

Annual Report on the Realization of Foreign Trade Transfers of Controlled Goods for 2005 and 2006

Republic of Serbia

Ministry of Economy and Regional Development

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The Ministry of Economy and Regional Development presents a system of control for the export and import of weapons, military equipment and dual-use goods in 2005 and 2006. The Report contains an overview of transfers of controlled goods to and from Serbia, as well as cooperation with the EU and other international institutions and organizations related to foreign trade in the area of weapons, military equipment and dual-use goods.

Contents

| I. | Intr | roduction1 | | | | |
|------|------------------------|-----------------|---|------------|--|--|
| II. | . National legislation | | | | | |
| | 1. | The Lav | w on Foreign Trade in Weapons, Military Equipment and Dual-use Goods | ∠ | | |
| | 2. | Second | lary regulations | 5 | | |
| | | 2.1. | National Control Lists | 5 | | |
| | 3. | Other r | egulations relevant for the area | 7 | | |
| | 4. | Ratified | d international conventions and agreements | 7 | | |
| III. | The | basis o | f the import-export control system | 9 | | |
| | 1. | Registr | ation | 9 | | |
| | 2. | Issuing | licenses | 9 | | |
| | | 2.1. | Licensing criteria | 10 | | |
| | | 2.2. | Competent institutions in the licensing process | 11 | | |
| | 3. | Oversig | tht and control | 12 | | |
| IV. | Inte | rnation | al agreements in the area of export control | 15 | | |
| | 1. | Interna | tional Control Regimes | 15 | | |
| | | 1.1. | WASSENAAR ARRANGEMENT - WA on the control of export of conventional weapons and dual-use products and technologies | 15 | | |
| | | 1.2. | MISSILE TECHNOLOGY CONTROL REGIME - MTCR | 16 | | |
| | | 1.3. | AUSTRALIA GROUP - AG | 16 | | |
| | | 1.4. | NUCLEAR SUPPLIERS GROUP - NSG | 17 | | |
| | | 1.5. | THE ZANGGER COMMITTEE - ZG | 17 | | |
| | 2. | Arms T | rade Treaty - ATT | 18 | | |
| V. | Incl | usion of | Serbia into International Export Control System | 19 | | |
| | 1. | Interna | tional Cooperation | 19 | | |
| | 2. | Cooper | ation with Industry | 21 | | |
| | 3. | Propos | ed further activities | 21 | | |
| VI. | Sta | tistical o | overview | 2 3 | | |
| An | nex | 1 /05 a | nd Annex 1/06: | 24 | | |
| | List | of entit | ies entered in the Register | 24 | | |
| | Tab | le 1: De | cisions on registration by type of controlled goods | 24 | | |
| An | nex | 2a/05: | | 25 | | |
| | Dat | | ued export licenses for weapons and military equipment, broken down by destinations for I quarter | 25 | | |
| An | nex | 2 /05 ar | nd Annex 2/06 | 26 | | |
| | Dat | | ued export licenses for weapons and military equipment, broken down by destinations, in accordance ne National Control List of Weapons and Military Equipment | 26 | | |
| An | nex | 3a/05: | | 27 | | |
| | Dat | | ued import licenses for weapons and military equipment, broken down by destinations for I quarter | 27 | | |
| An | nex | 3/05 ar | nd Annex 3/06 | 28 | | |
| | Dat | | ued import licenses for weapons and military equipment, broken down by destinations, in accordance ne National Control List of Weapons and Military Equipment | 28 | | |

| Annex 4/05 and Annex 4/06 | 29 |
|---|----|
| Data on issued export licenses for dual-use goods, broken down by destinations of exports, in accordance with th National Control List of Dual-use Goods | |
| Annex 5/05 and Annex 5/06 | 30 |
| Data on issued import licenses for dual-use goods, broken down by destination of exports, in accordance with the National Control List of Dual-use Goods | |
| Annex 6/05 and Annex 6/06 | 31 |
| Data on the realization of exports, on issued export licenses for weapons and military equipment, broken down by destination of exports, in accordance with the National Control List of Weapons and Military Equipment | |
| Annex 7/05 and Annex 7/06 | 32 |
| Data on the realization of imports, on issued import licenses for weapons and military equipment, broken down b destination of imports, in accordance with the National Control List of Weapons and Military Equipment | |
| Annex 8/05 and Annex 8/06 | 33 |
| Data on the realization of exports, on issued import licenses for dual-use goods, broken down by destination of exports in accordance with the National Control List of Dual-use Goods | |
| Annex 9/05 and Annex 9/06 | 34 |
| Data on the realization of imports, on issued import licenses for dual-use goods, broken down by destination of imports, in accordance with the National Control List of dual-use goods | 34 |
| Annex 10/05 and Annex 10/06 | 35 |
| Data on denied applications for licenses for exports of weapons and military equipment broken down by destina of exports, in accordance with the National Control List of Weapons and Military Equipment | |
| Annex 11/05 and Annex 11/06 | 36 |
| Data on denied applications for licenses for imports of weapons and military equipment broken down by destina of imports, in accordance with the National Control List of Weapons and Military Equipment | |
| Annex 12/05 and Annex 12/06 | 37 |
| Data on denied applications for licenses for exports of dual-use goods broken down by destination of exports, in accordance with the National Control List of Dual-use Goods | |
| Annex 13/05 and Annex 13/06 | 38 |
| Data on denied applications for licenses for imports of dual-use goods broken down by destination of imports, in accordance with the National Control List of Dual-use Goods | |
| Graph 1: The number of licenses issued for weapons and military equipment in 2005 and 2006 | 39 |
| Graph 2: The value of licenses issued for weapons and military equipment in 2005 and 2006 | 39 |
| Graph 3: The number of licenses issued for dual-purpose goods in 2005 and 2006 | 40 |
| Graph 4: The value of licenses issued for dual-purpose goods in 2005 and 2006 | 40 |
| APPENDICES | 41 |
| Enclosure 1 | |
| Extract from the NATIONAL CONTROL LIST OF ARMS AND MILITARY EQUIPMENT | |
| Enclosure 2 | |
| Structure of the EU Dual-Use List | |
| ANNEXES 1/05-13/05 | |
| Foreign Trade in Controlled Goods in 2005 | 45 |
| Annex 1/05 | 47 |
| List of legal entities registered for foreign trade in arms, military equipment and dual-use goods in 2005 | |
| Annex 2A/05 | |
| Issued AME export licenses at MD | 50 |

| Annex 2/05 | 53 |
|--|------------|
| Issued AME export licenses | 53 |
| Annex 3a/05 | 57 |
| Issued arms import licenses at MD | 57 |
| Annex 3/05 | 58 |
| Issued arms import licenses | 58 |
| Annex 4/05 | 60 |
| Issued dual-use goods export licenses | 60 |
| Annex 5/05 | 61 |
| Issued dual-use goods import licenses | 61 |
| Annex 6/05 | 62 |
| AME Exports | 62 |
| Annex 7/05 | 66 |
| AME imports | 66 |
| Annex 8/05 | 68 |
| Dual-use goods exports | 68 |
| Annex 9/05 | 69 |
| Dual-use goods imports | 69 |
| Annex 10/05 | 70 |
| Denied arms export applications | 70 |
| Annex 11/05 | 71 |
| Denied arms import applications | 71 |
| Annex 12/05 | 72 |
| Denied dual-use goods export applications | 72 |
| Annex 13/05 | 7 3 |
| Denied dual-use goods import applications | 73 |
| ANNEXES 1/06-13/06 | |
| Foreign Trade in Controlled Goods in 2006 | 75 |
| Annex 1/06 | |
| List of legal entities registered for foreign trade in arms, military equipment and dual-use goods in 2006 | |
| Annex 2/06 | |
| Issued AME export licenses | |
| Annex 3/06 | |
| Issued arms import licenses | |
| Annex 4/06 | |
| Issued dual-use goods export licenses | |
| Annex 5/06 | |
| Issued dual-use goods import licenses | |
| Annex 6/06 | |
| AME Exports | |
| Annex 7/06 | |
| AMF imports | 92 |

| Annex 8/06 | 94 |
|---|----|
| Dual-use goods exports | 94 |
| Annex 9/06 | |
| Dual-use goods imports | |
| Annex 10/06 | |
| Denied arms export applications | |
| Annex 11/06 | 97 |
| Denied arms import applications | 97 |
| Annex 12/06 | 98 |
| Denied dual-use goods export applications | 98 |
| Annex 13/06 | |
| Denied dual-use goods import applications | |

I. Introduction

Article 28, Paragraph 3 of the Law on Foreign Trade in Weapons, Military Equipment and Dual-Use Goods¹ (hereafter the Law) forms a legal basis for the Annual Report on the Realization of Foreign Trade Transfer of Controlled goods² for 2005 and 2006 (hereafter the 'Report'). The Report was prepared within the Ministry of Economy and Regional Development of the Republic of Serbia, and submitted to the body in charge of the implementation of the Law and accompanying regulations relating to export and import control of controlled goods.

Since the inception of the State Union of Serbia and Montenegro on March 31, 2005, this is the first national report in this area providing an overview of export and import control of weapons, military equipment and dualuse goods in line with recommendations, standards and codes of conduct of the European Union.

In 2005, the Law provided for the harmonization of the national legislation with international regulations and standards in the area. The jurisdiction over export control was transferred from a military authority (the Ministry of Defense of Serbia and Montenegro) to a civil body (the Ministry of International Economic Relations of Serbia and Montenegro). Another novelty was the introduction of foreign trade control of dual-use goods and the concept of internationally widely accepted "Catch All" clause, as well as the principle of transparency in the area.

Export control system³, established by the Law and accompanying regulations, represents a step towards the European Union. This is especially important considering that in 2007 the Republic of Serbia is preparing to sign the Agreement on Stabilization and Accession. Since Serbia (as was the former Yugoslavia) is a traditional manufacturer and exporter of weapons, the adoption of relevant national legislation is a further step towards the establishment of state control aiming to protect foreign policy, security and defense-related interests of the country, its international credibility and integrity as well as observance of international commitments undertaken by Serbia. The EU Code of Conduct on Arms Exports⁴, was adopted, and, for the first time in our country, export and import control of dual use goods⁵ was introduced. National control lists of goods for which a license is required have been defined, in full compliance with the EU lists of the year 2000.

The objective of the control of foreign trade transfer of dual-use goods is to limit proliferation of weapons of mass destruction. In 2004, the UN Security Council adopted the Resolution on Non-proliferation of Weapons of Mass Destruction (Resolution SC 1540) pronouncing the proliferation of nuclear, biological and chemical weapons to be the principal threat to international peace and security. By this document, the Security Council calls on all UN Member States to fulfill their commitments related to arms control and /or disarmament and prevent proliferation of all types of weapons of mass destruction. The Resolution emphasizes the obligation of all signatory states to adopt and enforce effective laws and put them in practice through the establishment of national controls and measures for their implementation, such as export control and control mechanisms at national borders. Our country set the introduction of an effective control system of weapons, military equipment and double-use goods as one of its priorities. The main incentive for this is the necessity to fight terrorism, which, unfortunately, became more than a threat. In addition, taking into account the geographical position of our country, as well as the existing lack of stability in the region, the Republic of Serbia is fully committed to the advancement of current legislation and the establishment of an effective control system aiming to prevent undesirable export of such goods. We could say that this task has been progressing successfully, although the enforcement process is complicated and demanding.

¹ The Law was adopted in 2005 in the State Union of Serbia and Montenegro and promulgated in the "Official Gazette of Serbia and Montenegro", No. 7/05 and 8/05-correction, and is still in force. Following the formation of the Government of the Republic of Serbia on May 15, 2007 and the adoption of the Law on Ministries, the jurisdiction over foreign trade in weapons, military equipment and dual-use goods was given to the Ministry of Economics and Regional Development.

² Controlled goods comprise weapons, military equipment and related technologies as well as dual-use goods, including software and technologies that can have both civil and military purpose.

³ Export Control – the term is widely accepted in the international community.

⁴ See the Decision on Criteria for Licensing for Export of Weapons, Military Equipment and dual-use Goods, "Official Gazette of Serbia and Montenegro", No. 11/05/.

⁵ Dual-use goods include a wide range of materials, equipment and technologies that can be used both for the development of Weapons of Mass Destruction (WMD) and for civil purposes, and which are therefore very difficult to put under effective control. The efficiency of export control of a given state involves detection, obstructing and stopping illegal transfers and re-directing controlled goods under.

The Report was prepared on the basis of data collected since the beginning of the activity: in the Ministry of International Economic Relations of Serbia and Montenegro (2005), then in the Ministry of International Economic Relations of the Republic of Serbia (2006), and, finally, in the Ministry of Economy and Regional Development of the Republic of Serbia (2007). The fact that in the last two years our state saw changes in status gave us the idea to cover the whole period in a single Report. Thus, the Report covers the year 2005 (January 1, 2005 – December 31, 2005) and the year 2006 (January 1, 2006 – December 31, 2006)

The main part of the Report deals with information on export import control policy, national legislation, national control lists, licensing criteria, competent institutions in the licensing process, international commitments, experience gained by our country concerning export control, active participation in seminars and further advancement of the control system, as well as the analysis of statistical data given in Annexes.

The Annexes give data for the years 2005 and 2006, in the same form, allowing comparison and analysis. They contain tables showing foreign trade transfer of goods under control, issued and refused licenses for import and export of weapons, military equipment and dual -use goods, as well as the data on companies allowed to engage in such transfer (according to the data kept by the competent ministry, and in line with the obligation of business enterprises to be entered in the Register of Entities Licensed to Perform International Trade in Controlled Goods⁶).

The Report does not contain information on the production and trade in weapons and military equipment within the state, which is under the jurisdiction of the Ministry of Defense of the RS.

The Report was prepared in accordance with the recommendations of the European Union⁷ concerning the form and the content of national reports in order for them to be compatible with the EU Report⁸ and comparable with national reports of neighbouring states and further afield.

The main aim of the efforts by the international community in this area is to introduce a global norm of transparency in foreign trade in weapons, and since 2000, the dual-use goods.

In accordance with international recommendations, the Ministry of Economy and Regional Development of the Republic of Serbia, and other competent ministries of the Government are obliged to improve transparency in the area of foreign trade in controlled goods. To that end, this Report, having been presented to the Government of the Republic of Serbia, adopted and presented to the National Assembly of the Republic of Serbia, is to be published in the Official Gazette of the Republic of Serbia and on the internet address of the Ministry of Economy and Regional Development. Since the approved Report is made public, together with all aspects of the national policy on import-export control of weapons, military equipment and dual-use goods as well as information concerning foreign transfers of such goods, a certain level of transparency has been established, striking a compromise between the obligation to publish and the protection of commercial interests of companies. All data are presented in aggregate form so as not to jeopardize their confidentiality (licensing for import-export of military equipment bears the mark "confidential")

The Ministry of Economy and Regional Development collected data on foreign transfers of controlled goods and on realized licensed arms exports by companies engaging in such trade, at the presentation of licensing applications as well as on the basis of the report by a competent body upon the expiry of a license. Article 27 of the Law obliges the enterprise to submit information on the completed import and export transfer of goods

⁶ Articles 11 and 12 of the Law.

⁷ In February 2006, under the auspices of the South Eastern and Eastern Europe Clearinghouse for the Control of Small Arms and Light Weapons (SEESAC), and the Embassy of the United States of America in Belgrade, Export Control and Border Security, a regional seminar was held on: "Annual Reporting of the Western Balkan States in the Area of Arms Trade", aiming to reach an agreement about the common form for national reports and further support to the Western Balkan States concerning the preparation of reports.

⁸ The EU Annual Report is based on contributions from all member states, submitted to the Council and published in the "C" series of the Official Journal of the European Union. In addition, all member states which export equipment according to the Common List of Military Equipment publish a national report on their exports of military equipment, prepared in accordance with relevant national regulations, containing information for the Annual Report of the EU on the Implementation of the Code of Conduct, as prescribed by in the User Manual and in line with operative provision 8 of the EU Code of Conduct on Arms Export. The Member states set as one of the priorities in the near future continuous harmonization of national reports, including statistical data, in order to homogenize data that needs to be included in the Annual Report. The 8th EU Annual Report for the year 2005 has been completed.

under control, within 15 days upon the expiry of the license, and to return the original of the unused license to the competent ministry. It is possible that data are not entirely precise taking into account the discrepancies in reports by the enterprise and the Customs Administration, due to the fact that enterprises give the information on the realization of exports and imports according to the numbers from national control lists⁹, while the Customs Administration uses tariff numbers according to the Law on Customs Tariff. There is no direct link between tariff numbers and the numbers in national control lists¹⁰.

Importers and exporters submit data on the category from the control list (the number from the national control list), number of items, description, end use, financial value, exporting or importing state, final destination country or the country of origin. Monetary values are given in \$ USA, according to the average rate of exchange on December 31, 2005, that is, December 31, 2006.

⁹ National control lists of weapons, military equipment and dual-use goods, established by the Council of Ministers of Serbia and Montenegro, discussed later ("Official Gazette of Serbia and Montenegro", No. 11/2005).

¹⁰ The EU also faces the problem of monitoring, especially of dual-use goods according to tariff numbers, that is, the numbers in national lists of dual-use goods do not correspond to tariff numbers in the Customs Tariffs.

II. National legislation

National legislation relating to foreign trade in controlled goods comprises:

- 1. The Law on Foreign Trade in Weapons, Military Equipment and Dual-use Goods;
- 2. Secondary regulations;
- 3. Other regulations relevant to the area; and
- 4. Ratified international conventions and treaties.

1. The Law on Foreign Trade in Weapons, Military Equipment and Dual-use Goods

Foreign trade in weapons, military equipment and dual-use goods, that is, the manner and conditions under which it can be conducted, jurisdiction for issuing the required licenses for export and import, transport, transit, possession and provision of services in foreign trade transfer, oversight and control, prohibitions, penalties as well as powers for the adoption of secondary regulations are regulated by the Law, which was passed by the National Assembly of Serbia and Montenegro on February 17, 2007, came into effect on March 31 of the same year, and is still in force.

The objective of the Law is to assume state control for the protection of security, foreign policy and economic interests, international credibility and integrity as well as to fulfill international commitments undertaken by the Republic of Serbia.

The Law forms the basis for comprehensive control of export and import of weapons, military equipment, dualuse goods and related technologies and includes sanctions for its violation, provides for obligatory registration of business entities for conducting foreign trade in controlled goods and the licensing procedure, as well as the terms under which a license may be issued and used, specifies tasks and roles of competent government bodies relating to requested administrative procedure and explicitly forbids foreign trade, transport, transit and possession of nuclear, chemical and biological weapons and devices for their delivery, in accordance with the UN SC Resolution 1540.

Prior to the adoption of the Law, trade and production of weapons and military equipment was regulated by a single law the implementation of which was in the jurisdiction of the military. The two areas are now separate, and the jurisdiction over foreign trade of weapons and military equipment was transferred to civil bodies.

The principal **reasons** for the adoption of the Law were:

- the need to create a legal framework for controlling and eliminating undesirable export and trade in these goods;
- prevention of activity which poses an ever rising threat to the international community at large;
- bringing relevant national legislation in line with that of the EU; and
- incorporation of commitments, rules and procedures stemming from international agreements, conventions and regimes.

It should be emphasized that the adoption of legal regulations in line with international standards is a precondition for the realization of exports of our defense industry, whose survival depends on the process of its transformation and the export of its products.

2. Secondary regulations

Secondary regulations further **specify** certain issues from the contents of the Law. The following regulations serve this purpose:

- 1. The Decision on the Establishment of the National Control List of Weapons and Military Equipment¹¹ (brought in line with the Common EU Military List¹² and the EU Code of Conduct on Arms Export);
- 2. The Decision on the Establishment of the National Control List of Dual-use Goods¹³ (brought in line with the EU List of Dual-use Goods and Technologies);
- The Decision on Licensing Criteria for Export of Weapons, Military Equipment And Dual-use Goods¹⁴;
 and
- The Rulebook on the Manner of Keeping the Register of Entities Licensed to Perform International Trade in Controlled Goods¹⁵.

2.1. National Control Lists

The above secondary regulations, adopted under Article 3, Paragraph 2 of the Law specify two national control lists, namely:

- The National Control list of Arms and Military Equipment and
- The National Control List of Dual-use Goods.

The Law allows the Government to draw up other lists in meeting its commitments under international agreements.

The main **purpose** of national control lists and control of marketing of controlled goods is the advancement of regional and international security, the establishment of transparency, exchange of information and raised accountability in the area of transfer of conventional arms and technologies, as well as technologies of dualuse, and preventing the proliferation of weapons of mass destruction, launching systems and accompanying materials and technologies, that is, preventing, through all measures and actions available, the controlled goods from falling into terrorists' hands, for the purposes of the advancement of global security. The National Control list of Arms and Military Equipment (weapons, military equipment and related technologies) is in line with the EU Common List of Military Equipment covered by the EU Code of Conduct on Arms Export¹⁶.

Under the Declaration of the EU Council, issued on the adoption of the above Common List, this list is politically binding, as well as the EU Code of Conduct on Arms Export, within common foreign and security policy of the EU. In this regard, all member states undertook a political commitment to secure through national legislations the control of export of goods on the Common List of Military Equipment - it should form the basis for the establishment of national control lists of member states, rather than serve as their replacement. The EU list is continuously updated¹⁷.

 $^{^{\}bf 11}\,$ "Official Gazette of Serbia and Montenegro" No. 11/05.

¹² Common EU Military list is a politically binding document within Common Foreign and Security Policy.

¹³ Official Gazette of Serbia and Montenegro" No. 11/05.

¹⁴ Official Gazette of Serbia and Montenegro" No.11/05, brought in line with EU Code of Conduct on Arms Export.

¹⁵ In the course of the excersising his powers under Articles 12 and 18 of the Law, the minister of the competent ministry adopts the Rulebook. See Official Gazette of Serbia and Montenegro" No. 12/05 and Official Gazette of the Republic of Serbia" No.73/06.

¹⁶ See Common List of Military Equipment covered by the EU Code of Conduct on Arms Export –Official Journal of the European Union C191, 08.07.2000.

¹⁷ See updated Common List of Military Equipment in Official Journal of the European Union C314, 23 December.200.; Official Journal of the European Union C127, 23 May 2005 and the last one in Official Journal of the European Union C66, 17 March 2006 – available on EU site, at: www.consilium.europa.eu/export-controls.

The goods in the National Control list of Arms and Military Equipment (NCL AME) include both new and used arms and military equipment, that is, goods designed or modified for military use. A Short survey of the List (items 1 to 23) is given in *Appendix 1 – Partial National Control List of Arms and Military Equipment* with this Report.

The **National Control List of Dual-use Goods** (including software and technologies), which apart from civilian can also have military purpose, has been in line with the List of Dual-use Goods and Technologies of EU¹⁸. EU member states harmonized the policy of export control of dual-use goods. The main instrument of control of such goods in EU is the EC Regulation 1334/2000¹⁹, which is binding on all EU member states. The list of controlled goods is annexed to this Regulation and is regularly updated²⁰ in accordance with the developments in respective international control regimes, since it originated from them.

The List of Dual-use Goods and Technologies of EU brings together all lists of various international control regimes including the Wassenaar Arrangement - WA, Missile Technology Control Regime-MTCR, Nuclear Suppliers Group -NSG, The Australia Group-AG and Chemical Weapons Convention-CWC²¹. The list is flexible, allowing for the integration of various new international controls (See *Annex 2 – Structure of the List of Dual-goods*, with this Report).

Determining the number from the national control list is not a simple task and requires substantial knowledge of national lists of controlled goods, especially of dual-use goods lists (Categories 0-9) as well as of the characteristics of controlled goods themselves. It is necessary to identify **products that fall within weapons of mass destruction (nuclear, chemical, biological and rocket**), which covers a broad range of products (from the production cycle of nuclear fuel to the development of weapons, the development of a missile system, chemical and biological weapons to electronic, industrial and rocket equipment, nuclear and radioactive material, with the focus on the components for weapons of mass destruction.

In some instances these lists are linked, so that, depending on the end use/user and the characteristics of the product in question, it can be found both in the military and in the dual-use and related technologies goods list.

The National Control List of Arms and Military Equipment and the National Control List of Dual-use Goods are published on the site of the Ministry of Economy and Regional Development²², where the Law and accompanying regulations in the area can be found as well.

The Law has been amended with the first introduction of the provision internationally known as the "Catch All" – "comprehensive control". Under Article 4 of the Law it allows the control of goods not included in the existing national control lists, falling within controlled goods when the individual intending to perform foreign trade is notified by the relevant body, or has a reasonable cause to believe that goods in question are, or can be, in whole or in part, used for the development, production, manipulation, disposal, maintenance, stockpiling, uncovering, detection, identification or spread of chemical, biological or nuclear weaponry or other nuclear-explosive devices, or for the development, production, maintenance or stockpiling rockets capable of carrying such substances. This article needs to be more precisely defined²³ to ensure its consistent enforcement. The Government of the Republic of Serbia can establish the list of goods and/or destinations for the performance of obligations under international agreements, and in this manner address the matter.

¹⁸ List of Dual-use Goods and Technologies of EU – published in Annex I and IV of the regulation binding to all EU member states: EC Regulation No.1334/2000 - Official Journal of the European Union L159, 22.06.2000.

¹⁹ EC Regulation No.1334/2000.

²⁰ Last update of the List of Dual-use Goods and Technologies of EU on the basis of the EC Regulative no.394/2006 of 27 February 2006 in Official Journal of the European Union L74, 13 March 2006.

²¹ On these regimes more later.

²² www.merr.sr.gov.yu.

²³ The Ministry of Economy and Regional Development prepares the Draft Amended Law, which, inter alia, envisages the elaboration of this article of the Law.

In Serbia, the National Control List of Arms and Military Equipment and the National Control List of Dual-use Goods are at present being updated and brought in line with new, current European Union²⁴ lists, which are regularly brought up to date in accordance with international agreements, conventions and regulations of the European Union.

3. Other regulations relevant for the area

Apart from the Law, positive legislation of Serbia on international trade in controlled goods includes other regulations, which, in line with their legislative purpose, directly govern other issues of importance and relevance for the conduct of international trade in arms. This set includes the following:

- The Law on Production and Trade of Arms and Military Equipment ("Official Gazette of the Republic of Serbia", No. 41/96);
- 2. The Law on International Trade Activities ("Official Gazette of the Republic of Serbia", No. 101/05);
- 3. The Customs Law ("Official Gazette of the Republic of Serbia", No. 73/03, 61/05, 85/05 and 62/06);
- 4. The Law on Arms and Ammunition ("Official Gazette of the Republic of Serbia", No. 9/92);
- 5. The Law on the Prohibition of Development, Production, Stockpiling and Use of Chemical Weapons and Their Destruction ("Official Gazette of the Republic of Serbia and Montenegro", No. 44/05);
- 6. **The Law on the Transport of Hazardous Substances** ("Official Gazette of the SFRY", No. 27/90 and "Official Gazette of the FRY", No. 28/96); and
- 7. **The Law on Crossing the State Border and Movement in Border Region** ("Official Gazette of the SFRY", No. 34/79 and the "Official Gazette of the FRY", No. 24/94 and 28/96).

In addition to this set of laws, also applicable are: The Law on Explosive Substances, Inflammable Liquids and Gases ("Official Gazette of the Republic of Serbia", No 44/77, 45/85, 18/89, 53/93, 67/93, 48/94, 101/05); The Law on Production and Marketing of Poisonous Substances ("Official Gazette of the FRY", No. 15/95, 28/96 and the "Official Gazette of the Republic of Serbia", No. 37/02,101/05); The Law on Protection against Ionizing Radiation ("Official Gazette of the FRY", No. 46/96 and the "Official Gazette of the Republic of Serbia", No. 85/05,101/05); The Law on Production and Marketing of Designer Drugs ("Official Gazette of the FRY", No. 46/96, 37/02 and the "Official Gazette of the Republic of Serbia", No. 101/05), as well as other related regulations.

4. Ratified international conventions and agreements

As a part of the national legislation, the Republic of Serbia enforces principal international agreements and conventions on arms, arms control and strengthening security measures, namely:

- Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively Injurious or to Have Indiscriminate Effects – the so-called Convention on Certain Conventional Weapons (CCW) – (SFRY ratified in 1970, FRY approved in 2002);
- 2. Treaty on Non-proliferation of Nuclear Weapons (NPT) (SFRY ratified in 1970, FRY approved in 2002);
- Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction (BWC) - (SFRY ratified in 1973, FRY approved in 2001);

 $^{^{\}mathbf{24}}$ See updated EU lists in footnotes $\,$ 17 and 20.

- 4. Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction (CWC) (FRY ratified in 2000);
- 5. **Missile Technology Control Regime (MTCR)** (In February 2004 Serbia and Montenegro unilaterally agreed to comply with the MTCR document "Equipment, Software and Technology", as of May 30, 2003, as well as the Guidelines for Significant Transfer of Sensitive projectiles of January 7, 1993);
- 6. **The Comprehensive Nuclear-Test-Ban Treaty** (Serbia and Montenegro ratified this agreement in 2004);
- 7. Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Antipersonnel Mines and on Their Destruction the Ottawa Treaty or the Mine Ban Treaty (Serbia and Montenegro submitted the ratification instruments to the UN Secretary General in September 2003, while the obligations under the Convention commenced on March 1, 2004); and
- 8. Measures and Instruments on Small Arms and Light Weapons (SALW)- 2000 OSCE Document on Small Arms and Light Weapons; 2003 OSCE Document on Stockpiles of Conventional Ammunition; 2004 OSCE Document on End User Certificates; 2004 OSCE Document on Brokering; 2003 OSCE Document on Portable Launchers of Anti Aircraft Missile Systems (MANPADS); 2001 Regional Implementation Plan of the Stability Pact; United Nations Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All its Aspects (UN PoA SALW); UN Firearms Protocol against the Illicit Manufacturing of and Trafficking in Firearms, their Parts and Components and Ammunition, a supplementary protocol to the **United Nations Convention** against Transnational **Organized Crime** (UN FP) of 2006.

III. The basis of the import-export control system

International trade in weapons, military equipment and dual-use goods comprises three stages:

- 1. Registration of (natural and legal) entities for the performance of international trade;
- 2. Issuing individual licenses for every business deal; and
- 3. Monitoring and control of international trade deals

1. Registration

International trade in controlled goods can be performed by a natural or a legal person who has been issued the license for engaging in this activity by the competent ministry, in accordance with Article 11 and 12 of the Law. The right for the performance of international trade is acquired as of the day the person in entered in the **Register**, kept by the competent ministry²⁵, which issues the **Decision** on such right, valid for five years.

The manner of keeping the Register of Entities Licensed to Perform International Trade in Controlled Goods, the registration procedure, documentation requirements as well as the contents of the Register is detailed in the Rulebook on the Manner of Keeping the Register of Entities Licensed to Perform International Trade in Controlled Goods ²⁶.

2. Issuing licenses

The license for engaging in foreign trade in controlled goods is a written document of a competent ministry, by which, on the basis of set criteria, a person is permitted to perform a single deal of foreign trade business involving a specified amount and type of controlled goods, under conditions specified under the contract with a foreign partner, and in accordance with previously performed, legally determined procedure and the presentation of all legally required documentation.

The Rulebook on the form of the application for license, the license form and forms of other documents required for the international trade in controlled goods²⁷ specifies a **unified form** for licensing application and other forms, as well as the list of documents to be submitted with the application.

Before making a decision on a specific application, the competent ministry obtains an **approval from** the Ministry of Foreign Affairs and the Ministry of Defense, as well as the **opinion** from the Ministry of Internal Affairs²⁸. In the cours of decision-making process, the line ministries of defense and foreign affairs (giving the relevant approval) have the right to veto the issuing of the licence. If both ministries withhold their approval, the competent ministry cannot issue the license; if only one ministry refuses application, **the final decision** on the issuing of the license is made by the Government²⁹.

The Law provides for the issuing of licenses for **import**, **export**, **re-export** and **brokering**. Catch-all control was introduced for all goods that can be connected with weapons of mass destruction.

²⁵ The Ministry of Economy and Regional Development.

²⁶ In the course of the performance of its legal powers under Articles 12 and 18 of the Law, the minister of the competent ministry adopts the Rulebook. See "Official Gazette of Serbia and Montenegro", No. 12/05 and the "Official Gazette of the RS", No. 73/06).

²⁷ The minister of the competent ministry adopts this Rulebook. See "Official Gazette of Serbia and Montenegro", No. 12/05 and the "Official Gazette of the RS", No. 73/06).

²⁸ During the existence of the State Union of Serbia and Montenegro (March 31, 2005 to June 5, 2006), opinions were obtained by the Ministry of International Affairs of Serbia, that is, Montenegro, depending on the principal place of business of the enterprise, the applicant for the license.

²⁹ During the existence of the State Union of Serbia and Montenegro (March 31, 2005 to June 5, 2006), the final decision on the issue of a license lay with the Counsel of Ministers.

The competent ministry shall refuse the license if the exporter or the importer fails to comply with provisions of Article 26 of the Law.

The issued license can be revoked if the competent ministry becomes aware that the license was issued on the basis of false information; in case of substantial changes relating to the issuance of licenses; when the person in question, or the international trade deal compromise security, foreign policy or economic interests of the state; when the person does not comply with or breaches the terms of the license. The Government of Serbia does not bear any responsibility and undertakes no commitments for possible damages caused by the withdrawal of the license (Article 26 of the Law).

The competent ministry also issues the **End User Certificate** for the imports and verifies the "End User Certificate" which is one of the documentary requirements for the export.

Licenses **for Transport and Transit** of weapons and military equipment by land and by water are issued by the Ministry of Internal Affairs, while licenses for transport and transit by air are approved by the Directorate of Civil Aviation, on the basis of previously issued license by the competent ministry for the performance of the foreign trade business deal, and the approval by the Serbian ministries in charge of foreign affairs and defense, for the transport and the transit of weapons and military equipment.

2.1. Licensing criteria

The decision on the criteria for licensing export of weapons, military equipment and dual-use goods³⁰ is in line with EU Code of Conduct on Arms Exports.

The Decision sets the **criteria** according to which the competent ministry³¹ issues licenses for export of weapons and military equipment listed in the Decision on the Establishment of the National Control List of Arms and Military Equipment, and the license for export of dual-use goods listed in the Decision on the Establishment of the National Control List of Dual-use goods.

The criteria for the issuance of the license for exporting weapons, military equipment and dual-use goods are the following:

- 1. Compliance with international commitments, especially sanctions imposed by the UN SC, international treaties on non-proliferation of weapons and other international obligations;
- 2. Respect for human rights in the country of final destination;
- 3. Internal situation in the country of final destination, in terms of existing tensions or armed conflicts;
- 4. Keeping regional peace, security and stability;
- 5. National security as well as security of friendly states;
- 6. Behaviour of the buyer state in relation to the international community, especially its position on terrorism, the nature of its alliances and its compliance with the international law;
- 7. Possible risk that the subject of exports will fall into the hands of somebody else in the buyer state or be re-exported under undesirable terms; and
- 8. Compatibility of export of weapons with technical and economic capacities of the consignee, taking into account that it is desirable that states should exercise their legitimate security and defensive needs with the least possible mobilisation of human and economic resources for purchase of arms.

³⁰ The decision was made under Article 3, paragraph 2 of the Law and published in the "Official Gazette of the Serbia and Montenegro, No.11/05.

³¹ The Ministry of Economic Relations of Serbia and Montenegro, in the period from when it began working on the Law till June 5, 2006, the Ministry of Economic Relations of the Republic of Serbia, in the period from June 5, 2006 till May 14, 2007 and the Ministry of Economics and Regional Development of the RS in the period from May 15, 2007.

According to the UN Code of Conduct on Arms Exports³², and User Guide (originally designed to improve the efficiency of consultations of the Member States in relation to the denial of export applications, and now further developed in order to establish 'the best practice' in the consideration and a common position on the interpretation of the Code when making decisions on export applications), if the application contains elements and information that violate the first four criteria, the export application is refused and the EU member states are notified of the fact, while in the case of violation of the criteria 5-8 the competent national institutions make the assessment. The Code is politically binding for the EU Member States. Their incorporation into national legislation and consistent appliance in the licensing procedure, demonstrate that Serbia, although not a member of the EU, complies with this regulation, and opens at the same time the door for membership in international control regimes, with the opportunity for using all the advantages they provide.

When considering the export license applications, in addition to the above criteria, the following are taken into account:

- a) Potential effects on economic, financial and commercial interests of the state, including the long-term interest of establishing stable and democratic relations with business partners;
- b) Potential effects on state relations with the importing country;
- c) Potential effects on transformation and revival of defense industry; and
- d) Potential effects on overall economic development of the state.

Compliance with the criteria is assessed by the ministries involved with the administrative procedure, each in accordance with their field of responsibility, based on which they approve or give opinion whether a license should be issued.

2.2. Competent institutions in the licensing process

Under Article 9 of the Law, foreign trade in controlled goods is conducted in accordance with the license issued by a competent ministry. As of entry into force of this Law, that is, in the period from March 31, 2005 to the cessation of the State Union of Serbia and Montenegro on June 5, 2006, the Ministry for International Economic Relations of the Serbia and Montenegro was appointed as a competent body for issuing licenses for the conduct of international trade in controlled goods listed in Article 3 and 4 of the Law, except when provided otherwise by the Law.

On the dissolution of the State Union of Serbia and Montenegro, the Republic of Serbia undertook powers under the Law, and thus, licensing arms, military equipment and dual-use goods passed to the Ministry for International Economic Relations³³. After Parliamentary elections and the reorganization of the Government of the Republic of Serbia on May 15, 2007, by the adoption of the Law on Ministries³⁴, the jurisdiction was assumed by the Ministry of Economy and Regional Development.

Starting from the above legal sources, the following **institutions** participate *in the licensing procedure: the Ministry of Defense and the Ministry of Internal Affairs, which,* **within their respective jurisdictions**, relating to the procedure of licensing for foreign trade in controlled goods, **consider the application, verify information contained in it and give approval or an opinion whether a license should be issued.**

³² These Rules (or the Code) were adopted in June 1998, and comprise a set of 8 criteria. All EU member states agreed to comply with the Code of Conduct on Arms Exports when considering applications for export of goods in the adopted EU Common List of Military Equipment. The Code also aims to improve the exchange of information between Member States and contribute to better understanding of their policies on foreign export control. In June 2000, these rules were extended to dual-use goods (Regulation EC 1334), when it is known, or suspected that the end user or the end use of the goods in question is for military purposes.

³³ Under Article 2 of the Decision on Financing Powers transferred from former Serbia and Montenegro to the Republic of Serbia ("Official Gazette of the Republic of Serbia", No.49/06).

³⁴ "Official Gazette of the Republic of Serbia", No. 43/07.

Prior to decision-making on the licensing application for the conduct of foreign trade in controlled goods, in terms of the provisions of the Law, the competent ministry considers the credibility of the applicant as well as economic and technological aspects of the licensing application and obtains the approval by the Ministry of Defence of Republic of Serbia, as well as the opinion from the Ministry of Internal Affairs. The role of each ministry is specified under Articles 21, 22 and 23 of the Law.

When considering the **approval** of foreign trade transfer of controlled goods, the *Ministry of Foreign Affairs of the Republic of Serbia takes into account:*

- Sanctions imposed by the UN Security Council and the recommendations of the Organization for European Security and Cooperation;
- International commitments undertaken and foreign policy interests of Serbia;
- EU Code of Conduct on Arms and Military Equipment Export; and
- The level of observance, that is, the status of human rights and freedoms in the final destination state.

In giving its approval to foreign trade transfer of controlled goods, the Ministry of Defense of the Republic of Serbia takes into account:

- Effects on the security of Serbia;
- Whether the weapons and military equipment designated for export are in the export list of arms and military equipment;
- Whether there is a decision by the Ministry of Defense of Serbia concerning arms and military equipment from stockpiles of the Serbian Army; and
- Whether Serbia, on the basis of the transfer of technology by the Ministry of Defense and the Army participates in the ownership over technology in question.

When deciding on giving its approval **to** foreign trade transfer of controlled goods, the Ministry of Internal Affairs of the Republic of Serbia takes into account:

- Effects on national internal safety;
- Effects on traffic safety; and
- Effects on safety of life, person and property of the public.

3. Oversight and control

The competent ministry performs oversight and control of foreign trade in controlled goods in accordance with the Law, in cooperation with the Ministry of Defense, the Ministry of Foreign Affairs, the Ministry of Internal Affairs, the Customs Administration, bodies of security-intelligence services and other. Customs authorities, security-intelligence bodies and inspection bodies conduct continuous control within their legal jurisdiction and report on it to the competent ministry.

Customs Administration performs customs control and submits quarterly reports to the competent ministry on the realization of licenses issued.

Under Article 38 of the Law, during customs inspection of controlled goods, which are the subject of foreign trade, the customs authorities can, within their area of responsibility, stop, seize or cancel the transport of goods under control, and notify the competent ministry.

The obligations of customs authorities in the course of the implementation of the provisions of the Law, are governed by the Rulebook on the Obligations of Customs Authorities in Foreign Trade in Arms, Military Equipment and Dual-use goods³⁵.

According to this rulebook, when granting permission for the application of a relevant customs procedure of controlled goods, the customs authorities are obliged to verify whether an original customs document (OCD) is accompanied with a license by the competent ministry, and whether information contained in the license for the conduct of foreign trade in controlled goods matches that in the OCD, and the actual condition of the goods.

Moreover, when granting a permission for placing the goods into customs procedure for the transit of controlled goods by land and by water, the customs authorities are obliged to verify whether the OCD is accompanied with an approval by the Ministry of Internal Affairs. When goods under control are transported by air, the approval of the body in charge of air traffic is requested.

In accordance with Article 4 of the above Rulebook, the customs authorities shall temporarily seize controlled goods if they establish that:

- OCD is not accompanied by an appropriate license or approval;
- That information in the OCD does not match that in the license or the approval; and
- That actual condition of the goods does not match the data quoted in the license or the approval.

The customs authority is obliged to promptly inform the competent ministry about the stoppage of the customs procedure and temporary seizure of goods, quoting the reasons for this. However, the inspection itself of the foreign trade transfer, transit and stockpiling follows the provisions of the Rulebook on the Manner of Performance of Actions and Measures in the Control Procedure of Accepted Declaration³⁶.

The Ministry of Internal Affairs performs the control and oversight of transport and transit of weapons and military equipment, arms and ammunition and explosive substances, across the state border and in the territory of the Republic of Serbia, in road and railway traffic, an in accordance with the following regulations:

- The Law on Crossing the State Boarder and Movement in the Border Region³⁷;
- The Law on Transport of Dangerous Substances³⁸;
- The Law on Arms and Ammunition³⁹;
- The Law on Explosive Substances, Inflammable Liquids and Gases⁴⁰;
- The Decision on the Transport of Weapons and Military Equipment⁴¹; and
- The Decision on the Transport of Hazardous Substances in Road and Railway Traffic⁴². The transport of weapons and military equipment is performed with armed escort, under Article 31 of the Law and Article 9 of the Decision on the Transport of Weapons and Military Equipment.

 $^{^{\}mathbf{35}}\,$ "Official Gazette of the Republic of Serbia", No. 67/05.

 $^{^{36}}$ "Official Gazette of the RS" No. 53/04.

 $^{^{37}}$ "Official Gazette of the SFRY" No. 34/79, 56/80, 53/85, "Official Gazette of the FRY" No. 24/94, 28/96, 68/02.

³⁸ "Official Gazette of the SFRY" No. 27/90, 45/90; "Official Gazette of the FRY" No. 24/94, 28/96, 21/99, 44/99, 68/02.

³⁹ "Official Gazette of the RS" No. 9/92, 53/93, 67/93, 48/94, 44/98, 39/03.

 $^{^{40}}$ "Official Gazette of the RS" No. 44/77, 45/85, 18/89, "Official Gazette of the RS" No. 53/93, 67/93, 48/94.

⁴¹ "Official Gazette of the FRY" No. 54/97.

⁴² "Official Gazette of the RS" No. 53/02.

It should be noted that *entities* (*natural* and *legal*) who engage in foreign trade, transport or transit of controlled goods, are *legally* bound to allow the bodies in charge of oversight and control to conduct inspection (for the purposes of oversight and control), during all stages of transfer, transport, transit and stockpiling. In the case of disappearance or damage of controlled goods while in the care of a person who participates in foreign trade in controlled goods, or who acquires and stockpiles such goods, the damage or the disappearance must be reported to the competent ministry within 24 hours of the damage or disappearance. The person engaging in foreign trade of controlled goods (importer, exporter, broker, owner or other user) is obliged to keep documentation on the transfer of such goods for the period of at least ten years.

In accordance with the Law, the competent ministry has created its own database, containing information on licenses issued, denied and revoked, the data on entities registered for the conduct of foreign trade transfer of controlled goods, as well as on visits of inspection conducted in registered business entities.

IV. International agreements in the area of export control

1. International Control Regimes

There are five International Control Regimes in the international community: Wassenaar Arrangement - WA, Missile Technology Control Regime - MTCR, Australia Group - AG, Nuclear Suppliers Group - NSG and The Zangger Committee - **ZC**. Their aim is to identify goods and technologies that should be subject to international control, exchange information on the risks of proliferation and promote non-proliferation of weapons of mass destruction in contacts with the states that do not belong to the regimes.

The Republic of Serbia is not a member of any international control regimes⁴³ concerning trade in weapons, military equipment or dual-use goods.

Considering that the Law is in line with international standards in the area, and that national control lists of weapons, military equipment and dual-use goods are practically identical to those of the EU, which comply with internationally accepted goods control regimes⁴⁴, including the Wassenaar Agreement - WA, Missile Technology Control Regime - MTCR, Australia Group - AG, Nuclear Suppliers Group - NSG and the Chemical Weapons Convention - CWC, and that Serbia is a manufacturer of weapons, military equipment and dual-use goods, activities of our country in this respect should be increased and the membership in these regimes should be sought.

1. 1. WASSENAAR ARRANGEMENT - WA⁴⁵ on the control of export of conventional weapons and dual-use products and technologies

The agreement was concluded in December 1995 by 33 states, as a contribution to the advancement of regional and international security, for the introduction of transparency, exchange of information and increased accountability in the area of the transfer of conventional weapons and dual-use goods and technologies.

This arrangement is a supplement to other regimes ensuring that no control evasion activities, that is, proliferation activities, are allowed to slip through the loopholes in the existing transfer control procedures concerning conventional and weapons of mass destruction and their delivery systems. Simultaneously, the signatories to the Wassenaar Arrangement act preventively reducing the opportunity for terrorist groups and organizations to acquire such weapons. In addition, the arrangement provides incentives for other non signatory states to adopt national policies consistent with the objectives of improved transparency and accountability relating to the transfer of conventional weapons and dual-use goods and technologies.

The conditions for the accession of a state to the Wassenaar Arrangement are the following: that the applicant has the status of a manufacturer or an exporter of conventional weapons or industrial equipment, that it consistently conducts the policy of non-proliferation and complies with relevant national principles, including the compliance with the existing non-proliferation regimes and treaties; in addition, the applicant is required to have an effective system of export control. Decisions on the accession are reached by consensus of member parties at annual plenary sessions (usually two – spring and autumn).

States signatories to the Wassenaar Arrangement are: Argentina, Australia, Belgium, Bulgaria, Great Britain, Greece, Denmark, Estonia, Ireland, Italy, Japan, South Africa, Canada, Latvia, Lithuania, Luxembourg, Malta, Hungary, Germany, New Zealand, Norway, Poland, Portugal, the Republic of Korea, the Czech Republic, Rumania,

⁴³ Nor did the FRY, or Serbia and Montenegro. At the 25th session of August 27, 2003, the Council of Ministers of Serbia and Montenegro entrusted to the Ministry of International Affairs, in cooperation with the Ministry of International Economic Relations and the Ministry of Defense, to propose to the Council of Ministers to initiate the procedure for the accession of the State Union of Serbia and Montenegro to international conventions, treaties and regimes in the area of export control of weapons, military equipment and dual-use goods. The adoption of the Law allowed for the initiation of the procedure. The procedure was set in motion in Serbia and Montenegro, but, unfortunately, was not completed.

 $^{^{44}}$ See the structure of the List of Dual-use Goods and Technologies in the Appendix of the Report.

⁴⁵ www.wassenaar.org.

Russian Federation, the United States of America, Slovakia, Slovenia, Turkey, Ukraine, Finland, The Netherlands, Croatia, Spain, Sweden and Switzerland (40 states in all in 2006).

1.2. MISSILE TECHNOLOGY CONTROL REGIME - MTCR⁴⁶

Founded in 1987 as an informal group of developed states of the Group 7, aiming to limit the proliferation of projectiles, unmanned aircrafts and other technologies for systems carrying up to 500 kg to distances of at least 300 km, as well as systems capable of carrying weapons of mass destruction, in order to secure transparency and intense exchange of information.

MTCR is a voluntary international association (not a treaty), controlling transfer of technologies and equipment for ballistic and cruising projectiles, space launching aircrafts and other unmanned delivery systems open to all comers, of global character, non discriminatory and with members of equal status.

The decision on the acceptance of a state into MTCR is reached by consensus taking into account whether the candidate can contribute to international efforts towards non-proliferation, whether it demonstrates sustainable and consistent commitment to the policy of non-proliferation as well as whether it possesses an effective export control system.

MTCR does not have a secretariat and negotiations with prospective partners are conducted through the president of the MTCR, team visits to capital cities by representatives of four MTCR partners, as well as through bilateral exchanges. MTCR delegations visited Belgrade in 2003 headed by the chairman from Poland, and in 2004 headed by the then chairman from Argentina. In 2005 the chairman was from Spain and in 2006 from Denmark.

Member states of the Missile Technology Control Regime are: Argentina, Australia, Belgium, Bulgaria, Brazil, Great Britain, Greece, Denmark, Iceland, Ireland, Italy, Japan, South Africa, Canada, Luxembourg, Hungary, Germany, New Zealand, Norway, Poland, Portugal, the Republic of Korea, the Czech Republic, Russian Federation, the United States of America, Turkey, Ukraine, Finland, France, The Netherlands, Spain, Sweden and Switzerland (34 states in all).

Although not a member of the MTCR, in February 2004, Serbia and Montenegro unilaterally decided to comply with "the MTCR documents": equipment, software and technology as of May 30, 2003 and the guidelines for important transfers of sensitive projectiles as of January 7, 1993.

1.3. AUSTRALIA GROUP - AG⁴⁷

Australian Group (AG) was established in 1985 as an *informal organization* bringing together 15 states aiming to limit the proliferation of chemical and biological weapons, production capacities and equipment as well as related technologies, through the improvement of the effectiveness of export control.

Documents for control include guidelines and a common control list specifying what needs to be incorporated into national legislation and kept under control. Common control lists mostly include live agents, toxins, precursors to chemical weapons and dual-use technology. **Australian group supports the objectives of International Conventions on Chemical Weapons (CWC) and Biological and Toxic Weapons Convention (BTWC) that we are a signatory of.** All member states of the Australian Group are signatories to these Conventions. The group acts in support of the Chemical Weapons Convention and focuses on the control of chemical weapons, precursors and biological agents, as well as related equipment and production technology.

The Chemical Weapons Convention – CWC is a binding international treaty controlling chemicals and chemical weapons, with the focus on chemical weapons and precursors.

⁴⁶ www.mtcr.info.

⁴⁷ www.australiagroup.net.

The Australian Group operates through annual meetings held in Paris; all decisions are reached by consensus of members.

For a state to gain membership in the **Australian Group, it must demonstrate** its commitment to non-proliferation of chemical and biological weapons, that is, prove that it has effective measures of export control at the national level, which must be effective in the prevention of the production of chemical and biological weapons, simple for implementation and practical use without hindering regular trade in materials and equipment used for legitimate purposes.

Member states of the Australian Group are: Argentina, Australia, Austria, Belgium, Bulgaria, Great Britain, Greece, Denmark, Estonia, Iceland, Ireland, Italy, Japan, South Africa, Canada, Cyprus, Latvia, Lithuania, Luxembourg, Malta, Hungary, Germany, New Zealand, Norway, Poland, Portugal, the Republic of Korea, the Czech Republic, Romania, the United States of America, Slovakia, Slovenia, Turkey, Ukraine, Finland, France, The Netherlands, Spain, Sweden and Switzerland (40 states in all). The European Commission participates as an observer.

1.4. NUCLEAR SUPPLIERS GROUP - NSG48

Nuclear Suppliers Group is not an internationally binding treaty, but a collective political agreement of the member states with the aim to ensure through NSG guidelines that trade in nuclear material for civil purposes does not contribute to the proliferation of nuclear weapons or other nuclear devices. It controls export of dual-use equipment that can be applied as nuclear weapons.

Although the Nuclear Suppliers Group is not directly connected with the International Atomic Energy Agency (IAEA), it publishes NSG guidelines and applies the so called "Trigger" list. The List comprises products "especially designed or prepared" for processing, use or production of special materials capable of fission and includes: processing plants, equipment, components and materials. The guidelines are also applied to relevant technology for the development, production or use of the above products or plants.

Guidelines are set by consensus of member states at annual plenary conferences held in Vienna.

The Nuclear Suppliers Group member states are: Argentina, Australia, Austria, Belgium, Bulgaria, Brazil, Canada, Kazakhstan, China, Cyprus, Croatia, the Czech Republic, Denmark, Estonia, Finland, France, Greece, Hungary, Iceland, Ireland, Italy, Japan, the Republic of Korea, Latvia, Lithuania, Luxembourg, Malta, The Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Russian Federation, Slovakia, Slovenia, South Africa, Sweden, Switzerland, Turkey, Ukraine, Great Britain and the United States of America (45 in all). The European Commission participates as an observer.

In 2005/2006 the presiding state of the Nuclear Suppliers Group is Norway, and Brazil in 2006/2007.

1.5. THE ZANGGER COMMITTEE - ZG⁴⁹

The Zangger Committee was established as an *informal agreement* without legal and political binding force for the member states. Its **objective** is to harmonize the application of the Non-proliferation of Nuclear Weapons Treaty (NPT), which the SFRY ratified in 1970 and the FRY approved in 2000, as well as the demands of the International Atomic Energy Agency (IAEA) concerning precautions to be taken when exporting nuclear goods. They create and update the list of materials that can be exported only if security measures have been taken.

Each member state is free to define the range of activity. Decisions are reached by consensus.

The following states are members of the Zangger Committee: Argentina, Australia, Australia, Belgium, Bulgaria, Great Britain, Greece, Denmark, Ireland, Italy, Japan, South Africa, Canada, China, Luxembourg, Hungary, Germany, Norway, Poland, Portugal, the Republic of Korea, the Czech Republic, Romania, Russian Federation, the United States of America, Slovakia, Slovenia, Turkey, Finland, France, The Netherlands, Croatia (joined on June 30, 2006), Spain, Sweden and Switzerland (36 states in all). The European Commission participates as an observer.

⁴⁸ www.nuclearsuppliersgroup.org.

⁴⁹ www.zanggercommittee.org.

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The advantages to Members States of international treaties and regimes relating to export control of weapons, military equipment and dual-use goods are numerous, including:

- Exchange of information between member states; and
- A member state can put proposals or influence decision-making concerning guidelines or changes in the control lists,
- Since all decisions are reached by consensus, it could be taken that export into member states is safer as the country in question conducts adequate export control, and so forth.

In line with its foreign policy objectives, and for improving its international position, **Serbia should as soon** as possible join all international control regimes, especially because it fulfills all formal preconditions for membership: to be a manufacturer or a supplier of weapons, military equipment and dual-use goods, and to have all principal international regulations incorporated in its national legislation.

2. Arms Trade Treaty - ATT

On October 27, 2006, the United Nations Committee decided, with a majority of votes on the beginning of work on the creation of the Arms Trade Treaty. The Republic of Serbia is one of 139 states that voted for the first step to be taken towards this international agreement for the prevention of illegal and irresponsible trade in weapons, which causes conflict, poverty and serious violations of human rights (only the United States of America voted against).

The principal idea was to institute certain measures which would rectify the existing legal inadequacies allowing weapons to reach conflict zones in spite of sanctions and export control. In addition, it aims to prevent supply of weapons to states whose development is halted due to spending on weapons and military equipment.

V. Inclusion of Serbia into International Export Control System

Accepting standards in the area of control of international transfers of weapons, military equipment and dualuse goods, observed by all states united in the fight against international terrorism and proliferation of weapons of mass-destruction, is important for Serbia's image and its inclusion in the international export control system as well as relevant international control regimes and treaties.

The need for cooperation and the establishment of international control regimes in the transfer of such goods emerged as far back as the II World War, with the risks from uncontrolled development, trade and use of chemical, biological and nuclear weapons – in short, weapons of mass destruction.

To the existing control of the transfer of traditional weapons an equally important control of transfer of dual-use goods was added - originally designed for civil purposes but later put to military use.

This process assumed greater importance after the dissolution of the former Soviet Union, when a large number of incidents were reported involving attempted smuggling of conventional weapons of mass destruction, primarily in the territory of the former Soviet Union, Baltic and East European states.

The efforts towards **eliminating the threat from terrorism and proliferation of weapons of mass destruction** intensified after September 11, 2001 and the terrorist attacks against the United States. The need for effective export control sharpens with the later spread of terrorist attacks in other countries.

In terms of its international position, Serbia is especially interesting due to its geo-strategic position, its respectable potential in the area of defense industry (despite damage caused by the bombing), as well as surplus weapons made available due to the assumed committment to reduce military potential at its disposal.

In the initial period of the introduction of relevant legislation (after 2001), significant contribution was made by the United States of America, Great Britain and Canada, and later the EU, towards the successful implementation of the Law which came in force on March 31, 2005.

Special interest of the US State Department in the inclusion of our region in export control processes was demonstrated by the decision to attach to the USA Embassy in Belgrade a permanent representative of the Programme of Export Control and Border Security⁵⁰ in charge of Serbia, Montenegro and Bosnia and Herzegovina.

In 2005 and 2006, the EU offered full support to the development of an effective export control in Serbia and the region at large, principally of dual-use goods. The 2004 EU Pilot Project for strengthening of export control systems in South Eastern Europe states, was conducted by the Stockholm International Peace Research Institute SIPRI ⁵¹ while the German Agency for Economics and Export Control - BAFA ⁵² was designated for the conduct of the Pilot Project 2005/2006 - Cooperation with third countries in the area of export control (apart from Serbia and Montenegro, the project included China, Ukraine and the United Arab Emirates).

1. International Cooperation

Over the last few years, during the process of building the capacities of the state, institutions and people who carried it out, from the adoption of a whole set of regulations to their full implementation, strong and successful international cooperation was maintained. The following should be noted:

■ As of 2002, participation by our representatives at regular annual **Conferences on Export Control**, bringing together over 100 states;

⁵⁰ EXBS - Export Control and Border Security.

⁵¹ Stocholm International Peace Research Institute - SIPRI; www.sipri.org.

⁵² Federal Office of Economics and Export Control – BAFA; www.bafa.bund.de.

As of 2002, participation of all our representatives at regular annual professional gatherings in Oxford, UK, dealing with the improvement of the TRACKER – software programme for automatic licensing, developed by the State Department of the USA, which also finances its application in about 20 countries in the world.

In the organization and with the financial support of several ministries of the USA Government (Departments of the Interior, Departments of Defense, Departments of Commerce, Departments of Energy), Great Britain (Foreign Office), Germany (BAFA), UNDP, EU, SIPRI, **numerous seminars and workshops in the country and abroad** were held recently, bringing together representatives from all competent institutions.

- 1. Workshop on regulating the area of export control and practices in the USA; organized by the State Department, the USA, **February 2004**, **Belgrade**.
- 2. Workshop on international control regimes and classification of goods by National Control Lists; organized by the State Department, the USA, **April 2004**, **Belgrade**.
- 3. Consultations on the creation of the national strategy in the area of reduction of small arms and light weapons (SALW); organized by the UNDP **September 2004**, **Budva**.
- 4. Regional seminar on the role of economy in the prevention of unwanted export of weapons and dual-use goods in practice in Romania; organized by the US State Department, **May 2005**, **Bucharest**.
- 5. Seminar on weapons of mass destruction; organized by the Department of Defense, DTRA, FBI, USA, **June 2005**, **Budapest**.
- 6. Seminar on the implementation of export control of dual-use goods in South-Eastern Europe countries; organized by RACVIAV **October 2005**, **Rakitje**, **Zagreb**.
- 7. Seminar on the identification of dual-use goods; organized by the Department of Defense, DTRA, USA, **October 2005**, **Belgrade**.
- 8. Workshop on licensing procedures and practices (Licensing I Course); organized by the Department of Commerce, USA, **December 2005**, **Washington**.
- 9. Regional conference of the Western Balkan states on the creation of annual reports on export of weapons; UNDP SEESAC (South Eastern and Eastern Europe Clearinghouse for the Control of Small Arms and Light Weapons) **February 2006**, **Belgrade**.
- 10. Seminar on the harmonization of regulations in the area of protection from nuclear danger, organized by: the Department of Energy of the USA Administration for National Security from Nuclear Hazard February/March 2006, Institute "Vinca", Belgrade.
- 11. Regional seminar on the implementation of export control of dual-use goods in South-eastern Europe states; organized by RACVIAC **March 2006**, **Rakitje**, **Zagreb**.
- 12. Training Course on investigative actions in caces of trafficking of weapons of mass destruction; organized by the US Department of Defense, DTRA, **March 2006**, **Belgrade**.
- 13. Training Course on TRACKER software implementation for staff working on licensing and system administrators; organized by the US State Department, **April 2006**, **Belgrade**.
- 14. Initial visit for the implementation of the Pilot Project **EU Serbia and Montenegro**; organized by EU Commission, & BAFA (German Export Control Agency) **April 2006**, **Belgrade**.
- 15. Workshop on licensing procedures and practices (Licensing II Course); organized by the Department of Commerce and EXBS, USA, **April 2006**, **Belgrade**.
- 16. Pilot Project EU Serbia and Montenegro: Training course on licensing procedures and practices of the EU states on the example of Germany; organized by EU Commission, & BAFA Germany May 2006, Ashburn, Germany.
- 17. Regional conference on advancements of industry in export control of dual-use goods and weapons: organized by the Ministry of Foreign Affairs of Bulgaria and the Ministry of Foreign Affairs of Hungary **May 2006**, **Sofia**.

- Regional conference of the Western Balkan states on strengthening cooperation in export control; organized by: Presiding EU Member State, Austria and the Stockholm Peace Research Institute from Sweden (SIPRI)
 May 2006, Vienna.
- 19. Practice relating to export control and the Internal Control Programme in Polish enterprises; organized by: the UNDP for Serbia and Montenegro **May 2006**, **Warsaw**.
- 20. Expert mission in export control of weapons and dual-use goods; organized by TAIEX, Instrument of EC in cooperation with the Ministry of Economy of Poland **June 2006**, **Belgrade**.
- 21. International seminar on export control and electronic management of the licensing process; organized by the Ministry of Foreign Affairs of Bulgaria and the Ministry of Foreign Affairs of Hungary **September 2006**, **Budapest**.
- 22. Regional seminar "Cooperating to meet Common Arms Export Control Standards"; organized by the Ministry of Foreign Affairs of Finland, as a presiding EU Member State and the Government of Bosnia and Herzegovina in cooperation with the Stockholm Peace Research Institute from Sweden (SIPRI) October 2006, Sarajevo.
- 23. Study visit, in accordance with the best practice principle, to the German Office for Export Control organized for the purpose of advancement of the system of export control of weapons and military goods in Serbia; organized by the UNDP Serbia **October 2006**, **BAFA Ashburn**, **Germany**.
- 24. Commodity Identification Training for dual-use goods, within the programme for non-proliferation of the weapons of mass destruction; organized by the programme EXBS of the American Embassy in Belgrade **November 2006**, **Belgrade**
- 25. Seminar for Serbian Customs "The Role of Customs in Enforcing Dual-use Export Control"; organized by the Stockholm Peace Research Institute from Sweden (SIPRI) November 2006, Belgrade.

2. Cooperation with Industry

In addition to a comprehensive training of the staff in competent institutions, with the financial support from the UNDP, SIPRI, and the USA (the Departments of Defense and Commerce), we have organized four seminars for representatives of local institutions and enterprises, engaging in manufacture or foreign trade in controlled goods.

At the first seminar in June 2005, there were 25 participants, at the second, in October 2005, there were over 50. In February 2006, at the third seminar, there were 34 representatives of local companies, while the last, two-day forum held in June 2006, gathered together over 120 participants from all walks of industrial organizations, scientific and government institutions.

This type of industry education⁵³ is considered to be very important, since there are many private companies, and even state institutions that do not possess adequate knowledge of legal regulations in the area of foreign trade, especially concerning dual-use goods. This is why we believe that such interactive processes should be continued for the advancement of regulations and practice in their implementation.

3. Proposed further activities

The activities of the Ministry on sustained improvement of export control in our country need to be continued, and include enforcement activities. For this, we still need the assistance of international community, and, naturally, the cooperation of all relevant institutions in the implementation of regulations in this sensitive area, as well as industrial outreach.

For further improvement of the import-export control, the following is necessary:

 Political support to the commitment of the Republic of Serbia to continue the process of development and full implementation of legal regulations as well as of the existing system of export control of weapons, military

⁵³ Internationally recognizable term: Industry Outreach or Industry-Government Relations.

- equipment and dual-use goods. Considering the importance attached to this issue by the international community, our Government is expected to express strong commitment to its resolution;
- Elaboration of existing regulations and amendment of those that had been affected by the limited powers of the State Union of Serbia and Montenegro;
- The initiation of formal procedures for the accession of Serbia to international treaties and control regimes as a full member of the Wassenaar Arrangement (WA), the Australia Group (AG), the Missile Technology Control Regime (MTCR), Nuclear Suppliers Group (NSG), and the Zangger Committee (ZC);
- The establishment of new National Control Lists, that is, bringing them in line with the last ones adopted in the EU in 2006:
- Fulfilling all commitments related to Serbia's membership in the UN, as well as to numerous international resolutions, recommendations and other documents concerning prevention of the proliferation of weapons of mass destruction and suppression of terrorism;
- Building up regional cooperation in the area of export control;
- Continued participation in the EU Pilot Project;
- Continued seminars and education of domestic industry and the government sector on export control of controlled goods;
- Establishing a working group for the identification of dual-use goods;
- Continued cooperation with the EU within the TAIEX Programme;
- Improvement of the technical background and training of customs authorities in suppression of trafficking of controlled goods;
- Implementation of the TRACKER software;
- Continued work on the introduction of the Programme of Internal Control in domestic companies with the support of the Department of Commerce of the USA (ICP Programme); and
- Promotion of the idea and continuation of initiated activities aiming to promote Belgrade as a regional centre of the Western Balkan states for the provision of technical and scientific-research services relating to education and identification of weapons of mass destruction (chemical, biological, nuclear).

VI. Statistical overview

As it has already been said, the year 2005 represents a milestone in the control of foreign trade in weapons and dual-use goods.

The year 2006 was also significant, for, in terms of calendar, this was the first whole year of the implementation of the new legal regulations; it was also filled with activities, especially at the international level. The introduction of civil control of foreign trade in weapons and military equipment and for the first time assumed control of goods that can be used for both civil and military purpose, brought us up to the EU standards in this sensitive area.

Import and export in weapons, military equipment and dual-use goods are presented in the **Annexes with tables showing all relevant data**. This part of the Report gives an overview of issued export and import licenses for weapons, military equipment and dual-use goods and the realized exports and imports of controlled goods broken down by issued licenses, by destinations, and by categories in National Control Lists.

Data are separated for 2005 and 2006, with the data for the year 2005, for the period March 31 to December 31, 2005 in the same in form as those for the year 2006. The period from January 1, to March 31, 2005 when foreign trade in weapons and military equipment was the responsibility of the Ministry of Defense of Serbia and Montenegro, was covered by the overview of issued export and import licenses for weapons and military equipment, broken down by destinations, but without the data on exports and imports of such goods.

As already discussed, control of dual-use goods was introduced as of March 31, 2005. The fact that in 2005 there were 10 and in 2006 nine licenses issued for import and one (in 2006) for export of goods of dual use, demonstrates that legal regulations on dual-use goods are still unknown to the wider circle of our businessmen.

Information on foreign trade in controlled goods for 2005 is related to the State Union of Serbia and Montenegro, and was obtained from the Ministry of Defense of Serbia and Montenegro for the period of January 1, 2005 to March 31, 2005. It should be added that the data on realized exports and imports were collected from business enterprises that in 2005 were registered for this activity with the Ministry of International Economic Relations of Serbia and Montenegro.

Information on foreign trade in controlled goods for 2006 is related to the State Union of Serbia and Montenegro in the first half of the year, and from June to December 2006 to Serbia. We decided on such approach, since in the Register of Entities Licensed to Perform International Trade in Controlled Goods (hereafter the Register) the proportion of Montenegrin companies in the total number of registrations⁵⁴ is 2.5% for the year 2005 and 2.1% in 2006, and even lower for the number of licenses issued to Montenegrin enterprises, that is, in terms of value, the proportion of total number and total value of licenses issued. The data on realized exports was collected from business enterprises that engaged in this activity during 2006 and are entered in the Register.

It should be noted that the value of exports and imports considerably differs from the value of export and import licenses issued due to the fact that licenses are valid for the period of one year which does not correspond to the calendar year.

The following **13 Annexes** give a detailed overview of the functioning of the system of import export control of weapons, military equipment and dual-use goods in the years 2005 and 2006.

⁵⁴ Out of the total of 80 in 2005, that is, 95 in 2006, only two subjects of registration headquartered in Montenegro were entered in the Register – see Table 1.

Annex 1/05 and Annex 1/06:

List of entities entered in the Register

In the year 2005, there were 80 enterprises entered in the Register of Entities Licensed to Perform International Trade in Controlled Goods with the Ministry of International Economic Relations of Serbia and Montenegro.

In 2006, another 15 entries were made in the Register of the competent ministry. 55

With the view to maintaining confidentiality of entities engaged in foreign trade in controlled goods, destinations and products are not indicated, nor the amount of their foreign transactions.

According to the type of ownership, on December 31, 2006, private ownership predominated with 78%, followed by social ownership 13.68%, mixed ownership with 7.37% and government property with 1%.

According to the origin of the founding capital of the registered entities on December 31, 2006, domestic capital prevails with 89.48%, followed by mixed capital 7.37 %, and foreign capital 3.15%.

According to size, on December 31, 2006, in the Register: 10 large, 4 medium and 81 small legal entities were entered. In percentages, this is 10.53%, 4.21%, and 85.26 %, respectively, out of the total number of registries.

The issued decisions on registration broken down by the type of controlled goods for which entities are registered are shown in the following table.

Table 1: Decisions on registration broken down by type of controlled goods

| TYPE OF CONTROLLED GOODS | NUMBER OF DECISIONS ISSUED | | % | | ALLTOGETHER ON DEC. 31, 2006 | |
|---|----------------------------------|------|--------|--------|---------------------------------|--------|
| | 2005 | 2006 | 2005 | 2006 | NUMBER | % |
| Weapons and military equipment | 22 | 1 | 27.50 | 6.67 | 23 | 24.21 |
| Dual use goods | 7 | 3 | 8.75 | 20.00 | 10 | 10.53 |
| Weapons and military equipment and dual use goods | 51 | 11 | 63.75 | 73.33 | 62 | 65.26 |
| Total | 80 | 15 | 100.00 | 100.00 | 95 | 100.00 |

Source: the Register of Entities Licensed to Perform International Trade in Controlled Goods

⁵⁵ From January 1, to June 5, 2006 the Register was kept by the Ministry of International Economic Relations of Serbia and Montenegro and from June 6, to December 31 by the Ministry of International Economic Relations of the Republic of Serbia.

Annex 2a/05:

Data on issued export licenses for weapons and military equipment, broken down by destinations for I quarter of 2005

In order to provide as full as possible summary on export licenses issued in 2005, the data collected in this period by the Ministry of Defense of Serbia and Montenegro are given separately, since they do not contain numbers from National Control Lists of Weapons and Military Equipment. Data is not available for this period on realized imports and exports of weapons and military equipment. Namely, at the time, companies engaged in import and export of weapons and military equipment were not obliged to inform the competent ministry on the realization of a foreign trade transaction; on the other hand, statistical data submitted by the Customs Administration could not be obtained for this purpose.

In the period from January 1, 2005 to March 31, 2005, 68 licenses for export of weapons and military equipment were issued, for 34 destinations, in the total value of USA\$ 113.10 million.

Most licenses were issued for the following destinations: Indonesia (9), **Bosnia and Herzegovina** (8), **USA** (6), **Israel** (4) and **Iraq** (3). These five destinations account for 30 export licenses, making up 44% of the total number of licenses issued in this period.

In terms of value, principal export destinations in this period were: **USA** (USA\$ 32.82 mil.), **Libya** (USA\$ 25.21 mil.), **Myanmar** (USA\$ 16.86 mil.), **Egypt** (USA\$ 14.86 mil.), **Kuwait** (USA\$ 7.67 mil.), **Israel** (USA\$ 2.95 mil.), **Uganda** (USA\$ 2.69 mil), **Iraq** (USA\$ 2.34 mil.), **Slovakia** (USA\$ 1.95 mil.) and **Indonesia** (USA\$ 1.83 mil.). These ten markets account for licenses in the amount of USA\$ 109.18 mil, or 96.5 % of all licenses issued in this period.

Annex 2/05 and Annex 2/06

Data on *issued export licenses for weapons and military equipment*, broken down by destinations ⁵⁶, in accordance with the National Control List of Weapons and Military Equipment⁵⁷

In the period from March 31 to December 31, 2005, when the responsibility for licensing was transferred from the ministry in charge of the military to the Ministry of International Economic Relations of Serbia and Montenegro, **206 export licenses were issued** for 46 destinations, in the total amount of USA\$ 63.35 million.

Most licenses were issued for the following destinations: **USA** (36), **Israel** (18), **Great Britain** (15), **Bosnia and Herzegovina** (11), **Germany** (10), **Bulgaria** (8), **France** (8), **Slovenia** (8), **Jordan** (7) and **India** (7). These ten destinations account for 128 licenses, making up 62.13% of the total number of licenses issued in this period.

In terms of value, principal export destinations in this period were: USA (USA\$ 11.29 mil), Israel (USA\$ 8.75 mil), Seychelles (USA\$ 6.65 mil), Cyprus (USA\$ 6.18 mil), Great Britain (USA\$ 4.93 mil), Bosnia and Herzegovina (USA\$ 3.78 mil), Jordan (USA\$ 3.37 mil), Myanmar (USA\$ 3.27 mil), Italy (USA\$ 3.21 mil) and India (USA\$ 2.74 mil). These ten markets account for licenses in the amount of USA\$ 54.71 mil, or 86.34% of all licenses issued in this period.

In 2005, 274 export licenses were issued, in the total amount of about **USA\$ 176.45** mil. (including the above data from Annex 2A/05).

In 2006, 300 export licenses were issued for 60 destinations, in the total amount of **USA\$ 346.33 mil.** In comparison with 2005, the number of licenses issued rose by about 9%, while their total value doubled.

Most licenses were issued for the following destinations: **USA** (32), **Israel** (20), **Great Britain** (19), **Bosnia and Herzegovina** (14), **Bulgaria** (12), **France** (10), **Macedonia** (10), **India** (9), **Germany** (9) and **Panama** (9). These ten destinations account for 144 export licenses, making up about 48% of the total number of licenses issued in this period. The order of the first four export destinations by the number of licenses issued remained the same in 2006 as in 2005.

In terms of value, principal export destinations in this period were: **USA** (USA\$ 263.64 mil.), **Myanmar** (USA\$ 13.85 mil.), **Libya** (USA\$ 11.5 mil.), **Belgium** (USA\$ 11.80 mil.), **Cyprus** (USA\$ 5.44 mil.), **Jordan** (USA\$ 5.23 mil.), **Bulgaria** (USA\$ 42.69 MMA), **Israel** (USA\$ 3.81mil.), **India** (USA\$ 2.68mil.) **Italia** (USA\$ 2.52 mil.), **France** (USA\$ 2.44 mil.) and **Bosnia and Herzegovina** (USA\$ 1.96 mil.). These twelve markets account for licenses in the amount of USA\$ 328.5 mil, or 94.85 % of all licenses issued in this period.

Considering the number of export licenses issued and their value, we can draw the conclusion that our *largest* and most important foreign trade partner in the export of weapons and military equipment is the United States of America, with about 76% of the total value of our exports.

In comparison with 2005, the data for the year 2006 show considerable *rise in the value of export licenses for weapons and military equipment issued*, especially those for export to the USA – about six times (from approx. USA\$ 44.11mil. in 2005 to approx. USA\$ 263.64 mil. In 2006)

⁵⁶ Export destination is a buyer country with which the exporter has concluded a foreign trade transaction.

⁵⁷ See Annex 1 with the Report – Section of the National Control List of Weapons and Military Equipment and the Decision on the Establishment of the National Control List of Weapons and Military Equipment, published in the "Official Gazette of Serbia and Montenegro", No.11/05.

Annex 3a/05:

Data on issued import licenses for weapons and military equipment, broken down by destinations for I quarter of 2005

It was already noted that in Annex 2, data concerning exports of weapons and military equipment, collected by the Ministry of Defense of Serbia and Montenegro are given separately, since they do not contain numbers from National Control Lists of Weapons and Military Equipment, while the data on realized import of weapons and military equipment were not available for reasons already discussed.

In the period from Jan. 1, 2005 to March 31, 2005, 16 licenses for import of weapons and military equipment were issued, from 8 destinations, in the total value of USA\$ 0.93 million.

Most licenses were issued for the following destinations: **Bosnia and Herzegovina** (6), **Great Britain** (3) and **Slovenia** (2). These three destinations account for 11 import licenses, making up 73% of the total number of licenses issued in this period.

In terms of value, the most important destination in this period was **Bosnia and Herzegovina**, (USA\$ 0.46mil.), accounting for about 22% of the total value of licenses issued in this period.

Annex 3/05 and Annex 3/06

Data on *issued import licenses for weapons and military equipment*, broken down by destinations⁵⁸, in accordance with the National Control List of Weapons and Military Equipment⁵⁹

As opposed to other states that control only the export of weapons and military equipment, our country regulated the import of controlled goods as well, through positive legislation.

In the period from March 31 to December 31, 2005, when the responsibility for licensing was transferred from the ministry in charge of the military to the Ministry of International Economic Relations of Serbia and Montenegro, **43 export licenses were issued**, from 18 destinations, in the total amount of USA\$ 4 million.

Most licenses were issued for the following destinations: **Bosnia and Hercegovina** (11), **Italy** (5), **Austria** (5), **Slovenia** (3), **the Czech Republic** (3) and **Switzerland** (3). These six destinations account for 30 licenses, making up 70% of the total number of licenses issued in this period

In terms of value, principal export destinations in this period were: **Bosnia and Hercegovina** (USA\$ 2.79 million), **the Czech Republic** (USA\$ 0.55 million) and **France** (USA\$ 0.27 million). These three markets account for licenses in the amount of USA\$ 3.61 mil, or 90% of all licenses issued in this period.

In 2005, 59 import licenses were issued, in the total amount of about **USA\$ 4.93 mil.** (including the above data from Annex 3A/05).

In 2006, 100 import licenses were issued from 21destinations, in the total amount of **USA\$ 12.52 mil.** In comparison with 2005, the number of licenses issued rose by about 69%, and about 2.5 times in the total value.

Most licenses were issued for the following destinations: **Bosnia and Hercegovina** (28), **Austria** (12), **Germany** (11), **Italy** (9), **the Czech Republic** (6), **Switzerland** (5) and **Belgium** (4). These seven destinations account for 75 import licenses, making up about 75% of the total number of licenses issued in this period.

In terms of value, principal export destinations in this period were: **Bosnia and Hercegovina** (USA\$ 8.93 million), **Belgium** (USA\$ 1.19million), **The Czech Republic** (USA\$ 0.4 million), **Austria** (USA\$ 0.36 million) and **France** (USA\$ 0.2 million). These five markets account for licenses in the amount of USA\$ 11.08 mil, or 88.5 % of all licenses issued in this period.

In comparison with 2005, the data show a rise in the number and value of import licenses issued.

Considering the number of export licenses issued and their value, we can draw the conclusion that our *largest* and most important foreign trade partner in the import of weapons and military equipment is Bosnia and Herzegovina, with about 71% of the total value of our exports. With this country there is production cooperation and long-term business relations.

⁵⁸ Import destination is a seller country with which the exporter has concluded a foreign trade transaction.

⁵⁹ See Annex 1 with the Report – Section of the National Control List of Weapons and Military Equipment and the Decision on the Establishment of the National Control List of Weapons and Military Equipment, published in the "Official Gazette of Serbia and Montenegro", No.11/05.

Annex 4/05 and Annex 4/06

Data on *issued export licenses for dual-use goods*, broken dwon by destinationsof exports, in accordance with the National Control List of Dual-use Goods 60

In 2005 no export licenses were issued.

In 2006 only 1 export license for Macedonia was issued for USA\$ 92,093.00.

No significant changes occurred in the second year of control of dual-use goods. The main problem is still lack of information on the part of producers and exporters, as well as on the part of customs authorities as regards what are dual-use goods, and whether a specific merchandise has dual-use or not. This is a positive sign that the control of foreign transfer of such goods must become more efficient .

More developed states also face this problem, especially due to the fact that the list of dual-use goods is being continuously extended, due to the invention of new products, the development of technology and technical possibilities for the use of existing products.

⁶⁰ See the Decision on the Establishment of the National Control List of Dual-use Goods published in the "Official Gazette of Serbia and Montenegro", No.11/05.

Annex 5/05 and Annex 5/06

Data on *issued import licenses for dual-use goods*, broken down by destination of exports, in accordance with the National Control List of Dual-use Goods

In 2005, when licensing and control of foreign trade in dual-use goods were introduced⁶¹, **10 licenses altogether** were issued, from 8 destinations, in the total amount of USA\$ **223,713.44**.

Most licenses in this period were for import from **Austria** (3)

In terms of value, the largest was the import of chemicals from the **Czech Republic** in the amount of **USA\$ 110,448.00**, which is about 49% if licenses issued in the period in question.

In 2006, were issued 9 licenses for import from 7 destinations, in the total amount of USA\$ 288,464.57.

Most licenses in this period were for import from **Slovenia** (3)

In terms of value, as well, the largest was the import of aluminium rods from **Slovenia, worth USA\$ 91,837.55**, which is about 32% of the value of licenses issued in the period under observation.

No significant change occurred in the second year of control of dual-use goods. Similar to export, the main problem concerning dual-use goods is still lack of information on the part of importers, as well as the lack of training for customs officials relating to identification of dual-use goods

⁶¹ The Law on Foreign Trade in Weapons, Military Equipment and Dual-use Goods came into force on March 31, 2005.

Annex 6/05 and Annex 6/06

Data on the realization of exports, on issued export licenses for weapons and military equipment, broken down by destination of exports, in accordance with the National Control List of Weapons and Military Equipment

For the first quarter 2005 no data are available on the realized export of weapons and military equipment. Namely, at the time, companies engaged in export of weapons and military equipment were not obliged to inform the competent ministry on the realization of a foreign trade transaction; on the other hand, statistical data could not be obtained for this purpose.

In the period from **March 31, 2005 to December 31, 2005**, realized exports of weapons and military equipment amounted to **USA\$ 31.42mil.** which is about 50% of the approved export in the amount of **USA\$ 63.35mil**.

The highest value for the export of weapons and military equipment was for: Israel (USA\$ 5.9 mil.), Great Britain (USA\$ 4.2 mil.), USA (USA\$ 4.1 mil.), Bosnia and Hercegovina (USA\$ 2.3 mil.) and Seychelles (USA\$ 2.1 mil.). Export to first five markets by value of weapons and military equipment makes 59% of the total export in this period.

In 2006, realized export of weapons and military equipment was **USA\$ 71.25 mil**, which is only about 21% of the approved export in the amount of **USA\$ 346.33 mil**.

The highest value for the export of weapons and military equipment was for: Libya (USA\$ 11.4 mil.), USA (9.75 mil.), Myanmar (8.37 mil.), Israel (3.2 mil.), France (2.4 mil.), India (2.1 mil.), Cyprus (USA\$2.01 mil.) and Belgium (1.97 mil.). Export to first eight markets amounts to 41.15 million, making 58% of the total export in 2006.

In comparison with the year 2005, exports rose in 2006, but there is a considerable discrepancy between the value of exports realized and the value of exports approved. There are several reasons for the difference between the value of licenses issued and the realization of exports by the licenses approved. One of the reasons is that the licenses are valid for the period of one year, which does not correspond to the calendar year.

The analysis of the data on the realization of exports by licenses issued lead us to the conclusion that in 2006 long-term business deals were concluded which could not be realized during the same year.

In addition, it should be noted that theoretically , our *largest and most important foreign trade partner for the export of weapons and military equipment is* **the USA** (*by contracts concluded and licenses approved*), regardless of the fact that the data for 2006 show that only 14% of the contractual value of our exports was actually realized. Continuity and rise in exports (although only two incomplete years are under observation), can be clearly seen from exports to the American market.

Annex 7/05 and Annex 7/06

Data on the realization of imports, on issued import licenses for weapons and military equipment, broken down by destination of imports, in accordance with the National Control List of Weapons and Military Equipment

For the first quarter 2005 no data are available on the realized import of weapons and military equipment⁶²

In the period from **March 31, 2005 to December 31, 2005**, realized imports of weapons and military equipment amounted to **USA\$ 1.78 mil**, which is about 44% of the approved amount of **USA\$ 4.05 mil**.

Most imports of weapons and military equipment came from **Bosnia and Herzegovina** (1.2 million), or about 68% of the total import in this period.

In 2006, realized import of weapons and military equipment was **USA\$ 7.1 mil**. which is about 57% of the approved import in this period.

Most imports of weapons and military equipment came from **Bosnia and Herzegovina** (5.2 million), or about 73% of the total import in this period.

In comparison with 2005, imports rose considerably in 2006.

Considering the number of import licenses issued, their value and realization, it can be concluded that our largest and most important foreign trade partner for the import of weapons and military equipment is **Bosnia** and **Herzegovina**. This is the case of a revived long-standing business cooperation.

 $^{^{\}rm 62}\,$ For the same reasons as in exports, see comment with Annex 6/05 and 6/06.

Annex 8/05 and Annex 8/06

Data on the realization of exports, on issued import licenses for dual-use goods, broken down by destination of exports, in accordance with the National Control List of Dual-use Goods

In 2005 there were no applications and no export licenses were issued.

In 2006 only 1 export license for Macedonia was realized for USA\$ 92,093.00.

As already discussed, no significant changes occurred in the second year of control of dual-use goods.

In order for it to be more efficient, it is necessary to inform our wider business community about the need for control, its aims and relevant legal regulations. In addition, customs authorities need to undergo training for efficient use of these regulations.

Annex 9/05 and Annex 9/06

Data on the realization of imports, on issued import licenses for dual-use goods, broken down by destination of imports, in accordance with the National Control List of dual-use goods

In 2005, realized imports of dual-use goods amounted to **USA\$ 148,029.44**, which is about 66% of the approved amount of **USA\$ 223,713.44**

Most imports of dual-use goods came from **Great Britain** (USA\$ 73,870.00) and **the Czech Republic** (USA\$ 44,309.00) or about 80% of the total import in this period.

In 2006, realized imports of dual-use goods was **USA\$ 282,223.97** which is about 98% of the approved import of **USA\$ 288,464.57** in this period.

Most imports of dual-use goods came from **Slovenia** (USA\$86,633.24) and **Slovakia** (USA\$ 82,923.00) or about 60% of the total import in this period.

In comparison with 2005, imports of dual-use goods rose almost twofold in 2006.

In light of the number of import licenses issued, their value and realization, it can be concluded that importers are better informed than exporters, since it concerns goods under export control in the *European Union, principal foreign trade partner of Serbia in the area*.

The problem needs to be addressed in the following period in cooperation with government institutions and the business sector.

Annex 10/05 and Annex 10/06

Data on denied applications for licenses for exports of weapons and military equipment broken down by destination of exports, in accordance with the National Control List of Weapons and Military Equipment

In the period from March 31 to December 31, 2005, **9 applications** for export of weapons and military equipment were denied, in the total amount of **USA\$ 269,874.59**.

The most frequent reason for denial was incomplete documentation.

In 2006, **18 applications** for export of weapons and military equipment were denied, in the total amount of **USA\$ 16 million**.

Eighty seven percent of applications refused concern the export of weapons and military equipment into Georgia and Armenia via the Seychelles.

The most frequent reason for the refusal was **non-compliance with the criteria**⁶³ (destinations under the embargo of the UN or under threat from conflict – Armenia, Georgia, Rwanda). **In addition, in licensing exports more attention has been paid to recommendations and the EU Code of Conduct on Arms Export**⁶⁴

⁶³ See the Decision on the Licensing Criteria for Export of Weapons, Military Equipment and Dual-use Goods ("Official Gazette of Serbia and Montenegro", No, 11/2005) applied by the competent Republic ministry.

⁶⁴ See EU Code of Conduct on Arms Export and User's Guide to the EU Code of Conduct on Arms Exports at www.consilium.europa.eu/export-controls.

Annex 11/05 and Annex 11/06

Data on denied applications for licenses for imports of weapons and military equipment broken down by destination of imports, in accordance with the National Control List of Weapons and Military Equipment

In the period from March 31 to December 31, 2005, **1 application** for import of weapons and military equipment was denied, in the total amount of **USA\$ 48,007.26**

In 2006, 4 applications for export of weapons and military equipment were denied, in the total amount of **USA\$ 61,663.58**.

The reason for denial was incomplete documentation.

Annex 12/05 and Annex 12/06

Data on denied applications for licenses for exports of dual-use goods broken down by destination of exports, in accordance with the National Control List of Dual-use Goods

In the period from March 31 to December 31, 2005, as well as in 2006 there were no denials for the export of dual-use goods.

Annex 13/05 and Annex 13/06

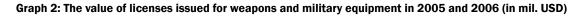
Data on denied applications for licenses for imports of dual-use goods broken down by destination of imports, in accordance with the National Control List of Dual-use Goods

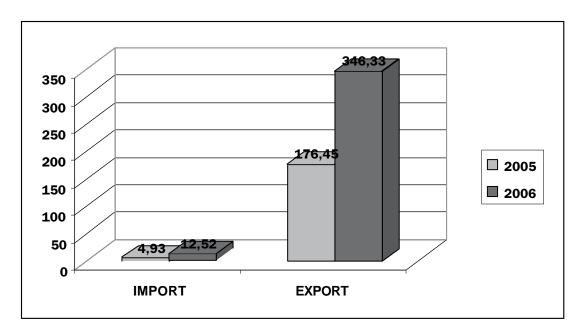
In the period from March 31 to December 31, 2005, as well as in 2006 there were no denials for the import of dual-use goods.

300 250 200 150 100 50 IMPORT EXPORT

Graph 1: The number of licenses issued for weapons and military equipment in 2005 and 2006

Source: Republic of Serbia, Ministry of Economy and Regional Development



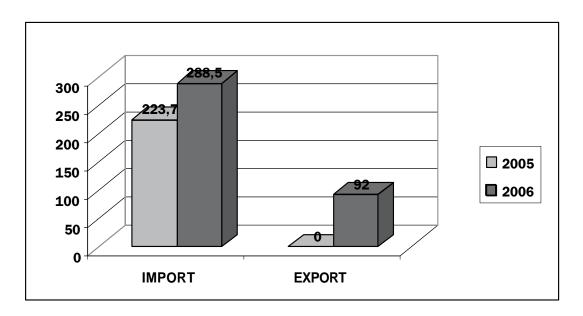


Source: Republic of Serbia, Ministry of Economy and Regional Development

10 9 2005 4 2 2006

Graph no. 3: Number of issued Dual Use licenses in 2005 and 2006

Source: Republic of Serbia, Ministry of Economy and Regional Development



Graph no. 4: Value of issued Dual-Use licenses in 2005 and 2006 (in 000 USD)

Source: Republic of Serbia, Ministry of Economy and Regional Development

APPENDICES

Enclosure 1

Extract from the NATIONAL CONTROL LIST OF ARMS AND MILITARY EQUIPMENT

- 1. Arms and automatic weapons of 12.7 mm caliber (caliber 0.5 inches) or less, additional equipment and their specially constructed components.
- 2. Arms or weapons of caliber over 12.7 mm (caliber 0.50 inches), launchers, equipment and their specially constructed components.
- 3. Ammunition and specially constructed components for weapons regulated under items 1.2 or 12.
- 4. Bombs, torpedoes, rockets, missiles and the related equipments and additional components specially constructed for military purposes and their specially constructed components.
- 5. Fire control equipment and alarm and warning equipment, as well as the related counter-electronic systems and equipment specially designed for military purposes with specially designed related components and accessories.
- 6. Land vehicles and their components, specially constructed or modified for military use.
- 7. Highly toxic materials, tear gas, related equipment, components, materials and technology.
- 8. Military explosives and charges, including propellant charges and similar substances.
- 9. War ships, special marine equipment and tools and components specially designed for military use.
- Aircrafts, unmanned airplanes, air navigation motors and equipment, components specially designed or modified for military use.
- 11. Electronic equipment and its components specially designed for military use that have not been listed elsewhere.
- 12. Missile systems with high speed and kinetic energy missiles and their related equipment and special components.
- 13. Armoured or protective equipment and their related components.
- 14. Special equipment for military drills and simulation of military scenarios, and its specially designed components and complements.
- 15. Image formation equipment or counter-measure equipment and its specially designed components.
- 16. Welded, molten and other semi-products that can be identified in controlled items by means of material composition, geometry or function, and that have been specially designed for any products mentioned under items 1 to 4, 6, 9, 10, 12 or 19.
- 17. Various equipment, materials and documentation, with their specially designed components.
- 18. Equipment and technology for production of the items listed herein.
- 19. DEW directed energy weapon systems, their detection models, their equipment or equipment for combating them and their specially designed components.
- 20. Cryogenic and super-conducting equipment, as well as its specially designed components and related parts.
- 21. Software.
- 22. Technology in accordance with general technological note on technology for development, production or use of controlled goods listed herein, except for technology referred to under item 7 and item 18.
- 23. Safety and para-military equipment.

Enclosure 2

Structure of the EU Dual-Use List

The list of dual-use goods and technologies has been broken down by 10 technical categories that have been further divided into 5 groups.

Every item from the list is marked with a label consisting of: the number of technical category (0-9), group (A-E) and number of international control regime the item is subject to.

Technical categories:

- 0 Nuclear materials, production capacities and equipment
- 1 Materials, chemicals, "micro-organisms" and "toxins"
- 2 Processing of materials
- 3 Electronics
- 4 Computers
- 5 Safety of telecommunications and information tools
- 6 Sensors and lasers
- 7 Navigation and flight electronics
- 8 Sea navigation
- 9 Power systems, space ships and related equipment

Groups:

- A Equipment, structures and components
- B Production and testing equipment
- C Materials
- D Software
- E Technology

Multilateral and unilateral control regimes:

- 000 099 Wassenaar agreement
- 100 199 Missile technology control regime
- 200 299 Nuclear suppliers group
- 300 399 Australia group
- 400 499 Chemical Weapons Convention
- 500 599 Reserved
- 600 699 Reserved
- 700 799 Reserved
- 800 899 Reserved
- 900 999 Unilateral control regimes

ANNEXES 1/05-13/05

Foreign Trade in Controlled Goods in 2005

Annex 1/05

List of legal entities registered for foreign trade in arms, military equipment and dual-use goods in 2005

| SER. NO. | NAME OF LEGAL PERSON | SEAT | FORM OF OWNERSHIP | ORIGIN OF CAPITAL |
|-------------|--|--------------------------------|-------------------|-------------------|
| 1. | ACORDA INTERNATIONAL DOO | Belgrade | Private | Local |
| 2. | ALBA TRADE INTERNATIONAL DOO | Belgrade | Private | Local |
| 3. | ARSENAL CO DOO | Belgrade | Private | Local |
| 4. | ASTRA ITB DOO | Belgrade | Private | Local |
| 5. | ATOM ELEKTRONIC DOO | Belgrade | Private | Local |
| 6. | AUTORING BALKAN DOO | Belgrade | Private | Foreign |
| 7. | BALKAN HUNTER DOO | Belgrade | Private | Local |
| 8. | BAPS DOO | Zrenjanin | Private | Mixed |
| 9. | BELOM DOO | Belgrade | Mixed | Local |
| 10. | BETRAM EKSPORT-IMPORT DOO | Belgrade | Private | Local |
| 11. | BONUM INŽENJERING DOO | Belgrade | Private | Local |
| 12. | BOOM COMPANY DOO | Belgrade | Private | Local |
| 13. | BULLET DOO | Belgrade | Private | Local |
| 14. | CAJAVEC Profesionalna elektronika DOO | Belgrade | Social | Local |
| 15. | CALYPSO GROUP DOO | Belgrade | Private | Local |
| 16. | CAN-YU DOO | Belgrade | Private | Local |
| 17. | CAPRIOLO DOO | Backa Topola | Private | Local |
| 18. | COFIS Export-import DOO | Belgrade | Private | Local |
| 19. | DDA-KOMERC DOO | Leskovac | Private | Local |
| 20. | ELEKTRO INTEREX DOO | Belgrade | Private | Local |
| 21. | ELEKTRONSKO ODELJENJE DOO | Belgrade | Social | Local |
| 22. | EVACO INTERNATIONAL DOO | Zemun | Private | Foreign |
| 23. | FAP-TRANSPORT DOO | Priboj | Mixed | Local |
| 24. | G2 MITCHELL ARMS DOO | Belgrade | Private | Local |
| 25. | GIM DOO | Belgrade | Private | Local |
| 26. | GROF MBM DOO | Petrovac on the Mlava river | Private | Local |
| 27. | HK KRUŠIK FABRIKA 4. NOVEMBAR AD | Mojkovac | Social | Local |
| 28. | HUBERTUS DOO | Ada | Private | Local |
| 29. | IMK 14. Oktobar AD | Krusevac | Mixed | Local |
| 30. | INTER STYLE COMPANY | Belgrade | Private | Local |

| SER. NO. | NAME OF LEGAL PERSON | SEAT | FORM OF OWNERSHIP | ORIGIN OF CAPITAL |
|-------------|---------------------------------------|------------|-------------------|-------------------|
| 31. | INTERATIONAL CG DP | Belgrade | Social | Local |
| 32. | J.N.J Export-Import DOO | Belgrade | Private | Local |
| 33. | JOMIL DOO | Belgrade | Private | Mixed |
| 34. | JUGOHEMIJA AD | Belgrade | Mixed | Local |
| 35. | JUGOIMPORT-MONT DOO | Podgorica | Mixed | Local |
| 36. | JUGOIMPORT-SDPR JP | Belgrade | State-owned | Local |
| 37. | KIPAL EXPORT DOO | Belgrade | Private | Local |
| 38. | KOMET-TIM 93 OD | Cacak | Private | Local |
| 39. | KRUPEX DOO | Belgrade | Private | Local |
| 40. | KRUSIK AD | Valjevo | Social | Local |
| 41. | Livnica preciznih odlivaka AD | Ada | Mixed | Mixed |
| 42. | LIVONA DOO | Belgrade | Private | Local |
| 43. | MAG ETROL DOO | Belgrade | Private | Local |
| 44. | METALIJA Export Import DOO | Belgrade | Private | Local |
| 45. | METEL DOO | Novi Sad | Private | Local |
| 46. | METEOR-STILL DOO | Kragujevac | Private | Local |
| 47. | MIKRO DOO | Београд | Private | Local |
| 48. | MILAN BLAGOJEVIC-NAMENSKA | Lucani | Social | Local |
| 49. | MOL COMMERCE DP | Belgrade | Social | Local |
| 50. | NB I.N.A.T DOO | Kragujevac | Private | Local |
| 51. | OMNICO SYSBI DOO | Belgrade | Private | Local |
| 52. | OZMO COMPANY SZR | Belgrade | Private | Local |
| 53. | PAMPERO DOO | Belgrade | Private | Local |
| 54. | PATRIMONS DOO | Belgrade | Private | Mixed |
| 55. | PMC Inzenjering DOO | Belgrade | Social | Local |
| 56. | PRODUCT COMEX | Belgrade | Private | Local |
| 57. | PROIZVODNJA MILE DRAGIĆ DOO | Zrenjanin | Private | Local |
| 58. | PRVA ISKRA NAMENSKA PROIZVODNJA AD | Baric | Social | Local |
| 59. | PRVI PARTIZAN | Uzice | Social | Local |
| 60. | PUPIN-TELECOM AD | Belgrade | Private | Local |
| 61. | REMONT-REMPROM DOO | Cacak | Social | Local |
| 62. | RTC DOO | Belgrade | Private | Local |
| 63. | RUTEL DOO | Belgrade | Private | Mixed |
| 64. | SAVIHEM DOO | Belgrade | Private | Local |
| 65. | SLOBODA AD | Cacak | Mixed | Local |

| SER. NO. | NAME OF LEGAL PERSON | SEAT | FORM OF OWNERSHIP | ORIGIN OF CAPITAL |
|-------------|---|------------|-------------------|-------------------|
| 66. | SNAJPER DOO | Belgrade | Private | Local |
| 67. | SR ALEKS ARMOR | Belgrade | Private | Local |
| 68. | SSB International Inter Trade DOO | Belgrade | Private | Mixed |
| 69. | TENEX&BOLDRINI | Subotica | Private | Mixed |
| 70. | TP LEMAX ŠABAC | Sabac | Private | Local |
| 71. | TRANSJUG DOO | Belgrade | Private | Local |
| 72. | TRAYAL KORPORACIJA | Krusevac | Social | Local |
| 73. | TROFEJ COMERCE DOO | Belgrade | Private | Local |
| 74. | TURBO COMMERCE DOO | Belgrade | Private | Local |
| 75. | UNI GLOBAL | Belgrade | Private | Local |
| 76. | Vazduhoplovni zavod AIR DEPOT ORAO DOO | Belgrade | Private | Local |
| 77. | VIZUS DOO | Belgrade | Private | Local |
| 78. | YUCONSUP DOO | Belgrade | Private | Foreign |
| 79. | YUGIT COMPANY DOO | Belgrade | Private | Local |
| 80. | ZASTAVA ORUŽJE DP | Kragujevac | Social | Local |

Annex 2A/05

Issued AME export licenses in MD¹

| EXPORT DESTINATION | NUMBER OF ISSUED LICENSES | NUMBER FROM NCL (AME) | VALUE OF ISSUED LICENSES (IN USD)² | DESCRIPTION OF GOODS | QUANTITY (IN MEASUREMENT UNITS) | END-USER COUNTRY | TYPE OF END-USER |
|--------------------|---------------------------------|-----------------------------|--|--|---|-----------------------|---------------------|
| AUSTRIA | 2 | | 1,005,124.00 | rounds, propellant charges, cannon primes | 25,000 pcs; | Austria | Σ |
| ARGENTINA | ₽ | | 31,148.00 | bullets | 1,040 pcs; | Argentina | Σ |
| BULGARIA | 2 | | 84,418.00 | gunpowder, shells | | Bulgaria | Σ |
| ВіН | ∞ | | 833,320.00 | fuzes, mine casings, main charges, mine stabilizers, gunpowder, pistols, revolvers, hunting carbines, igniter match heads, primers, motor spare parts, sparking plugs, technical maintenance a | 640 pcs; 50,000 kg, 389 pcs; 150,000 pcs; 11,000 pcs; 762 pcs; 20 pcs | BiH | Σ |
| BAHRAIN | П | | 28,530.00 | bullets | 300,000 pcs; | Bahrain | Σ |
| BELGIUM | 1 | | 81,420.00 | bullets | 56,000 pcs; | Belgium | Σ |
| GREAT BRITAIN | 2 | | 6,716.00 | submachine guns, pistols | 210 pcs; 5 pcs; | Great Britain | Σ |
| GEORGIA | 1 | | 103,978.00 | explosive charges | 3,248 pcs; | Georgia | Σ |
| DOMINICAN REPUBLIC | 1 | | 253,000.00 | pistols | 1,100 pcs; | Dominican Republic | O |
| ECUADOR | 1 | | 39,700.00 | bullets | 500 pcs; | Ecuador | Σ |
| ЕGYPT | 2 | | 14,860,111.00 | rubez system, anti-air rockets, overhaul, bullet stimulus donor, safety devices, propelling bullet | 53 pcs; 2,229 pcs; | Egypt | Σ |
| INDONESIA | o | | 1,832,393.00 | ammunition, pistols, fuzes, rifle components | 1,247 pcs; 63 pcs; 2,290 pcs; 2,200 pcs; 4,200 pcs; 6,419 pcs; 3,400 pcs; 4,777 pcs; 304 pcs; | Indonesia | Σ |

| EXPORT DESTINATION | NUMBER OF ISSUED LICENSES | NUMBER FROM NCL (AME) | VALUE OF ISSUED LICENSES (IN USD) ² | DESCRIPTION OF GOODS | QUANTITY (IN MEASUREMENT UNITS) | END-USER COUNTRY | TYPE OF END-USER |
|--------------------|---------------------------------|-----------------------------|--|---|---|---------------------|---------------------|
| ISRAEL | 4 | | 2,952,276.00 | bullet components, additional propellant, hand grenade pins, test propellant charge | 15,100 sets; 264,000 pcs; 30,000 pcs; 1,150 pcs | Israel | Σ |
| IRAQ | 3 | | 2,343,530.00 | bullets, pistols, sub machine guns | 5,300,000 pcs; 5,506,000 pcs; 1,150 pcs | Iraq | Σ |
| ITALY | Τ | | 92,874.00 | cartridge cases | 1,460,000 pcs | Italy | Σ |
| ARMENIA | ₽ | | 757,000.00 | automatic grenade launcher, far- reaching rifle, sniper bullet | 4,152 pcs | Armenia | Σ |
| JORDAN | Т | | 177,500.00 | automatic rifles | 500 pcs | Jordan | Σ |
| SOUTH AFRICA | 1 | | 32,063.50 | rounds, cartridge cases | 854,600 pcs | South Africa | Σ |
| KUWAIT | 1 | | 7,674,142.31 | tank components | 12,258 pcs | Kuwait | Σ |
| LIBYA | 2 | | 25,207,246.70 | per specifications | | Libya | Σ |
| MACEDONIA | Τ | | 45,133.00 | pistols, revolvers | 225 pcs | Macedonia | O |
| MYANMAR | 2 | | 16,857,280.00 | aircraft overhaul service, self- propelled gun, ammunition, battery system | 2 pcs; 3,024 pcs; 8 sets | Myanmar | Σ |
| OMAN | 2 | | 11,913.68 | mines, bullets | 60 pcs; 5,600 pcs | Oman | Σ |
| PAKISTAN | ₽ | | 1,170.00 | pistol, submachine gun, automatic rifle | sod g | Pakistan | Σ |
| SAUDI ARABIA | ₽ | | 2,150.00 | optical sight, under-barrel launcher | sod g | Saudi Arabia | Σ |
| SLOVENIA | 2 | | 00.006,76 | non-primed cartridge cases, pistols | 22,300 pcs | Slovenia | Σ |
| SLOVAKIA | 1 | | 1,944,640.00 | shells | 3,200 pcs | Slovakia | Σ |
| USA | 9 | | 32,815,461.00 | ammunition, mine accessories, mortars, rifles, pistols, shots | 266,475 pcs | USA | M, C |
| UGANDA | 1 | | 2,687,600.00 | mines, bullets | 30,669,000 pcs | Uganda | M |
| PHILIPPINES | Т | | 3,257.00 | automatic rifles, spare magazines | 12 sets, 48 pcs | Philippines | M |

| EXPORT DESTINATION | NUMBER OF ISSUED LICENSES | NUMBER FROM NCL (AME) | VALUE OF ISSUED LICENSES (IN USD) ² | DESCRIPTION OF GOODS | QUANTITY (IN MEASUREMENT UNITS) | END-USER COUNTRY | TYPE OF END-USER |
|--------------------|---------------------------------|-----------------------------|--|--|---------------------------------------|---------------------|---------------------|
| THAILAND | 2 | | 129,300.00 | cartridge cases | 11,060 pcs | Thailand | W |
| CZECH REPUBLIC | Н | | 39,350.00 | rifles, submachine guns, machine guns | 570 pcs | Czech Republic | Σ |
| SPAIN | Т | | 6,000.00 | rifles, | 20 pcs | Spain | 0 |
| SWITZERLAND | П | | 53,933.00 | bullets | 3.00 pcs | Switzerland | 0 |
| Total | 89 | | 113,091,578.19 | | | | |

¹ From 01/01/2005 to 31/03/2005, Ministry of Defense

² The value in USD is equivalent to the amount calculated according to the medium exchange rate of NBS on 31/12/2005

N.B. Temporary AME exports have not been shown

Type of end user: M - military; C - civilian

Annex 2/05

Issued AME export licenses¹

| EXPORT DESTINATION | NUMBER OF ISSUED LICENSES | NUMBER FROM NCL (AME) | VALUE OF ISSUED LICENSES (IN USD) ² | DESCRIPTION OF GOODS | QUANTITY (IN MEASUREMENT UNITS) | END-USER COUNTRY | TYPE OF END-USER |
|---------------------------|---------------------------------|-----------------------------|--|--|---------------------------------------|--|---------------------|
| AUSTRALIA | Ŋ | ĸ. | 669,739.09 | ammunition; rounds; cartridge cases | 3,814,000 pcs | Australia | O |
| AUSTRIA | 3 | 3. | 6,772.53 | ammunition components | 84 pcs | Austria | Σ |
| BANGLADESH | Т | 3. | 118,500.00 | ammunition | 15,000 pcs | Bangladesh | Σ |
| BELGIUM | 1 | 1. | 17,405.00 | hunting carbines | 61 pcs | Belgium | ၁ |
| BOSNIA AND HERZEGOVINA | 11 | 1.; 3.; 4.; 8. | 3,777,266.51 | pistols, revolvers, carbines and their spare parts; ammunition components; propellant substances | 3,552,832 pcs; 25,000 kg | ВіН | M/C |
| BULGARIA | 8 | 1.; 3.; 4.; 8. | 1,272,019.66 | pistols and pistol components; propellant substances; propellant charges; automatic grenade launcher | 1,170,180 pcs 18,550 kg | Bulgaria | C/M |
| GREAT BRITAIN | 15 | 1.; 3.; 4.;5. | 4,927,255.98 | mortars; machine guns; automatic, sniper, assault rifles; pistols; carbine; pistol, revolver ammunition; mines; | 7,079,985 pcs | Afghanistan; Great Britain; Georgia; Iraq; Nigeria; Oman; Saudi Arabia; SAD; | M/C |
| GUATEMALA | 1 | 3. | 166,565.00 | pistol and revolver ammunition | 1,355,000 pcs | Guatemala | ၁ |
| GREECE | 2 | τi | 614,000.00 | sniper rifles and components; | 72,232 pcs | USA | O |
| DENMARK | 2 | 1. | 81,656.00 | carbines, ammunition | 450,006 pcs | Denmark | M |
| ЕĞҮРТ | 4 | 1.;13.;17.; 10; | 284,462.70 | military equipment; automatic, sniper rifles; ammunition; cannon components; | 568 pcs; 21 set; 5 pairs; | Egypt | Σ |
| ESTONIA | 1 | 3. | 51,143.56 | ammunition | 23,500 pcs | Estonia | ၁ |
| INDIA | 7 | 3.;1. | 2,736,024.00 | ammunition components; gunpowder; military equipment; ammunition | 802,325 pcs; 40.000 kg | India; Israel; Austria; Iraq; Spain | Σ |

| EXPORT DESTINATION | NUMBER OF ISSUED LICENSES | NUMBER FROM NCL (AME) | VALUE OF ISSUED LICENSES (IN USD) ² | DESCRIPTION OF GOODS | QUANTITY (IN MEASUREMENT UNITS) | END-USER COUNTRY | TYPE OF END-USER |
|--------------------|---------------------------------|-----------------------------|--|---|---------------------------------------|--|---------------------|
| INDONESIA | 1 | 1. | 10,753.21 | rifle components | 400 pcs | Indonesia | N |
| ISRAEL | 18 | 1.;2.; 3.; 4.; | 8,749,326.36 | machine guns; rifle ammunition; rifle grenades; ammunition; inert bomb cross-section; rounds; pistols, shells; artillery ammunition components; | 243.307 pcs; 20,030 sets; | Iraq, Israel, Rwanda, Burkina Faso | Σ |
| ITALY | ю | ю́. | 3,210,349.89 | non-primed cartridge cases; ammunition; | 29,236,828 pcs | Italy | O |
| ARMENIA | 1 | 2.;1.;3. | 765,000.00 | automatic grenade launcher; far- reaching rifle; bullets; | 4,152 pcs | Armenia | Σ |
| JORDAN | 7 | 1.,3. | 3,371,280.00 | submachine gun, rifles, military equipment; grenade launchers, ammunition; rifles | 223,579 pcs | Jordan, Iraq | Σ |
| CANADA | 7 | τi | 788,395.00 | pistols, machine guns | 8,207 pcs | Canada | Σ |
| CYPRUS | വ | 1.;3. | 6,182,436.48 | automatic rifles; ammunition; | 2,347,763 pcs | Iraq, Israel, Cyprus | M/C |
| LATVIA | 1 | 1. | 24,800.00 | carbines; | 105 pcs | Latvia | ၁ |
| MACEDONIA | 7 | 2.; | 00.606,96 | optical sight stand; bullets; bombs; | 10,584 pcs | Macedonia | O |
| HUNGARY | 2 | 1.; | 157,488.93 | carbines; | 450 pcs | Hungary | ပ |
| MYANMAR | 1 | 10.,17.; | 3,272,189.50 | aircraft overhaul, technical documentation | 3,081 pcs; 170 pcs; 2 sets | Myanmar | Σ |
| NAMIBIA | 2 | 1.; 3. | 69,220.00 | carbines, ammunition, rounds, cartridge cases | 407,026 pcs | Namibia | O |
| GERMANY | 10 | 1.; 3.; | 1,054,629.06 | carbines, octogene, ammunition, mechanisms, rifle, polyethylene protective plates, rounds, cartridge cases | 0.5 kg; 1,940,874 pcs | Germany, Denmark | O |
| NEW GUINEA | 1 | 3.; | 32,550.00 | ammunition | 205,000 pcs | New Guinea | M |
| NEW ZEALAND | 1 | 3, | 113,250.00 | ammunition, rounds, cartridge cases | 484,529.00 pcs | New Zealand | ၁ |

| EXPORT DESTINATION | NUMBER OF ISSUED LICENSES | NUMBER FROM NCL (AME) | VALUE OF ISSUED LICENSES (IN USD) ² | DESCRIPTION OF GOODS | QUANTITY (IN MEASUREMENT UNITS) | END-USER COUNTRY | TYPE OF END-USER |
|--------------------|---------------------------------|-----------------------------|--|---|---------------------------------------|--------------------------------|---------------------|
| NORWAY | ⊣ | 3.; | 97,242.62 | rounds, non-primed cartridge cases | 2,276,000 pcs | Norway | O |
| PANAMA | е | 3.; | 137,250.00 | cartridge cases | 37,000 pcs | Israel | O |
| POLAND | 2 | 1.; | 334,471.00 | machine guns, carbines | 1,205 pcs | Iraq, Poland | M/C |
| PORTUGAL | ⊣ | 1.; | 7,445.80 | carbines | 23 pcs | Mozambique | O |
| USA | 36 | 1.; 3.;4.; | 11,288,445.91 | Carbines, rifled mechanisms, ammunition, military equipment, cartridge cases, grenade launchers, pistol grips, rifles, bombs, bomb launcher, bullets, gunpowder, mines, pistols | 25,630,748 pcs; 17,000 kg | USA, Libya, Ireland, Turkey | M/C |
| SEYCHELLES | 4 | 3.; | 6,647,715.80 | ammunition, bullets, electric detonator, mines | 5,893,770 pcs | Georgia | Σ |
| SINGAPORE | ⊣ | Ŧ | 5,150.00 | rifles, | 2 pcs | Indonesia | Σ |
| SLOVAK REPUBLIC | വ | 3.; 10.; 8.; | 507,805.82 | ammunition, cartridge cases, military equipment, explosives | 691,098 pcs; 3,000 kg | Slovak Republic | O |
| SLOVENIA | ∞ | 1.; 3.; | 137,186.62 | hunting carbines; mechanisms; pistols; revolvers; machine guns, ammunition; rounds, cartridge cases, bombs | 896,121 pcs | Slovenia | O |
| UAE | 1 | 2. | 2,500.00 | mortars | 2 pcs | UAE | M |
| FINLAND | 2 | 3.; 1. | 33,752.72 | rounds, cartridge cases, carbines, pistols | 410,143 pcs | Finland | O |
| FRANCE | ∞ | 3.; 1. | 186,560.08 | ammunition, carbines, mechanisms | 1,872 pcs | Nepal, France | M/C |
| CROATIA | 3 | 3.;1. | 152,648.22 | ammunition, carbines | 190,563 pcs | Croatia | О |
| NETHERLANDS | က | 3.;13. | 488,402.00 | ammunition, fire-proof vests, rounds | 5,910,500 pcs | Netherlands | O |
| CZECH REPUBLIC | т | 3;1. | 71,541.70 | carbines, cartridge cases, rifles, machine guns | 10,746 pcs | Czech Republic | C/M |

| EXPORT DESTINATION | NUMBER OF ISSUED LICENSES | NUMBER FROM NCL (AME) | VALUE OF ISSUED LICENSES (IN USD) ² | DESCRIPTION OF GOODS | QUANTITY (IN MEASUREMENT UNITS) | END-USER COUNTRY | TYPE OF END-USER |
|--------------------|---------------------------------|-----------------------------|--|--|---------------------------------------|---------------------|---------------------|
| SWITZERLAND | ဧ | 3.; 1. | 237,091.14 | ammunition, grenade launchers, machine guns | 694,019 pcs | Switzerland, USA | C/M |
| SWEDEN | Т | 3. | 300,044.50 | cartridge cases, rounds | 4,060,000 pcs | Sweden | ၁ |
| SPAIN | 8 | , | 94,975.92 | carbines | 372 pcs | Spain | ၁ |
| Total: | 206 | | 63,351,617.31 | | | | |

1 From 31/03/2005/ to 31/12/2005

² The value in USD is equivalent to the amount calculated according to the medium exchange rate of NBS on 31/12/2005

N.B. Temporary AME exports have not been shown

Type of end user: M - military; C - civilian

Annex 3a/05

Issued arms import licenses at MD¹

| IMPORT DESTINATION | NUMBER OF ISSUED LICENSES | NUMBER FROM NCL (AME) | VALUE OF ISSUED LICENSES (IN USD) ² | DESCRIPTION OF GOODS | QUANTITY (IN MEASUREMENT UNITS) | COUNTRY OF ORIGIN | TYPE OF END USER |
|--------------------|---------------------------------|-----------------------------|--|--|---------------------------------------|--|---------------------|
| ВіН | 9 | | 462,837.07 | multiple rocket launcher, rockets, marine cannon, howitzers, disposables sets, test samples for warheads | 269,161 pcs; 100 sets | Bosnia and Herzegovina | Σ |
| GREAT BRITAIN | е | | 85,325.80 | rifles, ammunition, cartridge cases, rounds, bullets, positioning device, transporter | 31.087 pcs; 30 sets | Great Britain, Switzerland, France | Σ |
| MACEDONIA | Н | | 1,142.40 | launcher | 2.100 pcs | Macedonia | Σ |
| GERMANY | 4 | | 28,830.35 | ABC- filtreabsorption material | 500 m | Germany | M |
| RUSSIAN FEDERATION | 4 | | 79,528.00 | underwater pistols, ammunition, underwater submachine guns | 18 sets; 4.064 pcs | Russian Federation | Σ |
| ROMANIA | 1 | | 1,702.00 | sight components | 18 sets | Romania | M |
| USA | 1 | | 75,751.00 | | 1078 pcs | NSA | M |
| SLOVENIA | 2 | | 193,229.67 | black powder, spare parts | 600 pcs | Slovenia | Σ |
| Total | 16 | | 928,346.29 | | | | |

 $^{^{\}rm 1}$ From 1/01/2005 to 31/03/2005, Ministry of Defense

² The value in USD is equivalent to the amount calculated according to the medium exchange rate of NBS on 31/12/2005

N.B. Temporary AME imports have not been shown

Type of end user: M - military; C - civilian

Annex 3/05

Issued arms import licenses¹

| IMPORT DESTINATION | NUMBER OF ISSUED LICENSES | NUMBER FROM NCL (AME) | VALUE OF ISSUED LICENSES (IN USD)² | DESCRIPTION OF GOODS | QUANTITY (IN MEASUREMENT UNITS) | COUNTRY OF ORIGIN | TYPE OF END USER |
|---------------------------|---------------------------------|-----------------------------|--|--|---------------------------------------|----------------------|---------------------|
| AUSTRIA | വ | 1.1.; 3. | 128,588.70 | pistols, hunting carbines and their ammunition | 2,903 pcs | Austria, Germany | M/C |
| BELARUS | 1 | 1.4. | 23,800.00 | optical sight; | 280 pcs | Belarus | Σ |
| BOSNIA AND HERZEGOVINA | 11 | 1.1.;2.; 3.;6.;7.;16. | 2,786,706.40 | percussion detonator, cannon components, ammunition, gunpowder; optical sight; op. | 195,904,473 pcs/ 46,645 kg | ВіН | Σ |
| BULGARIA | 2 | 3; 8.1.20. | 62,248.00 | el. detonating cap; hexogen | 10,000 pcs / 20,000 kg | Bulgaria | Σ |
| ISRAEL | 1 | 3 | 160,00 | ammunition samples | 32 pcs | Israel | M |
| INDONESIA | 1 | ဇ | 140.00 | samples of cartridge cases and ammunition rounds | 14,000 pcs | Indonesia | Σ |
| ITALY | 2 | 1.1. | 65,154.62 | hunting carbines; rifles; | 25 pcs | Italy | C/M |
| CANADA | 1 | 3. | 20,398.19 | special ammunition | 32 sets and 17,500 pcs | Canada | Σ |
| MACEDONIA | 1 | 1.1. | 354.00 | second-hand hunting carbines; | 1 pc | Germany | O |
| GERMANY | 1 | 1.1. | 4,095.78 | hunting carbines | 3 pcs | Germany | O |
| PORTUGAL | 1 | 1.1. | 43,058.20 | hunting carbines | 90 pcs | Portugal | O |
| ROMANIA | 1 | ю́. | 200.00 | samples of primed cartridge cases | 20,000 pcs | Romania | ω |
| SLOVENIA | 3 | 1.1.;3. | 35,069.60 | carbine spare parts; black powder | 2 pcs; 2,600 kg | Slovenia | C/M |
| TURKEY | Т | 1.1. | 26,000.00 | semiautomatic pistols | 130 pcs | Turkey | Σ |
| UAE | 1 | 3. | 180.00 | ammunition components | 70,000 pcs | UAE | Σ |
| FRANCE | 1 | 3. | 273,199.50 | ammunition components | 10,000,000 pcs | France | Σ |

| IMPORT DESTINATION | NUMBER OF ISSUED LICENSES | NUMBER FROM NCL (AME) | VALUE OF ISSUED LICENSES (IN USD) ² | DESCRIPTION OF GOODS | QUANTITY (IN MEASUREMENT UNITS) | COUNTRY OF ORIGIN | TYPE OF END USER |
|--------------------|---------------------------------|-----------------------------|--|--|---------------------------------------|----------------------|---------------------|
| CZECH REPUBLIC | 3 | ю. | 549,724.24 | gunpowder; bullets; ammunition components | 61,950 pcs; 45,000 kg | Czech Republic | Σ |
| SWITZERLAND | 3 | 1.1.; 3. | 28,492.40 | ammunition components; hunting carbines | 50,112 pcs | Switzerland | Σ |
| Total: | 43 | | 4,047,569.63 | | | | |

From 31/03/2005/ to 31/12/2005
 The value in USD is equivalent to the amount calculated according to the medium exchange rate of NBS on 31/12/2005
 N.B. Temporary AME imports have not been shown
 Type of end user: M - military; C - civilian

Annex 4/05

Issued dual-use goods export licenses

| TYPE OF END USER | 1 |
|---|---|
| END-USER COUNTRY | ı |
| QUANTITY (IN MEASUREMENT UNITS) | 1 |
| DESCRIPTION OF GOODS | - |
| VALUE OF ISSUED LICENSES (IN USD) | 1 |
| NUMBER FROM DUG NCL | - |
| NUMBER OF ISSUED LICENSES | - |
| EXPORT DESTINATION | 1 |

N.B. There were no licensed dual-use exports in 2005

Annex 5/05

Issued dual-use goods import licenses¹

| IMPORT DESTINATION | NUMBER OF ISSUED LICENSES | NUMBER FROM DUAL USE NCL | VALUE OF ISSUED LICENSES (IN USD) ² | DESCRIPTION OF GOODS | QUANTITY (IN MEASUREMENT UNITS) | COUNTRY OF ORIGIN | TYPE OF END USER |
|--------------------|---------------------------------|-----------------------------------|--|-------------------------------|---------------------------------------|----------------------|---------------------|
| AUSTRIA | က | 6A 102 | 21,550.00 | X-ray detection sensor | 6 pcs; | USA | Σ |
| BELARUS | ₽ | OA 001j | 2,080.34 | Neutral and gamma ray meter | 1 pc; | Russian Federation | Σ |
| GREAT BRITAIN | ₽ | 6A 102 | 73,870.00 | portable spectroscopic system | 1 set; | USA | Σ |
| FRANCE | П | 6A 102 | 1,298.00 | X-ray detection sensor | 3 pcs; | France | M |
| USA | П | 7A 102 | 3,117.00 | gyroscopes | 2 pcs; | USA | M |
| GERMANY | П | 6A 102 | 2,594.50 | X-ray detection sensor | 3 pcs; | G. Britain | W |
| SLOVAK REPUBLIC | Т | 1C 350 | 110,448.00 | triethanol amine | 80 t; | Slovak Republic | 0 |
| SLOVENIA | Т | 1 0002646 | 8,755.60 | allum. bar | 2,000 kg | Slovenia | W |
| Total: | 10 | | 223,713.44 | | | | |

¹ From 31/03/2005/ to 31/12/2005

² The value in USD is equivalent to the amount calculated according to the medium exchange rate of NBS on 31/12/2005

Type of end user: M - military; C - civilian

Annex 6/05

AME Exports¹

| EXPORT DESTINATION | NUMBER OF ISSUED LICENSES | VALUE OF ISSUED LICENSES (IN USD)2 | EXPORT VALUE ³ (IN USD) ² | NUMBER FROM AME NCL | DESCRIPTION OF GOODS | END-USER COUNTRY | TYPE OF END-USER |
|---------------------------|---------------------------------|--|--|---------------------------|--|--|---------------------|
| AUSTRALIA | Ŋ | 669,739.09 | 657,846.46 | ю́ | ammunition; rounds; cartridge cases | Australia | O |
| AUSTRIA | е | 6,772.53 | 6,072.53 | 3. | ammunition components | Austria | Σ |
| BANGLADESH | ⊣ | 118,500.00 | 118,500.00 | 3. | ammunition | Bangladesh | Σ |
| BELGIUM | ⊣ | 17,405.00 | 17,405.00 | तं | hunting carbines | Belgium | O |
| BOSNIA AND HERZEGOVINA | 11 | 3,777,266.51 | 2,287,486,11 | 1.; 3.; 4.; 8. | pistols, revolvers, carbines and their spare parts; ammunition components; propellant substances | ВІН | C/M |
| BULGARIA | 8 | 1,272,019.66 | 726,111.66 | 1.; 3.; 4.; 8. | pistols and pistol components; propellant substances; propellant charges; automatic grenade launcher | Bulgaria | C/M |
| GREAT BRITAIN | 15 | 4,927,255.98 | 4,154,494.00 | 1.; 3.; 4.;5. | mortars; machine guns; automatic, sniper, assault rifles; pistols; carbine; pistol, revolver ammunition; mines; | Afghanistan; Great Britain; Georgia; Iraq; Nigeria; Oman; Saudi Arabia; SAD; | M/C |
| GUATEMALA | Τ | 166,565.00 | 166,565.00 | 3. | pistol and revolver ammunition | Guatemala | O |
| GREECE | 2 | 614,000.00 | 464,000.00 | ti | sniper rifles and components; | USA | O |
| DENMARK | 2 | 81,656.00 | 81,656.00 | 1. | carbines, ammunition | Denmark | M |
| ЕGYРТ | 4 | 284,462.70 | 284,462.70 | 1.;13.;17.; 10; | military equipment; automatic, sniper rifles; ammunition; | Egypt | Σ |
| ESTONIA | 1 | 51,143.56 | 00:00 | 3. | ammunition | Estonia | O |
| INDIA | 7 | 2,736,024.00 | 751,241.00 | 3,1., | ammunition components; gunpowder; military equipment; ammunition | India; Israel; Austria; Iraq; Spain | Σ |

| EXPORT DESTINATION | NUMBER OF ISSUED LICENSES | VALUE OF ISSUED LICENSES (IN USD)2 | EXPORT VALUE ³ (IN USD) ² | NUMBER FROM AME NCL | DESCRIPTION OF GOODS | END-USER COUNTRY | TYPE OF END-USER |
|--------------------|---------------------------------|--|--|---------------------------|--|--|---------------------|
| INDONESIA | ₽ | 10,753.21 | 10,753,21 | Ť. | rifle components | Indonesia | Σ |
| ISRAEL | 18 | 8,749,326.36 | 5,917,359.20 | 1.,2., 3., 4.; | machine guns; rifle ammunition; rifle grenades; ammunition; inert bomb cross-section; rounds; pistols, shells; artillery ammunition components | Iraq, Israel, Rwanda, Burkina Faso | Σ |
| ITALY | ဧ | 3,210,349.89 | 535,405.99 | 3. | non-primed cartridge cases; ammunition; | Italy | O |
| ARMENIA | ₹ | 765,000.00 | 765,000.00 | 1. | automatic grenade launcher; far- reaching rifle; bullets | Armenia | Σ |
| JORDAN | 7 | 3,371,280.00 | 603,510.00 | 1.;3.; | submachine gun, rifles, military equipment; grenade launchers, ammunition; rifles | Jordan, Iraq | Σ |
| CANADA | 2 | 788,395.00 | 740.00 | 1.; | pistols, machine guns | Canada | O |
| CYPRUS | 2 | 6,182,436.48 | 1,097,425.00 | 1.;3; | automatic rifles; ammunition; | Iraq, Israel | M/C |
| LATVIA | 1 | 24,800.00 | 00.00 | 1. | hunting carbines | Latvia | O |
| MACEDONIA | 2 | 00.606,96 | 96,647.00 | 1.;3.;4.; | optical sight stand; bullets; bombs; | Macedonia | O |
| HUNGARY | 2 | 157,488.93 | 14,285.55 | 1. | carbines | Hungary | O |
| MYANMAR | 1 | 3,272,189.50 | 3,272,189.50 | 10.;17; | aircraft overhaul, technical documentation | Myanmar | Σ |
| NAMIBIA | 2 | 69,220.00 | 69,220.50 | 1., 3. | carbines, ammunition, rounds, cartridge cases | Namibia | O |
| GERMANY | 10 | 1,054,629.06 | 745,158.72 | 1., 3. | carbines, octogene, ammunition, mechanisms, rifle, polyethylene protective plates, rounds, cartridge cases | Germany, Denmark | O |
| NEW GUINEA | 1 | 32,550.00 | 00.00 | 3. | ammunition | New Guinea | M |
| NEW ZEALAND | 1 | 113,250.00 | 113,250.50 | 3. | ammunition | New Zealand | O |

| EXPORT DESTINATION | NUMBER OF ISSUED LICENSES | VALUE OF ISSUED LICENSES (IN USD)2 | EXPORT VALUE ³ (IN USD) ² | NUMBER FROM AME NCL | DESCRIPTION OF GOODS | END-USER COUNTRY | TYPE OF END-USER |
|--------------------|---------------------------------|--|--|---------------------------|--|--------------------------------|---------------------|
| NORWAY | ₽ | 97,242.62 | 97,242.62 | ю́ | rounds, non-primed cartridge cases | Norway | O |
| PANAMA | е | 137,250.00 | 70,150.00 | 3.; | cartridge cases | Israel | O |
| POLAND | 2 | 334,471.00 | 334,471.00 | 1.; | machine guns, carbines | Iraq, Poland | Σ |
| PORTUGAL | ₽ | 7,445.80 | 7,445.80 | 1.; | carbines | Mozambique | O |
| USA | 36 | 11,288,445.91 | 4,129,024.70 | 1.,3,,4. | Carbines, rifled mechanisms, ammunition, nilitary equipment, cartridge cases, grenade launchers, pistol grips, rifles, bombs, bomb launcher, bullets, gunpowder, mines, pistols | USA, Libya, Ireland, Turkey | M/C |
| SEYCHELLES | 4 | 6,647,715.80 | 2,109,122.00 | ю́ | ammunition, bullets, electric detonator, mines | Georgia | Σ |
| SINGAPORE | Т | 5,150.00 | 00:00 | 1. | rifles | Indonesia | Σ |
| SLOVAK REPUBLIC | വ | 507,805.82 | 469,776.78 | 3.;10.;8. | ammunition, cartridge cases, military equipment, explosives | Slovakia | O |
| SLOVENIA | 80 | 137,186.62 | 135,305.32 | 1. | hunting carbines; mechanisms; pistols; revolvers; machine guns, ammunition; rounds, cartridge cases, bombs | Slovenia | v |
| UAE | 1 | 2,500.00 | 2,500.00 | 2. | mortars | UAE | Σ |
| FINLAND | 2 | 33,752.72 | 28,565.44 | 3.;1. | rounds, cartridge cases, carbines, pistols | Finland | S |
| FRANCE | ∞ | 186,560.08 | 114,558.20 | 3.; 1. | ammunition, carbines, mechanisms | Nepal, France | M/C |
| CROATIA | ო | 152,648.22 | 124,993.74 | 3.;1. | ammunition, carbines | Croatia | O |
| NETHERLANDS | ε | 488,402.00 | 187,856.00 | 3.; 13.; | ammunition, fire-proof vests, rounds | Netherlands | ၁ |
| CZECH REPUBLIC | က | 71,541.70 | 66,284.80 | 3.; 1. | carbines, cartridge cases, rifles, machine guns | Czech Republic | C/M |

| EXPORT DESTINATION | NUMBER OF ISSUED LICENSES | VALUE OF ISSUED LICENSES (IN USD) ² | EXPORT VALUE ³ (IN USD) ² | NUMBER FROM AME NCL | DESCRIPTION OF GOODS | END-USER COUNTRY | TYPE OF END-USER |
|--------------------|---------------------------------|--|--|---------------------------|--|---------------------|---------------------|
| SWITZERLAND | 8 | 237,091.14 | 237,091.14 | 3.; 1. | ammunition, grenade launchers, machine guns | Switzerland, USA | C/M |
| SWEDEN | 1 | 300,044.50 | 300,044.50 | 3. | cartridge cases, rounds | Sweden | ၁ |
| SPAIN | 3 | 94,975.92 | 53,426.90 | . 1 | carbines | Spain | ပ |
| Total: | 206 | 63,351,617.31 | 31,424,644.57 | | | | |

1 From 31/03/2005/ to 31/12/2005

² The value in USD is equivalent to the amount calculated according to the medium exchange rate of NBS on 31/12/2005

³ Information about AME exports realized obtained from exporters

N.B. Temporary AME exports have not been shown. Type of end user: M - military; C - civilian

Annex 7/05

AME imports¹

| IMPORT DESTINATION COUNTRY | NUMBER OF ISSUED LICENSES | VALUE OF ISSUED LICENSES (IN USD) | VALUE OF IMPORT2 (IN USD) | NUMBER FROM MILITARY NCL | DESCRIPTION OF GOODS | COUNTRY OF ORIGIN | TYPE OF END USER |
|-------------------------------|---------------------------------|---|---------------------------|--------------------------------|--|-------------------|---------------------|
| AUSTRIA | ιΩ | 128,588.70 | 107,432.49 | 1.1.; 3. | pistols, hunting carbines and their ammunition | Austria, Germany | M/C |
| BELARUS | П | 23,800.00 | 23,800.00 | 1.4. | optical sight; | Belarus | Σ |
| BOSNIA AND HERZEGOVINA | 11 | 2,786,706.40 | 1,216,062.90 | 1.1.; 2.; 3.; 6.; 7.; 16. | percussion detonator, cannon components, ammunition, gunpowder; optical sight; op. primers; | BIH | Σ |
| BULGARIA | 2 | 62,248.00 | 28,500.00 | 3; 8.1.20. | el. detonating cap; hexogen | Bulgaria | Σ |
| SRAEL | Т | 160.00 | 160.00 | 8 | ammunition samples | Israel | Σ |
| INDONESIA | 1 | 140.00 | 140.00 | 3 | samples of cartridge cases and ammunition rounds | Indonesia | Σ |
| ITALY | 2 | 65,154.62 | 65,154.62 | 1.1. | hunting carbines; rifles; | Italy | C/M |
| CANADA | 1 | 20,398.19 | 20,398.19 | 3. | special ammunition | Canada | M |
| MACEDONIA | 1 | 354.00 | 354.00 | 1.1. | second-hand hunting carbines; | Germany | C |
| GERMANY | 1 | 4,095.78 | 4,095.78 | 1.1. | hunting carbines | Germany | С |
| PORTUGAL | 1 | 43,058.20 | 43,058.20 | 1.1. | hunting carbines | Portugal | C |
| ROMANIA | ₽ | 200.00 | 0.00 | 3. | samples of primed cartridge cases | Romania | Σ |
| SLOVENIA | 3 | 35,069.60 | 34,338.00 | 1.1.; 3. | carbine spare parts; black powder | Slovenia | C/M |
| TURKEY | 1 | 26,000.00 | 0.00 | 1.1. | semiautomatic pistols | Turkey | M |
| | 1 | 180.00 | 180.00 | 3. | ammunition components | UAE | M |
| FRANCE | П | 273,199.50 | 0.00 | 33 | ammunition components | France | × |
| CZECH REPUBLIC | ო | 549,724.24 | 210,073.04 | ю́. | gunpowder; bullets; ammunition components | Czech Republic | Σ |

| IMPORT DESTINATION COUNTRY | NUMBER OF ISSUED LICENSES | VALUE OF ISSUED LICENSES (IN USD) | VALUE OF IMPORT2 (IN USD) | NUMBER FROM MILITARY NCL | DESCRIPTION OF GOODS | COUNTRY OF ORIGIN | TYPE OF END USER |
|-------------------------------|---------------------------------|---|------------------------------|--------------------------------|---|----------------------|---------------------|
| SWITZERLAND | ю | 28,492.40 | 28,492.40 | 1.1.; 3. | ammunition components; hunting carbines | Switzerland | M/C |
| Total: | 43 | 4,047,569.63 | 1,782,239.62 | | | | |

 1 From 31/03/2005/ to 31/12/2005

² Information about AME imports realized obtained from importers

Type of end user: M - military; C - civilian

Annex 8/05

Dual-use goods exports¹

| TYPE OF END USER | - |
|---|---|
| END-USER COUNTRY | , |
| QUANTITY (IN MEASUREMENT UNITS) | ı |
| DESCRIPTION OF GOODS | ı |
| NUMBER FROM NCL (DUAL-USE) | ı |
| VALUE OF EXPORTS (IN USD) | - |
| VALUE OF ISSUED LICENSES (IN USD) | 1 |
| NUMBER OF ISSUED LICENSES | |
| EXPORT DESTINATION | ı |

N.B. There were no licensed dual-use exports in 2005

Annex 9/05

Dual-use goods imports¹

| IMPORT DESTINATION COUNTRY | NUMBER OF ISSUED LICENSES | VALUE OF ISSUED LICENSES (IN USD)² | VALUE OF IMPORT (IN USD) ² | NUMBER FROM DUG NCL | DESCRIPTION OF GOODS | COUNTRY OF ORIGIN | TYPE OF END USER |
|-------------------------------|---------------------------------|--|--|---------------------------|-------------------------------|--------------------|---------------------|
| AUSTRIA | 8 | 21,550.00 | 11,970.00 | 6A 102 | X-ray detection sensor | NSA | N |
| BELARUS | 4 | 2,080.34 | 2,080.34 | 0A 001j | Neutral and gamma ray meter | Russian Federation | Σ |
| GREAT BRITAIN | Т | 73,870.00 | 73,870.00 | 6A 102 | portable spectroscopic system | USA | M |
| FRANCE | 1 | 1,298.00 | 1,298.00 | 6A 102 | X-ray detection sensor | France | M |
| USA | Τ | 3,117.00 | 3,117.00 | 7A 102 | gyroscope | USA | M |
| GERMANY | Т | 2,594.50 | 2,594.50 | 6A 102 | X-ray detection sensor | G. Britain | M |
| SLOVAK REPUBLIC | Η | 110,448.00 | 44,309.00 | 1C 350 | triethanol amine | Slovak Republic | ၁ |
| SLOVENIA | н | 8,755.60 | 8,790.60 | 1 C002b4b | allum. bar | Slovenia | Σ |
| Total: | 10 | 223,713.44 | 148,029.44 | | | | |

1 From 31/03/2005 to 31/12/2005

² The value in USD is equivallent to the amount calculated according to the medium exchange rate of NBS on 31/12/2005

Annex 10/05

Denied arms export applications¹

| EXPORT DESTINATION | NUMBER OF DENIALS | NUMBER FROM AME NCL | VALUE (IN USD)2 | DESCRIPTION OF GOODS | QUANTITY (IN MEASUREMENT UNITS) | END-USER COUNTRY | TYPE OF END- USER |
|--------------------|----------------------|---------------------------|-----------------|----------------------|---------------------------------------|---------------------|----------------------|
| BULGARIA | Н | ω. | 33,748.00 | хекстол | 13,000 kg | Bulgaria | O |
| GREAT BRITAIN | Н | 3. | 18,800.00 | ammunition | 200,000 pcs | Great Britain | 0 |
| LITHUANIA | Н | 3. | 13,426.04 | ammunition | 56,200 pcs | Lithuania | 0 |
| MACEDONIA | Н | 3. | 10,856.00 | ammunition | 100,000 pcs | Macedonia | 0 |
| NEW CALEDONIA | Н | 1. | 2,873.30 | carbines | 10 pcs | New Caledonia | 0 |
| POLAND | Н | Ţ. | 15,576.00 | carbines | 55 pcs | Poland | O |
| SLOVENIA | 1 | 3. | 58,711.25 | ammunition, rounds | 525,100 pcs | Slovenia | 0 |
| UAE | Т | 4. | 75,099.00 | squoq | 8,163 pcs | Nigeria | 0 |
| CZECH REPUBLIC | 4 | 1. | 40,785.00 | rifles, machine guns | 695 pcs | Czech Republic | 0 |
| Total: | 6 | | 269.874.59 | | | | |

¹ From 31/03/2005 to 31/12/2005

 2 The value in USD is equivallent to the amount calculated according to the medium exchange rate of NBS on 31/12/2005

Annex 11/05

Denied arms import applications¹

| IMPORT DESTINATION | NUMBER OF DENIALS | NUMBER FROM AME NCL | VALUE (IN USD) ² | DESCRIPTION OF GOODS | QUANTITY (IN MEASUREMENT UNITS) | COUNTRY OF ORIGIN | TYPE OF END USER |
|--------------------|----------------------|---------------------------|-----------------------------|-------------------------|---------------------------------------|----------------------|---------------------|
| AUSTRIA | 1 | 1 | 48,007.26 | pistols with components | 137 pcs; 610 pcs | Austria | O |
| Total: | 1 | | 00'0 | | | | |

1 From 31/03/2005 to 31/12/2005

² The value in USD is equivallent to the amount calculated according to the medium exchange rate of NBS on 31/12/2005

Annex 12/05

Denied dual-use goods export applications

| TYPE OF END USER | - |
|---------------------------------------|---|
| END-USER COUNTRY | - |
| QUANTITY (IN MEASUREMENT UNITS) | - |
| DESCRIPTION OF GOODS | • |
| VALUE (IN USD) | - |
| NUMBER FROM DUG NCL | - |
| NUMBER OF ISSUED LICENSES | - |
| EXPORT DESTINATION | 1 |

N.B. There were no denials for export of dual-use goods in 2005

Annex 13/05

Denied dual-use goods import applications

| TYPE OF END USER | - |
|---------------------------------------|---|
| COUNTRY OF ORIGIN | - |
| QUANTITY (IN MEASUREMENT UNITS) | - |
| DESCRIPTION OF GOODS | • |
| VALUE (IN USD) | - |
| NUMBER FROM DUG NCL | - |
| NUMBER OF ISSUED LICENSES | - |
| IMPORT DESTINATION | 1 |

N.B. There were no denials for import of dual-use goods in 2005

ANNEXES 1/06-13/06

Foreign Trade in Controlled Goods in 2006

Annex 1/06

List of legal entities registered for foreign trade in arms, military equipment and dual-use goods in 2006

| SER. NO. | NAME OF LEGAL ENTITY | SEAT | FORM OF OWNERSHIP | ORIGIN OF CAPITAL |
|-------------|----------------------------|-------------------|----------------------|-------------------|
| 1. | CATENA NET d.o.o. | Belgrade | Private | Local |
| 2. | CHORTAN Co d.o.o. | Belgrade | Private | Local |
| 3. | CPR IMPEX d.o.o. | Belgrade | Private | Local |
| 4. | DEX d.o.o. | Belgrade | Private | Local |
| 5. | ELMONT-ENGINEERING d.o.o. | Belgrade | Private | Local |
| 6. | GALEB AVIATION d.o.o. | Belgrade | Private | Local |
| 7. | HUBERTUS d.o.o. VRŠAC | Vrsac | Private | Local |
| 8. | IVEX d.o.o. | Belgrade | Private | Local |
| 9. | MELVALE CORPORATION d.o.o. | Belgrade | Private | Local |
| 10. | PROANALYTICA d.o.o. | Belgrade | Private | Local |
| 11. | S.G.PROMET d.o.o. | Sremska Mitrovica | Private | Local |
| 12. | TISAB d.o.o. | Belgrade | Private | Local |
| 13. | TRION d.o.o. | Belgrade | Private | Local |
| 14. | UNIVERZAL-HOLDING AD | Belgrade | Private | Local |
| 15. | ZAŠTITA PLUS d.o.o. | Belgrade | Private | Local |

Annex 2/06

Issued AME export licenses¹

| EXPORT DESTINATION | NUMBER OF ISSUED LICENSES | NUMBER NCL (AME) | VALUE OF ISSUED LICENSES3 (IN USD) ² | DESCRIPTION OF GOODS | QUANTITY (IN MEASUREMENT UNITS) | END-USER COUNTRY | TYPE OF END-USER |
|---------------------------|---------------------------------|---|---|---|---------------------------------------|---|---------------------|
| AUSTRALIA | 1 | 3.; | 13,202.00 | ammunition; | 57,000 pcs; | Australia | O |
| AUSTRIA | 9 | 1.1; 8.5.41.; 23.4.3; | 1,187,488.52 | rifles; explosive charges; smoke grenades; cartridges; smoke- emitting bombs, signal rockets, illuminating shells; | 307,067 pcs; | Austria | O |
| BELGIUM | 2 | 1.1; 3.; | 10,795,250.10 | ammunition; hunting carbines; | 43,498,790 pcs; | Belgium | ပ |
| BOSNIA AND HERZEGOVINA | 14 | 1.1; 3.; 8.2; 5.; | 1,959,772.02 | pistols; revolvers; carbines; rifles; rifle spare parts; ammunition; tracers; raw gunpowder; gunpowder; | 1,223,510 pcs; | ВіН | O |
| BULGARIA | 12 | 1.1; 3.; 4.2; 8.1.3; 8.2.5; 10.; 16; | 4,684,581.40 | hunting carbines; rifles; ammunition; gunpowder; fuel tank; delayed action round; military helmets; | 4,742,550 pcs; 17,000 kg; | ВіН | O |
| GREAT BRITAIN | 19 | 1.1; 3; 4.1; 7.5; 7.32; | 1,069,666.30 | submachine guns; pistols; carbines; mines; ammunition; submachine gun components; grenade launcher; military equipment; ammunition; rounds, | 2,966,764 pcs; 12; 1,400 l; | Nigeria; Georgia; Oman; Pakistan; Libya; Iraq; Great Britain; Qatar; Brazil; Spain; | Σ |
| GUATEMALA | 3 | 3.; | 555,725.89 | ammunition | 4,515,500 pcs; | Guatemala | O |
| GREECE | 1 | 1.1, | 94,500.00 | Rifles without barrels; | 1,000 pcs; | NSA | C |
| DENMARK | 2 | 1.1; 3; | 2,580.70 | pistols; pistol components; ammunition | 6,502 pcs; | Denmark | O |
| DOMINICAN REPUBLIC | 2 | 3.; | 275,680.00 | rounds; ammunition; | 1,525,500 pcs; | Dominican Republic | O |
| EGYPT | 9 | 3.; 4.1; 6.; 9.1; 9.5; | 1,695,376.49 | craft tube; celluloid cap; AME spare parts; diesel motor; anti- armour rocket; smoke grenades; | 66,544 pcs; 2 sets; 10 pcs; | Egypt | Σ |
| ESTONIA | 1 | 1.1; | 22,532.00 | hunting carbines | 59 pcs; | Estonia | ၁ |

| EXPORT DESTINATION | NUMBER OF ISSUED LICENSES | NUMBER NCL (AME) | VALUE OF ISSUED LICENSES3 (IN USD) ² | DESCRIPTION OF GOODS | QUANTITY (IN MEASUREMENT UNITS) | END-USER COUNTRY | TYPE OF END-USER |
|---------------------------|---------------------------------|------------------------|---|---|--|---|---------------------|
| INDIA | 6 | 3.; 8.2.5; 13.1; | 2,676,002.34 | ammunition; bullets; celluloid cases (empty); mortar bombs, gun powder; propellant charges; polyethylene protective plates; | 93,56,430 pcs; | Equatorial Guinea; Israel; Gabon; | M,C |
| INDONESIA | 2 | 2.1; 3.; | 474,809.96 | ammunition; mines; rifle spare parts | 15,964 pcs; | Indonesia | Σ |
| ISRAEL | 20 | 1.1; 3; 18.1; | 3,808,975.00 | rounds; ammunition; pistols; rifles; bullets; tank ammunition components; ;cleaning magazine; octogene | 3,874,203 pcs; 300 kg; 10,000,000 pcs; | Israel, Trinidad and Tobago; Columbia; Tanzania; Iraq; Chad; Burkina Faso; Senegal; | Σ |
| ITALY | 2 | 1.1; 3.; | 2,522,597.50 | rifles; rounds; cartridge cases | 32,050,120 pcs | Italy | O |
| IRELAND | 1 | 1.1; | 14,242.32 | hunting carbines and carbine components | 65 pcs; | Ireland | O |
| ARMENIA | 1 | 2.3; 3.3; | 110,274.00 | optical sights; sight rectification tube; | 104 pcs; | Armenia | Σ |
| JORDAN | 9 | 1.1; 3., 4.1; | 5,231,187.00 | ammunition; automatic rifles magazine; electrical detonator; hand smoke grenades; bullets; shells; rifles; machine guns; | 3,665,664 pcs; | Iraq, Jordan | Σ |
| SOUTH AFRICAN REPUBLIC | വ | 1.1, 3.; | 310,664.75 | ammunition; barreled mechanisms; hunting carbines | 1,304,118 pcs; | South Africa; Zambia | O |
| SOUTH KOREA | 2 | 1.1; | 6,683.00 | rifles; | 5 pcs; | South Korea; Pakistan | Σ |
| CANADA | 2 | 1.1; | 35,050.00 | rifles; | 9 pcs; | Canada | O |
| CYPRUS | 80 | 1.1; 2.1; 2.2; 4.1; | 5,444,739.11 | rifles; shells; cannon spare parts; rifles, pistols, machine guns and howitzers; guided missiles; tubes for anti-aircraft cannon | 10,228 pcs; | Cyprus; Lebanon; Bangladesh | Σ |
| COSTA RICA | 1 | 1.1; | 9,111.05 | pistols; hunting carbines; carbine components | 72 pcs; | Costa Rica | Σ |
| KUWAIT | 1 | 6.; | 229,832.40 | pipe; cooler | 107 pcs; | Kuwait | Δ |

| EXPORT DESTINATION | NUMBER OF ISSUED LICENSES | NUMBER NCL (AME) | VALUE OF ISSUED LICENSES3 (IN USD) ² | DESCRIPTION OF GOODS | QUANTITY (IN MEASUREMENT UNITS) | END-USER COUNTRY | TYPE OF END-USER |
|--------------------|---------------------------------|---------------------|---|--|---------------------------------------|---------------------|---------------------|
| LATVIA | 4 | 1.1. | 27,325.00 | hunting carbines | 105 pcs; | Latvia | O |
| LEBANON | ₽ | 4.1. | 170,000.00 | mines; | 25,000 pcs; | Lebanon | Σ |
| LIBYA | 4 | 1.1. | 11,497,148.50 | hunting carbines; pistols; explosive charges; | 7 pcs; 71 set; | Libya | Σ |
| MACEDONIA | 10 | 1.1; 2.3; 3. | 308,311.87 | hunting carbines; pistols; submachine guns; ammunition; optical sight stand; | 1,77,407 pcs; | Macedonia | O |
| HUNGARY | Ŋ | 3.; 8.1.7. | 1,061,812.43 | octogene; gun powder; ammunition | 110,000 pcs; 89.340 kg; | Hungary, BiH | C,M |
| MYANMAR | 2 | 2 | 13,845,600.00 | howitzer sets; build-in services; self propelled gun | 1,578 pcs; | Myanmar | Σ |
| NAMIBIA | Т | 3. | 156,100.00 | ammunition; | 453,750 pcs; | Namibia | ၁ |
| GERMANY | ō | 1.1; 3. | 849,452.78 | ammunition; rounds; cartridge cases; hunting carbines; rifles; submachine guns | 2,124,734 pcs; | Germany | C,M |
| NEPAL | 2 | 1.1. | 1,120.00 | rifles, submachine guns; | 4 pcs; | Nepal | Σ |
| NEW ZEALAND | ₽ | 3. | 168,154.22 | ammunition; | 623,000 pcs; | New Zealand | O |
| NEW CALEDONIA | 1 | 1.1. | 3,189.85 | hunting carbines | 10 pcs; | New Caledonia | ၁ |
| NORWAY | 2 | 1.1; 3. | 32,311.15 | hunting carbines; ammunition | 70,040 pcs; | Norway | ၁ |
| PANAMA | 6 | 2.; 3.; 4.1. | 1,137,613.17 | bullets; cartridge cases; neutralization rifles; thrusting levers | 246,300 pcs; | Uganda; Israel | Σ |
| PAKISTAN | 4 | 1.1; 3. | 143,946.00 | heavy sniper equipment; rifles; pistols; ammunition | 505,752 pcs; | Pakistan | C,M |
| PERU | 1 | 1.1. | 2,030.00 | rifles; | 2 pcs; | Peru | Σ |
| PORTUGAL | П | 1.1. | 15,169.00 | hunting carbines | 91 pcs; | Mozambique | ၁ |
| ROMANIA | Ŋ | 3.8.1; 8.2 | 935,505.28 | gun powder; fireworks | 128,086 kg; | Romania | O |

| NUMBER NUMBER VALUE OF ISSUED OF ISSUED NCL (AME) (IN USD)2 | | SSUED ES3 | DESCRIPTION OF GOODS ammunition; cartridge cases; | QUANTITY (IN MEASUREMENT UNITS) | END-USER COUNTRY | TYPE OF END-USER |
|---|-----|----------------|--|---------------------------------------|--|---------------------|
| 32 1.1; 3,;18.; | | 263,643,508.72 | rounds; mines; bullets; rifles; hunting carbines; pistols; bullet- proof vests; bullet components machine; installation and supervision; rifle spare parts; far-reaching rifle; barreled mechanisms; | 319,535,035 pcs; | USA; Columbia; Ireland; Afghanistan; Liberia; Niger; Chad; Chile | M, C |
| 2 3.; 10.7; | | 977,177.72 | ammunition; explosive charges for ejection of pilot's seat | 27,048 pcs; | Armenia, Georgia | Σ |
| 6 1.1; 3.; 8.1.7; | | 448,778.00 | Gunpowder; propellant charge; rifles; rifle components; ammunition | 1,005,123 pcs; | Netherlands, Spain; Canada; Israel | O |
| 7 1.1; 3.; 1, | ਜੰ | 1,190,622.00 | rifles, pistols; ammunition; | 5,343 pcs; | Indonesia, Sri Lanka | Σ |
| 7 3., 8.1.7; 5 | Ω | 554,465.92 | explosives; gun powder; cartridge cases; ammunition; instruments; bullets | 676,353 pcs; 11,000 kg. | Slovak Republic | ပ |
| 7 1.1; 4.1; 250, | 255 | 0,055.40 | hunting carbine barrels; barreled mechanisms; trigger mechanisms; pistols; revolvers; hunting carbines; recoil regulator for semi- automatic rifles; drill primers; fuses; | 41,658 pcs; | Slovenia | v |
| 1 3.; | | 90.00 | ammunition; | 500 pcs; | Thailand | ၁ |
| 2 3:, 18.4; 381 | 38 | 31,110.00 | cartridge cases; static and dynamic rocket models; | 500 pcs; | Turkey | Σ |
| 3 3.; 4.1; 637 | .89 | 7,024.00 | cartridge cases; rounds; hand grenades; | 5,608,163 pcs; | UAE | Σ |
| 2 1.1; | T . | 15,685.94 | hunting carbines; | 43 pcs; | Finland | O |
| 10 1.1; 1.4,3.; 2,4 | 2,4 | 2,440,871.31 | cartridge cases; rounds; bullets; ammunition; hunting carbines; carbine components; rifles; rifle silencers | 2,240,968 pcs; | France, Cameron | v |

| EXPORT DESTINATION | NUMBER OF ISSUED LICENSES | NUMBER NCL (AME) | VALUE OF ISSUED LICENSES3 (IN USD) ² | DESCRIPTION OF GOODS | QUANTITY (IN MEASUREMENT UNITS) | END-USER COUNTRY | TYPE OF END-USER |
|--------------------|---------------------------------|---------------------|---|---|---------------------------------------|---------------------|---------------------|
| CROATIA | 9 | 1.1; 3; | 549,082.57 | ammunition; bullets; carbines; revolvers; pistols | 2,801,944 pcs; | Croatia | O |
| NETHERLANDS | S | 3., 13.4; | 1,002,359.60 | ammunition; rounds; bullet-proof vests; bullet-proof plates | 2,707,000 pcs; | Netherlands, | O |
| MONTENEGRO | 4 | 8.2.5; | 115,300.96 | double-base propellant; explosive charges; preventive endoscopic check-up of motors | 4,150 pcs; 588 kg; | Montenegro | Σ |
| CZECH REPUBLIC | 2 | 1.1; 3.; | 43,721.25 | hunting carbines; ammunition; | 15,024 pcs | Czech Republic | O |
| SWITZERLAND | 2 | 3.; | 255,708.07 | ammunition | 1,268,000 pcs | Switzerland | O |
| SWEDEN | 3 | 3.; | 65,631.00 | rounds | 1,100,000 pcs; | Sweden | ၁ |
| SPAIN | 5 | 1.1; 3.; | 171,372.45 | rifles; hunting carbines; rounds; cartridge cases; carbine spare parts | 70 pcs; | Spain | ပ |
| Total: | 300 | | 346,327,878.01 | | | | |

¹ From 01/01/2006 to 31/12/2006

² The value in USD is equivalent to the amount calculated according to the medium exchange rate of NBS on 31/12/2006

³ Information about AME exports realized obtained from exporters

N.B. Temporary AME exports have not been shown

Annex 3/06

Issued arms import licenses¹

| IMPORT DESTINATION | NUMBER OF ISSUED LICENSES | NUMBER FROM NCL (AME) | VALUE OF ISSUED LICENSES (IN USD) ² | DESCRIPTION OF GOODS | QUANTITY (IN MEASUREMENT UNITS) | COUNTRY OF ORIGIN | TYPE OF END USER |
|---------------------------|---------------------------------|---|--|---|---------------------------------------|---|---------------------|
| ALBANIA | 1 | 1.1; | 10,852.04 | pistols; | 100 pcs; | Russian Federation | ပ |
| AUSTRIA | 12 | 1.1; 3., | 357,847.37 | pistols; rifles; rifled barrels; hunting carbines; bullets; | 4,948 pcs; | Austria; Russian Federation; Germany; USA | O |
| BELGIUM | 4 | 1.1; 3., | 1,189,087.00 | test tubes; carbine frames; metal cases for rifles; gunpowder; | 79,452 pcs; 20,000 kg; | Belgium, Portugal | ၁ |
| BOSNIA AND HERZEGOVINA | 28 | 1.1; 3.; 2.1; 2.3; 6.; 10.3.; 11.; 16.; 18.; | 8,934,576.34 | control unit; bullets; rounds; detonating caps; regulator; chambers; howitzer spare parts; general aircraft overhaul service; tank spare parts; pistols; revolvers; drill electric detonators; optical sight; | 222,264,498 pcs; 10 sets; | Bosnia and Herzegovina | v |
| BULGARIA | 1 | 3.; | 2,500.00 | bullet elements; | 500 sets; | Bulgaria | ၁ |
| EGYPT | T | 6.; | 145,000.00 | diesel motor as a part of RUBEZ system; | 1 pc; | Russian Federation | ၁ |
| ISRAEL | 2 | 1.1; 4.1; | 3,200.00 | electronic time fuse; assault rifles; | 2 pcs; | Israel | |
| ITALY | 6 | 1.1; 3.; | 301,691.77 | hunting carbines; rifles, spare magazine; bullets; | 1,096 pcs; 10 sets; | Italy | C, M |
| CYPRUS | 2 | 1.1; | 14,400.00 | hunting carbines; | 60 pcs; | Russian Federation | ပ |
| GERMANY | 11 | 1.1; 3.; 7.5; 13.3; | 220,926.50 | ammunition; filters; hunting carbines; ballistic helmets; | 23,562 pcs; 1,000 m; | Germany; Russian Federation; Austria | C, M |
| PORTUGAL | 3 | 1.1; | 94,260.85 | hunting carbines | 125 pcs; | Belgium | ပ |
| RUSSIAN FEDERATION | 2 | 1.1; | 84,317.80 | ammunition; pistols | 4,136 pcs; | Russian Federation | Σ |
| USA | 7 | 2.3; 10.8.; | 63,952.30 | acquisition system for monitoring and representation of parameters; parachutes; sights; | 8 pcs; 1 set; | USA | Σ |

| IMPORT DESTINATION | NUMBER OF ISSUED LICENSES | NUMBER FROM NCL (AME) | VALUE OF ISSUED LICENSES (IN USD) ² | DESCRIPTION OF GOODS | QUANTITY (IN MEASUREMENT UNITS) | COUNTRY OF ORIGIN | TYPE OF END USER |
|--------------------|---------------------------------|-----------------------------|--|--|---------------------------------------|-------------------------|---------------------|
| ST KEATS | Т | 3.; | 250.00 | cartridge belt joints | 50,000 pcs; | Israel | ပ |
| SLOVAK REPUBLIC | ₽ | 3.; | 65,277.30 | steel rondelles | 33,000 pcs; | Slovak Republic | ပ |
| SLOVENIA | 3 | 3.; | 92,662.85 | gunpowder | 7,400 pcs; | Slovenia | ၁ |
| FINLAND | 1 | 3.; | 7,812.84 | ammunition | 4,400 items; | Finland | ၁ |
| FRANCE | ဇ | 13.3.; | 196,825.90 | ballistic helmet; radio communication device and related accessories; connectors; | 24 pcs; | France | C, M |
| CZECH REPUBLIC | 9 | 1.1; 3.; 8.1.7; | 397,598.04 | ammunition, pistols; rifles; pistol spare parts; octogene; | 291,710 pcs; 19.000 kg; | Czech Republic | O |
| MONTENEGRO | 2 | 3.; | 156,190.00 | explosive charges; ammunition; | 350 pcs; 71 set; | Montenegro | ပ |
| SWITZERLAND | 22 | 1.1; 3.; 18.2; | 185,453.12 | tritium tubes; hunting carbines; spare parts and equipment for measurement system; | 67,854 pcs; 1 set; | Switzerland, Belgium | C, M |
| Total: | 100 | | 12,524,682.02 | | | | |

¹ From 01/01/2006 to 31/12/2006

² The value in USD is equivalent to the amount calculated according to the medium exchange rate of NBS on 31/12/2006

N.B. Temporary AME imports have not been shown

Type of end user: M - military; C - civilian

Annex 4/06

Issued dual-use goods export licenses

| EXPORT DESTINATION | NUMBER OF ISSUED LICENSES | NUMBER FROM DUG NCL | VALUE OF ISSUED LICENSES (IN USD) ² | DESCRIPTION OF GOODS | QUANTITY (IN MEASUREMENT UNITS) | END-USER COUNTRY | TYPE OF END USER |
|--------------------|---------------------------------|---------------------------|--|--|---------------------------------------|---------------------|---------------------|
| MACEDONIA | 1 | 1 A 004b; 1 A 004a; | 92,093.00 | Protective clothes OFZ M- 2 Saratoga and personal decontamination kit LPD M3 | 300 pcs; | Macedonia | Σ |
| Total: | н | | 92,093.00 | | | | |

From 01/01/2006 to 31/12/2006
 The value in USD is equivalent to the amount calculated according to the medium exchange rate of NBS on 31/12/2006
 N.B. Type of end user: M - military; C - civilian

Annex 5/06

Issued dual-use goods import licenses¹

| IMPORT DESTINATION | NUMBER OF ISSUED LICENSES | NUMBER FROM DUAL USE NCL | VALUE OF ISSUED LICENSES (IN USD) ² | DESCRIPTION OF GOODS | QUANTITY (IN MEASUREMENT UNITS) | COUNTRY OF ORIGIN | TYPE OF END USER |
|---------------------------|---------------------------------|-----------------------------------|--|---|---------------------------------------|----------------------|---------------------|
| BOSNIA AND HERZEGOVINA | 1 | 6 A 008 | 1,628.33 | repair, measurement and testing services for temporarily exported goods | - | ВіН | Σ |
| GREAT BRITAIN | 1 | 7 A 005 | 2,269.00 | orientation and positioning device with the accompanying equipment and manual | 1 set | Canada; | Σ |
| GERMANY | 1 | 9 B 001a | 45,850.00 | induction molding furnace (GCA)-second hand | 1 pc | USA | O |
| RUSSIAN FEDERATION | ₽ | 0 A 001 j | 41,789.00 | gamma neutron - new generation pager (PM 1703 GN) | 11 pcs | Belarus | M/C |
| SLOVAK REPUBLIC | 4 | 1 C 350 | 81,875.00 | triethanolamine | 50 t | Slovak Republic | O |
| SLOVENIA | ဧ | 1 C 002 6 4a | 91,837.55 | aluminium bars | 18,900 kg | Slovenia | Σ |
| SWEDEN | ₽ | 1 C 002 6 4a | 23,215.69 | aluminium bars | 2,100 kg | Sweden | Σ |
| Total: | 6 | | 288.464.57 | | | | |

 $^{^{1}}$ From 01/01/2006 to 31/12/2006 2 The value in USD is equivalent to the amount calculated according to the medium exchange rate of NBS on 31/12/2006 N.B. Type of end user: M - military; C - civilian

Annex 6/06

AME Exports¹

TYPE OF END-USER ပ ပ ပ ပ C ပ Σ ပ ပ ပ ပ Σ Oman; Pakistan; Libya; END-USER COUNTRY Dominican Republic Qatar; Brazil; Spain; Iraq; Great Britain; Nigeria; Georgia; Guatemala Denmark Australia Belgium Bulgaria Estonia Austria Egypt USA BiH pistols; revolvers; carbines; rifles; rifles spare parts; ammunition; equipment; ammunition; rounds spare parts; diesel motor; anti-armour rocket; smoke grenades; rifles; explosive charges; smoke emitting bombs, signal rockets, ammunition; hunting carbines; **DESCRIPTION OF GOODS** submachine gun components; carbines; mines; ammunition; grenades; cartridges; smokeammunition; gunpowder; fuel craft tube; celluloid cap; AME tank; delayed action round; pistols; pistol components; ammunition grenade launcher; military submachine guns; pistols; tracers; raw gunpowder; hunting carbines; rifles; Rifles without barrels rounds; ammunition illuminating shells; hunting carbines military helmets; ammunition; ammunition gunpowder; NUMBER FROM AME NCL 1.1; 3.; 8.2; 5.; 3.;4.1; 6.;9.1; 9.5; 4.2; 8.1.3; 8.2.5; 10.; 16; 1.1;3; 4.1; 7.5; 7.32; 1.1; 8.5.41.; 23.4.3; 1.1; 3.; 1.1; 3.; 1. 1, 1.1 3. ω;: ω; EXPORT VALUE³ (IN USD)² 0.00 0.00 0.00 929,589.68 669,231.48 1,039,058.55 555,725.89 2,580.70 275,680.00 1,187,488.52 1,966,361.47 1,395,758.37 VALUE OF ISSUED LICENSES (IN USD)² 10,795,250.10 4,684,581.40 1,069,666.30 555,725.89 2,580.70 275,680.00 1,695,376.49 13,202.00 1,187,488.52 1,959,772.02 94,500.00 22,532.00 NUMBER OF ISSUED LICENSES 5 12 ဖ വ 4 က a \forall α ဖ DOMINICAN REPUBLIC **EXPORT DESTINATION** BOSNIA AND HERZEGOVINA GREAT BRITAIN GUATEMALA AUSTRALIA DENMARK BULGARIA BELGIUM **ESTONIA** GREECE AUSTRIA EGYPT

| NUMBER VALUE OF ISSUED OF ISSUED LICENSES (IN USD) ² | SSUED EXPORT VALUE ³ ES (IN USD) ² | NUMBER FROM AME NCL | DESCRIPTION OF GOODS | END-USER COUNTRY | TYPE OF END-USER |
|---|--|---------------------------|---|--|---------------------|
| 2,676,002.34 2,070,941.62 | 62 | 3; 8.2.5; 13.1; | ammunition; bullets; celluloid cases (empty); mortar bombs, gun powder; propellant charges; polyethylene protective plates; | Equatorial Guinea; Israel; Gabon; | M, C |
| 474,809.96 467,086.20 | 5.20 | 2.1; 3.; | ammunition; mines; rifle spare parts; | Indonesia | Σ |
| 3,808,975.00 3,193,355.00 | 5.00 | 1.1;3;18.1; | rounds; ammunition; pistols; rifles; bullets; tank ammunition components; ;cleaning magazine; octogene; | Israel, Trinidad and Tobago; Columbia; Tanzania; Iraq; Chad; Burkina Faso; Senegal; | Σ |
| 14,242.32 | 14,242.32 | 1.1; | hunting carbines and carbine components; | Ireland | S |
| 2,522,597.50 338,024.47 | 24.47 | 1.1; 3.; | rifles; rounds; cartridge cases | Italy | ပ |
| 110,274.00 56,347.00 | 17.00 | 2.3.; 3.3; | optical sights; sight rectification tube | Armenia | Σ |
| 5,231,187.00 754,487.00 | 7.00 | 1.1; 3.; 4.1; | ammunition; automatic rifles magazine; electrical detonator; hand smoke grenades; bullets; shells; rifles; machine guns | Iraq, Jordan | Σ |
| 310,664.75 17,572.68 | 2.68 | 1.1, 3; | ammunition; barreled mechanisms; hunting carbines; | South Africa; Zambia | O |
| 6,683.00 6,68 | 6,683.00 | 1.1, | rifles; | South Korea; Pakistan | |
| 35,050.00 35,05 | 5,050.00 | 1.1, | rifles; | Canada | О |
| 9,111.05 | 5,955.00 | 1.1; | pistols; hunting carbines; carbine components; | Costa rica | Σ |
| 5,444,739.11 17,516,503.16 | 3.16 | 1.1; 2.1; 2.2; 4.1; | rifles; shells; cannon spare parts; rifles, pistols, machine guns and howitzers; guided missiles; tubes for anti-aircraft cannon; | Cyprus; Lebanon; Bangladesh; | Σ |
| 229,832.40 192,700.00 | 0.00 | 6.; | pipe; cooler; | Kuwait | Μ |
| 27,325.00 | 24,156.40 | 1.1; | hunting carbines; | Latvia | C |

| EXPORT DESTINATION | NUMBER OF ISSUED LICENSES | VALUE OF ISSUED LICENSES (IN USD) ² | EXPORT VALUE ³ (IN USD) ² | NUMBER FROM AME NCL | DESCRIPTION OF GOODS | END-USER COUNTRY | TYPE OF END-USER |
|--------------------|---------------------------------|--|--|---------------------------|--|------------------|---------------------|
| LEBANON | 1 | 170,000.00 | 0.00 | 4.1, | mines; | Lebanon | M |
| LIBYA | 4 | 11,497,148.50 | 11,410,008.50 | 1.1; | hunting carbines; pistols; explosive charges; overhaul of aircrafts with personnel training; spare parts of the aircraft; | Libya | Σ |
| MACEDONIA | 10 | 308,311.87 | 307,249.46 | 1.1; 2.3; 3.; | hunting carbines; pistols; submachine guns; ammunition; optical sight stand; | Macedonia | O |
| HUNGARY | വ | 1,061,812.43 | 594,462.43 | 3.; 8.1.7; | octogene; gun powder; ammunition; | Hungary, BiH | C,M |
| MYANMAR | 2 | 13,845,600.00 | 8,377,800.00 | 2.; | howitzer sets; build-in services; self propelled gun; | Myanmar | Σ |
| NAMIBIA | Т | 156,100.00 | 156,100.00 | 453.750 | ammunition; | Namibia | ပ |
| GERMANY | 6 | 849,452.78 | 815,522.25 | 1.1, 3., | ammunition; rounds; cartridge cases; hunting carbines; rifles; submachine guns; | Germany | C,M |
| NEPAL | 2 | 1,120.00 | 00:00 | 1.1; | rifles; | Nepal | Σ |
| NEW ZEALAND | 1 | 168,154.22 | 168,154.22 | 3.; | ammunition; | New Zealand | O |
| NEW CALEDONIA | 1 | 3,189.85 | 3,189.85 | 1.1; | hunting carbines; | New Caledonia | O |
| NORWAY | 2 | 32,311.15 | 32,311.15 | 1.1; 3.; | hunting carbines; ammunition | Norway | O |
| PANAMA | 6 | 1,137,613.17 | 101,294.17 | 2.; 3.; 4.1; | bullets; cartridge cases; neutralization rifles; thrusting levers; | Uganda; Israel | Σ |
| PAKISTAN | 4 | 143,946.00 | 135,921.00 | 1.1; 3.; | heavy sniper equipment; rifles; pistols; ammunition; | Pakistan | C,M |
| PERU | 1 | 2,030.00 | 2,030.00 | 1.1; | rifles; | Peru | Σ |
| PORTUGAL | 1 | 15,169.00 | 15,169.00 | 1.1, | hunting carbines | Mozambique | O |
| ROMANIA | Ŋ | 935,505.28 | 935,505.28 | 3.; 8.1; 8.2; | gun powder; fireworks; | Romania | O |

| NUMBER VALUE OF ISSUED OF ISSUED LICENSES (IN USD) ² | ALUE OF ISSU LICENSES (IN USD) ² | UED | EXPORT VALUE ³ (IN USD) ² | NUMBER FROM AME NCL | DESCRIPTION OF GOODS | END-USER COUNTRY | TYPE OF END-USER |
|---|---|----------|--|---------------------------|---|---|---------------------|
| 32 263,643,508.72 9,752,939.95 | | 9,752,93 | 39.95 | 1.1; 3.; 18.; | ammunition; cartridge cases; rounds; mines; bullets; rifles; hunting carbines; pistols; bullet- proof vests; bullet components machine; installation and supervision; rifle spare parts; far-reaching rifle; barreled mechanisms; | USA; Columbia; Ireland; Afghanistan; Liberia; Niger; Chad; Chile | C, M |
| 2 977,1772 2 169,5 | | 169,6 | 169,947.86 | 3., 10.7; | ammunition; explosive charges for ejection of pilot's seat; | Armenia, Georgia | Σ |
| 6 448,778.00 202,5 | | 202,5 | 202,517.54 | 3.; | gunpowder; propellant charge; rifles; rifle components; ammunition | Netherlands, Spain; Canada; Israel | ပ |
| 7 1,190,622.00 371,6 | | 371,6 | 371,685.00 | 1.1, 3; | rifles, pistols; ammunition; | Indonesia, Sri Lanka | Σ |
| 7 554,465.92 350,0 | | 350,0 | 350,041.59 | 3.; 8.1.7; | explosives; gun powder; cartridge cases; ammunition; instruments; bullets | Slovak Republic | S |
| 7 250,055.40 53.633.27 | | 53.63 | 13.27 | 1.1; 4.1; | hunting carbine barrels; barreled mechanisms; trigger mechanisms; pistols; revolvers; hunting carbines; recoil regulator for semi- automatic rifles; drill primers; fuses; | Slovenia | v |
| 1 90.00 | | 0, | 90.00 | 3.; | ammunition | Thailand | ၁ |
| 2 381,110.00 25 | | 25 | 250.00 | 3.; 18.4; | cartridge cases; static and dynamic rocket models; | Turkey | Σ |
| 3 637,024.00 561,925.00 | | 561,93 | 25.00 | 3.; 4.1; | cartridge cases; rounds; hand grenades; | UAE | Σ |
| 2 15,685.94 15,6 | | 15,6 | 15,685.94 | 1.1; | hunting carbines; | Finland | O |
| 10 2,440,871.31 2,384,201.92 | | 2,384,2 | 01.92 | 1.1; 1.4,3.; | cartridge cases; rounds; bullets; ammunition; hunting carbines; carbine components; rifles; rifle | France, Cameron | v |

| EXPORT DESTINATION | NUMBER OF ISSUED LICENSES | VALUE OF ISSUED LICENSES (IN USD) ² | EXPORT VALUE ³ (IN USD) ² | NUMBER FROM AME NCL | DESCRIPTION OF GOODS | END-USER COUNTRY | TYPE OF END-USER |
|--------------------|---------------------------------|--|--|---------------------------|--|------------------|---------------------|
| CROATIA | 9 | 549.082,57 | 461.952,39 | 1.1; 3.; | ammunition; bullets; carbines; revolvers; pistols | Croatia | O |
| NETHERLANDS | 2 | 1.002.359,60 | 428.179,60 | 3.; 13.4; | ammunition; rounds; bullet-proof vests; bullet-proof plates; | Netherlands | O |
| MONTENEGRO | 4 | 115.300,96 | 102.528,46 | 8.2.5; | double-base propellant; explosive charges; preventive endoscopic check-up of motors; | Montenegro | Σ |
| CZECH REPUBLIC | 2 | 43.721,25 | 39.175,45 | 1.1; 3.; | hunting carbines; ammunition; | Czech Republic | ၁ |
| SWITZERLAND | 2 | 255.708,07 | 255.708,07 | 3.; | ammunition | Switzerland | O |
| SWEDEN | 3 | 65.631,00 | 65.631,00 | 3.; | rounds | Sweden | ၁ |
| SPAIN | Ŋ | 171.372,45 | 99.899,69 | 1.1; 3.; | rifles; hunting carbines; rounds; cartridge cases; carbine spare parts, | Spain | O |
| Total: | 300 | 346.327.878,01 | 71.245.288,55 | | | | |

¹ From 01/01/2006 to 31/12/2006

² The value in USD is equivalent to the amount calculated according to the medium exchange rate of NBS on 31/12/2006

 $^{\rm 3}$ Information about AME exports realized obtained from exporters

N.B. Temporary AME exports have not been shown

Annex 7/06

AME imports¹

| ~ | | | | | | | | | | | | | |
|--|--------------------|---|--|---|------------------|---|---------------------------------------|---|--------------------|--|-------------------|---------------------|---|
| TYPE OF END USER | O | O | O | O | O | ပ | O | M, C | O | C, ⊠ | ၁ | M | Σ |
| COUNTRY OF ORIGIN | Russian Federation | Austria; Russian Federation; Germany; USA | Belgium; Portugal | Bosnia and Herzegovina; | Bulgaria | Russian Federation | Israel; | Italy | Russian Federation | Germany; Russian Federation; Austria; | Belgium | Russian Federation | USA |
| DESCRIPTION OF GOODS | pistols; | pistols; rifles; rifled barrels; hunting carbines; bullets | text tubes; carbine spare parts; metal cases for rifles; gunpowder; | control unit; bullets; rounds; detonating caps; regulator; chambers; howitzer spare parts; general aircraft overhaul service; tank spare parts; pistols; revolvers; drill electric detonators; optical sight; | bullet elements; | diesel motor as a part of RUBEZ system; | electronic time fuse; assault rifles; | hunting carbines; rifles, spare magazine; bullets; | hunting carbines; | ammunition; filters; hunting carbines; ballistic helmets; | hunting carbines; | ammunition; pistols | acquisition system for monitoring and representation of parameters; parachutes; sights; |
| NUMBER FROM MILITARY NCL | 1.1; | 1.1; 3., | 1.1; 3., | 1.1; 3,2.1; 6.; 10.3.; 11.; 16.; 18.; | 3.; | 6., | 1.1; 4.1; | 1.1;3.; | 1.1; | 1.1; 3.; 7.5;13.3; | 1.1, | 1.1; | 2.3; 10.8.; |
| VALUE OF IMPORT ³ (IN USD) ² | 00.00 | 99,835.01 | 401,646.00 | 5,186,709.01 | 200.00 | 145,000.00 | 2,880.00 | 294,648.19 | 14,400.00 | 188,872.55 | 57,861.19 | 84,317.80 | 63,952.30 |
| VALUE OF ISSUED LICENSES (IN USD) ² | 10,852.04 | 357,847.37 | 1,189,087.00 | 8,934,576.34 | 2,500.00 | 145,000.00 | 3,200.00 | 301,691.77 | 14,400.00 | 220,926.50 | 94,260.85 | 84,317.80 | 63,952.30 |
| NUMBER OF ISSUED LICENSES | 4 | 12 | 4 | 28 | 4 | ₽ | 2 | 6 | 2 | 11 | 3 | 2 | 2 |
| IMPORT DESTINATION COUNTRY | ALBANIA | AUSTRIA | BELGIUM | BOSNIA and HERZEGOVINA | BULGARIA | EGYPT | ISRAEL | ITALY | CYPRUS | GERMANY | PORTUGAL | RUSSIAN FEDERATION | USA |

| IMPORT DESTINATION COUNTRY | NUMBER OF ISSUED LICENSES | VALUE OF ISSUED LICENSES (IN USD) ² | VALUE OF IMPORT ³ (IN USD) ² | NUMBER FROM MILITARY NCL | DESCRIPTION OF GOODS | COUNTRY OF ORIGIN | TYPE OF END USER |
|-------------------------------|---------------------------------|--|--|--------------------------------|--|-------------------------|---------------------|
| ST KEATS | 1 | 250.00 | 00:0 | 3.; | cartridge belt joints; | Israel | O |
| SLOVAK REPUBLIC | 1 | 65,277.30 | 0.00 | 3.; | steel rondelles; gunpowder; | Slovak Republic | C |
| SLOVENIA | 3 | 92,662.85 | 49,642.45 | 3.; | gunpowder | Slovenia | O |
| FINLAND | Т | 7,812.84 | 7,812.84 | 3.; | ammunition | Finland | O |
| FRANCE | 3 | 196,825.90 | 185,875.00 | 11.;13.3; | ballistic helmet | France | C,M |
| MONTENEGRO | 2 | 156,190.00 | 58,590.00 | 3.; | explosive charges; ammunition; | Montenegro | O |
| CZECH REPUBLIC | Ø | 397,598.04 | 72,630.83 | 1.1; 3.; 8.1.7; | ammunition, pistols; rifles; pistol spare parts; octogene; | Czech Republic | O |
| SWITZERLAND | 5 | 185,453.12 | 185,453.12 | 1.1; 3.; 18.2; | tritium tubes; hunting carbines; spare parts and equipment for measurement system; | Switzerland, Belgium | C,M |
| Total: | 100 | 12,524,682.02 | 7,100,326,29 | | | | |

¹ From 01/01/2006 to 31/12/2006

² The value in USD is equivalent to the amount calculated according to the medium exchange rate of NBS on 31/12/2006

 $^{^{\}rm 3}$ Information about AME imports realized obtained from importers

N.B. Temporary AME imports have not been shown

Type of end user: M - military; C - civilian

Annex 8/06

Dual-use goods exports¹

| EXPORT DESTINATION | NUMBER OF ISSUED LICENSES | VALUE OF ISSUED LICENSES (IN USD) ² | VALUE OF IMPORT ³ (IN USD) ² | NUMBER FROM NCL (DUAL-USE) | DESCRIPTION OF GOODS | QUANTITY (IN MEASUREMENT UNITS) | END-USER COUNTRY | TYPE OF END USER |
|--------------------|---------------------------------|--|--|----------------------------------|--|---------------------------------------|---------------------|---------------------|
| MACEDONIA | Т | 92,093.00 | 92,093.00 | 1 A 004b; 1 A 004a; | Protective clothes OFZ M- 2 Saratoga and personal decontamination kit LPD M3 | 300 pcs; | Macedonia | Σ |
| Total: | Т | 92,093,00 | 92,093.00 | | | | | |

¹ From 01/01/2006 to 31/12/2006
 ² The value in USD is equivalent to the amount calculated according to the medium exchange rate of NBS on 31/12/2006
 ³ Information about dual-use exports realized obtained from exporters
 N.B. Type of end user: M - military; C - civilian

Annex 9/06

Dual-use goods imports¹

| IMPORT DESTINATION COUNTRY | NUMBER OF ISSUED LICENSES | VALUE OF ISSUED LICENSES (IN USD) ² | VALUE OF IMPORT ³ (IN USD) ² | NUMBER FROM NCL (DUAL-USE) | DESCRIPTION OF GOODS | COUNTRY OF ORIGIN | TYPE OF END USER |
|-------------------------------|---------------------------------|--|--|-------------------------------|---|-------------------|---------------------|
| BOSNIA AND HERZEGOVINA | 1 | 1,628.33 | 00.0 | 6 A 008 | repair, measurement and testing services for temporarily exported goods | ВіН | Σ |
| GREAT BRITAIN | 1 | 2,269.00 | 00.0 | 7 A 005 | orientation and positioning device with the accompanying equipment and manual | Canada | Σ |
| GERMANY | ₽ | 45,850.00 | 45,850.00 | 9 B 001a | induction molding furnace (GCA)-second hand | USA | S |
| RUSSIAN FEDERATION | ᆏ | 41,789.00 | 41,789.00 | 0 A 001j | gamma neutron - new generation pager (PM 1703 GN) | Belarus | M,C |
| SLOVAK REPUBLIC | 1 | 81,875.00 | 82,923.00 | 1 C 350 | triethanolamine | Slovak Republic | C |
| SLOVENIA | 3 | 91,837.55 | 86,633.24 | 1 C 002b 4a | aluminium bars | Slovenia | M |
| SWEDEN | Т | 23,215.69 | 25,028.73 | 1 C 002b 4a | aluminium bars | Sweden | $ \boxtimes $ |
| Total: | 6 | 288,464.57 | 282,223.97 | | | | |

¹ From 01/01/2006 to 31/12/2006

² The value in USD is equivalent to the amount calculated according to the medium exchange rate of NBS on 31/12/2006

³ Information about dual-use imports realized obtained from importers

Annex 10/06

Denied arms export applications1

| EXPORT DESTINATION | NUMBER OF DENIALS | NUMBER FROM NCL (MILITARY) | VALUE (IN USD) ² | DESCRIPTION OF GOODS | QUANTITY (IN MEASUREMENT UNITS) | END-USER COUNTRY | TYPE OF END-USER |
|--------------------|----------------------|----------------------------------|-----------------------------|---|---------------------------------------|---------------------|---------------------|
| BULGARIA | 2 | 8.2.5; | 480,100.00 | gunpowder; cellulloid; | 22,500 kg; | Bulgaria | O |
| GEORGIA | П | 3.; | 61,090.54 | ammunition | 384,400 pcs; | Georgia | Σ |
| ISRAEL | 2 | 3.; | 748,000.00 | ammunition | 4,000,000 pcs; | Rwanda | M |
| SEYCHELLES | 10 | 1.1;3.; 4.1; 13.4; | 13,977,758.70 | ammunition; mine charges; machine guns; heavy machine guns; bullets; shells | 385,200 pcs; | Georgia, Armenia | Σ |
| USA | 2 | 3.; | 735,615.00 | ammunition | 2,352,500 pcs; | USA | O |
| MONTENEGRO | 1 | 3.; | 3,404.69 | explosive charges | 588 sets; | Montenegro | O |
| Total: | 18 | | 16,005,968.93 | | | | |

¹ From 01/01/2006 to 31/12/2006

² The value in USD is equivalent to the amount calculated according to the medium exchange rate of NBS on 31/12/2006

Annex 11/06

Denied arms import applications¹

| IMPORT DESTINATION | NUMBER OF DENIALS | NUMBER FROM MILITARY NCL | BVALUE (IN USD) 2 | DESCRIPTION OF GOODS | QUANTITY (IN MEASUREMENT UNITS) | COUNTRY OF ORIGIN | TYPE OF END USER |
|--------------------|----------------------|-----------------------------------|----------------------|---|---------------------------------------|----------------------|---------------------|
| AUSTRIA | 1 | 1.1; | 35,389.65 | hunting carbines; hunting carbine barrels; | 5 pcs; | Austria | O |
| BELGIUM | Т | 1.1; | 9,145.00 | hunting carbines | 10 pcs; | Belgium | ၁ |
| GERMANY | 2 | 1.1; | 17,128.93 | hunting carbines | 10 pcs; | Germany | O |
| Total: | 4 | | 61,663.58 | | | | |

 1 From 01/01/2006 to 31/12/2006 2 The value in USD is equivalent to the amount calculated according to the medium exchange rate of NBS on 31/12/2006 N.B. Type of end user: M - military; C - civilian

Annex 12/06

Denied dual-use goods export applications

| SER TYPE RY OF END USER | |
|---------------------------------------|---|
| RY RY | |
| END-USER COUNTRY | |
| QUANTITY (IN MEASUREMENT UNITS) | |
| DESCRIPTION OF GOODS | |
| VALUE (IN USD) | |
| NUMBER FROM DUG NCL | |
| NUMBER OF ISSUED LICENSES | |
| EXPORT DESTINATION | _ |

N.B. There were no denials for export of dual-use goods in 2006

Annex 13/06

Denied dual-use goods import applications

| TYPE OF END USER | 1 |
|--------------------------------------|---|
| COUNTRY OF ORIGIN | ı |
| QUANTITY (IN MEASUREMENT UNITS | 1 |
| DESCRIPTION OF GOODS | - |
| VALUE (IN USD) | - |
| NUMBER FROM DUG NCL | - |
| NUMBER OF ISSUED LICENSES | |
| IMPORT DESTINATION | 1 |

N.B. There were no denials for import of dual-use goods in 2006

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