7	342
6,11,1,10,13,24,3,5,8,4,18,7,16	20 742
6,8	18
11,24,22,14,10,6,8,3,7	6 769
3,10	295
10	160

United Kingdom	19	6,1,24,4,8,10	312
Other European countries	77	6,3,4,10,15,1,11,24,2,5,8,17,14,16,7	45 827
Azerbaijan	2	10	615
Georgia	18	3,6,4,15,1,10,2,5	26 760
Croatia	2	3,8	304
Macedonia	1	3	208
Moldova	3	1	87
Norway	8	3,7	555
Russian Federation	13	6,10,5,24,1	13 763
Switzerland	13	10,1,14,3,6,2	135
Turkey	0		0
Ukraine	17	11,6,10,24	3 380
Near East	65	6,13,3,1,14,10,7,4,24,18,5,17,11	14 495
Egypt	25	6,3,14,1,10,4,7,24,5	6 157
Iraq	3	1,3	721
Israel	12	6,14,18,10,24,17,3	2 820
Yemen	1		0
Jordan	9	6,3,11,1	975
Saudi Arabia	4	13,7	3 168
United Arab Emirates	10	6,1	652
Syria	1		0
Australia and Oceania	2	10,1	65
New Zealand	2	10,1	65
Total	941	24,6,11,10,3,1,14,4,13,18,15,17,8,5,22,2,7,16	477 041

6,24,1,4,8,10	254
6,3,10,15,24,11,2,5,8,1,4,17,14,16,7	22 839
10	470
3,6,15,2,5,4	13 244
3,24,11,8	593
0	0
1	43
3,7	544
6,10,5,3,1	6 936
10,24,3,1,14,2	248
17	29
11,10,24	732
6,13,3,14,1,18,10,7,5,17,24,11	13 040
3,6,14,1,18,10,7,5	4 443
1,3	680
6,14,18,17,24,3	2 442
6	1 853
6,3,11,1	553
13,7	2 578
6,1	488
	0
10,8,1	106
10,8,1	106
6,3,24,11,10,1,14,15,13,8,5,4,2,18,22,7,17,16	174 724

Breakdown of Export Licences by Type of Military Equipment in 2007

country	share in the overall volume of use as a percent	SVM - share as a percent			
India	20,39	SVM 6 – 100			
Slovakia	11,87	SVM 6 – 51	SVM 11 – 10	SVM 1 – 9	SVM 10 – 8
Georgia	7,58	SVM 3 – 42	SVM 6 – 30	SVM 15 – 23	
Pakistan	7,27	SVM 11 – 70	SVM 10 – 30		
USA	5,85	SVM 10 – 37	SVM 3 – 23	SVM 1 – 14	SVM 6 – 14
Austria	4,34	SVM 24 – 45	SVM 3 – 31	SVM 11 – 14	SVM 6 – 10
Ethiopia	4,20	SVM 14 – 93			
Russian Federation	3,97	SVM 6 – 67	SVM 10 – 33		
Germany	3,87	SVM 11 – 50	SVM 24 – 22	SVM 22 – 10	SVM 14 – 8
Egypt	2,54	SVM 3 – 35	SVM 6 – 33	SVM 14 – 13	SVM 1 – 9
Thailand	2,45	SVM 1 – 74	SVM 24 – 12	SVM 3 – 6	SVM 10 – 5
Estonia	2,42	SVM 24 – 88	SVM 11 – 11		
Poland	1,92	SVM 6 – 51	SVM 11 – 15	SVM 4 – 10	SVM 3 – 10
Tunisia	1,76	SVM 24 – 96			
Algeria	1,64	SVM 10 – 60	SVM 24 – 32	SVM 1 – 8	
Saudi Arabia	1,48	SVM 13 – 99			
Lithuania	1,46	SVM 3 – 77	SVM 11 – 9	SVM 13 – 7	SVM 10 – 5
Latvia	1,42	SVM 6 – 78	SVM 3 – 22		
Israel	1,40	SVM 6 – 83	SVM 14 – 13		
Libya	1,23	SVM 6 – 92	SVM 24 – 8		
Equatorial Guinea	1,16	SVM 6 – 100			
Yemen	1,06	SVM 6 – 100			
Nigeria	0,99	SVM 24 – 96			
Hungary	0,57	SVM 15 – 63	SVM 24 – 17	SVM 10 – 14	
Afghanistan	0,53	SVM 1 – 71	SVM 2 – 24	SVM 24 – 5	
Ukraine	0,42	SVM 11 – 40	SVM 10 – 39	SVM 24 – 20	
Iraq	0,39	SVM 1 – 58	SVM 3 – 42		
Croatia	0,34	SVM 3 – 47	SVM 24 – 25	SVM 11 – 24	
Jordan	0,32	SVM 6 – 50	SVM 3 – 47		
Romania	0,32	SVM 10 – 57	SVM 24 – 31	SVM 8 – 7	SVM 17 – 5
Mexico	0,31	SVM 1 – 100			
Norway	0,31	SVM 3 – 100			
Belgium	0,30	SVM 8 – 93	SVM 1 – 7		
United Arab Emirates	0,28	SVM 6 – 98			
Azerbaijan	0,27	SVM 10 – 100			
Malaysia	0,27	SVM 3 – 96			
Canada	0,25	SVM 1 – 50	SVM 3 – 49		
Indonesia	0,24	SVM 2 – 52	SVM 1 – 23	SVM 6 – 19	SVM 24 – 6
France	0,21	SVM 10 – 38	SVM 24 – 25	SVM 18 – 12	SVM 8 – 10
Vietnam	0,21	SVM 10 – 59	SVM 11 – 40		
Greece	0,20	SVM 3 – 81	SVM 8 – 19		
Bangladesh	0,18	SVM 10 – 93	SVM 3 – 7		
Spain	0,17	SVM 3 – 75	SVM 10 – 25		
Panama	0,15	SVM 3 – 100			
United Kingdom	0,15	SVM 6 – 46	SVM 24 – 18	SVM 1 – 18	SVM 4 – 10

Colombia	0,14	SVM 1 – 100			
Switzerland	0,14	SVM 10 – 75	SVM 24 – 10	SVM 3 – 6	
Italy	0,13	SVM 24 – 100			
Netherlands	0,13	SVM 18 – 75	SVM 7 – 13	SVM 8 – 6	SVM 4 – 5
Bulgaria	0,11	SVM 8 – 57	SVM 4 – 20	SVM 1 – 13	
Haiti	0,11	SVM 6 – 100			
Luxembourg	0,10	SVM 6 – 93	SVM 1 – 7		
Sweden	0,09	SVM 10 – 100			
New Zealand	0,06	SVM 10 – 58	SVM 8 – 42		
Japan	0,05	SVM 4 – 97			
Brazil	0,04	SVM 8 – 74	SVM 1 – 26		
Philippines	0,04	SVM 1 – 95	SVM 3 – 5		
Ghana	0,04	SVM 24 – 100			
Chile	0,04	SVM 3 – 91	SVM 7 – 9		
Madagascar	0,02	SVM 1 – 90	SVM 3 – 10		
Malta	0,02	SVM 1 – 99			
Moldova	0,02	SVM 1 – 100			
Turkey	0,02	SVM 17 – 100			
Finland	0,01	SVM 1 – 100			
Singapore	0,01	SVM 11 – 81	SVM 7 – 19		
Slovenia	0,01	SVM 6 – 72	SVM 8 – 28		
Sri Lanka	0,01	SVM 24 – 100			
Cape Verde	<0,01	SVM 3 – 100			
Mongolia	<0,01	SVM 1 – 100			
Syria	<0,01	SVM 24 – 100			
Taiwan	<0,01	SVM 1 – 100			

SVM = List of Military Material item

Military Equipment Exports by Country (Breakdown as a %)

ord.	KU countries	1.	2.	3.	4.
approximate share as a percent					
1	Afghanistan	5	95	0	0
2	Algeria	100	0	0	0
3	Azerbaijan	100	0	0	0
4	Bangladesh	100	0	0	0
5	Belgium	0	0	0	100
6	Brazil	0	0	74	26
7	Bulgaria	2	0	0	98
8	Czech Republic	100	0	0	0
9	Egypt	54	32	2	12
10	Estonia	11	0	0	89
11	Ethiopia	100	0	0	0
12	Philippines	95	0	0	5
13	Finland	0	0	0	100
14	France	13	7	0	80
15	Ghana	100	0	0	0
16	Georgia	99	1	0	0
17	Chile	9	91	0	0
18	Croatia	49	47	4	0
19	India	99	0	0	1
20	Indonesia	78	20	0	2
21	Iraq	70	30	0	0
22	Italy	0	0	0	100
23	Israel	0	0	0	100
24	Japan	97	0	0	3
25	Yemen	100	0	0	0
26	South Africa	100	0	0	0
27	Jordan	100	0	0	0
28	Canada	0	0	0	91
29	Cape Verde	0	100	0	0
30	Colombia	100	0	0	0
31	Libya	100	0	0	0
32	Lithuania	93	0	0	7
33	Latvia	22	0	0	78
34	Luxembourg	0	0	0	100
35	Madagascar	0	100	0	0
36	Hungary	15	82	0	4
37	Malaysia	4	0	0	96
38	Malta	0	1	0	99
39	Mexico	100	0	0	0
40	Moldova	0	40	0	60
41	Mongolia	0	0	0	100
42	Nigeria	100	0	0	0
43	Netherlands	0	13	65	22
44	Norway	0	0	0	100
45	New Zealand	0	0	0	100
46	Pakistan	100	0	0	0
47	Panama	0	100	0	0
48	Poland	43	3	9	45
49	Portugal	100	0	0	0
50	Austria	1	95	0	4
51	Equatorial Guinea	0	100	0	0
52	Romania	0	0	0	100

53	Russian Federation	97	0	2	1
54	Greece	0	81	0	19
55	Saudi Arabia	1	0	0	99
56	Slovakia	60	8	14	19
57	Slovenia	0	28	0	72
58	United Arab Emirates	100	0	0	0
59	United States of America	7	0	34	60
60	Federal Republic of Germany	34	0	0	65
61	Sri Lanka	100	0	0	0
62	Spain	0	75	0	25
63	Switzerland	0	0	3	97
64	Taiwan	0	0	0	100
65	Thailand	9	74	7	10
66	Tunisia	100	0	0	0
67	Turkey	0	0	0	100
68	Ukraine	0	0	10	90
69	Uruguay	100	0	0	0
70	United Kingdom	64	0	0	36
71	Vietnam	100	0	0	0

Description of the prevailing use

1. armed forces - army, airforce, navy
2. armed security corps - police, customs, prison service, home defence
3. industry - processing
4. other sale, collectors

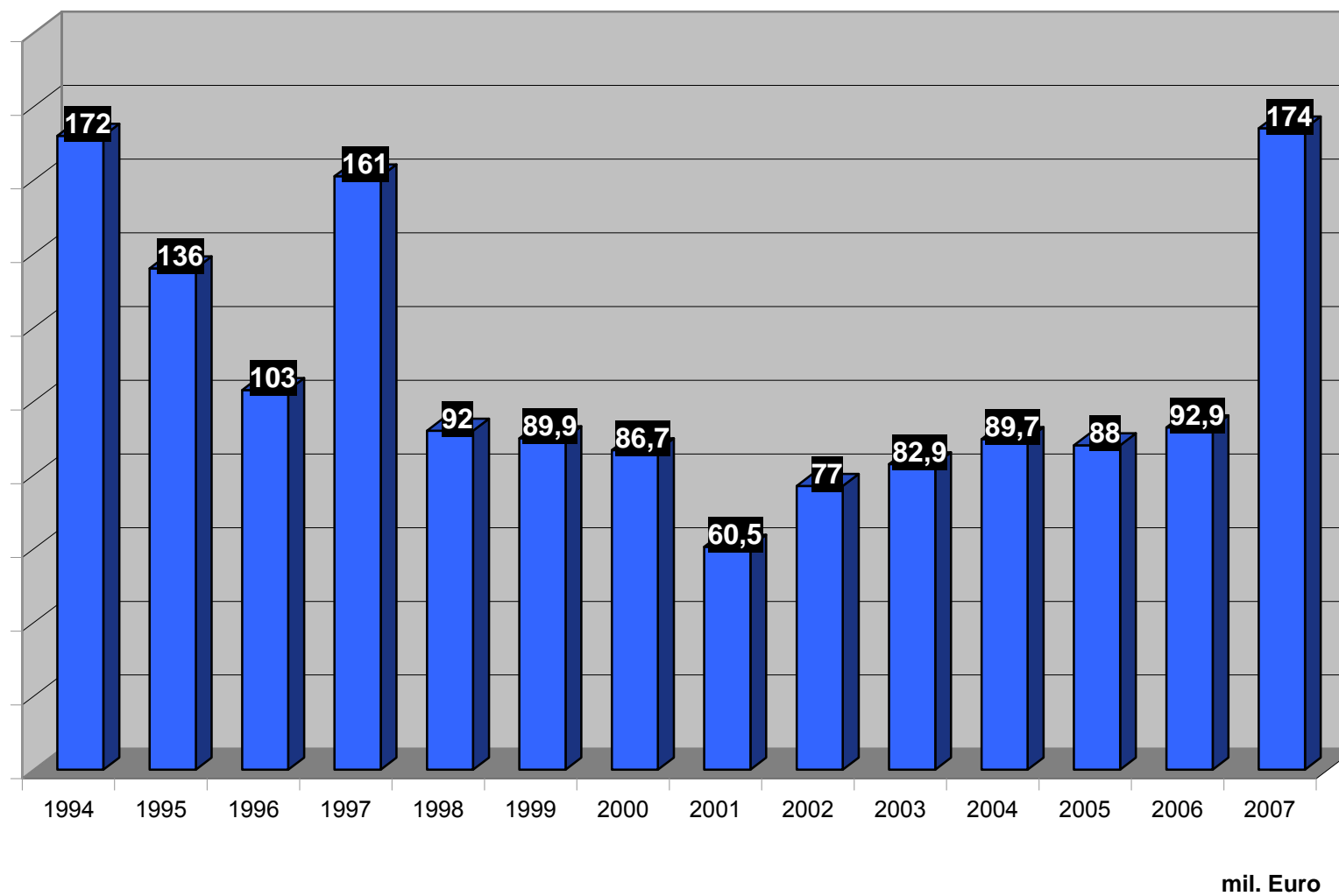
**Utilisation of Licences for the Export / Sale of Military Equipment from 2003 to 2007
by Country of Final Use**

	2007	2006	2005	2004	2003
approximate value in EUR '000					
North Africa	14 650	7 096	3 470	6 043	19 659
Algeria	9 339	2 213	2 265	5 292	17 491
Libya	2 233	712			
Morocco			362	199	
Tunisia	3 078	4 171	843	552	2 168
Sub-Saharan Africa	11 434	1 581	1 683	1 051	2 188
Angola			304		
Chad			3		
Ethiopia	7 334	1 015	839	709	307
Ghana	135				
South Africa	160			81	
Cape Verde	2		5		
Kenya				222	733
Democratic Republic of Congo					992
Madagascar	37				
Malawi				1	
Mali		3	422		
Nigeria	1 736	539	110	38	156
Equatorial Guinea	2 030				
Zambia		24			
North America	10 636	9 433	13 215	4 668	5 429
Canada	410	96	207	110	467
United States of America	10 226	9 337	13 008	4 558	4 962
Central America and the Caribbean	798	221	1 450	212	281
Dominican Republic			33		
Mexico	533	221	1 333	212	281
Panama	265				
Trinidad and Tobago			84		
South America	563	1 208	1 907	1 505	615
Brazil	64				
Ecuador		68	63		
Chile	62	3		1	243
Colombia	251	438	1 733	1 424	372
Peru			1		
Uruguay	186	118	110	80	
Venezuela		581			
Central Asia	0	324	1 515	1 815	122
Kazakhstan		324	1 515	1 685	122
Uzbekistan				130	
North-East Asia	299	1 282	2 165	3 038	132
China		1 166	2 162	3 006	100
China – Hong Kong		1			
Japan	93	81			
Republic of Korea					32
Mongolia	4	34	3	31	
Taiwan	202			1	
South-East Asia	5 622	5 650	6 032	4 921	5 262

Philippines	69	19		12	83
Indonesia	431	167	0	625	1 778
Malaysia	473	357	21	3	45
Singapore		139	15		
Thailand	4 277	2 221	2 268	3 146	2 519
Vietnam	372	2 747	3 728	1 135	837
South Asia	53 423	9 186	5 579	20 791	17 736
Afghanistan	920	205	355	1 842	0
Bangladesh	326	437	578	1 021	565
India	39 457	7 024	3 793	17 240	17 025
Pakistan	12 697	46	3	2	12
Sri Lanka	23	1 474	850	686	134
European Union	41 919	38 639	33 850	30 314	21 043
Belgium	528	257	277	456	179
Bulgaria	182				
Czech Republic	5 454				
Denmark		4			
Estonia	4 231	3 158	19	68	29
Finland	19	72	138	48	85
France	375	216	12	534	248
Croatia	593				
Italy	226	13			
Cyprus		59	488		
Lithuania	2 415	435	797	262	1 295
Latvia	2 486	3 318	606	47	16
Luxembourg	300	18			
Hungary	1 012	99	1 283	988	2 377
Malta	26				
Netherlands	232	100	48	33	54
Poland	3 149	6 271	4 556	7 424	1 639
Portugal	28	14	50	7	
Austria	2 442	956	7	52	4
Romania	299				
Greece	343	361	286	69	21
Slovakia	10 696	18 748	21 089	13 085	12 866
Slovenia	19	14	97	64	70
Federal Republic of Germany	5 918	3 865	1 765	3 992	1 466
Spain	295	206	193	330	325
Sweden		383	240	0	334
United Kingdom	651	72	1 899	2 855	35
Other European countries	20 209	9 598	7 734	5 314	3 961
Azerbaijan	470	230	717	165	363
Bulgaria		540	1 622	460	169
Georgia	13 244	6 196	3 264	2 043	1 363
Croatia				96	13
Macedonia		68	25	1 148	
Moldova	43				
Norway	544	2			1
Romania		838	207	81	263
Russian Federation	3 142	327	1 021	911	1 705
Switzerland	241	66	25	31	82
Turkey	30	9	41	21	2
Ukraine	2 495	1 322	812	358	
Near East	15 065	8 744	9 456	10 019	6 460
Egypt	6 177	4 646	3 443	1 648	854
Iraq	2 404	38	2 063	2 873	2 286

Israel	394	261	1 289	821	1 803
Yemen	1 854	3 071	4	2 355	
Jordan	553	299		1	295
Qatar					
Kuwait		12	186		
Lebanon			712	342	140
Oman			5		
Saudi Arabia	2 578		551	957	
United Arab Emirates	1 105	202	936	1 022	972
Syria		215	267	0	110
Australia and Oceania	107	27	2	7	0
Australia			2		
New Zealand	107	27	0	7	
Total	174 725	92 989	88 058	89 700	82 888

Exports of Military Equipment, Based on Available Data
(sales to foreign entities from 1994 to 2007)

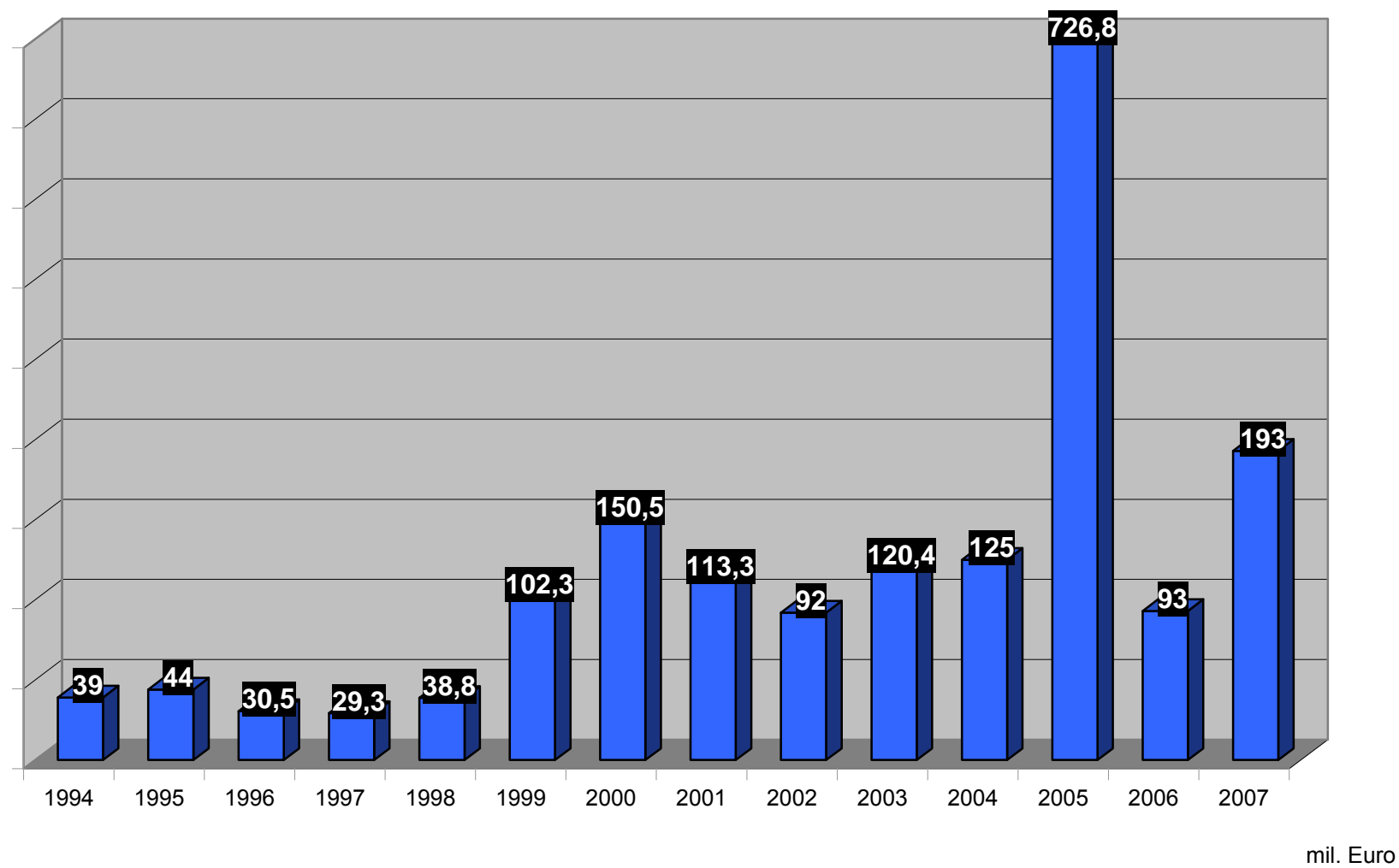


Export / Sale of Selected Military Equipment to Foreign Entities in 2007

military equipment (example)	number of items	country (most significant)
Revolvers and pistols		
<i>(CZ various models, Kevin, Alfa, Star, Kora)</i>	30410	Thailand, USA, Egypt, Indonesia, Mexico Colombia, Philippines
Rifles and carbines		
<i>(CZ 858 Tactical, SKS, Mauser, Mosin)</i>	1724	USA, Canada, Belgium, Malta, Slovakia Finland, France
Machine rifles		
<i>(vz. 61, PPS-41, PPS-43, Thompson 1922/1928, CZ 75 AUTO)</i>	3356	USA, Slovakia, France, United Arab Emirates Switzerland, Malta
Automatic wapons		
<i>(vz. 58)</i>	51258	Slovakia, Belgium, Finland, Russian Federation
Light machine guns		
<i>(RPK, vz. 30/37, MG34, DP)</i>	2647	Afghanistan, United Kingdom, Slovakia, Malta Luxembourg, Finland
Heavy machine guns		
<i>(DSK 38/46, Maxim 1910)</i>	208	USA, Slovakia, Malta
Portable anti-tank rocket equipment		
<i>(RPG)</i>	600	Afghanistan, Japan
Tanks		
<i>(T-55, VT-34, VT-55)</i>	6	Germany, United Kingdom
Large-calibre cannon systems		
<i>(rocket-launcher RM-70)</i>	3	Indonesia
Aircraft		
<i>(MiG 21, L-29)</i>	5	Switzerland, Lathuania, New Zealand
Helicopters		
<i>(Mi 17, Mi 24)</i>	6	Afghanistan, Germany, United Kingdom

In addition to this, other vehicles, modified for collection purposes (e.g. OT 90, BRDM, etc.) were exported.

Imports of Military Equipment, according to available data
(Procurement from foreign entities from 1994 to 2007)



Breakdown of Import Licences by Type of Military Equipment in 2007

country	share in the overall volume of use in percent	SVM - share in percent			
Sweden	42,42	SVM 5 – 73	SVM 4 – 20	SVM 24 – 6	
Austria	12,20	SVM 6 – 96			
USA	7,32	SVM 4 – 55	SVM 11 – 17	SVM 10 – 16	SVM 24 – 6
Germany	5,51	SVM 10 – 53	SVM 1 – 15	SVM 11 – 12	SVM 7 – 7
Slovakia	4,83	SVM 6 – 36	SVM 14 – 30	SVM 3 – 12	SVM 13 – 6
United Kingdom	4,78	SVM 6 – 63	SVM 11 – 26	SVM 10 – 5	
Finland	3,34	SVM 6 – 97			
Russian Federation	2,71	SVM 10 – 99			
Israel	2,53	SVM 6 – 69	SVM 5 – 17	SVM 13 – 9	SVM 24 – 5
France	2,39	SVM 15 – 29	SVM 13 – 24	SVM 11 – 17	SVM 18 – 17
Bulgaria	2,10	SVM 3 – 87	SVM 8 – 9		
Switzerland	1,57	SVM 15 – 65	SVM 17 – 12	SVM 5 – 11	SVM 3 – 5
Hungary	1,14	SVM 6 – 49	SVM 3 – 38	SVM 1 – 10	
Ukraine	1,05	SVM 24 – 49	SVM 10 – 31	SVM 6 – 10	SVM 11 – 5
Latvia	0,96	SVM 10 – 100			
Bosnia Herzegovina	0,82	SVM 3 – 100			
Lithuania	0,71	SVM 10 – 100			
New Zealand	0,70	SVM 6 – 100			
Italy	0,64	SVM 10 – 72	SVM 24 – 27		
Poland	0,58	SVM 10 – 55	SVM 7 – 21	SVM 24 – 15	SVM 6 – 9
Norway	0,52	SVM 3 – 79	SVM 15 – 18		
Belgium	0,40	SVM 8 – 52	SVM 10 – 24	SVM 3 – 13	SVM 11 – 7
Netherlands	0,37	SVM 15 – 66	SVM 5 – 34		
Canada	0,22	SVM 3 – 99			
Serbia	0,12	SVM 13 – 62	SVM 1 – 26	SVM 3 – 12	
Denmark	0,02	SVM 11 – 66	SVM 24 – 30		

China	0,02	SVM 8 – 100			
South African Republic	0,01	SVM 5 – 100			
Spain	0,01	SVM 3 – 100			
Brazil	0,01	SVM 3 – 100			
Japan	0,01	SVM 8 – 100			

SVM = List of Military Material item

I
Import / Procurement of Selected Military Equipment from Foreign Entities in 2007

military equipment <small>(example)</small>	number of items	country <small>(most significant)</small>
Revolvers and pistols		
<i>(Glock and CZ various models, Star, Tokarev, Makarov)</i>	3604	Austria, Germany, Ukraine, USA
Rifles and carbines		
<i>(SKS, M59/66, SVT, Mauser, Mosin, M1 Garand)</i>	444	Ukraine, Nemecko, USA, Italy, Serbia
Machine rifles		
<i>(Hekler and Koch, PPS-41, PPS-43, Thompson,)</i>	538	Germany, Ukraine, Poland, United Kingdom, Serbia
Automatic weapons		
<i>(Heckler and Koch, AK, M70B1, Tantal, FN FAL)</i>	458	USA, Bulgaria, Germany
Light machine guns		
<i>(RPK, MG 34, DP, Browning M2HB, Enfield Bren Mk. 1)</i>	3207	Hungary, Ukraine, Poland, Serbia
Heavy machine guns		
<i>(SG-43, Maxim 1910)</i>	48	Poland, Ukraine
Tanks		
<i>(Charioteer Mk VII, A34 Comet Mk I)</i>	3	Finland
Large-calibre cannon systems		
<i>(cannon howitzer D-20)</i>	2	Hungary
Helicopters		
<i>(EC 135 T2, SR 100)</i>	2	Germany, USA

Permits to Engage in Foreign Trade in Military Equipment in 2007

Number of permit applications submitted	53
Number of decisions	54
of which were negative	0
Number of permits withdrawn	0
Number of permit holders at year's end	155
Number of permit holders at the end of 2006	140

The list of permit holders is available on the website of the Ministry of Industry and Trade. The line of business is specified in excerpts from the Commercial Registry.

Overview of Restrictive Measures Controlling the Export of Conventional Military Equipment during 2007

Entity subject to embargo	Embargo imposed by	Relevant document	Description of embargo	Time-frame
All countries of the world	Convention signatories	Protocol II of Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively Injurious or to Have Indiscriminate Effects	partial embargo scope: applies to the transfer of land mines, rights to their production and the production of the parts thereof, and the rights to patents for manufacturing processes for their manufacture	unlimited
	CZ	Act No. 305/199 Coll.		unlimited
China (without Hong Kong and special administrative)	EU	European Council Declaration from Madrid of 27.6.1989	full embargo	unlimited
ECOWAS (member countries: Benine Burkina Faso Cape Verde Ivory Coast Gambia Ghana Guinea Guinea Bissau Liberia Mali Niger Nigerie Senegal Sierra Leone Togo)	ECOWAS	Memorandum on the export, import and manufacture of hand and light weapons with the exception of weapons imported with a view to the legitimate need of the security (defence) of these countries, of 1.11.1998	partial embargo scope: applies to pistols, machine rifles, rifles, self-loading rifles, machine guns, tank rockets, mine-throwers, and howitzers with a calibre of up to 85 mm, ammunition and parts, unless transaction approved by the relevant bodies of the ECOWAS community	unlimited
Iraq	UN	UN Security Council Resolution No. 661 (6.8.1990) No. 1483 (22.5.2003)	partial embargo exceptions to the embargo: on the basis of the relevant UN SC resolutions (primarily international units and the Iraqi government)	unlimited
	EU	EU Council common position 2003/495/CFSP (7.7.2003) as amended by common position 2004/553/CFSP		unlimited
Iran	UN	UN Security Council Resolution No. 1747 (24.3.2007)	request for restraint especially in the export of heavy weapons	unlimited
	EU	EU Council common position 2007/246/CFSP (24.4.2007)	full embargo	unlimited

Entity subject to embargo	Embargo imposed by	Relevant document	Description of embargo	Time-frame
Democratic Republic of Congo	UN	UN Security Council Resolution No. 1493 (28.7.2003) No. 1596 (18.4.2005) No. 1768 (31.7.2007)	partial embargo exceptions to the embargo: weapons for the army and police of the DRC (subject to certain conditions), for MONUC units and non-lethal equipment for humanitarian and protective purposes; permitted exports subject to notification to the relevant UN sanction committee	until 15.2.2008
	EU	EU Council common position 2005/440/CFSP (13.6.2005) as amended by common position 2007/654/CFSP (9.10.2007)		until 15.2.2008
Democratic People's Republic of Korea	UN	UN Security Council Resolution No. 1718 (14.10.2006)	partial embargo scope: applies to heavy weapons	unlimited
	EU	EU Council common position 2006/795/CFSP (22.11.2006)	full embargo	unlimited
Lebanon	UN	UN Security Council Resolution	partial embargo exceptions to the embargo: exports authorised by the Lebanese government or the	unlimited
	EU	EU Council common position 2006/625/CFSP (15.9.2006)		unlimited
Liberia	UN	UN Security Council Resolution No. 1521 (22.12.2003) No. 1579 (21.12.2004) No. 1647 (20.12.2005) No. 1683 (13.6.2006) No. 1731 (20.12.2006)	partial embargo exceptions to the embargo: primarily weapons for UNMIL, approved exports for the purpose of training Liberian army and police units and non-lethal military equipment for humanitarian and protective purposes; specific permitted exports subject to notification to the relevant UN sanction committee	until 19.12.2008
	EU	EU Council common position 2004/137/CFSP (10.2.2004) as amended by common positions 2006/518/CFSP (24.6.2006) and		until 22.12.2007 ¹⁾
Myanmar	EU	EU Council common position 2006/318/CFSP (27.4.2006) as amended by common position 2007/248/CFSP (23.4.2007)	full embargo (with limited exceptions concerning primarily mine removal equipment and selected material for the use of the EU and the UN)	until 30.4.2008

Note

1) The EU embargo on Liberia was re-confirmed pursuant to UN SC resolution No. 1792 (2007) in Common Position No. 2008/109/CFSP of 12.2.2008. This document consolidates the previous Common Positions in one text and does not limit the term of its applicability.

Entity subject to embargo	Embargo imposed by	Relevant document	Description of embargo	Time-frame
Nagorno Karabakh (and Armenia and Azerbaijan)	UN	SC Resolution No. 853 (29.7.1993)	request to refrain from the supply of weapons that could lead to the escalation of the conflict	unlimited
	OBSE	Decision of the OSCE CSO of 13.3.1992	full embargo towards forces engaged in the conflict in the Nagorno Karabakh region	unlimited
Ivory Coast	UN	UN Security Council Resolution No. 1572/2004 (15.12.2004) No. 1643/2005 (15.12.2005) No. 1782/2007 (29.10.2007)	partial embargo exceptions to the embargo: primarily non-lethal military equipment for humanitarian and protective purposes, as well as supplies for the UN mission and material for the purpose of restructuring the protective and security forces;	until 31.10.2008
	EU	EU Council common position 2004/852/CFSP (13.12.2004) as amended by common positions 2006/30/CFSP (23.1.2006) a 2007/761/CFSP (22.11.2007) EU Council Regulation (EC)	export subject to approval by the relevant UN sanction committee	until 31.10.2008
Rwanda	UN	UN Security Council Resolution No. 918 (17.5.1994) No. 997 (9.6.1995) No. 1011 (16.8.1995)	partial embargo exceptions to the embargo: supplies to the government	unlimited
Sierra Leone	UN	UN Security Council Resolution No. 1132 (8.10.1997) No. 1171 (5.6.1998) No. 1231 (11.3.1999) No. 1299 (19.5.2000) No. 1306 (5.7.2000)	partial embargo exceptions to the embargo: supplies to the government (subject to certain conditions) and UN missions; permitted export subject to notification to the relevant UN sanction committee	unlimited
	EU	EU Council common position 1998/409/CFSP (29.6.1998)		unlimited
Somalia	UN	UN Security Council Resolution No. 733 (23.1.1992) No. 1356 (19.6.2001) No. 1425 (22.7.2002) No. 1725 (6.12.2006)	partial embargo exceptions to the embargo: primarily non-lethal military equipment for humanitarian and protective purposes, material for the AU mission for institution-building programmes and security force development; export subject to approval by the relevant UN sanction	unlimited
	EU	EU Council common position 2002/960/CFSP (20.12.2002) as amended by common positions 2007/94/CFSP (12.2.2007)		unlimited

Entity subject to embargo	Embargo imposed by	Relevant document	Description of embargo	Time-frame
Sudan	UN	UN Security Council Resolution No. 1556 (30.7.2004)	partial embargo exceptions to the embargo: primarily non-lethal military equipment for humanitarian and protective purposes, for institution-building programmes and equipment for de-mining; the UN embargo only concerns the Darfur region, the EU	unlimited
	EU	EU Council common position 2005/411/CFSP (30.5.2005)		unlimited
terrorist groups (Osama bin Laden, members of Al Qaeda, Taliban and other entities listed in the list approved by the relevant UN committee)	UN	UN Security Council Resolution No.1390 (16.1.2002) 2)	full embargo	unlimited
	EU	EU Council common position 2002/402/CFSP (27.5.2002)		unlimited
Uzbekistan	EU	EU Council common position 2005/792/CFSP (14.11.2005) as amended by common positions 2006/787/CFSP (13.11.2006) and	full embargo (with limited exceptions concerning primarily selected equipment for the use of the EU, UN, ISAF, and OEF)	until 13.11.2008
Zimbabwe	EU	EU Council common position 2004/161/CFSP (19.2.2004) as amended by common positions 2005/140/CFSP (21.2.2005), 2006/51/CFSP (30.1.2006)	full embargo (with limited exceptions concerning primarily selected equipment for the use of the EU, UN and for humanitarian and protective purposes)	until 20.2.2008

Note

2) The previous UN Security Council Resolution No. 1333 (19.12.2000) only applied the embargo to the territory of Afghanistan, more precisely to the territory controlled by the Taliban. Resolution No.1390 imposed the embargo on specific persons, regardless of territory.