

Directorate-General for Armaments and Defense Infrastructures

ANNUAL REPORT 2013

IMPORT AND EXPORT OF MILITARY GOODS AND TECHNOLOGY

30 of june 2014



GOVERNO DE
PORTUGAL

MINISTRY OF DEFENCE



Technical Remarks

Title: Annual Report on Import and Export of Military Goods and Technology - 2013

Coordination: DLCP/DSPIL

Date of submission: 30 of June 2014

Ministry of Defense

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CONTENTS

| | |
|---|-----------|
| I - INTRODUCTION | 4 |
| II – LEGAL FRAMEWORK..... | 6 |
| 1. National Law..... | 6 |
| 2. EU Law | 7 |
| 3. Regimes, Conventions and International Treaties..... | 8 |
| III – GENERAL ACTIVITY IN 2013 | 10 |
| 1. Transmission and circulation of defence-related products | 10 |
| 2. Certification of Defence-related Enterprises..... | 11 |
| 3. Brokering activities | 11 |
| 4. Denials..... | 11 |
| 5. Information sent to EU | 12 |
| 6. Participation in Working Groups..... | 12 |
| 7. Elaboration and revision of Laws and Regulations | 13 |
| 8. Outreach..... | 13 |
| 9. Supervision and control of economic operators | 13 |
| IV – STATISTICS | 15 |
| 1. Exports | 15 |
| 2. Imports..... | 23 |
| 3. Transits..... | 32 |
| 4. Brokering | 32 |
| V – ACRONYMS | 33 |
| VI – COMMON MILITARY LIST CATEGORIES..... | 34 |

I - INTRODUCTION

The Directorate-General for Armaments and Defense Infrastructures (DGAIED) from the Ministry of Defence (MoD) is the Direct State Administration Central Service with the mission to control the access and exercise of the activities of trade and industry of military goods and technology, as well as the transmission and circulation of defence-related products, with the objective to safeguard the strategic interests of Portugal and the respect for its international obligations and commitments.

The DGAIED accomplish this mission in close cooperation with the Ministry of Foreign Affairs (MFA), who assess on a case-by-case basis the impact of the transmission and circulation of defence-related products against the national external policy interests and the criteria established under the Council Common Position 2008/944/CFSP of 8 December 2008.

The DGAIED cooperates also with the Customs Authorities, during the customs formalities and in expert examinations, crucial for the respect of rules governing the transmission and circulation of defence-related products.

The DGAIED cooperates in the same way with public services with competency for the control of exports, transfer, brokering and transit of dual-use items and for the control of firearms and its ammunitions for civilian use, with the main purpose to harmonize national practices on the control of trade of strategic goods, by promoting a administrative and legal innovation, simplifying the relations of the citizens and companies with the public administration, simultaneously increasing the internal efficiency of public services.

The DGAIED also cooperates with the Defence Technological and Industrial Base and with the Portuguese Armed and Security Forces, raising awareness regarding the rules governing the transmission and circulation of defence-related products, with the main objective of ensuring the effective control of transfers of military goods and technologies and the promotion of its competitiveness and the security of supply.

The present report reflects the activity of DGAIED during 2013, in the framework of national law, European Union legislation and the international commitments of Portugal in the field of Arms Control and Disarmament.

The report is elaborated under article 8 of Council Common Position 2008/944/CFSP of 8 December, which establish that each Member State shall circulate to other Member States an annual report on its exports of military goods and technology, containing also the national contribution for the 16th EU Annual report.

The export, import, brokering and transit reported herein are of military goods and technology, accordingly to the EU Common Military List. For this reason, there is no reference to dual use goods, which are controlled by the Portuguese Customs Authority.

Regarding firearms, including its ammunitions and parts, the transfers reported are only the ones whose end user were an Armed or Security Forces, or of arms made

specifically for military purposes. The arms, its ammunitions and parts, for personal defence, sporting or hunting purposes are not included. Its control is the responsibility of the National Security Police (PSP) of the Ministry of Interior, on the framework of Law no. 5/2006 of 23 February, amended by Law no. 12/2011 of 27 of April and by the Regulation (EU) no 258/2012 of the European Parliament and of the Council of 14 March 2012 implementing Article 10 of the United Nations Protocol against the illicit manufacturing of and trafficking in firearms, their parts and components and ammunition, supplementing the United Nations Convention against Transnational Organized Crime (UN Firearms Protocol), and establishing export authorization, and import and transit measures for firearms, their parts and components and ammunition.

2013 was a year of consolidation of the new procedures for the transmission and circulation of defence-related products, which entered into force on the second semester of 2012 and implied an additional effort of awareness raising among the economic operators engaged in the activities of trade and industry of military goods and technology, as well as at the level of supervision and control.

It was also a year of preparation for the Arms Trade Treaty (ATT), which also implied an additional international cooperation and national reflection, regarding its future implementation after entering into force.

The figures of exports and imports in this report correspond to values authorized and whose use was reported to the MoD/DGAIED. They represent also the values of the transfers made under General and Global Licenses, whose use was reported to us on a biannual base.

In respect for the international commitments of Portugal on the field of Arms Control and Disarmament, the imports and exports were declared to the United Nations Register of Conventional Arms, to the Organization for Security Cooperation in Europe (OSCE), in cooperation with the MFA, and directly by DGAIED to the Wassenaar Arrangement Information System (WAIS).

II – LEGAL FRAMEWORK

Portugal is endowed with a legal framework that incorporates the best international practices in the control of export, import, transit and brokering of defence-related products.

Economic operators wishing to engage in the activity of trade and industry of military goods and technology must be previously authorized, through a procedure that implies the verification of several conditions, including the adequacy and sufficiency of financial and human resources, technical competency and integrity, including the need for security clearance. After being authorized, economic operators are included in a national public register that can be consulted [online](#). Only economic operators authorized to engage in the activity of trade and industry of military goods and technology can apply for an authorization to import, export and brokering of defence related products.

Portugal additionally controls the transit of defence-related products, whether by air, sea or land, with or without transshipment, requiring economic operators wishing to transit military goods and technology through national territory, to previously obtain the necessary authorization, which is granted by the emission of a transit license.

Portuguese law provides in addition several licenses and certificates that authorize the transmission and circulation of defence-related products, namely General Licenses, Global Licenses, Individual Licenses, International Import Certificates, Delivery Guarantee Certificates, and Brokering Authorizations.

Regarding the European Integration project, the national legislation is harmonized with EU Law, namely by the transposition of community directives and by the application of Common Positions and Regulations regarding arms control and disarmament. A special mention to the Council Common Position 2008/944/CFSP of 8 December, defining common rules governing control of exports of military goods and technology, that in Portugal is a central instrument in the control of the transmission and circulation of defence-related products.

The legal framework reflects equally the international obligations and commitments of Portugal, as part in Agreements, Conventions and Regimes of arms control and disarmament, and the implementation of arms embargoes imposed by the UN, EU and OSCE.

1. National Law

The existing legal framework applicable to the transmission and circulation of defence-related products is the following:

- i. **Law 49/2009, of 05 August** – Regulates the provisions to engage and perform the activity of trade, industry and brokering of military goods and technologies.

- ii. **Law 37/2011, of 22 June** – Simplifies the terms and conditions of transfers of defence-related products, transposing the Directive 2009/43/EC of the European Parliament and of the Council of 6th May. This law additionally defines the terms and conditions to simplify the control of international trade of defence-related products, observing the provisions of Council Common Position 2008/944/CFSP of 8th December.
- iii. **Decree 56/2013, of 19 April** – Transposes to national law the updated version of the Common Military List of the European Union, making the second amendment to the Law 37/2011 of 22nd June.
- iv. **Ordinance 290/2011, of 4 November** – Approves and publishes the General Licenses in accordance with Article 7 of the Law 37/2011 of 22nd June, regulating the requisites of use, the restrictions to export and the conditions to its suspension and revocation.
- v. **Ordinance 109/2013, of 26 April** – Approves and publishes forms for the entire licensing system, accordingly to articles 6 and 14 of Law 37/2011, of 22nd June, to be previously obtained by economic operators authorized to engage in the activity of trade and industry of military goods and technology, under law 49/2009, of 5th August, for the operations of export, import, intra-Community transfer and transit.
- vi. **Decree 122/2011, of 29 December, complemented by Regulation Decree 5/2012, of 5th January** – Organic law of the MoD and its central services, assigning the mission and competencies, namely of DGAIED in the domain of the control of trade and industry of defence related products;
- vii. **Official Circulated Letter n.o 15070/2012, from Customs Authority, of 26 September** – Establishes the instructions regarding the implementation of Council Regulation (EC) no 150/2003 of 21th January, suspending import duties on certain weapons and military equipment.

2. EU Law

- i. **Council Common Position 2008/944/CFSP of 8 December** – defining common rules governing control of exports of military goods and technologies.
- ii. **Directive 2009/43/EC of the European Parliament and of the Council of 6 May** – simplifying the terms and conditions of transfers of defence related products within the community;
- iii. **Council Regulation (EC) no 150/2003 of 21 January** – suspending import duties on certain weapons and military equipment.

3. Regimes, Conventions and International Treaties

DGAIED participates in different working groups at both national and international levels in the area of arms control, as the national licensing authority. Regarding the Agreements, Conventions and Regimes of Arms Control and Disarmament, the DGAIED gives technical support to the MFA with its expertise in the technological field and regarding the procedures related the control of the transmission and circulation of defence-related products.

The main Working Groups, Agreements, Conventions in the Framework of arms control and disarmament that Portugal is part, are the following:

- i. **Wassenaar Arrangement:** This arrangement was established in December 1995 and operationalized in 1996, in order to contribute to regional and international security and stability, by promoting transparency and greater responsibility in transfers of conventional arms and dual-use goods and technologies, thus preventing destabilizing accumulations. Portugal is amongst the founding members of the Wassenaar Arrangement.
- ii. **Missile Technology Control Regime – MTCR:** The Missile Technology Control Regime is an informal and voluntary association of countries which share the goals of non-proliferation of unmanned delivery systems capable of delivering weapons of mass destruction, seeking to coordinate national export licensing efforts aimed at preventing their proliferation. The MTCR was originally established in 1987 and Portugal became partner of this regime in 1992.
- iii. **Organization for the Prohibition Of Chemical Weapons – OPCW:** The Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction was open to signature in Paris on 13 January 1993. Portugal ratified the CWC through the Republic Assembly Resolution 25-A/96, of 23 July.
- iv. **Anti-Personnel Mine Ban Convention – APMBC:** The Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on Their Destruction was adopted on 18 September 1997. Portugal approved the Convention for ratification, through the Resolution of the National Assembly 5/99 of 23 October 1998 and ratified it on 28 January 1999 by the Regulation of The Republic President 64/99.
- v. **Convention on Cluster Munitions – CCM:** The Convention on Cluster Munitions was adopted on 30 May 2008 in Dublin, and signed on 3-4 December 2008 in Oslo. Portugal approved the Convention for ratification, through the Resolution of the National Assembly 141/2010 of 22 October and ratified it on 29 December 2010 by the Regulation of the Republic President 143/2010.
- vi. **Convention on Certain Conventional Weapons – CCW:** The CCW counts with five Protocols that specify all prohibitions or restrictions on the use of specific weapons or weapon systems that are considered to cause unnecessary or unjustifiable suffering to combatants or to affect civilians indiscriminately. The

CCW was opened for signature on 10 April 1981, and entered into force on 3 December 1983. Portugal ratified the CCW and its Protocols I, II, III and II amended on 4 April 1997. It ratified the Protocol IV on 12 November 2011 and the Protocol V and the amendment to Protocol I on 22 February 2008.

- vii. **Forum for Security Cooperation (FSC) of the Organization for Security and Co-operation in Europe – OSCE:** The FSC works to increase military security and stability in Europe and covers some of the most fundamental politico-military agreements of the OSCE participating States. It helps implement landmark confidence and security-building measures to regulate the exchange of military information and mutual verification between states, as well as the Code of Conduct, a key document ensuring the democratic control of security forces. The Forum also develops norms and provides practical assistance to address the proliferation of illicit small arms and light weapons; deals with non-proliferation of weapons of mass destruction; and oversees the regular contact, co-operation, and sharing of military information among the participating States.
- viii. **Proliferation Security Initiative – PSI:** The PSI is an informal regime that strives to stop the proliferation and associated trade in WMDs, related materials and delivery systems, that counts with the participation of 102 States.
- ix. **The Global Initiative to Combat Nuclear Terrorism – GICNT:** The Global Initiative to Combat Nuclear Terrorism (GICNT) is a voluntary international partnership of nations and international organizations that are committed to strengthening global capacity to prevent, detect, and respond to nuclear terrorism. The GICNT works toward this goal by conducting multilateral activities that strengthen the plans, policies, procedures, and interoperability of partner nations.

III – GENERAL ACTIVITY IN 2013

In carrying out its mission regarding the control of transmission and circulation of defence-related products, the DGAIED fully respects the law, having developed several activities in this area during 2013.

Regarding the access and exercise of the activities of trade and industry of military goods and technology, the DGAIED issued during 2013, **15** authorizations, received **10** applications, counting by 31 December 2013 with **97** companies in its public register.

1. Transmission and circulation of defence-related products

The control of the transmission and circulation of defence-related products includes all activities that have as purpose the intra-Community transfers, imports, exports, transit and brokering of this goods and technologies.

i. Exports

Each application for the export of military goods and technology comprised a procedure composed by an Individual License and an End User Certificate, when the transfer could not take place under a General License. Regarding the use of Individual License, after the export takes place, its holder has to communicate its use, through official documents proving the expedition of the goods or technology and its reception by the consignee. Concerning the use of General and Global Licenses, economic operators entitled to use them communicated bi-annually the transfers made under these licenses or its non use.

For the purpose of this report, intra-Community transfers from Portugal are considered exports.

ii. Imports

Regarding defence related products with extra-community origin, each application for import authorization, which could not take place under a Global License, comprised a procedure composed by the International Import Certificate, the Delivery Guarantee Certificate, and when requested by the country of origin an End User Certificate, and of documentation proving that the end user received the goods and technology. On the other hand, in relation to intra-Community transfers of defence-related products to Portugal, each application that could not take place under a General or Global License, comprised a procedure composed by an Individual License and an End User Certificate, when previously requested by the country of origin, and of official documents attesting the delivery of the goods to the stated end user. Regarding the use of General and Global Licenses economic operators entitled to use them communicated bi-annually the transfers made under these licenses or its non use.

For the purpose of this report, intra-Community transfers to Portugal are considered imports.

iii. Suspension of import duties on certain weapons and military equipment

The competent authority in Portugal to issue the Certificate for Military Equipment for the suspension of import duties on certain weapons and equipment imported by or on behalf of the authorities in charge of the military defence is the DGAIED, under the Official Circulated Letter no. 15070/2012, from Customs Authority, of 26 September.

Throughout 2013 were received **508** applications for the suspension of import duties on certain weapons and equipment, under Council Regulation (EC) n.o 150/2003 of 21 January 2003, giving place to the same number of Certificate for Military Equipment.

iv. End User Certificates

The DGAIED validates the End User Certificates presented by national consignees and end users, in order to allow the state of origin of the supplier of defence-related products to the Portuguese Armed Forces, Security Forces and national industry, to confirm that Portugal is the country of final destination and that this products will not be resell, re-exported or otherwise disposed without its prior authorization. Throughout 2013 DGAIED validated **70** End user Certificates.

v. Transit Licence

Transit licenses are authorizations granted by DGAIED to a third country and allow to its holders to transit through national territory defence related products, with or without transshipment, with origin in a third country and having as declared destination other third country. During 2013 were analysed and issued **16** Transit Licenses.

2. Certification of Defence-related Enterprises

The certification of recipients for the intra-Community transfer of components of complete arms systems has the objective of promoting the cooperation of the European Defence Technological and Industrial Base, by optimizing the supply chain and the economies of scale. During 2013 it took place an outreach session for Portuguese companies who qualify for apply for the certification. It was also promoted the supervision of the Portuguese companies certified as recipient under this instrument.

3. Brokering activities

The brokering of military goods and technology must be previously authorized, and only economic operators authorized to engage in the activity of trade and industry of defence related products can apply for such authorization. The DGAIED received one application for this end, which was authorized and used.

4. Denials

During 2013 no application for the authorization of export, import, transit or brokering was denied. The main reason is due to the fact that the markets of our National Defence Technological and Industrial Base were not under embargoes or restrictive

measures. Besides, when faced with potential denials, economic operators tend to withdraw the application.

5. Information sent to EU

All figures in this report regarding exports will be communicate to the EU during the July of 2014, under the no 1, of article 8.º, da Council Common Position 2008/944/CFSP of 8 December.

6. Participation in Working Groups

The DGAIED represents the MoD in national and international working groups, related with the control of exports and imports of military goods and Technologies, having as main purposes the harmonization of national arms export control policies and procedures at the national and EU level and the cooperation at the international level.

i. National Level – At national level the DGAIED participated in several meeting during 2013, namely:

- Meeting of the National Authority for the Prohibition of Chemical Weapons (ANPAQ);
- Meetings of national coordination in the framework of the Proliferation Security Initiative (PSI);
- Meetings of national coordination in the framework of the Global Initiative to Combat Nuclear Terrorism (GICNT);
- Meetings of national coordination regarding the institution of the National Authority for Security and Biological Defence.

ii. International Level – At the international level the DGAIED in close coordination with the MFA, participated in the following meetings:

- Meetings of the EU Council Working Party on Conventional Arms Exports (COARM);
- Meetings of interested members of COARM and CODUN on Arms Trade Treaty (ATT);
- Meeting of the Committee established under the Directive 2009/43/EC of the European Parliament and of the Council of 6 May 2009 simplifying terms and conditions of transfers of defence-related products within the Community;
- Meeting of experts on the framework of the Convention on Certain Conventional Weapons.

7. Elaboration and revision of Laws and Regulations

During 2013 the Commission Directive 2012/47/EU of 14 December 2012 amending Directive 2009/43/EC of the European Parliament and of the Council as regards the list of defence-related products, was transposed to the national legislation. The transposition was concluded with the publication Decree 56/2013, of 19 April, making the second amendment to the Law 37/2011 of 22 June.

8. Outreach

The DGAIED promoted the cooperation with the National Defence Technological and Industrial Base, the Armed Forces and Security Forces, raising awareness regarding the legal framework regulating the transmission and circulation of defence-related products, with the main objectives of ensuring the respect of the law and the effective control of transfers, but also in the promotion of its competitiveness and the security of supply. The DGAIED participated also in the implementation of the Council Decision 2012/711/CFSP of 19 November 2012 on support for Union activities in order to promote, among third countries, the control of arms exports and the principles and criteria of Common Position 2008/944/CFSP.

- i. National Level** – With the application of the new procedures related with the transmission and circulation of defence-related products on the previous year, 2013 was as a consequence a year of consolidation. With this objective was organized a seminar regarding the control of trade of Strategic Goods. This seminar gathered in the same room national entities responsible for the control of military goods and technologies, dual use goods and firearms for sporting and hunting purposes, other law enforcement entities, representatives of the National Defence Technological and Industrial Base and national end users. The seminar raised awareness regarding the best practices on the transfer of these products and the main developments in this domain.
- ii. International Level** – Regarding the implementation of the Council Decision 2012/711/CFSP of 19 November 2012, Portugal organized a study visit on arms export controls for Albania, Bosnia and Herzegovina and Serbia (Lisbon, Portugal, 22 – 24 October 2013). The study visit was hosted by the Portuguese Ministry of Defence, National Armaments and Infrastructure Directorate and supported by officials from Austria, Belgium, the Czech Republic, Germany and Poland.

9. Supervision and control of economic operators

The DGAIED as the Direct State Administration Central Service with the mission to control the access and exercise of the activities of trade and industry of military goods and technology, as well as the transmission and circulation of defence-related products, has the mission to supervise and control the transmission and circulation of defence-related products and the economic operators authorized to engage in the activities of trade and industry of military goods and technology.

With the implementation of the new procedures simplifying the transmission and circulation of defence related products, particularly of General and Global Licenses, there is an increasing substitution of individual ex-ante control by general ex-post



control, demanding an additional effort of DGAIED on the supervision of economic operators, as well as an additional effort on these at the level of internal compliance.

The DGAIED promoted an open channel, by phone, email or presentially, with the main objectives of supporting economic operators in the application and respect of legal procedures regulating the transfer of defence related products. It was registered 37 meetings and 608 email contacts, with no figures to phone contacts due to its regularity and elevated number of use.

The management cycle of applications for transfers of defence related goods ends with supervision and control. In this context, it took place 105 controls and 6 audits, these last ones in the economic operators' premises.

IV – STATISTICS

1. Exports

i. Authorized

Regarding export operations, which in this report are understood as the transfer from Portugal, temporary or definitive, of military goods and technology with destiny to another country, including intra-Community transfers, DGAIED received in 2013 applications that resulted in the issuing of **237** Individual licenses with the total value of **€ 145.733.065,37**, of which **176** were definitive transfers valuing 134 M€, and **61** were temporary (maintenance, repair and overhaul, demonstrations and logistic support to national forces deployed abroad) valuing **11M€**, as shown in table 1.

Table 1 – Exports Authorized by Region

| Exports Authorized by Region | | | |
|------------------------------|----|---------------------|------------------|
| Region | ML | No. Licenses Issued | Value |
| EU | 1 | 4 | 1.188.735,71 € |
| | 2 | 5 | 17.357.572,93 € |
| | 3 | 5 | 77.892,72 € |
| | 5 | 2 | 14.918.516,70 € |
| | 6 | 5 | 58.320.437,24 € |
| | 7 | 2 | 6.380,00 € |
| | 10 | 13 | 2.633.133,20 € |
| | 11 | 13 | 6.520.226,53 € |
| | 17 | 1 | 62.175,00 € |
| Total | | 50 | 101.085.070,03 € |
| Other European Countries | 1 | 3 | 0,00 € |
| | 3 | 2 | 0,00 € |
| | 7 | 4 | 0,00 € |
| | 9 | 1 | 20.000,00 € |
| | 10 | 1 | 102.961,46 € |
| | 13 | 1 | 0,00 € |
| | 14 | 1 | 10.300,00 € |
| Total | | 13 | 133.261,46 € |
| Asia | 10 | 21 | 4.092.579,05 € |
| | 11 | 23 | 1.949.383,20 € |
| Total | | 44 | 6.041.962,25 € |
| America | 1 | 1 | 3.668,43 € |
| | 4 | 2 | 1.940.000,00 € |
| | 5 | 1 | 1.500,00 € |
| | 6 | 7 | 5.400.126,02 € |
| | 9 | 2 | 195.000,00 € |
| | 10 | 32 | 13.757.240,45 € |
| | 11 | 7 | 3.318.989,20 € |

| | | | |
|-------------------------|----|------------|-------------------------|
| | 15 | 1 | 3.297,70 € |
| | 18 | 6 | 2.712,00 € |
| Total | | 59 | 24.622.533,80 € |
| Africa | 1 | 4 | 184.109,18 € |
| | 3 | 2 | 24.985,26 € |
| | 9 | 8 | 1.953.949,06 € |
| | 10 | 45 | 10.426.090,38 € |
| | 11 | 4 | 753.396,00 € |
| Total | | 63 | 13.342.529,88 € |
| Oceania | 11 | 8 | 507.707,95 € |
| Total | | 8 | 507.707,95 € |
| Total Temporary | | 61 | 11.213.437,31 € |
| Total Definitive | | 176 | 134.519.628,06 € |
| Total Global | | 237 | 145.733.065,37 € |

ii. Performed

During 2013 were performed **808** exports valuing **€175.524.209,08€**, of which **99.5 M€** were definitive and **76 M€** were temporary, as shown in table 2.

These exports included some that were authorized in 2012 but only took place in 2013, due to the licenses expiration date of six months. It includes also temporary and definitive exports made under the **14** of **21** General Licenses in use, which explain the difference between the authorized exports and the performed ones.

Table 2 – Exports Performed

| Exports Performed | | | | | |
|-----------------------|---------|--------------|------------|---------------------|-----------------------|
| Destiny of the Export | | ML | Tipology | No Export Performed | Value |
| UE | Germany | 1 | Temporary | 1 | 2.824,00 € |
| | | 6 | Temporary | 1 | 1.468.468,66 € |
| | | 7 | Temporary | 2 | 6.380,00 € |
| | | 10 | Temporary | 11 | 1.002.537,76 € |
| | | 11 | Temporary | 22 | 35.220,00 € |
| | | 17 | Temporary | 1 | 830.000,00 € |
| | | 11 | Definitive | 6 | 193.250,00 € |
| | | Total | | 44 | 3.538.680,42 € |
| | Austria | 10 | Temporary | 2 | 17.500,00 € |
| | | 1 | Definitive | 1 | 0,00 € |
| | | 6 | Definitive | 3 | 1.257.080,15 € |
| | | 10 | Definitive | 1 | 3.350,00 € |
| | | Total | | 7 | 1.277.930,15 € |
| | Belgium | 1 | Temporary | 1 | 425.000,00 € |



| | | | | | |
|--------------------------|----------------|-------|------------|----|-----------------|
| Other European Countries | | 2 | Temporary | 4 | 2.793.666,62 € |
| | | 3 | Temporary | 4 | 62.088,40 € |
| | | 10 | Temporary | 12 | 2.007.518,48 € |
| | | Total | | 21 | 5.288.273,50 € |
| | Denmark | 10 | Temporary | 5 | 121.087,02 € |
| | | Total | | 5 | 121.087,02 € |
| | Spain | 10 | Temporary | 23 | 5.166.232,93 € |
| | | 1 | Definitive | 1 | 763.735,71 € |
| | | 2 | Definitive | 2 | 14.563.906,31 € |
| | | 6 | Definitive | 1 | 41.287.595,00 € |
| | | 10 | Definitive | 5 | 3.233.071,45 € |
| | | 11 | Definitive | 2 | 5.041.306,52 € |
| | | Total | | 34 | 70.055.847,92 € |
| | France | 10 | Temporary | 41 | 8.358.094,70 € |
| | | 10 | Definitive | 14 | 13.415,00 € |
| | | Total | | 55 | 8.371.509,70 € |
| | Netherlands | 10 | Temporary | 32 | 3.593.542,27 € |
| | | 10 | Definitive | 6 | 322.719,06 € |
| | | 11 | Definitive | 1 | 3.850,00 € |
| | | Total | | 39 | 3.920.111,33 € |
| | Italy | 10 | Temporary | 2 | 5.000.813,43 € |
| | | 10 | Definitive | 2 | 1.200,00 € |
| | | Total | | 4 | 5.002.013,43 € |
| | Luxemburg | 10 | Temporary | 11 | 2.060.227,49 € |
| | | Total | | 11 | 2.060.227,49 € |
| | Poland | 6 | Definitive | 1 | 0,00 € |
| | | Total | | 1 | 0,00 € |
| | United Kingdom | 10 | Temporary | 21 | 11.003.274,36 € |
| | | 11 | Temporary | 1 | 113.887,00 € |
| | | 17 | Temporary | 1 | 62.175,00 € |
| | | 10 | Definitive | 25 | 421.087,28 € |
| | | Total | | 48 | 11.600.423,64 € |
| | Sweden | 10 | Definitive | 2 | 13.030,00 € |
| | | Total | | 2 | 13.030,00 € |
| | Total EU | | | | 271 |
| | Iceland | 9 | Temporary | 1 | 20.000,00 € |
| | | Total | | 1 | 20.000,00 € |
| | Kosovo | 1 | Temporary | 24 | 123.864,91 € |
| | | 2 | Temporary | 1 | 0,00 € |
| | | 3 | Temporary | 5 | 95.978,90 € |
| | | 4 | Temporary | 2 | 190,00 € |
| | | 5 | Temporary | 5 | 642,00 € |
| | | 6 | Temporary | 6 | 6.755.229,40 € |



| | | | | | |
|---------|--------------------------------|-------|------------|-----|-----------------|
| | | 10 | Temporary | 2 | 5,00 € |
| | | 11 | Temporary | 3 | 81.865,16 € |
| | | 13 | Temporary | 4 | 382.753,67 € |
| | | 14 | Temporary | 1 | 4.881,00 € |
| | | 15 | Temporary | 5 | 60,00 € |
| | | 17 | Temporary | 3 | 54.080,00 € |
| | | 21 | Temporary | 2 | 20.811,25 € |
| | | Total | | 63 | 7.520.361,29 € |
| | Norway | 14 | Temporary | 1 | 10.300,00 € |
| | | 10 | Definitive | 1 | 102.961,46 € |
| | | Total | | 2 | 113.261,46 € |
| | Turkey | 7 | Definitive | 1 | 0,00 € |
| | | Total | | 1 | 0,00 € |
| | Total Other European Countries | | | 67 | 7.653.622,75 € |
| America | Belize | 6 | Definitive | 1 | 25.987,20 € |
| | | Total | | 1 | 25.987,20 € |
| | Brazil | 10 | Temporary | 1 | 2.500.000,00 € |
| | | 11 | Temporary | 1 | 114.440,00 € |
| | | 10 | Definitive | 11 | 8.442.148,38 € |
| | | 11 | Definitive | 2 | 1.263.978,00 € |
| | | Total | | 15 | 12.320.566,38 € |
| | Chile | 18 | Definitive | 3 | 2.712,00 € |
| | | Total | | 3 | 2.712,00 € |
| | Colombia | 11 | Definitive | 1 | 37.380,00 € |
| | | Total | | 1 | 37.380,00 € |
| | Canada | 5 | Temporary | 1 | 1.500,00 € |
| | | 10 | Temporary | 61 | 658.501,50 € |
| | | Total | | 62 | 660.001,50 € |
| | United States | 1 | Temporary | 1 | 3.668,43 € |
| | | 4 | Temporary | 1 | 1.900.000,00 € |
| | | 9 | Temporary | 2 | 195.000,00 € |
| | | 10 | Temporary | 224 | 16.047.336,54 € |
| | | 11 | Temporary | 1 | 7.500,00 € |
| | | 15 | Temporary | 1 | 3.297,70 € |
| | | 6 | Definitive | 2 | 604.700,00 € |
| | | 10 | Definitive | 20 | 1.529.728,46 € |
| | | Total | | 252 | 20.291.231,13 € |
| | Guatemala | 6 | Definitive | 1 | 45.396,50 € |
| | | Total | | 1 | 45.396,50 € |
| | Honduras | 6 | Definitive | 1 | 99.344,80 € |
| | | Total | | 1 | 99.344,80 € |
| | Mexico | 10 | Definitive | 3 | 1.384.376,94 € |
| | | Total | | 3 | 1.384.376,94 € |

| | | | | | |
|------------|----------------------|-------|--------------|----------------|-----------------|
| | Panama | 6 | Definitive | 1 | 86.625,00 € |
| | | Total | | 1 | 86.625,00 € |
| | Peru | 6 | Definitive | 1 | 308.814,40 € |
| | | Total | | 1 | 308.814,40 € |
| | Total America | | | 341 | 35.262.435,85 € |
| Asia | Afghanistan | 11 | Temporary | 5 | 197.802,82 € |
| | | 13 | Temporary | 5 | 313.622,56 € |
| | | 21 | Temporary | 1 | 600,00 € |
| | | Total | | 11 | 512.025,38 € |
| | Saudi Arabia | 11 | Temporary | 1 | 36.196,00 € |
| | | Total | | 1 | 36.196,00 € |
| | Bahrein | 11 | Temporary | 1 | 39.146,00 € |
| | | Total | | 1 | 39.146,00 € |
| | Bangladesh | 10 | Definitive | 10 | 3.334.370,17 € |
| | | 11 | Definitive | 2 | 365.632,86 € |
| | | Total | | 12 | 3.700.003,03 € |
| | United Arab Emirates | 10 | Definitive | 4 | 42.890,00 € |
| | | Total | | 4 | 42.890,00 € |
| | India | 11 | Temporary | 1 | 5.700,00 € |
| | | Total | | 1 | 5.700,00 € |
| | Indonesia | 11 | Temporary | 1 | 74.256,00 € |
| | | 11 | Definitive | 5 | 1.026.907,00 € |
| | | Total | | 6 | 1.101.163,00 € |
| | Israel | 10 | Temporary | 9 | 752.289,96 € |
| | | Total | | 9 | 752.289,96 € |
| | Kuwait | 10 | Definitive | 1 | 22.100,00 € |
| | | Total | | 1 | 22.100,00 € |
| | Malaysia | 11 | Temporary | 2 | 60.000,00 € |
| | | 11 | Definitive | 3 | 46.344,74 € |
| | | Total | | 5 | 106.344,74 € |
| | Paquistan | 11 | Temporary | 1 | 41.100,00 € |
| | | Total | | 1 | 41.100,00 € |
| | Thailand | 11 | Temporary | 1 | 111.617,00 € |
| | | 10 | Definitive | 1 | 15.053,22 € |
| | | Total | | 2 | 126.670,22 € |
| Total Asia | | | 54 | 6.485.628,33 € | |
| Africa | South Africa | 9 | Temporary | 5 | 1.017.500,00 € |
| | | 9 | Definitive | 1 | 400.000,00 € |
| | | Total | | 6 | 1.417.500,00 € |
| | Botswana | 10 | Definitive | 1 | 11.565,53 € |
| | | Total | | 1 | 11.565,53 € |
| | Burkina Faso | 10 | Definitive | 1 | 950.000,00 € |
| Total | | 1 | 950.000,00 € | | |

| | | | | | |
|--------------------------|--------------------------|-----------------|------------|------------------|-----------------|
| | Cape Verde | 1 | Definitive | 3 | 171.659,18 € |
| | | 3 | Definitive | 2 | 24.985,26 € |
| | | Total | | 5 | 196.644,44 € |
| | Cameroun | 10 | Definitive | 8 | 209.997,36 € |
| | | Total | | 8 | 209.997,36 € |
| | Tchad | 10 | Definitive | 5 | 2.882.995,92 € |
| | | Total | | 5 | 2.882.995,92 € |
| | Egypt | 11 | Temporary | 1 | 78.000,00 € |
| | | Total | | 1 | 78.000,00 € |
| | Lybia | 10 | Definitive | 17 | 3.173.278,59 € |
| | | Total | | 17 | 3.173.278,59 € |
| | Mali | 1 | Temporary | 1 | 74.227,89 € |
| | | 3 | Temporary | 1 | 12.872,00 € |
| | | 5 | Temporary | 1 | 0,00 € |
| | | 11 | Temporary | 2 | 30.000,00 € |
| | | 13 | Temporary | 1 | 39.257,40 € |
| | | Total | | 6 | 156.357,29 € |
| | Morocco | 9 | Definitive | 1 | 426.864,38 € |
| | | 10 | Definitive | 14 | 4.806.434,90 € |
| | | Total | | 15 | 5.233.299,28 € |
| | Central African Republic | 10 | Definitive | 2 | 207.992,19 € |
| | | Total | | 2 | 207.992,19 € |
| | Somalia | 11 | Temporary | 1 | 2.049,00 € |
| | | 15 | Temporary | 1 | 0,00 € |
| | | Total | | 2 | 2.049,00 € |
| | Total Africa | | | 69 | 14.519.679,60 € |
| Oceania | Australia | 11 | Temporary | 1 | 29.748,00 € |
| | | 11 | Definitive | 5 | 323.959,95 € |
| | | Total Australia | | 6 | 353.707,95 € |
| Total Global Temporarys | | | 600 | 76.028.428,21 € | |
| Total Global Definitives | | | 208 | 99.495.780,87 € | |
| Total Global | | | 808 | 175.524.209,08 € | |

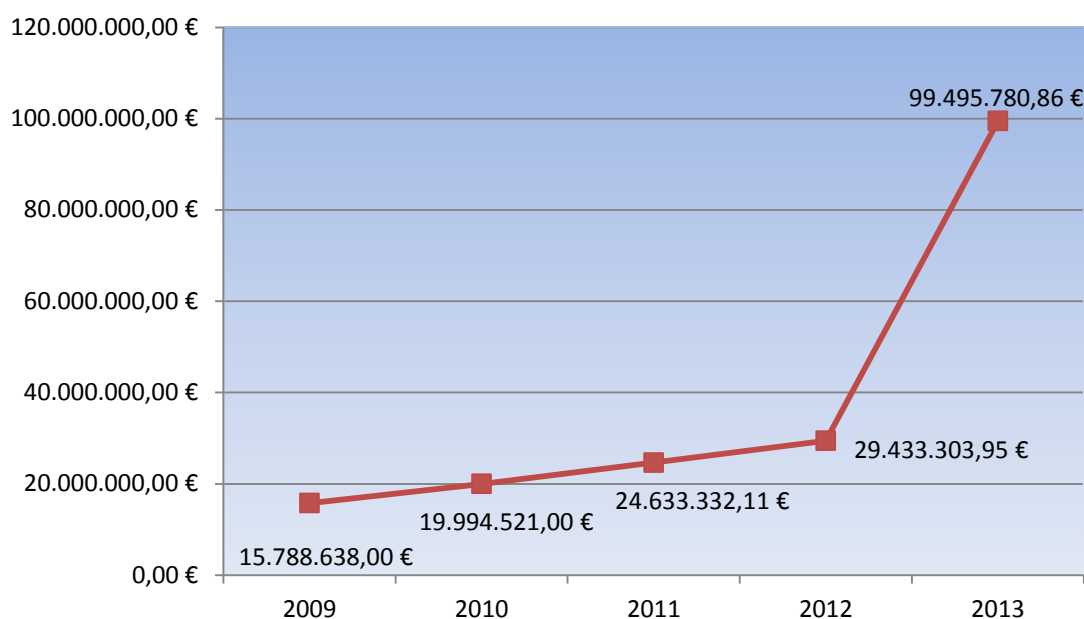
iii. Trends

The definitive exports in 2013 increased 237% when compared to 2012. In Graphic 1 it can be verified the evolution of definitive exports of military goods and technology on the last 5 years, characterized by a steadily increase.

This increase can be explained by the growing exports of our National Defence Technological and Industrial Base, by the selling of decommissioned equipment belonging to national Armed Forces, and to the devolution of military goods and

technologies previously imported to Portugal under the Pandur program, to Austria and Spain, belonging to categories ML 1, ML 2 and ML 6.

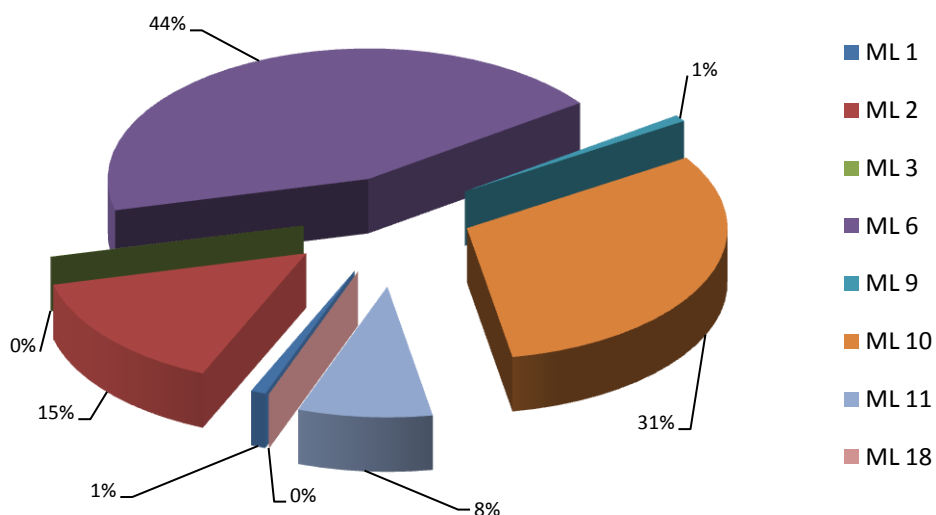
Graphic 1 – Export evolution during the last 5 years



For the first time the report on annual transfers includes the value of temporary exports, reason why it is not possible to compare it with former years. These exports include military goods and technologies exported for maintenance, repair and overhaul, and for demonstration and for logistic support to national Armed Forces deployed abroad, and will return to Portugal, staying property of the Portuguese government or Portuguese companies during the operations.

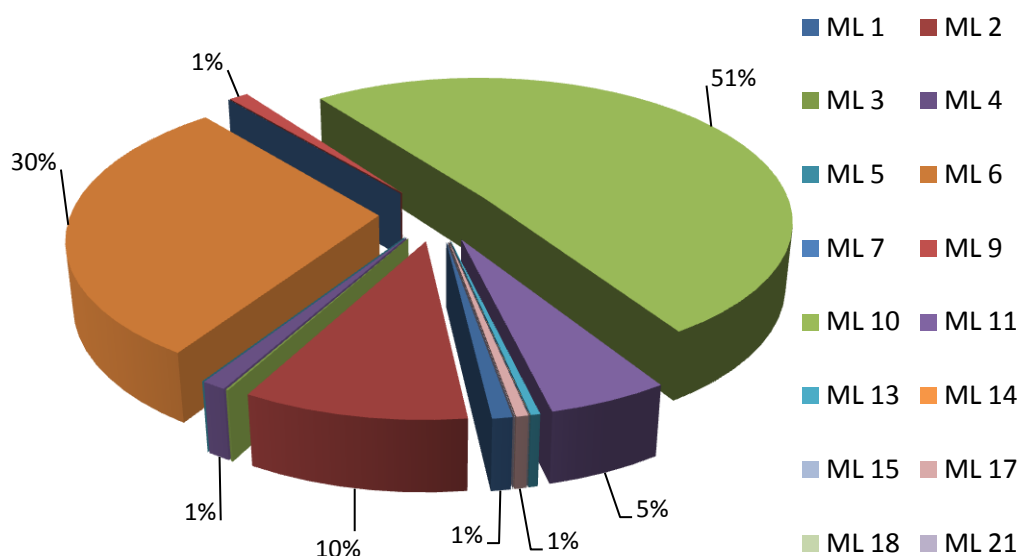
During 2013 were exported definitively goods belonging to categories ML 1, 2, 3, 6, 9, 10, 11 and 18 of the EU Common Military List. In Graphic 6 it can be verified that the category ML 6 represents 44 % of the total definitive exports, followed by ML 10, which represents 31%, and by ML 2, which represents 15% and by ML 11, representing 8%, while the categories ML 1, 3, 9 and 18 have a small representation.

Graphic 2 – Definitive Exports by military category



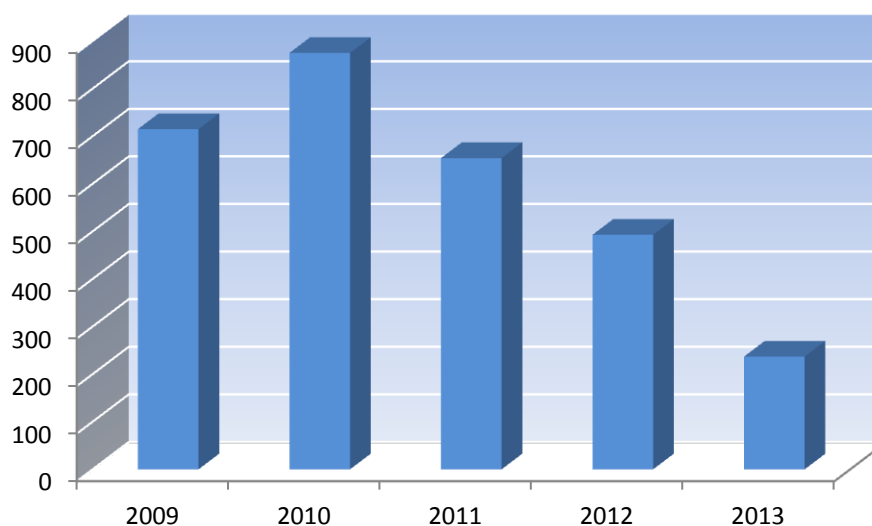
When analyzing the total exports, including definitive and temporary, it can be observed the preponderance of ML 10 category, representing 51% of total exports, followed by ML 6 representing 30%, ML 4 representing 10% and ML 11 representing 5%. The rest of the ML categories, contribute marginally with ML's 8, 12, 16, 19, 20 and 22 with no exports registered, accordingly to graphic 3.

Graphic 3 – Total exports by ML category



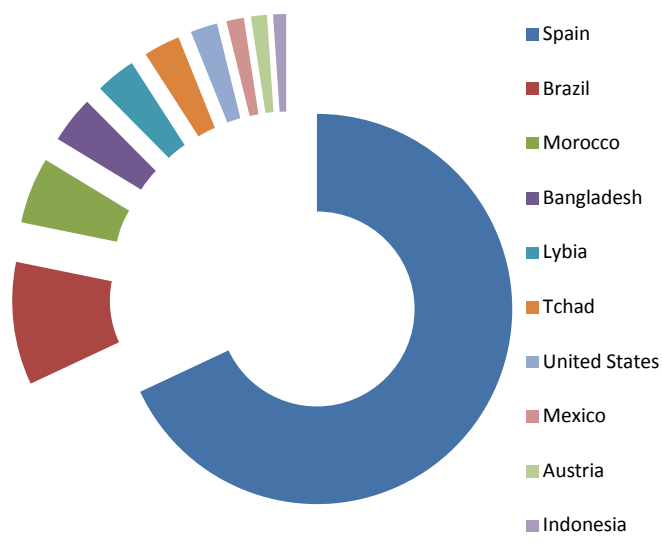
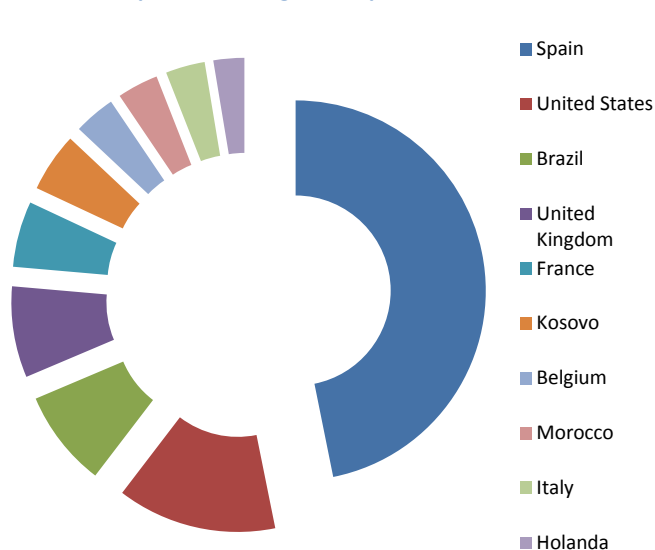
Regarding the number of Certificates and Licenses issues, in 2013 was registered a decrease when compared with 2012, a trend common to previous years, accordingly to graphic 4. This reduction is probably the result of the implementation of the new procedures simplifying terms and conditions of transfer of defence-related products, particularly due to the use of General and Global Licenses.

Graphic 4 – Trend in the number of certificates and licenses issued for export



Below are the top 10 destination of exports of defence related products. On graphic 5 are the top 10 destinations of global exports, while on graphic 6 are the top 10 destinations of definitive exports.

Graphic 5 – To 10 global export destinations



Graphic 6 – Top 10 definitive exports destinations

2. Imports

i. Authorized

Regarding import operations, which in this report are understood as the transfer to Portugal, temporary or definitive, of military goods and technology with origin in other countries, including intra-Community transfers to Portugal, DGAIED received applications **438** in 2013 that resulted in the issuing of **328** International Import Certificates, **224** of which definitive and **104** temporary, and the issuing of **121** Individual Licenses for defence related products with intra-Community origin, **101** of which definitive and **20** Temporary, with the total value of **354.930.448,68 €**. In total, **346** were definitive valuing **26 M€**, and **92** Temporary (for maintenance, repair, and overhaul and for demonstration), valuing **328 M€**, as shown in table 3.

Table 3 – Imports Authorized by Region

| Imports Authorized by Regions | | | |
|-------------------------------|----|--------------------|-----------------|
| Region | ML | No. License Issued | Value |
| European Union | 1 | 22 | 276.795,50 € |
| | 2 | 7 | 83.942.650,80 € |
| | 3 | 29 | 5.323.504,30 € |
| | 4 | 8 | 126.950,91 € |
| | 5 | 1 | 32.187,45 € |
| | 6 | 4 | 32.703.210,77 € |
| | 7 | 11 | 142.057,60 € |
| | 9 | 3 | 40.721,86 € |
| | 10 | 15 | 3.160.656,10 € |

| | | | |
|---------------------------------|----|------------|-------------------------|
| | 11 | 5 | 1.099.770,76 € |
| | 13 | 5 | 212.142,00 € |
| | 14 | 1 | 12.000,00 € |
| | 15 | 1 | 33.042,10 € |
| | 17 | 1 | 397.630,00 € |
| | 18 | 1 | 10.338.462,00 € |
| Total | | 114 | 137.841.782,15 € |
| Other European Countries | 3 | 4 | 529.016,00 € |
| | 4 | 3 | 36.252,41 € |
| | 7 | 1 | 221,23 € |
| | 9 | 3 | 944.521,16 € |
| | 10 | 2 | 162.197,17 € |
| | 11 | 4 | 86.270,40 € |
| | 15 | 2 | 26.637,00 € |
| Total | | 19 | 1.785.115,37 € |
| America | 1 | 3 | 4.925,00 € |
| | 2 | 1 | 227,59 € |
| | 3 | 6 | 600.096,14 € |
| | 4 | 1 | 13.698,13 € |
| | 5 | 1 | 28.798,75 € |
| | 6 | 3 | 843.174,85 € |
| | 7 | 4 | 31.968,82 € |
| | 9 | 73 | 991.574,59 € |
| | 10 | 144 | 38.565.172,79 € |
| | 11 | 3 | 133.425,37 € |
| | 15 | 1 | 1.500,00 € |
| Total | | 240 | 41.214.562,03 € |
| Asia | 10 | 16 | 1.179.011,94 € |
| | 11 | 7 | 307.105,11 € |
| | 13 | 1 | 111.617,00 € |
| Total | | 24 | 1.597.734,05 € |
| Africa | 9 | 7 | 938.949,06 € |
| | 10 | 24 | 171.216.520,99 € |
| | 11 | 3 | 147.255,50 € |
| | 13 | 1 | 6.180,26 € |
| | 15 | 1 | 50.000,00 € |
| Total | | 36 | 172.358.905,81 € |
| Oceania | 10 | 1 | 802,59 € |
| | 11 | 4 | 131.546,68 € |
| Total | | 5 | 132.349,27 € |
| Total Global Temporary | | 92 | 328.778.724,21 € |
| Total Global Definitive | | 346 | 26.151.724,47 € |
| Total Global | | 438 | 354.930.448,68 € |

ii. Performed

During 2013 were performed **821** import operations valuing **311 M€**, of which **74 M€** were definitive and **236 M€** were temporary, as shown in table 4, having being issued **412** Delivery Guarantee Certificates, for products with extra-Community origin.

These imports included some that were authorized in 2012 but only took place in 2013, due to the licenses and certificates expiration date of six months. It includes also temporary and definitive imports made under the **21** General Licenses and **3** Global Licenses, which explain the difference between the authorized imports and the performed ones.

Tabela 4 – Imports Performed

| Imports Performed | | | | | |
|-------------------|---------|-------|------------|-----------------------|-----------------|
| Origin of Import | | ML | Tipology | No. Imports Performed | Value |
| EU | Germany | 1 | Definitive | 15 | 178.125,50 € |
| | | 2 | Definitive | 3 | 3.320,00 € |
| | | 3 | Definitive | 7 | 46.611,10 € |
| | | 4 | Definitive | 1 | 32.225,00 € |
| | | 5 | Definitive | 1 | 32.187,45 € |
| | | 6 | Definitive | 2 | 665.809,86 € |
| | | 6 | Temporary | 1 | 75.712,80 € |
| | | 7 | Definitive | 4 | 14.435,20 € |
| | | 10 | Definitive | 13 | 652.845,50 € |
| | | 10 | Temporary | 1 | 540.319,50 € |
| | | 11 | Definitive | 4 | 1.942.613,00 € |
| | | 17 | Temporary | 1 | 830.000,00 € |
| | | 18 | Definitive | 1 | 5.288.525,00 € |
| | | Total | | 54 | 10.302.729,91 € |
| | Austria | 1 | Definitive | 2 | 4.000,00 € |
| | | 6 | Definitive | 2 | 2.366.070,03 € |
| | | 10 | Temporary | 2 | 0,00 € |
| | | Total | | 6 | 2.370.070,03 € |
| | Belgium | 2 | Temporary | 6 | 4.780.733,30 € |
| | | 3 | Temporary | 22 | 4.230.486,80 € |
| | | 10 | Definitive | 4 | 420.100,44 € |
| | | Total | | 32 | 9.431.320,54 € |
| | Denmark | 10 | Definitive | 3 | 17.732,00 € |
| | | Total | | 3 | 17.732,00 € |
| | Spain | 3 | Definitive | 2 | 75.691,75 € |
| | | 4 | Definitive | 1 | 17.618,40 € |
| | | 6 | Temporary | 1 | 75.882,50 € |

| | | | | |
|----------------|--------------|------------|-----------|------------------------|
| | 7 | Definitive | 2 | 323,40 € |
| | 10 | Definitive | 21 | 14.490.156,32 € |
| | 10 | Temporary | 2 | 581.820,97 € |
| | Total | | 29 | 15.241.493,34 € |
| Finland | 3 | Definitive | 4 | 67.010,00 € |
| | 7 | Definitive | 1 | 56.306,00 € |
| | Total | | 5 | 123.316,00 € |
| France | 3 | Definitive | 2 | 7.600,00 € |
| | 4 | Definitive | 2 | 36.992,00 € |
| | 7 | Definitive | 3 | 19.350,00 € |
| | 10 | Definitive | 37 | 1.328.935,24 € |
| | 10 | Temporary | 17 | 58.240,00 € |
| | Total | | 61 | 1.451.117,24 € |
| Italy | 1 | Definitive | 1 | 7.800,00 € |
| | 3 | Definitive | 1 | 265.292,95 € |
| | 10 | Definitive | 4 | 10.700.262,84 € |
| | 10 | Temporary | 2 | 0,00 € |
| | Total | | 8 | 10.973.355,79 € |
| Lithuania | 3 | Definitive | 4 | 1.035.705,00 € |
| | Total | | 4 | 1.035.705,00 € |
| Luxemburg | 10 | Definitive | 1 | 169,00 € |
| | Total | | 1 | 169,00 € |
| Monaco | 10 | Definitive | 1 | 1.600,00 € |
| | Total | | 1 | 1.600,00 € |
| Netherlands | 10 | Definitive | 15 | 203.965,72 € |
| | 10 | Temporary | 5 | 28.442.308,78 € |
| | Total | | 20 | 28.646.274,50 € |
| Poland | 13 | Definitive | 2 | 63.172,40 € |
| | Total | | 2 | 63.172,40 € |
| United Kingdom | 1 | Definitive | 1 | 650,00 € |
| | 1 | Temporary | 1 | 31.667,37 € |
| | 4 | Definitive | 2 | 1.221,68 € |
| | 10 | Definitive | 28 | 17.798.163,43 € |
| | 10 | Temporary | 16 | 18.661,61 € |
| | 13 | Definitive | 2 | 150.257,00 € |
| | 14 | Definitive | 1 | 7.650,55 € |
| | 15 | Definitive | 1 | 33.042,10 € |
| | Total | | 52 | 18.041.313,74 € |
| Czech Republic | 1 | Definitive | 2 | 31.947,00 € |
| | 3 | Definitive | 3 | 526.169,00 € |
| | 13 | Definitive | 2 | 1.799,60 € |
| | Total | | 7 | 559.915,60 € |
| Sweden | 3 | Definitive | 1 | 2.071,00 € |



| | | | | | |
|--------------------------|--------------------------------|-------|------------|-----|-----------------|
| | | 10 | Temporary | 2 | 0,00 € |
| | | Total | | 3 | 2.071,00 € |
| | Total EU | | | 288 | 98.261.356,09 € |
| Other European Countries | Iceland | 9 | Definitive | 1 | 943.777,00 € |
| | | Total | | 1 | 943.777,00 € |
| | Kosovo | 1 | Temporary | 1 | 114.330,26 € |
| | | 4 | Temporary | 2 | 15.563,64 € |
| | | 5 | Temporary | 1 | 0,00 € |
| | | 6 | Temporary | 2 | 8.260,15 € |
| | | 11 | Temporary | 8 | 110.461,08 € |
| | | 13 | Temporary | 6 | 319.125,81 € |
| | | 14 | Temporary | 1 | 2.764,00 € |
| | | 15 | Temporary | 2 | 0,00 € |
| | | 17 | Temporary | 2 | 277.410,00 € |
| | | 21 | Temporary | 2 | 1.575,80 € |
| | | Total | | 27 | 849.490,74 € |
| | Norway | 9 | Definitive | 1 | 372,43 € |
| | | 10 | Definitive | 1 | 20.000,00 € |
| | | 10 | Temporary | 1 | 142.197,17 € |
| | | 11 | Definitive | 2 | 55.422,40 € |
| | | 15 | Definitive | 1 | 11.000,00 € |
| | | Total | | 6 | 228.992,00 € |
| | Suisse | 3 | Definitive | 3 | 56.826,00 € |
| | | 4 | Definitive | 3 | 36.252,41 € |
| | | 7 | Definitive | 1 | 221,23 € |
| | | 10 | Definitive | 1 | 124.034,00 € |
| | | Total | | 8 | 217.333,64 € |
| | Turkey | 3 | Definitive | 1 | 462.500,00 € |
| | | Total | | 1 | 462.500,00 € |
| | Total other european countries | | | | 43 |
| America | Brazil | 9 | Definitive | 3 | 213.762,14 € |
| | | 10 | Definitive | 2 | 372.015,00 € |
| | | 11 | Temporary | 2 | 129.413,20 € |
| | | Total | | 7 | 715.190,34 € |
| | Canada | 1 | Definitive | 2 | 2.106,00 € |
| | | 3 | Definitive | 2 | 670.748,39 € |
| | | 7 | Definitive | 1 | 6.188,71 € |
| | | 9 | Definitive | 4 | 220.139,29 € |
| | | 10 | Definitive | 44 | 126.478,23 € |
| | | 15 | Temporary | 1 | 1.500,00 € |
| | | Total | | 54 | 1.027.160,62 € |
| | Chile | 11 | Definitive | 1 | 12.000,00 € |

| | | | | | |
|---------------|----------------------|-------|-----------------|-----------------|-----------------|
| | | Total | | 1 | 12.000,00 € |
| | United States | 1 | Definitive | 2 | 564.954,90 € |
| | | 2 | Definitive | 1 | 227,59 € |
| | | 3 | Definitive | 1 | 5.295,12 € |
| | | 4 | Definitive | 1 | 13.698,13 € |
| | | 5 | Definitive | 1 | 28.798,75 € |
| | | 6 | Definitive | 3 | 1.176.163,77 € |
| | | 7 | Definitive | 2 | 22.760,39 € |
| | | 9 | Definitive | 65 | 562.178,49 € |
| | | 10 | Definitive | 171 | 9.423.067,41 € |
| | | 10 | Temporary | 86 | 2.469.427,40 € |
| | | 11 | Definitive | 1 | 6.985,37 € |
| | | 15 | Definitive | 1 | 47.503,33 € |
| | | Total | | 335 | 14.321.060,65 € |
| | Mexico | 10 | Temporary | 3 | 33.769.974,30 € |
| Total | | 3 | 33.769.974,30 € | | |
| Total America | | | 400 | 49.845.385,91 € | |
| Asia | Afghanistan | 1 | Temporary | 4 | 99.110,28 € |
| | | 3 | Temporary | 1 | 4.511,59 € |
| | | 11 | Temporary | 5 | 1.341.983,46 € |
| | | 13 | Temporary | 6 | 1.492.417,51 € |
| | | 15 | Temporary | 1 | 158.096,34 € |
| | | Total | | 17 | 3.096.119,18 € |
| | Bahrein | 11 | Temporary | 1 | 39.146,00 € |
| | | Total | | 1 | 39.146,00 € |
| | Bangladesh | 10 | Temporary | 4 | 603.377,15 € |
| | | Total | | 4 | 603.377,15 € |
| | United Arab Emirates | 10 | Temporary | 2 | 1.161,07 € |
| | | Total | | 2 | 1.161,07 € |
| | India | 11 | Temporary | 1 | 24.000,00 € |
| | | Total | | 1 | 24.000,00 € |
| | Israel | 10 | Definitive | 5 | 121.099,68 € |
| | | 11 | Definitive | 1 | 104.355,02 € |
| | | Total | | 6 | 225.454,70 € |
| | Paquistan | 10 | Temporary | 9 | 1.034.139,41 € |
| | | Total | | 9 | 1.034.139,41 € |
| | Thailand | 10 | Temporary | 1 | 2.167,33 € |
| | | 11 | Temporary | 1 | 111.617,00 € |
| | | Total | | 2 | 113.784,33 € |
| | Total Asia | | | 42 | 5.137.181,84 € |
| Africa | South Africa | 9 | Definitive | 5 | 557.500,00 € |
| | | 13 | Definitive | 1 | 2.246,68 € |
| | | 15 | Definitive | 1 | 50.000,00 € |

| | | | | | |
|-------------------------|--------------|-------|------------|------------------|------------------|
| | | Total | | 7 | 609.746,68 € |
| | Cameroun | 10 | Temporary | 8 | 75.337.395,11 € |
| | | Total | | 8 | 75.337.395,11 € |
| | Tchad | 10 | Temporary | 2 | 40.583.887,54 € |
| | | Total | | 2 | 40.583.887,54 € |
| | Egypt | 11 | Temporary | 3 | 147.255,50 € |
| | | Total | | 3 | 147.255,50 € |
| | Morocco | 9 | Temporary | 1 | 281.449,06 € |
| | | 10 | Temporary | 13 | 38.081.754,53 € |
| | | Total | | 14 | 38.363.203,59 € |
| | Somalia | 11 | Temporary | 1 | 2.049,00 € |
| | | 15 | Temporary | 1 | 0,00 € |
| | | Total | | 2 | 2.049,00 € |
| | Uganda | 1 | Temporary | 1 | 5.819,28 € |
| | | 3 | Temporary | 1 | 110,00 € |
| | | 4 | Temporary | 1 | 0,00 € |
| | | 5 | Temporary | 1 | 1.553,70 € |
| | | 11 | Temporary | 1 | 13.487,40 € |
| | | 13 | Temporary | 1 | 34.302,90 € |
| | | 15 | Temporary | 1 | 11.400,00 € |
| | | Total | | 7 | 66.673,28 € |
| | Total Africa | | | 43 | 155.110.210,70 € |
| Oceania | Australia | 10 | Definitive | 1 | 802,59 € |
| | | 11 | Temporary | 2 | 123.546,68 € |
| | | 11 | Temporary | 2 | 8.000,00 € |
| | | Total | | 5 | 132.349,27 € |
| Total Global Temporary | | | 275 | 236.571.574,28 € | |
| Total Global Definitive | | | 546 | 74.617.002,91 € | |
| Total Global | | | 821 | 311.188.577,19 € | |

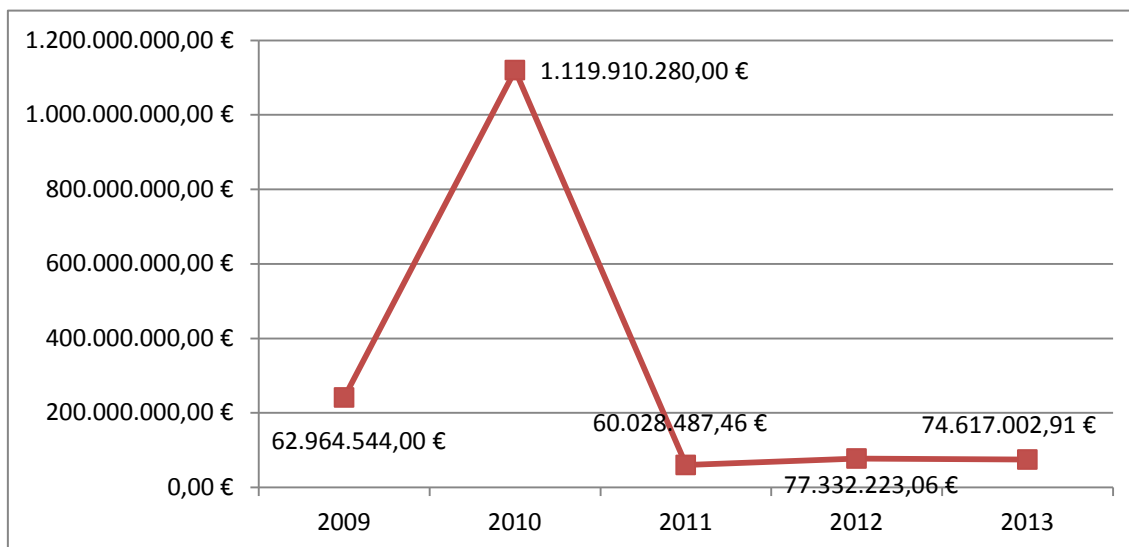
iii. Trends

The definitive imports in 2013 totalized 74.617.002,91€, which represents a decrease of 3,5% when compared to 2012. In Graphic 7 it can be verified the evolution of definitive imports of military goods and technology on the last 5 years, characterized by small variations during four of the five years, after a sharp increase in 2010.

The value indicated is relative to all defence related products imported directly to Portugal, or integrated in maintenance operations performed abroad, having as final destination Portuguese Armed and Security Forces. It includes as well all the defence related products imported by economic operators authorized to engage in the activities

of trade and industry of defence related products, namely equipments specifically made or modified to produce military goods and technologies.

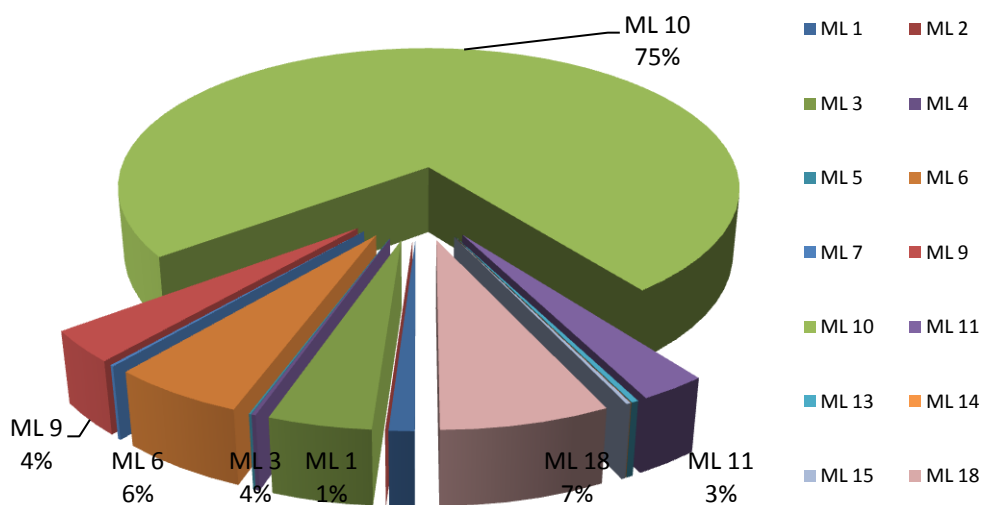
Graphic 7 – Import evolution during the last 5 years



For the first time the report on annual transfers includes the value of temporary imports, reason why it is not possible to compare it with former years. These imports include military goods and technologies imported for maintenance, repair and overhaul, and for demonstration, tests and integration, staying during the operation property of the Government or companies owners of the products and returning to its origin afterwards.

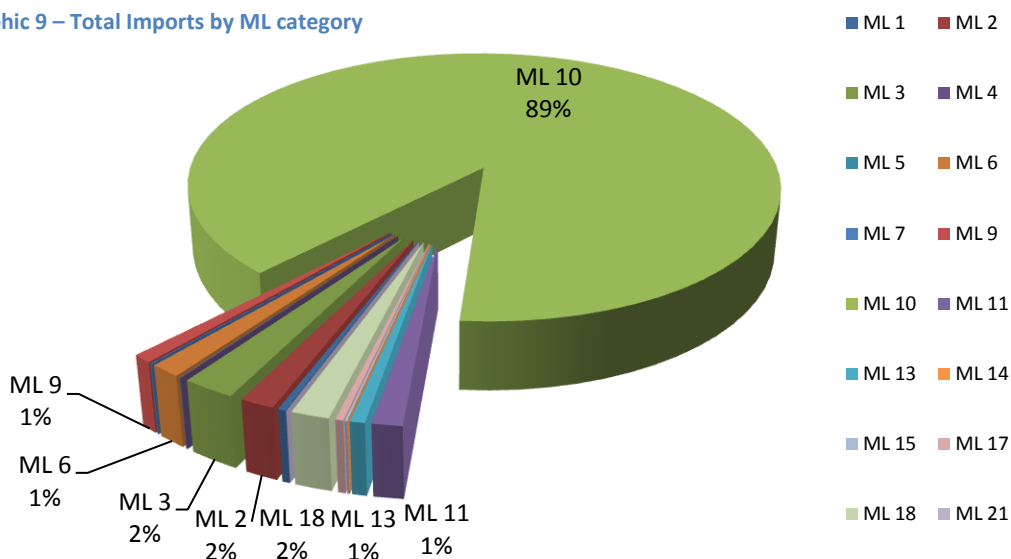
During 2013 were imported definitively goods belonging to several categories of the EU Common Military List. In Graphic 8 it can be verified that the category ML 10 represent 75 % of the total definitive imports, followed by 5 different ML categories, that together represent 25% of the total definitive imports.

Graphic 8 –Definitive imports by ML category



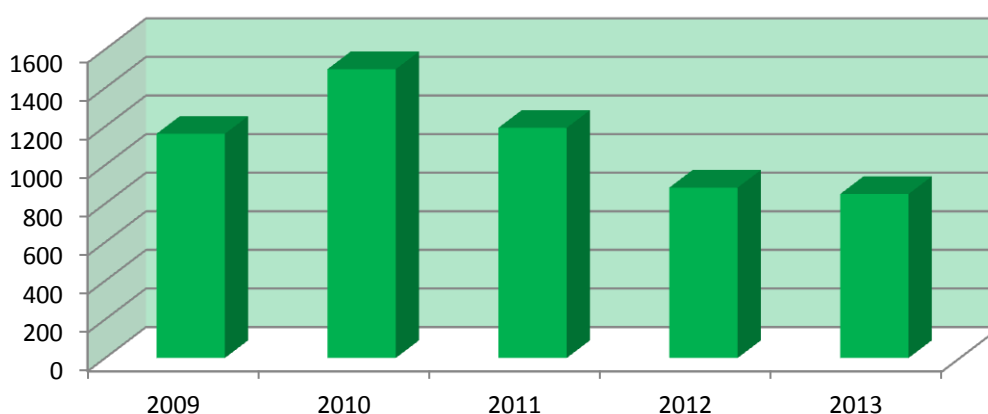
Concerning total imports, including both definitive and temporary, as seen in graphic 9, the ML 10 represents 89% of total imports, followed by the rest of the categories.

Graphic 9 – Total Imports by ML category



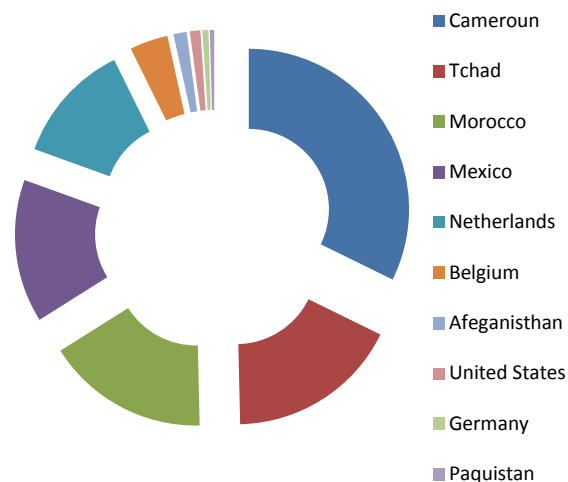
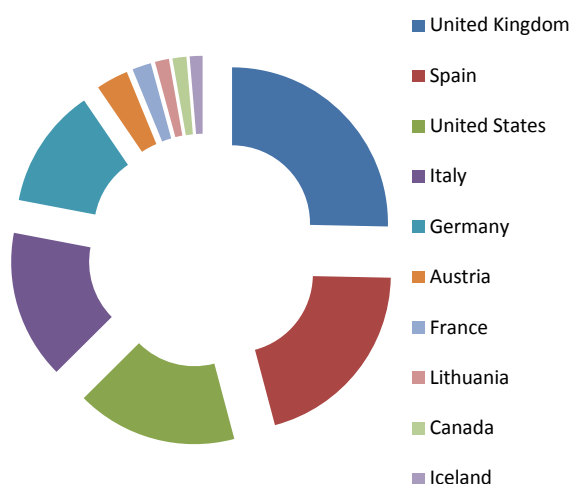
Regarding the number of Certificates and Licenses issues, in 2013 was registered a significant decrease when compared with 2012, a trend already verified in previous years, accordingly to graphic 10. This reduction is probably the result of the implementation of the new procedures simplifying terms and conditions of transfer of defence-related products, particularly the use of General and Global Licenses.

Graphic 10 – Trend in the number of certificates and licenses issued for import



Below are the top 10 origins of imports of defence related products. On graphic 11 are the top 10 origins for definitive imports, while on graphic 12 are the top 10 origins for temporary imports.

Graphic 11 – Top 10 total import by countries of origin



Graphic 12 – Top 10 definitive import by countries of origin

3. Transits

During 2013 were analyzed and issued 16 transit licenses, accordingly to table 5, which represents an increase of 200% when compared to the previous year.

Tabela 5 – Transit licenses issued

| Transit licenses of defence-related products | | | | |
|--|--------------|----|--------------|----------------|
| Origin | Destiny | ML | No. Licenses | Value |
| Germany | South Africa | 3 | 2 | 900.180,00 € |
| France | South Africa | 4 | 4 | 6.486.600,00 € |
| | Ecuador | 4 | 1 | 0,00 € |
| Spain | Brazil | 2 | 6 | 148.148,14 € |
| | | 4 | | 7.120,80 € |
| | | 8 | | 148.106,00 € |
| Norway | Chile | 3 | 1 | 697,68 € |
| Russia | Venezuela | 10 | 1 | 0,00 € |
| Venezuela | Russia | 10 | 1 | 0,00 € |
| Total value | | | 16 | 7.690.852,62 € |

4. Brokering

During 2013 was analyzed and authorized a brokering application, concerning the brokering of defence-related products belonging to ML 10 category, with the supplier based in the USA and the end user in Ecuador, with the value of 171.891,95€.

V – ACRONYMS

- APMBC – Anti-Personnel Mine Ban Convention;
- ATT – Arms Trade Treaty;
- CCM – Convention on Cluster Munitions;
- CCW – Convention on Certain Conventional Weapons;
- DGAIED – Directorate-General for Armaments and Defence Infrastructures;
- EU – European Union;
- FSC – Forum for Security Co-operation;
- GICNT – Global Initiative to Combat Nuclear Terrorism;
- MoD – Ministry of Defence;
- MFA – Ministry of Foreign Affairs;
- MTCR – Missile Technology Control Regime;
- OPCW – Organization for the Prohibition of Chemical Weapons
- OSCE – Organization for Security and Co-operation in Europe;
- PSI – Proliferation Security Initiative;
- UN – United Nations;
- WAIS – Wassenaar Arrangement Information System.

VI – COMMON MILITARY LIST CATEGORIES

- ML1** Smooth-bore weapons with a calibre of less than 20 mm, other arms and automatic weapons with a calibre of 12,7 mm (calibre 0,50 inches) or less and accessories, and specially designed components.
- ML2** Smooth-bore weapons with a calibre of 20 mm or more, other weapons or armament with a calibre greater than 12,7 mm (calibre 0,50 inches), projectors and accessories, and specially designed components.
- ML3** Ammunition and fuse setting devices and specially designed components.
- ML4** Bombs, torpedoes, rockets, missiles, other explosive devices and charges and related equipment and accessories, and specially designed components.
- ML5** Fire control, and related alerting and warning equipment, and related systems, test and alignment and countermeasure equipment specially designed for military use, and specially designed components and accessories.
- ML6** Ground vehicles and components.
- ML7** Chemical or biological toxic agents, "riot control agents", radioactive materials, related equipment, components and materials.
- ML8** "Energetic materials", and related substances.
- ML9** Vessels of war (surface or underwater), special naval equipment, accessories, components and other surface vessels.
- ML10** "Aircraft", "lighter-than-air vehicles", Unmanned Aerial Vehicles ("UAVs"), aero-engines and "aircraft" equipment, related equipment, and components, specially designed or Modified for military use.
- ML11** Electronic equipment, not specified elsewhere on the EU Common Military List, and specially designed components.
- ML12** High velocity kinetic energy weapon systems and related equipment, and specially designed components.
- ML13** Armoured or protective equipment, constructions and components.
- ML14** 'Specialised equipment for military training' or for simulating military scenarios, simulators specially designed for training in the use of any firearm or weapon specified by ML1 or ML2, and specially designed components and accessories.
- ML15** Imaging or countermeasure equipment, specially designed for military use, and specially designed components and accessories.
- ML16** Forgings, castings and other unfinished products, specially designed for items specified by ML1 to ML4, ML6, ML9, ML10, ML12 or ML19.
- ML17** Miscellaneous equipment, materials and 'libraries', as follows, and specially designed components.
- ML18** Production equipment and components.



- ML19** Directed Energy Weapon (DEW) systems, related or countermeasure equipment and test Models, and specially designed components.
- ML20** Cryogenic and "superconductive" equipment, and specially designed components and accessories.
- ML21** "Software".
- ML22** "Technology".



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