

# ANNUAL ARMS EXPORT REPORT 2014

REPUBLIC OF MACEDONIA







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Resilient nations.*



# INTRODUCTION

The Republic of Macedonia unilaterally adhered to the European Code of Conduct on Arms Exports in November 2004. In June 2010 the Republic of Macedonia aligned with the COUNCIL COMMON POSITION 2008/944/CFSP of 8 December 2008 defining common rules governing control of exports of military technology and equipment.

It is Macedonia's strong belief that the promotion of responsible export control and arms transfers strengthens global and especially regional security.

This is the 9th report produced by the representatives of the Ministries of Foreign Affairs, Interior, Economy and Defence. It covers the calendar year of 2014.

The report contains five sections and three annexes. The sections are as follows:

- Section 1 – Introduction
- Section 2 - National Law
- Section 3 - Involvement in international agreements
- Section 4 - Developments in previous year
- Section 5 - National control list

The Annexes contain the military list exports, donated equipment, and the dual-use licenses granted. No license request was denied in 2014.



# NATIONAL LAW

## CONVENTIONAL WEAPONS

Several laws regulate trade in conventional weapons, ammunition and explosive materials:

Pursuant to the Law on Production and Transfer of Weapons and Military Equipment (Official Gazette of the Republic of Macedonia No. 54/02, 84/07, 161/09, 145/10, 119/13 and 164/13), transfer of weapons and military equipment may be carried out by producers of weapons and military equipment and other companies registered for that kind of trade on the basis of the obtained approval by the Government of the Republic of Macedonia, if the prescribed conditions are met. The Ministry of Economy keeps a Register of Companies which has been issued licenses to trade in weapons and equipment.

The 2013 amendments to the Law on Production and Transfer of Weapons and Military Equipment ensured its full alignment with the Council Common Position 2008/944/CFSP of 8 December 2008 defining common rules governing control of exports of military technology and equipment. Furthermore, under the Law the Licensing Commission is es-

tablished, which consists of a president, vice president, five members and five substitute members representing the Ministry of Economy, Ministry of Defense, Ministry of Interior, Ministry of Foreign Affairs and the Customs Administration. The opinions of the Commission are adopted by consensus and the positive ones are mandatory for the Ministry of Economy to issue an export license. The amendments set strict criteria for issuance, denial and annulment of licenses. The amendments regulate brokering activities as well.

Under the amendments to the Law on Production and Transfer of Weapons and Military Equipment, the Government is obliged to adopt the EU Military List. Currently the EU Military List, included into the Decision on Allocation of Goods to Forms of Export and Import adopted by the Government in 2013, is applied (Official Gazette of the Republic of Macedonia No. 42/2013).

In accordance with the Law on Weapons (Official Gazette of the Republic of Macedonia No. 7/2005, 47/2006, 42/2007, 86/2008, 72/2010, 158/2011, 119/2013 and 164/2013), the Ministry of the Interior regulates the transfer, i.e. the import/export and transit of weapons and ammunition, across the state border of the Republic of Macedonia, in close cooperation and coordination with the MFA and MoD while fully respecting the provisions of the Council Common Position 944. It makes decisions upon requests submitted by authorized legal persons through administrative procedure with regard to: trade of weapons and ammunition, and supply and transport of weapons and ammunition.

In the secondary legislation to this law, the end user certificate was further standardized, as well as the procedures for transfer (import – export) and transit. Coordination among the border police, the customs administration and the Ministry of Interior has been further defined in the secondary legislation.

The Law on examination and marking of weapons and ammunition was adopted in 2010 (Official Gazette of the Republic of Macedonia No. 25/10).

Pursuant to the Customs Administration Law (Official Gazette of the Republic of Macedonia No. 46/04, 81/2005, 107/2007, 103/2008, 64/2009, 105/2009, 48/10, 158/10, 53/11 and 113/12), the Customs Directorate of the Republic of Macedonia is responsible for control over the export, import and transit of goods with regard to prescribed security measures.

## **SALW**

In the legislation of the Republic of Macedonia the issue of SALW is regulated by the Law on Weapons adopted on 25 January 2005. This Law regulates the conditions for acquisition, possession, carrying, storage, manufacturing, repair, dismantling (deactivation), trade, transport and transfer of SALW and ammunition across the state border.



With the amendments of August 2013, the Law on Weapons was aligned with the Directive 2008/51/CE of the European Parliament and of the Council of 21 May 2008 amending the Directive 91/477/EEC on control of the acquisition and possession of weapons.

## DUAL USE

As of February 2006 Macedonia started to implement the Law on Export Control of Dual-Use Goods and Technology, passed by Parliament in September 2005. The Law is in accordance with the Community regime (Regulation of the European Council (EC) No. 1334/2000 and the subsequent Amendments to this Regulation 149/2003 and 885/2004 and 1504/2004) for Dual-use goods and Military Goods, which includes the international regimes for control of export of conventional and of weapons for mass destruction, as well as of goods and technologies for dual use (Wassenaar Arrangement), the Missile Technology Control Regime (MTCR), the Nuclear Suppliers Group (NSG), the Australian Group and the Chemical Weapons Convention (CWC).

The Law is Macedonia's contribution to the non-proliferation of WMD and fight against terrorism. Dual-use items and technologies are subject to control in order to protect the security, economic and foreign policy interests of Macedonia while strengthening international peace and fulfilling the country's obligations stemming from international treaties. The List of dual-use goods and technologies is an integral part of the Law.

Following the adoption of Council Regulation (EC) No 428/2009 of May 5, 2009, which sets up and expands the scope of the Community regime for the control of exports, transfer, brokering and transit of dual-use items, the Republic of Macedonia amended its Law on Export Control of Dual-Use Goods and Technology (Official Gazette of the Republic of Macedonia No. 158/2010, 136/2011 and 199/2014). These amendments now include more precise provisions and expanded scope of export control (transit, brokering).

The Law contains the catch-all provision and envisages end-user control.

The Law established a Commission for Export of Dual-Use Goods and Technologies, headed by the Ministry of Economy and consisting of representatives of the Ministries of Defence, Interior, Foreign Affairs as well as the Legislative Secretariat, General Secretariat under the GVT and Customs Administration.

The Ministry of Economy is in charge of issuing dual-use export licenses. It coordinates the whole process with the MFA, MoD and MoI.

In the course of 2014, 11 export licenses were issued. Licensing is also conducted via the TRACKER system.

## **ARMS EMBARGOS**

The Law on International Restrictive Measures of the Republic of Macedonia (LIRM)<sup>1</sup>, adopted in March 2011 and applicable from 1st April 2011 is the Macedonian legal framework for the implementation of the international restrictive measures imposed by binding UN Security Council Resolutions. The Law applies also to the implementation of the restrictive measures included in a Common Positions, adopted by the Council of the European Union and the implementation of regulations, adopted by other international organizations, whereto the Republic of Macedonia is a member-state, in accordance with international law.

In accordance with LIRM, UN SC sanctions are implemented through decisions adopted by the Government of the Republic of Macedonia, upon a proposal by the Ministry of Foreign Affairs. Pursuant to Article 6 of the LIRM, the decision for the implementation of the international restrictive measure as a formal act stipulate the competent authority within the state administration for the implementation of the international restrictive measure as well as other individuals or legal persons designated for the purposes of implementation of the restrictive measures; the methods of the implementation of the international restrictive measure; the exceptions to the restrictive measure indicated in the SC Resolution or other acts as provided in the LIRM and the methods of cooperation as well as the exchange of information among the competent authorities. These decisions enter into force by virtue of their publication in the Official Gazette of the Republic of Macedonia.

The coordination of the implementation of international restrictive measures is conferred to the Coordination Body for the Monitoring of the Implementation of International Restrictive Measures, established according to art. 13 of the Law. The Coordination Body is chaired by a representative of the Ministry of Foreign Affairs and includes representatives of the Ministry of Defence, Ministry of Interior, Ministry of Economy and Ministry of Finance, with a mandate of three years. The Ministry of Foreign Affairs is providing administrative and secretarial support to the Coordination Body. The Coordination Body has adopted its Rules of Procedure.

The Coordination Body meets regularly, monitors the implementation of international restrictive measures within its competences, and takes actions to improve

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<sup>1</sup> The initial legislation on international restrictive measures was adopted in March 2007 and was applicable as of June 2007.

the awareness on the international restrictive measures and administrative capacities.

As of December 2003, the Republic of Macedonia regularly aligns, upon EU invitation, to the Common Positions of the European Union imposing arms embargoes.



# INVOLVEMENT IN INTERNATIONAL AGREEMENTS

The Republic of Macedonia is a state party to all relevant international legal documents regulating conventional weapons, WMD and non-proliferation. Macedonia concluded with the IAEA a Safeguards Agreement (2000), AP (2005) and SQP (2000).

On the occasion of the Second Stabilization and Association Council Brussels, 18 July 2005, the Republic of Macedonia and EU adopted a Joint Statement on Non-Proliferation of Weapons of Mass Destruction and Terrorism.

As part of the process of gradual adoption and introduction of the CFSP acquis into the national legislation, the Government of the Republic of Macedonia at its session of 1 November 2004 adopted the Decision on Unilateral Acceptance of the European Code of Conduct on Arms Exports of 8 June 1998. Macedonia has also unilaterally adhered to the EU Common Position 2003/468/CFSP on the Control of Arms Brokering, the EU Programme for Preventing and Combating Illicit Trafficking on Conventional Arms and the Joint Action 2002/589/CFSP on the EU's Contribution to Combating the Destabilising Accumulation and Spread of Small Arms and Light Weapons. In June 2010 the Republic of Macedonia aligned with the COUNCIL COMMON POSITION

2008/944/CFSP of 8 December 2008 defining common rules governing control of exports of military technology and equipment.

In 2003 the Government made a Declaration to unilaterally adhere to the Guidelines for sensitive missile-relevant transfers of MTCR and its Annex. The Government decided to place equipment and technology subject to MTCR under a special license system.

As of 2002 Macedonia has been a state signatory to the Hague Code of Conduct on Ballistic Missile Proliferation. Macedonia submitted its nil report for 2010.

The Republic of Macedonia submits regularly to the UN reports on the Register of Conventional Weapons and on military expenditures, as well as to the OSCE on CATs, landmines, annual/global exchange of military information, etc.

The Republic of Macedonia is a member of the Global Initiative to Combat Nuclear Terrorism and of the Proliferation Security Initiative.

The Republic of Macedonia signed the Arms Trade Treaty in September 2013. The Parliament ratified the Treaty in January 2014.

On 18 July 2014, the Republic of Macedonia applied for membership in the Wassenaar Arrangement.

Since 2011 the Republic of Macedonia takes an active part in the EU CBRN Risk Mitigation Centers of Excellence Initiative. Following a decision by the Government, a National CBRN coordination body was established on June 19, 2012, consisting of representatives of all competent authorities. This body is headed by a National CBRN Coordinator coming from the Ministry of Foreign Affairs of the Republic of Macedonia.

# DEVELOPMENTS IN PREVIOUS YEAR

There were a number of trainings and conferences attended by Macedonian representatives in 2014, directly or indirectly linked to the implementation of the Council Common Position 944, including:

- 10<sup>th</sup> Regional Arms Export Information Exchange Process meeting organized by UNDP SEESAC (2 April 2015, Jahorina, Bosnia and Herzegovina)
- Investigation and prosecution of dual use export control violations, 28-30 April 2014, Becici, Montenegro
- Regional Workshop in COARM organized by BAFA (26-28 May 2014, Tirana, Albania)
- Risk management and enforcement of catch all controls and transit /transhipment (10 – 11 June 2014 Ohrid, Macedonia)
- 11<sup>th</sup> Regional Arms Export Information Exchange Process meeting organized by UNDP SEESAC (19 June 2014, Budva, Montenegro)
- Professional Training Course on the Implementation of the Arms Trade Treaty organized by GCSP (6<sup>th</sup>-12<sup>th</sup> October 2014, Geneva, Switzerland)
- Regional Workshop on Dual-Use Items and Arms Export Control organized by BAFA (4-6 November 2014, Belgrade, Serbia)
- 12<sup>th</sup> Regional Arms Export Information Exchange Process meeting organized by UNDP SEESAC (25 November 2015, Skopje, Macedonia)
- Legal Working Meeting on the Macedonian Law on Production and Trade in Arms and Military Equipment, organized by BAFA (27-28 November 2014, Skopje, Macedonia)

- Final Assessment Event of the outreach activities organised in the framework of the EU Outreach Programme (LTP) in the field of dual use export controls and under Council Decision 2012/711/CFSP for arms export controls, organized by BAFA (4-5 December 2014, Brussels, Belgium)



# CONTROL LIST

The Ministry of Economy, which is responsible for the implementation of the Law on Export Control of Dual-Use Goods and Technology, prepared a decision for establishing a list of dual use commodities and technology, which was harmonized with Annex I of the EU Council Regulation (EC) No 428/2009 of May 5, 2009. This decision was adopted by the Government of the Republic of Macedonia and published in the “Official Gazette of the Republic of Macedonia” No.121/2011.

The Ministry of Economy prepared a new Decision on the List of dual use goods and technology, transposing the Regulation (EU) No. 388/2012 of the European Parliament and of the Council, Annex I, amending Council Regulation (EC) No 428/2009 setting up a Community regime for the control of exports, transfer, brokering and transit of dual-use items. The decision was adopted by Government in February 2013 and was published in the “Official Gazette of the Republic of Macedonia No. 37/2013” of 7 March 2013.

On the basis of the Law on Trade (Official Gazette of the Republic of Macedonia No. 16/2004, 128/2006, 63/2007, 88/2008, 159/2008, 20/2009, 99/2009, 105/2009, 115/2010, 158/2010, 36/2011 and 53/2011) in 2013 the Ministry of Economy adjusted the national military list (Decision for organization of commodities in forms of import and export - Official Gazette of the Republic of Macedonia No. 42/2013) to the updated common military list of the European Union adopted by the Council on 11 March 2013.

As for transparency, the Ministry of Economy put the Dual-use Law and the accompanying lists of controlled goods on its website ([www.economy.gov.mk](http://www.economy.gov.mk)).

# ANNEX 1 DONATION FROM THE MINISTRY OF DEFENSE OF THE REPUBLIC OF MACEDONIA

Export to	Number of Licenses	Description of goods	ML code	Authorized quantity (pieces)	Used quantity (pieces)	Used Value (EUR)
Iraq	1	Mortar MF 60 mm M57	ML.2	200	200	369,918
Iraq	1	Mortar MF 82 mm	ML.2	190	190	421,707
Iraq	1	Anti tank launcher RF M57	ML.2	2,200	2,200	2,128,455
Iraq	1	Projectile for anti tank launcher RF M57 R1 UPI M61 P	ML.3	20,000	20,000	341,463

**ANNEX 2**  
**ML EXPORTS IN 2014**

Exported to	Number of licenses	Description of goods	ML code	Authorized quantity (pieces)	Used quantity (pieces)	Used value
Serbia	1	smoke pads	ML7.d	1,000	1,000	€5,500
Israel	1	smoke capsules with tear gas smoke capsules white	ML7.d	1,000 1,000	1,000 1,000	€6,200
Georgia	1	anti-hail rockets	ML8.c	30	30	€11,220
Bulgaria	1	smoke pads of tear gas, smoke and hand grenades	ML7.d	1,700	1,700	€14,460
Algeria	1	patrons with tear gas cal. 37/38 grenades with tear gas	ML7.d	10 10	10 10	€420 GRATIS
Bulgaria	1	smoke pads with tear gas	ML7.d	18,100	12,600	\$82,160
Bulgaria	1	smoke pads with tear gas	ML7.d	47,300	47,300	\$510,282.50
Bulgaria	1	smoke pads with tear gas	ML7.d.	61,000	61,000	\$10,980
Bangladesh	1	rubber bullets	ML3.a.	25,000	25,000	\$225,600
Israel	1	smoke capsules with tear gas	ML7.d	5,000	5,000	\$13,980
USA	1	pistol ammunition 9x19mm, Luger 7,5gr, 8gr cartridge case 9x19mm Luger	ML3.a.	1,350,000 294,000	1,350,000 294,000	\$234,228
USA	1	cartridge case 9x19mm Luger	ML3.a.	2,926,000	2,926,000	\$181,412

Exported to	Number of licenses	Description of goods	ML code	Authorized quantity (pieces)	Used quantity (pieces)	Used value
Slovakia	1	cartridge case 9x19mm Luger projectile bullet 9x19 Luger	ML3.a.	2,154,000 2,600,000	2,154,000 2,600,000	€248,972.75
Slovakia	1	cartridge case 9x19mm Luger	ML3.a.	646,000	646,000	€43,989.89
Czech Republic	1	pistols ammunition 9x19mm Luger	ML3.a.	29,000	29,000	€2,300
Kosovo	1	pistols ammunition 9x19mm Luger	ML3.a.	100,000	100,000	€13,500
Italy	1	cartridge case with prime and without prime 9x19mm Luger	ML3.a.	2,000	2,000	€140
Bosnia and Herzegovina	1	patrons with tear gas kal.37/38	ML7.d	1,000	1,000	€11,600

ANNEX 3  
DUAL USE LICENSES 2014

Entity	Destination	Number of licenses	Receiver	End User
MIKROSAM	Ukraine	1	Ukraine	Ukraine
MIKROSAM	Russian Federation	1	Russian Federation	Russian Federation
MIKROSAM	Ukraine	1	Ukraine	Ukraine
MIKROSAM	China	1	China	China
MIKROSAM	Russian Federation	1	Russian Federation	Russian Federation
MIKROSAM	Qatar	1	Qatar	Qatar
MIKROSAM	Russian Federation	1	Russian Federation	Russian Federation
MIKROSAM	Lithuania	1	Lithuania	Lithuania
MIKROSAM	Lithuania	1	Lithuania	Lithuania
MIKROSAM	Russian Federation	1	Russian Federation	Russian Federation
MIKROSAM	Netherlands	1	Netherlands	Netherlands

## This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.