



ANNUAL ARMS **EXPORT REPORT 2012**

REPUBLIC OF MACEDONIA



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2012

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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 7th report produced by the representatives of the Ministries of Foreign Affairs, Defence, Interior and Economy. It covers the calendar year of 2012.

The report contains five sections and two 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

There was no export of conventional weapons in 2012. No request was denied either. The Annexes contain the list of SALW exports and the dual-use licenses granted. One request for SALW was denied. No request for dual-use exports was denied.

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)¹: transfer of weapons and military equipment (import/export of weapons and military equipment, semi-final products, components, parts, reproduction materials, raw materials, and other technical means) can be carried out by producers of weapons and military equipment and other companies registered for that kind of trade on the basis of 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 that has been issued licenses to trade with weapons and equipment.

In 2012 the Ministry of Economy established a working group to amend the Law on Production and Transfer of Weapons and Military Equipment. The aim is to align it with the Council Common Position 2008/944/CFSP of 8 December 2008 defining common rules governing control of exports of military technology and equipment. The Law is expected to be passed by Parliament in early 2013.

¹ Last time amended in October 2010.

The Law on Trade (Official Gazette of the Republic of Macedonia No. 16/04)² in Article 34 stipulates that the Ministry of Defence or the Ministry of the Interior issues licences for import and export of weapons and military equipment. More precisely, the Government, on the basis of the aforementioned law, has adopted a Decision on the Distribution of Import/Export Goods (Official Gazette of the Republic of Macedonia No. 122/11) according to which goods categorised into forms for export and import on the basis of a licence, under the responsibility of the Ministry of Defence (heavy and light weapons and military equipment for its own needs) and the Ministry of the Interior (weapons and explosive materials for commercial purposes) are marked by a mark D7.

In accordance with the Law on Weapons (Official Gazette of the Republic of Macedonia No. 7/05)³, the Ministry of the Interior regulates the transfer, i.e. the import/export and transit of weapons, ammunition and explosive materials, 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 2008/944/CSFP. It makes decisions upon requests submitted by authorized legal persons through administrative procedure with regard to: trade of weapons and ammunition; trade of explosive materials; supply and transport of explosive materials; supply and transport of weapons and ammunition; matters connected with verification of new kinds of explosive materials, etc.

In the secondary legislation to this law, the end user certificate was further standardized, as well as the procedures for transfer (import – export), transit and re-transfers.

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).

The Law on Protection from Explosive Materials, the Law on Carriage of Dangerous Goods, the Rulebook on the Type of Transport of Dangerous Goods in Land Traffic; the List of Explosive Materials to be Placed into Circulation also regulate certain aspects of the matter.

Pursuant to the Customs Administration Law (Official Gazette of the Republic of Macedonia No. 46/04), 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 ("Official Gazette", No. 7/05)⁴. This Law regulates the conditions for acquisition, possession, carrying, storage, manufacturing, repair, dismantling (deactivation), trade, transport and transfer of weapons and ammunition across the state border.

In 2012 the Ministry of Interior prepared amendments to the Law on Weapons in order to align it with the Directive 2008/51/

² Amended 9 times in the period from 2006 – 2010.

³ Amended 5 times in 2006, 2007, 2008, 2010 and 2011.

⁴ The Law was amended in 2006, 2007, 2008, twice in 2010 and in 2011.

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. The amendments are expected to be adopted in 2013.

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 Com-

munity 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). 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 Mol.

In the course of 2012, 15 export licenses were issued. Licensing is also conducted via the TRACKER system.

ARMS EMBARGOS

The new Law on International Restrictive Measures of the Republic of Macedonia (LIRM), 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, where to the Republic of Macedonia is a member-state, in accordance with international law.

In accordance with LIRM, UN sanctions imposed by binding UN Security Council Resolutions are incorporated 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 the awareness on the international restrictive measures and administrative capacities. It organizes seminars and study visits such as the Study Visit on the implementation of the international restrictive measures hosted by the Ministry of Foreign Affairs of Estonia (April 2012).

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

INVOLVEMENT IN INTERNATIONAL AGREEMENTS

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, 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 is not a contracting party to the Wassenaar Arrangement, NSG and Australia Group, but there is interest in establishing closer cooperation with these regimes, including fulfilment of membership criteria. On December 1, 2010, the Republic of Macedonia submitted an official letter of intent to Wassenaar

Arrangement's Plenary Chair stating its interest to formally join the regime. Since 2011, Macedonia is invited to Wassenaar arrangement technical briefing meetings.

Since 2011 the Republic of Macedonia takes an active part in the EU Instrument for Stability initiative for establishment of the CBRN Centers of Excellence (CoEs) for Southeastern Europe, Ukraine, Moldova, and the Caucasus. 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.

The Republic of Macedonia has been a strong supporter of the elaboration of a legally binding international instrument establishing the highest common standards for the import, export and transfer of conventional weapons. A strong and robust Arms Trade Treaty must aim to prevent conventional weapons from being used to threaten security, destabilize regions, violate international human rights and humanitarian law, undermine economic and social development and exacerbate conflicts.

DEVELOPMENTS IN PREVIOUS YEAR

There were a number of trainings and conferences attended by Macedonian representatives in 2012, directly or indirectly linked to the implementation of the Council Common Position 944, including:

- Regional seminar: Brokering of Military Goods and Dual Use, Croatia 25-26 January 2012
- 7th Regional Arms Exports Information Exchange Process meeting, 27 March, Bosnia and Herzegovina
- Regional seminar: Arms Trade Treaty, Serbia 18-20 April 2012
- Study visit on international restrictive measures, Estonia 23-24 April, 2012
- 13th International Conference of export control, Slovenia 7-9 May 2012
- Meeting with legal experts of EU and BAFA on the proper implementation of the Law on dual use, regarding export controls and licensing procedure for export of dual use goods, brokering and transit, Macedonia 28-29 May 2012
- Regional seminar: Basis of control of strategic trading, Albania 18-22 June 2012
- 8th Regional Arms Exports Information Exchange Process meeting, Albania, 20 November 2012
- Workshop: Technical issues and best practices in implementing EU export control of dual use goods, Italy, 27-28 November 2012

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.

In 2008 the Ministry of Economy adjusted the national military list (Supplement 7 of the Decision for organization of commodities in forms of import and export - Official Gazette of the RM No. 167/2008) with the updated common military list of the European Union, adopted by the EU Council on March 19th 2007.

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).

ANNEX 1

SALW EXPORTS 2012

Import from	Number of licenses	Description of goods	ML code	Authorized quantity (pieces)	Used quantity (pieces)	Used value
Kosovo	1	Pistols ammunition	ML3.a.	40 000	40000	9,960.00
Czech Republic	1	Pistols ammunition	ML3.a.	12 000	12 000	Exported for testing purposes for C.I.P certificate
Bulgaria	1	1. Crowd dispersing chemical agents bullets	ML7.d	10	10	Exported free of charge as specimen for Mol of Algeria through a company in Bulgaria
		2. Crowd dispersing tear gas grenades		10	10	
		3. Crowd dispersing shock grenades		10	10	
		4. Crowd dispersing gray smoke projectiles		10	10	
		5. Flash grenades		10	10	
		6. Crowd dispersing rubber bullets		10	10	
Bulgaria	1	Anti-hail rocket set MTT9	ML8.c	2 801	2 801	230,830.41
Serbia	1	Smoke bullet cartridges 40mm x 46	ML7.d	13 720	13 720	85,750
Serbia	1	Smoke bullet cartridges 40mm x 46	ML7.d	6 167	4 896	30,110.40
Serbia	1	Smoke bullet cartridges 40mm x 46	ML7.d	11 760	10 031	61,690.65

In 2012 one license request for export of smoke and shock grenades to Bahrain (for the needs of the Ministry of Interior) was denied.

ANNEX 2

DUAL USE ITEMS LICENCES 2012

Entity	Destination	Number of licenses	Sum Value (EUR)	Receiver	End User
MIKROSAM	Germany	1	1,380,000.00	Germany	Germany
MIKROSAM	Russian Federation	1	787,400.00	Russian Federation	Russian Federation
MIKROSAM	Netherlands	1	3,995.00	Netherlands	Netherlands
MIKROSAM	Netherlands	1	122,200.00	Netherlands	Netherlands
MIKROSAM	Russian Federation	1	487,700.00	Russian Federation	Russian Federation
MIKROSAM	Poland	1	27,700.00	Poland	Poland
MIKROSAM	Russian Federation	1	690,000.00	Russian Federation	Russian Federation
MIKROSAM	Russian Federation	1	864,860.00	Russian Federation	Russian Federation
MIKROSAM	Poland	1	228,000.00	Poland	Poland
MIKROSAM	Norway	1	60,940.00	Norway	Norway
MIKROSAM	Turkey	1	175,000.00	Turkey	Turkey
MIKROSAM	Russian Federation	1	1,326,237.35	Russian Federation	Russian Federation
MIKROSAM	Austria	1	67,920.00	Austria	Austria
MIKROSAM	Russian Federation	1	232,800.00	Russian Federation	Russian Federation
Export License to be realized in 2013					
MIKROSAM	Germany	1	275,000.00	Germany	Germany

