



MINISTRY OF  
INDUSTRY,  
TOURISM AND TRADE

SECRETARIAT OF  
STATE OF  
TOURISM AND  
TRADE

SPAIN

EXPORT STATISTICS OF  
DEFENCE MATERIAL, OTHER  
MATERIALS AND DUAL USE  
GOODS AND TECHNOLOGIES,  
2004



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## INTRODUCTION

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This report, focusing on the export statistics of Defence Material, Other Materials and Dual Use Goods and Technologies in 2004, was compiled in compliance with the agreement taken at the Plenary Session of the Parliament on 18 March 1997 on arms trade transparency (Annex I).

That Agreement urged the Government, inter alia, to:

- Disclose, on an annual basis, the essential export data as from 1991 including statistics by countries of destination in accordance with Spanish law and international commitments made by Spain.
- Send, half-yearly, the essential export data in respect of Defence Material and Dual Use Goods and Technologies to the Defence and Foreign Affairs Commissions of the Parliament.

On 11 December 2001 the said agreement was supplemented by the approval by Congress of the Agreement regarding transparency and more stringent control of the small arms trade (Annex I). Point one of this Agreement urged the Government to forge ahead in its transparency of information policy in respect of the export of defence, security and police material with a view to achieving greater specificity in terms of products and countries.

This report is drawn up in compliance with the two aforementioned agreements and is an expression of the Spanish Government's will to furnish transparent

and detailed information concerning export operations of these types of products as well as actions undertaken at international control and non-proliferation fora during the course of 2004.

Before embarking upon the analysis of specific export data of Defence Material, Other Materials and Dual Use Goods and Technologies, it would be helpful to explain the methodology used in the development and presentation of the statistics referred to in this report.

The body entrusted with the authorisation of each external trade transaction concerning, Defence Material, Other Materials and Dual Use goods and technologies, subsequent to the report issued by the Interministerial Regulatory Board on Foreign Trade in Defence or Dual Use Goods and Technologies (Spanish acronym JIMDDU), is the Secretariat-General for Foreign Trade attached to the Ministry of Industry, Tourism and Trade. It should be remembered that this Secretariat holds the data concerning all of the authorised export licences while the data corresponding to exports actually made is available at the Department of Customs and Excise Duties of the National Tax Administration Agency attached to the Ministry of Economy and Finance.

This report presents the data concerning operations undertaken, the information having been obtained by reviewing, one by one, export licences issued and checking them against each one of the shipments made. In the case of intra-Community trade, given that there are no

customs posts at border crossings, the information was obtained by means of the customs classification through the Intrastat system. Moreover, the Secretariat-General for Foreign Trade collects information regarding export shipments directly from companies so as to be able to correct any data discrepancy.

It should be pointed out that these statistics do not reflect temporary exports (shipments made for the purpose of repair, homologation, testing, fairs, defective goods returned to the manufacturer) void of any commercial value.

The 2004 statistics report is divided into two main blocks. The first covers the information already referred to; i.e. Spanish legislation, Community regulations, data on Spain's export of Defence Material, Other Materials and Dual Use Goods and Technologies and the main actions undertaken at international control fora. The second section is comprised of eight annexes with information regarding the statistics tables presenting export figures for these products during 2004, the texts of the Congressional plenary session agreements mentioned at the beginning of the report, the criteria and operational provisions set out in the European Union Code of Conduct on Arms Exports, the principal international control and non-proliferation fora, a list of defence material embargoes and the bibliography published on these matters by the Secretariat-General for Foreign Trade. These annexes also include information regarding external trade figures on small arms and light weapons remitted by Spain to the OSCE. However, on this occasion no information is included in respect of Spain's contribution to the

Code of Conduct Annual Report because when these statistics went to press the information to be furnished in 2005 had yet to be determined. Concerning reports from previous years, neither was it possible to incorporate the Spanish contribution to the United Nations Register of the seven categories of conventional arms. This was due to the fact that the said data were not available at the time that this report was finalised.

The principal novelties introduced in this report are found in Annexes II and III containing a table with the number of licences issued and authorised values according to countries of destination. In a second table, information is presented regarding the value of what was actually exported by product category and countries of destination. Data regarding exports under the heading "Other Materials" is found in an additional table in Annex II.

Spain's export statistics on Defence Material, Other Materials and Dual Use Goods and Technologies, are published in the Economic Bulletin of the Spanish Trade Information Publication published by the Ministry of Industry, Tourism and Trade. The unabridged version of these articles can be found on the web page of the Secretariat General for Foreign Trade.

(<http://www.mityc.es/sgcomex/mddu>)

## **PART I. EXPORT OF DEFENCE MATERIAL AND OTHER MATERIALS**

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### **1. Applicable legislation. New Regulation**

Organic Law 3/1992 introduced administrative crimes and infractions in connection with the smuggling of defence material and Dual Use goods for the first time into domestic regulations. Law 3/1992 described the crime of smuggling in the same terms as today's Organic Law 12/1995 on the Repression of Smuggling as the unauthorised export of defence material and Dual Use goods and technologies or export with authorisation obtained by means of a false or incomplete declaration.

In light of the foregoing, it became necessary at that time to enact a new regulation which would provide a rule with Royal Decree status as was indicated in the aforementioned Organic Law 3/1992. This was accomplished by means of the publication of Royal Decree 824/1993 of 28 May approving the Regulation on the foreign trade of defence material and Dual Use goods and technologies. The disperse regulations existing up to that time were grouped together under this Regulation: registration, external export/import trade, the Interministerial Board, lists of Defence Material and Dual Use Goods and Technologies subject to control, types of licences and control documents.

Royal Decree 824/1993 was replaced by Royal Decree 491/1998 of 27 March. It should be pointed out that this legislation, in turn, has subsequently been replaced by Royal Decree 1782/2004 of 30 July approving the Regulation on the control of external trade of Defence Material,

Other Materials and Dual Use Goods and Technologies.

This new legislation which entered into force on 1 October 2004 met two fundamental needs: greater control over exports and greater flexibility in respect of shipments arising from cooperation programmes in the field of defence in which Spain has been participating to an increasingly greater degree.

Special mention should be made of the fact that the new Regulation was accompanied by a proposal made to the Ministry of Economy and Finance calling for the amendment of Law 12/1995 on the Repression of Smuggling.

The most relevant changes included in this new Regulation were as follows:

- The establishment of a registry and control of arms trade brokering transactions. In this regard Spain is a step ahead of other European Union countries which still do not have a regulatory framework in this connection and has implemented Common Position 2003/468/CFSP of 23 June on the control and legislation of arms brokering. A consultation mechanism calling for discussions with other nations prior to authorising an operation of these characteristics is also envisaged.
- Tailoring of the Framework Agreement of the Letter of Intent concerning the Restructuring and Integration of the European Defence Industry (LoI) to the setting up of the new Global Project licence (GPL) for

cooperation programmes in the area of defence. This new licence greatly increases the simplicity and flexibility of a whole range of shipments and goods received both of fully assembled products and parts and equipment in the case of Spanish companies which are increasingly participating in programmes of this nature. The authorisation is issued just once (with the GPL) for a period of up to five years and is renewable.

- Creation of a catch-all clause for defence material similar to the one under the Community Regulation on Dual Use. This clause enables the Spanish authorities to require export authorisation of any material (including technical assistance) which does not figure on the Spanish control lists of defence material if it becomes known that the said export may be headed for a country under embargo for military end use or intended for any use related to weapons of mass destruction.
- Creation of a new Registry for External Trade Operators of Defence Material and Dual Use Goods and Technologies including importers and brokers.
- A separate annex called "Other Materials" which includes "paramilitary and security" equipment (equipment for police and security forces and anti-riot use). Spain had already undertaken to control this equipment under article 23 of the List of Defence Material (Royal Decree 491/1998) before the approval of the European Union Code of Conduct on Arms Exports.

The following equipment is included in this annex:

- Firearms or gas-propelled arms.
- Visors and sights.
- Smoke bombs and anti-riot agents.
- Anti-riot weapon launchers.
- Bombs, grenades and explosive devices and their launchers.
- Armoured vehicles equipped with antiballistic protection.
- Luminous and deafening acoustic equipment for anti-riot control.
- Human movement restriction devices.
- Portable equipment and electric shock belts.
- Vehicles equipped for anti-riot control.

The defence material subject to control under Spanish law is based on the Wassenaar Arrangement List, the Common List of Military Equipment of the European Union Code of Conduct on Arms Exports and also includes categories I and II of the Missile Technology Control Regime.

Among the products which are not classified as defence material, special mention should be made of certain specific cases. Transport aircraft which do not have military specifications or equipment and which are catalogued by the Directorate-General of Civil Aviation as civilian aircraft are expressly excluded from international lists given that their uses and applications are for civilian purposes. Having regard to cargo or transport vessels and ships, if they do not have military specifications or equipment they are also free from control. Lastly, smooth-barrel hunting and sporting arms and their munitions that, due to their technical specifications



are not apt for military use and are not completely automatic, are not considered as defence material and therefore are not subject to export control. The same holds true for certain types of gunpowder, industrial use explosives and cutting and thrusting weapons.

And finally, mention should also be made of Law 49/1999 of 20 December on control measures applicable to chemical substances liable to be diverted for the manufacture of chemical weapons. The new Regulation includes the implementation of the aforementioned Law within the scope of control of the import/introduction of substances figuring on lists 1, 2 and 3 of the Chemical Weapons Convention included previously in Royal Decree 1315/2001 of 30 November.

During the last two months of 2004, an intense awareness campaign was undertaken among defence and Dual Use sector associations regarding the new Spanish legislation (Royal Decree 1782/2004 of 30 July).

## 2. Control bodies

### *A) The Interministerial Regulatory Board on Foreign Trade in Defence Material and Dual Use Goods – Spanish acronym JIMDDU*

This Board was first constituted in 1988 as an Interministerial administrative body and is vouchsafed to the Ministry of Industry, Tourism and Trade. The JIMDDU meets on a monthly basis with the exception of the month of August and has a Working Group responsible for preparing transactions and reports.

Its makeup is determined by article 13 of the Regulation which states that those

units of the administration which are directly involved in the control of external trade in Defence Material, Other Materials and Dual Use Goods and Technologies, shall be represented (Ministries of Industry, Tourism and Trade; Foreign Affairs and Cooperation; Economy and Finance; Defence; and the Interior).

The most important function of the JIMDDU is to inform, on a compulsory and binding basis, administrative authorisations and prior agreements concerning Defence Material, Other Materials and Dual Use Goods and Technologies requested.

### *B) The Secretariat-General for Foreign Trade*

Authorisation for import/export transactions concerning Defence Material, Other Materials and Dual Use Goods and Technologies, duly informed by the JIMDDU, is the responsibility of the Secretariat-General for Foreign Trade. The processing procedure for the issuing of licences and control documents is undertaken by the Deputy Directorate-General of External Trade in Defence and Dual Use Goods which, in turn, also serves as the Secretariat of the JIMDDU.

## 3. Statistical analysis

### *A) Data regarding exports*

The tables showing the export figures corresponding to Defence Material and Other Materials are included in Annex II of this report.

Before delving into concrete data analysis, it should be highlighted that Spain is a modest exporter in the international arms trade and its sales have fluctuated significantly from one year to the next depending on the

contracts won by companies in the sector. Notwithstanding the above, the import/export flow has stabilised over the last several years as a result of the participation of several Spanish companies in joint military cooperation programmes (Eurofighter programmes, the A 400M transport aircraft, the Leopard tank and the MIDS electronic communications programme).

In 2004 there was a 5.9% rise in defence material exports with respect to 2003, continuing the growth trend in exports dating back to 2000. The value of exports totalled €405.9 million.

Year	Value (millions of €)
1998	163.85
1999	141.38
2000	138.27
2001	231.18
2002	274.71
2003	383.10
2004	405.90

The following table illustrates Spain's main export markets. This table was put together with the statistical data from Annex II and includes a grouping by countries and by groups of countries (NATO and EU) as well as the value, percentage of total exports and the principal categories exported in each case.

Countries	Value	%	Categories
EU NATO countries	321.51	79.21	
Poland	97.90	24.13	10
United Kingdom	87.73	21.61	4,8,10,15
Germany	63.04	15.53	2,4,5,6,10
Italy	59.48	14.65	6,10,11,15
Others	13.36	3.29	2,3,4,6,8
EU non-NATO countries	1.39	0.34	3,4,6
NATO (non-EU) countries	7.22	1.78	
United States	6.00	1.48	1,2,4,6,8
Canada	0.66	0.16	4,5
Other NATO (non-EU)	0.56	0.14	
NATO + EU	330.12	81.33	
Other countries	63.66	15.68	
Saudi Arabia	23.26	5.73	1,3,4,15
Jordan	20.25	4.99	10
Ecuador	20.15	4.96	6,10
Remaining countries	12.12	2.99	
TOTAL	405.90	100	

The table shows that exports are concentrated in European Union countries with 79.6% of the total and if NATO countries are added this percentage rises to 81.0% (NATO countries in 2004: EU countries excluding Ireland, Sweden, Finland and Austria plus the United States, Canada, Turkey, Norway, Iceland, the Czech Republic, Hungary, Poland, Bulgaria, Romania, Estonia, Latvia and Lithuania).

Sales to EU countries totalled €322.9 million mostly divided among Poland, the United Kingdom, Germany and Italy. The largest shipment was four aircraft to Poland and parts for the EF-2000 aircraft to the United Kingdom, Germany and Italy. Another important category of exports to Germany was parts for the Leopard and Pizarro tanks.

The United States as a receiver of Spanish exports declined in importance by 17.5% (€6.0 million in contrast with €7.3 million in 2003). Export of defence material to this country was distributed

among a wide array of products. The main categories exported were missile components, components and spare parts for aircraft and tanks and small arms.

Apart from shipments/exports to EU and NATO countries, remaining sales (€75.9 million, 18.8% of the total), were divided among 17 countries of which special mention can be made of Saudi Arabia accounting for €23.3 million in munitions, bullets and grenades; Jordan €20.3 million for one military aircraft and Ecuador €20.1 million for an aircraft to monitor border areas and fifteen armoured vehicles. Other less important markets are located in Arab and Southeast Asian countries. Exports to Zimbabwe amounted to one hunting rifle.

As for product categories, of special importance was the export of "military aircraft" in the amount of €222.8 million accounting for 54.9% of total volume. This is logical considering Spain's participation in the Eurofighter programme and that there has been an increase in the trade of complete components for final assembly. Sales of "imaging and counter-measure equipment" were also relevant with sales totalling €78.6 million accounting for 19.4% of the total. The third most important category was "military ground vehicles" with sales of €37.6 million accounting for 9.3% of the total, the majority of the transactions for tank parts and components for the Leopard and Pizarro to Germany and for the Scorpion to the United Kingdom.

The following table shows a comparison among the three most widely exported categories in 2004 and their relative weight vis-à-vis the previous year.

Category	Year			
	2003		2004	
	Value	%	Value	%
Military aircraft	215.17	56.20	222.78	54.90
Imaging and counter-measure equipment	17.56	4.58	78.60	19.36
Military ground vehicles	30.41	7.90	37.59	9.26

Having regard to the so-called "Other Materials", exports totalled €1.3 million with the major countries of destination being Argentina (€0.6 million accounting for 44.5%) and Venezuela (€0.5 million accounting for 37.6%).

#### *B) Data regarding operations undertaken*

In 2004 a total of 473 applications for the export of defence material were processed and were divided up as follows: 322 individual licences, 10 global licences (for multiple shipments to different countries and beneficiaries), 2 global project licences (similar to global licences but focusing on cooperation programmes in the defence field) and 139 temporary licences. In addition to the foregoing, 4 inward processing traffic licences were processed and 203 licences granted previously were rectified (rectification refers to an extension of the expiration date or a change in the customs release post). Under the heading "Other Materials" 18 individual licences and 16 rectifications were processed and approved.

Of the 322 individual licences, 273 were approved, 4 denied, 9 were abandoned by the exporter, 19 expired due to failure to submit the end-use control document associated to the licence by the deadline date and 17 were left pending. The 10 global licences and the 2 global project licences were approved while of the 135 temporary licences, 1 expired and 1 was

abandoned. As concerns licence rectification, 1 was denied and 4 were abandoned. All of the traffic licences were approved. It must also be pointed out that in 2004, 12 preliminary export agreements were approved while in the case of 1 additional agreement, the exporter abandoned the process. Preliminary agreement refers to initial conformity on the part of the administration for future shipments (subject to an individual licence), providing that circumstances have remained stable at the time the said shipments are made.

*C) Entries in the Special Register of Foreign Trade Operators in Defence Material and Dual Use Goods*

In 2004, 4 new entries were made concerning companies trading in defence material and other materials.

*D) Data concerning licencing denied*

In 2004, 5 applications were turned down due to enforcement of the code of conduct. These were all related to small arms and in 4 of the cases criterion No. 7 was the one applied (risk that equipment will be diverted), the end user failing to furnish sufficient guarantees. The other licence was denied based on criterion 4 (regional situation) and 7.

The 5 licences denied were duly communicated to the EU Member States.

The Spanish Ministry of Foreign Affairs denied 9 transit requests of the total 276 subject to processing in 2004.

In 2004 an investigation was carried out with regard to a shipment of handguns from Spain to another EU country for

subsequent re-export to a Central American nation. The Spanish company in question was using these shipments to avoid being denied the requisite export licence by the Spanish authorities for this product and buyer country.

Moreover, as a consequence of the unrest expressed by the Defence Commission of the Parliament and in the media in previous years, the Secretariat-General for Foreign Trade called on the Department of Customs and Excise Duties on three separate occasions to apply a series of filters in the case of export to specific sub-Saharan African countries of sub-headings 9306.21.00 (shotgun cartridges), 9306.29.40 (cases) and 9306.30.91 (centrefire cartridges).

As a consequence of these interventions it was determined that, given the units exported, their weight and per-unit value, the shipments contained hunting ammunition and not small arms as some non-governmental organisations were leading the public to believe.

And lastly, a study was carried out regarding the possible accumulation of shipments of small arms to a particular destination for which the collaboration of the authorities of the country in question was called upon to look into the solvency of the recipients of the said exports. Based on the foregoing, the decision was taken to make authorisation for these transactions contingent upon the submission of a control document with a specific clause prohibiting re-export.

Prior to issuing authorisation, the JIMDDU carried out a case-by-case analysis of all 2004 transactions applying the following parameters:

- a) Full and absolute respect for United Nation, European Union and OSCE embargoes currently in force (Annex VI).
- b) Observance of commitments undertaken at international control and non-proliferation fora to which Spain is party.
- c) Application of the eight criteria of the European Union Code of Conduct on Arms Exports to exports of defence material.
- d) Adoption of restrictive principles in approving exports to certain countries immersed in domestic or regional situations of conflict thus preventing the shipment of arms or equipment that, in light of their characteristics, could be used to take life or injure or could be used for the purpose of domestic repression or as anti-riot material.
- e) As concerns transactions involving small arms and light weapons, in 2001 the JIMDDU took the decision to make export authorisation of these arms contingent upon the end recipient/user employing them for public purposes (armed forces, law enforcement officials) in the case of particularly sensitive countries or in those where there is a risk of diversion in terms of the end use made of this material. The requirement of submitting a control document continued throughout all of 2004 specifying this point as a prerequisite for licence authorisation.
- f) As of December 2001, the Spanish export of certain devices for the restriction of bodily movement such as leg shackles and waist chains is

prohibited. This prohibition was incorporated as Additional Provision Twelve to the Fiscal, Administrative and Social Order Act, Law 24/2001 of 27 December.

#### 4. Principal actions undertaken and exchanges of information in the field of conventional arms in 2004

##### *A) COARM – Working Group of the Council on conventional arms exports*

The duty of the COARM group is to study those initiatives whose purpose is to strengthen conventional arms trade controls. In addition to that responsibility, its central point of debate focuses on aspects related with the European Union Code of Conduct on Arms Exports. The Code of Conduct is comprised of eight criteria as well as a series of operational provisions which are set out in Annex IV.

Of the most important advances made in 2004, special mention should be made of the following:

- Work continued on the harmonisation process of national contributions made to the Annual Code of Conduct Report. The COARM Group studied the situation raised by some Member States concerning the inability to furnish data regarding licences issued or shipments made. It was also agreed to incorporate, on a voluntary basis, the VI Annual Summary Report of the value of material exported broken down into product categories and countries of destination.
- In 2003, the Council adopted Common Position 2003/468/CFSP of 23 June on the control of arms brokering. The said Common Position contains the criteria, instruments

(licences, written authorisations, activities register, consultations) and definitions which the Member States undertook to include in their domestic legal systems. The Member States have been adapting their legislations to this Common Position. It should be mentioned that Spain has incorporated all of these instruments into its new legislation.

- Particularly noteworthy was the review of the Code in 2004 for the first time since its approval. Not only Member States but several non-governmental organisations participated in this process as well. The principal amendment proposals focused on criteria 6 (the behaviour of the buyer country with regard to the international community as concerns particularly its attitude towards terrorism), 7 (risk of diversion) and 8 (compatibility of the arms exports with the technical and economic capacity of the recipient country) and the operational provisions.

Also during 2004 a working group was formed through which the interpretive study made by Member States in respect of criterion 8 of the Code was addressed (compatibility of the arms exports with the technical and economic capacity of the recipient country) and the possible use of economic development indicators in that regard.

- The accession on 1 May 2004 of ten new countries into the European Union gave rise to an increase in the number of licences denied and consultations made by those countries regarding the application of the Code. This has also led to the convergence of policies and export procedures applicable to EU-25.

As concerns dissemination of information, it should be mentioned that contacts were made with other countries and international organisations interested in abiding by the Code involving the exchange of information regarding the respective denials of military equipment in application of the Code. An example of the foregoing was the case of Norway when it began to participate in the Code's information exchange mechanism in 2004. Since the adoption of the Code on 8 June 1998 six further countries – Bulgaria, Romania, Iceland, Norway, Canada and Croatia – have signed on.

- The Code's "User's Guide" and the central data base of denials developed during 2003 became fully operational as of 1 January 2004. The Guide features clarifications on procedures to be applied to the communication of denials and consultations stemming from the latter in addition to guidelines concerning the interpretation of certain criteria and requirements for the provision of data for the Annual Report. The data base contains all of the denials of the 25 Member States organised according to denying country, country denied and criteria applied. Also in 2004, changes in the communication system between States were implemented.
- The Member States agreed in 2004 to set up a temporary toolbox as a supplement to the Code in the event of an EU lifting of an arms export embargo. Thus during a period of time the States will engage in periodical consultations and exchange of information concerning denials (last three years) and authorisations (last

five years) in addition to providing notice every three months of new licences issued to the country in respect of which the embargo has been lifted.

The work programme envisaged by COARM for 2005 may be summarised as follows:

- Culmination of the Code of Conduct review process and its possible transformation into a common position. In 2003 a debate was launched concerning the possible upgrading of the Code's status by transforming it into a common position, especially by means of the adoption of a common position on the control of arms brokering. Moreover the European Parliament reiterated, in its assessment of the V Annual Report, its call for the Code to be made legally binding and for a study to be done on how to adapt it to domestic legislation.
- Continuation of work on the standardisation process of the national statistical reports.
- Monitoring of the enforcement of the Common Position on the control of arms brokering.
- Study of the possible control of the intangible transfer of technology associated with the Common List of military equipment.
- Development of possible common guidelines regarding the control of end use and verification of the arrival of shipments.
- Ongoing assistance in member countries with a view to guaranteeing

policy standardisation in respect of control of arms exports and the full enforcement of Code of Conduct criteria and provisions.

- Improvement of the "User's Guide and the centralised denial database.

#### *B) Trade Issues Group*

In 2003 the COARM Group raised the issue of the possible drafting of a common list of non-military security and police equipment the export of which should be controlled in accordance with criterion 2 of the Code (respect of human rights in the country of final destination). This proposal arose from the desire on the part of some countries to put certain equipment of this nature on the Wassenaar Arrangement List of military equipment. Ever since that year, the Council's Trade Issues Group has been debating a Regulatory text drafted by the Commission on the marketing of certain materials and products that could be used in the enforcement of the death penalty or to inflict torture or other cruel, inhumane or humiliating treatment or punishment.

The draft Regulation is divided into 16 articles and four annexes. Annex II includes a list of products related with the enforcement of the death penalty the sale of which is prohibited (gallows and guillotines, electric chairs, gas chambers, lethal chemical injection systems, electric-shock belts). There are two exceptions to this prohibition: their exhibit in museums and their use for medical purposes. Annex III is comprised of torture-related equipment (handcuffs, group chains, shackles, portable anti-riot incapacitating chemical substance dispensing devices, chemical substances used in the manufacture of tear gas). These elements may be exported and

imported but they need prior authorisation and a control document listing the recipient, use and end user.

Transit and brokering transactions were not included in this Regulation. A denial and consultation procedure similar to the one used for the EU Code of Conduct in respect of arms exports was set up. And lastly, in the case of Spain the sanctions regime envisaged will entail amendment of the Smuggling Repression Act, Law 12/1995.

*C) European Union Joint Action on Small Arms and Light Weapons*

Joint Action 1999/34/CFSP adopted by the European Union on 18 December 1998 and updated by Joint Action 2002/589/CFSP of 12 July bolsters other already existing European Union initiatives especially the so-called Programme for Preventing and Combating Illicit Trafficking in Conventional Arms of 26 June 1997 and likewise the Code of Conduct on Arms Exports of 8 June 1998.

The said Joint Action focuses on conflict regions and its objectives are to prevent the destabilising stockpiling and proliferation of light weapons and also to contribute to the reduction in stocks of these types of arms. The projects developed under the aegis of this Joint Action are financed through the CFSP budget (specific article on "non-proliferation and disarmament").

As for the enforcement of the Joint Action, special emphasis is being put on the granting of financial and technical assistance for the elimination of stocks. The first specific intervention was passed in 1999 for Cambodia and the two subsequent ones were in 2001 in Albania

and the Latin American and Caribbean countries. The sums appropriated in 2001 for these programmes were €1.7 million in the case of Cambodia, €550,000 for Albania and €345,000 for the latter programme referred to above. In 2002 interventions were carried out in Cambodia (€1,568,000) and in Serbia-Montenegro (€200,000). Projects financed in 2003 focused on Cambodia (€1,436,953) and Albania (€320,000) which also received aid in the amount of \$500,000 from the United States and £400,000 from the United Kingdom.

The EU also took part in the following projects: The Regional Clearinghouse for Small Arms and Light Weapons created within the framework of the UNDP in Belgrade (€300,000), the United Nations Regional Centre for Peace, Disarmament and Development in Latin America and the Caribbean in Lima (€700,000) and four projects for a total of €48,760,000 for disarmament, demobilisation and reinsertion in ACP countries (Tanzania, the Ivory Coast, Liberia and Sierra Leone).

The fourth Annual Report on the enforcement of the Joint Action was published in September 2004. This report contains a description of the action taken by Spain in respect of this Joint Action in 2003 of which the following is a summary.

The Spanish authorities continued organising, as they had in past years, seminars for the training of persons directly involved in the Joint Action. Under the coordination of the Civil Guard's Central Arms and Explosives Control Unit, 231,880 firearms of different types and characteristics were confiscated (27,141 of which were destroyed and 17,768 sold by auction),



215 illegal firearms were seized and inspections of 10,099 arms manufacturing and storage plants and of 7,742 explosives storage plants were carried out. The Customs Department permanently monitor ports and airports as part of its programme to fight against the illegal export of arms.

The Armed Forces and the Civil Guard participated in international operations in Afghanistan, Bosnia and Herzegovina, Kuwait, Guatemala, the Democratic Republic of Congo, Ethiopia, Eritrea, Georgia, Kosovo and Macedonia. Moreover, since 2001 the Spanish International Cooperation Agency (Spanish acronym AECl) has been financing a project aimed at eradicating violence in Bogotá by means of the voluntary surrender and subsequent destruction of firearms in exchange for food vouchers.

In 2003 the Directorate-General of the Civil Guard provided technical assistance to the Police of the Principality of Andorra in the drafting of a new firearms regulation, the two parties signing a cooperation protocol.

In addition to the foregoing initiatives, Spanish officials were present at the First Session of the Permanent Parliamentary Forum on Small Arms and Light Weapons comprised of members of the Defence Commission of the Parliament and Members of Parliament from Sweden and Central America. This meeting was held from 1 to 3 May 2003 in Panama. Spain also participated in the Action Programme monitoring Conference of the First United Nations Conference to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in all its Aspects. The said Conference took place in New York

on 7 to 11 July 2003. It also attended the European Firearms Directive meetings held in Brussels.

And lastly, it should be mentioned that the Ministry of the Interior envisages the passing in 2005 of the amendment to the Arms Regulation (Royal Decree 137/1993 of 29 January). The year 2004 saw the implementation of a new operational scheme designed to bolster inspection activities of firearms and explosives plants and factories. Thanks to this initiative, the said facilities will be inspected three times per year.

*D) United Nations Conference on the Illicit Trafficking of Small Arms and Light Weapons. Action Programme*

Spain places a high priority on international cooperation in combating and eradicating the illicit trafficking of these types of arms. The Spanish Administration has lent its support to all of the work conducted in this field within the scope of the United Nations as well as in other areas (OSCE, Wassenaar Arrangement) as evidenced by the different sections of this report.

The first Conference was held in New York from 9 to 20 July 2001 with the aim of encouraging the control of illicit trafficking in small arms and light weapons, focusing especially on the dealings of brokers.

Work in this regard took the form of an Action Programme which is currently under development as a supplement to the signing of the Protocol Against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition and Related Materials and the United Nations Draft Convention Against Transnational Organised Crime. The said Action

Programme includes the following elements:

- The introduction of export criteria based on those laid down in the EU's Code of Conduct.
- The marking of these arms making each one unique so that they can be traced internationally implementing the current International Instrument on marking and tracing small arms.
- Development of a legally binding international agreement whereby transactions undertaken by brokers may be effectively controlled.
- Cooperation in the collection, control and destruction of these arms and likewise the integration and resocialisation of combatants.
- Increase in police cooperation.

Part II of the said Action Programme contains a series of provisions which should be adopted on the domestic level. The majority of these are much less stringent than the regulation currently in force in Spain, an example being the control of the export of Defence Material and Dual Use Goods and Technologies. The Action Programme calls for the compulsory implementation of an authorisation system in respect of these arms which takes stock of "the risk that the equipment could be diverted to illicit trafficking". In authorising or denying its exports of defence material, Spain applies the Code of Conduct on Arms Exports approved by the Council of the European Union in June 1998 which introduces much more stringent criteria than those envisaged under the Action Programme. Similarly, in other aspects such as the marking, registration and

monitoring of these arms, the Spanish and European regulations are more thorough and ambitious than the provisions contained in the Action Programme. Indeed, in Spain marking has been compulsory since 1929.

There is a second category of Action Programme provisions making it compulsory for States to introduce certain rules into their legal systems. In this regard the Action Programme makes it compulsory to create the crime of illicit arms trafficking. This regulation already existed in the Spanish legal system (Smuggling Repression Act, Law 12/1995) and therefore enforcement of the said Action Programme has not entailed any changes.

A third category of provisions calls for the taking of administrative measures to facilitate the coordination and transmission of information in the sphere of the small arms and light weapons trade. In this connection, States are urged to designate a "contact point" or are requested to voluntarily remit information regarding arms confiscated or destroyed to international organisations. In December 2003 the Ministry of Foreign Affairs and Cooperation communicated the Spanish contact point.

Lastly, the Action Programme contains a series of provisions of a political nature calling on States to cooperate in the elimination of illicit trafficking in small arms and light weapons and to provide technical and financial assistance in this field for States in need and to promote transparency and customs cooperation measures on the regional level. On the European Union level, the Joint Action on small arms and light weapons and the Programme for Preventing and

Combating Illicit Trafficking in Conventional Arms already address these issues with a broader scope than the Action Programme analysed.

With regard to the work undertaken, it should be mentioned that on 7-11 July 2003 the first Biennial Meeting of States was held in New York to consider the enforcement of the aforementioned Action Programme. At this meeting stock was taken of Programme execution based on the national reports from the 79 States. Among the most salient aspects arising at the meeting, special mention should be made, first of all, of the general consensus on the need to develop an international instrument for the marking and tracing of these arms. Spain took part in the First Session of the Open-ended Working Group (GTCA) entrusted with the negotiation of this international instrument held in New York from 14-25 June 2004 and in the Second Session in January/February 2005.

A second interesting point was the proposal tabled by a group of NGOs joined under the umbrella organisation International Action Network on Small Arms (AINSA) concerning the drafting of an international treaty on the small arms and light weapons trade based on the principle that arms exporters refrain from trading with countries or groups which violate International Humanitarian Law or human rights. The European Union is a step ahead of proposals of this nature with its Code of Conduct which includes small arms and light weapons on the Common List of products to which the eight export criteria are applied. This instrument can be considered the most thorough international arms export control system but this fact has not impeded the introduction of

improvements since its approval on 8 June 1998.

Spain participated in a seminar held in Latin America on the enforcement of the United Nations Action Programme on small arms and light weapons. It was held in Antigua (Guatemala) from 31 May to 4 June 2004 and Spanish representatives made a number of different presentations on foreign trade control systems in respect of these products.

And lastly, it should be noted that Spain has been a participant in the Parliamentary Forum on Small Arms and Light Weapons ever since its constitution in Madrid in October 2002 with the participation of Members of Parliament from Spain, Sweden and Central America. The Forum mainly focuses on improving legislation and control mechanisms in respect of these arms; harmonisation and standardisation of attendant laws; the fostering and exchange of information between Members of Parliament and firearms commissions; and the bolstering of the role played by national parliaments in all subjects having to do with the stabilisation and consolidation of democracy and peace and development processes in Latin America and the Caribbean.

The 2004 meeting was held from 1-3 May in Panama.

*E) OSCE Document on small arms and light weapons*

The OSCE Document was adopted in Plenary session on 24 November 2000 and addresses the fundamental objective of putting an end to the excessive stockpiling of small arms and

light weapons and their use in certain regional conflicts. By means of this document, the participating States commit to the development of regulations, measures and principles needed to achieve the said objective. In concrete terms: the illicit traffic in these types of arms is pursued, measures are agreed to prevent their stockpiling and a recommendation is made to authorise shipments strictly for reasons of domestic security, legitimate defence or participation in peacekeeping forces under the auspices of the United Nations or the OSCE.

One of the most important instruments of this initiative is the exchange of information and increase in transparency in accordance with which, on an annual basis and no later than 30 June of each year commencing in 2002, all countries must inform the rest in respect of their imports and exports of small arms and light weapons to/from the rest of the participant States. The most recent information furnished by Spain to the OSCE refers to exports authorised and undertaken in 2004 and figures in Annex VII attached to this report.

The following material figures under the heading "small arms": revolvers and pistols, rifles and carbines, submachine guns, assault rifles and light machine guns. Under light weapons: grenade launchers, heavy machine guns, portable anti-aircraft arms, portable anti-tank arms, portable missile and rocket launching systems, portable anti-aircraft missile launching systems and mortars under 100 mm calibre.

It should be pointed out that the exchange of information in the OSCE is limited, first of all, to armed forces and law enforcement officials in terms

of arms recipients and secondly, to OSCE countries in respect of countries of origin and destination which means that Spanish exports included in this annex are a part of the total exports of small arms and light weapons. Furthermore, the figures appearing in the tables regarding authorised licences issued do not necessarily coincide with the figures appearing in the tables on operations undertaken because not all of the licences give rise to shipments. Moreover, shipments made in one fiscal year could be carried out under a licence issued in the previous year.

As for exports, the focus of this report, only ten transactions were authorised and they were to Belgium, Germany, Canada, the United States, the Netherlands and Turkey and all were for insignificant amounts. In terms of transactions undertaken in 2004, only the export of a pistol to the Netherlands was registered.

During the last several months of 2003, discussions were under way at the OSCE regarding the development of an instrument against the illicit brokering of small arms and light weapons along the same lines as that set out in the Common Position of the European Union and the work done by the United Nations and the Wassenaar Arrangement.

*F) Letter of intent (LoI) regarding the restructuring and integration of the European Defence industry.*

The signing of the Framework Agreement implementing this Letter of Intent took place on 27 July 2000 coinciding with the Farnborough aerospace trade fair (United Kingdom). This Agreement was drawn up based on the conclusions reached by six sub-

committees whose creation stemmed from the 8 July 1998 signing of the Letter of Intent (LoI) on the restructuring and integration of the European defence industry by six countries: France, United Kingdom, Germany, Italy, Sweden and Spain.

The aim of the Letter of Intent is to encourage the creation of a competitive and flexible European industrial structure in the best possible position to tackle future defence sector challenges. The Framework Agreement sets the stage for the creation of a sector-wide political and legal framework with three major aims: the industrial restructuring of the European defence sector, fostering the creation of transnational European companies in this field and encouraging the creation of a stronger and more competitive technological base.

In 2004 Spain has continued participating in the activities carried out in the six aforementioned subcommittees. In respect of Subcommittee No. 2 on Export Procedures, the six countries have signed a Framework Agreement Implementing Convention. The Convention implements the two essential instruments applicable to the cooperation programmes in the sphere of foreign trade: The Global Project Licence (GPL) and the management of the permitted destination lists associated with the GPL.

GPLs are issued for each country having regard to legislation and domestic practices allowing the undertaking of an unlimited number of shipments of products and equipment stemming from a particular programme to the rest of the LoI nations involved in the said Programme. The authorities of each country must have previously rated those programmes to which the Framework

Agreement (and therefore the instruments set out in the Convention) is to be applied. In the case of Spain, the GPL envisaged in the new legislation covers both outgoing and incoming shipments. The lists of third countries of destination permitted should be approved by the authorities of the LoI countries within each programme.

In 2004 subcommittee No. 2 also studied other aspects of undoubted interest in the processing of foreign trade transactions stemming from the said cooperation programmes:

- Definition of admission criteria applicable to new LoI members.
- Possible standardisation of the GPLs.
- Simplification of intra-community transit formalities.
- Study of the replacement of GPLs with other more flexible requirements (blanket authorisations, general authorisations/open licences, free movement of military equipment).
- Standardisation of the information contained in the national statistics submitted to the parliaments regarding shipments under the LoI programmes.

What follows is a description of other noteworthy initiatives which were not included under the foregoing headings.

In 2002 United States officials (US Customs Services) tabled the so-called Container Security Initiative (CSI) which covers aspects concerning both the application of new technologies to container inspection and the signing of agreements with transit countries with ports which handle a significant volume

of containers on route to the United States. In 2004 bilateral contacts continued between Spain and the United States to study the enforcement of this initiative.

A meeting was also held in Washington with representatives of the US Government with a view to implementing the Declaration of Principles between the

two nations for the development of cooperation on matters of defence equipment and industry.

And lastly, Spain participated in the VI International Conference on export control organised by the United States and the United Kingdom held in London on 8-10 November.

## PART II. EXPORT OF DUAL USE GOODS AND TECHNOLOGIES

### 1. Regulations in force

The external trade of Dual Use goods and technologies is governed by Regulation (EC) 1334/2000 of 22 June amended by Regulations 2432/2001 of 20 November, 880/2001 of 27 May, 149/2003 of 27 January, 885/2004 of 26 April and 1504/2004 of 19 July. The Community Regulation lays down a regime by which the export of Dual Use goods and technologies included in Annex I must be controlled (control list of 10 categories of Dual Use goods and technologies) along with others not included on this list pursuant to article 4 (catch-all clause). Annex IV of the Regulation includes the subset of Dual Use goods and technologies whose shipments within the European Union are subject to control given their especially sensitive nature.

This Regulation was accompanied by Joint Action 2000/401/CFSP of 22 June on the control of technical assistance concerning certain military aims. Here, special attention is paid to the control of technical assistance (including that transmitted verbally) which could foster or serve as the basis for the development of weapons of mass destruction. Joint Action introduces control of technical assistance lent to non-community countries thus allowing Member States to choose between an authorisation or prohibition system. Member States are also urged to consider the possible application of control when technical assistance has a conventional military end-use and focuses on countries subject to international embargoes.

### 2. Statistical analysis

#### *A) Data regarding exports*

The tables corresponding to these exports are found in Annex III.

Exports of Dual Use goods and technologies rose in 2004 with an increase of 23.8% with respect to 2003 and total exports valued at €28.05 million. The reason behind the decline in 2003 export figures was the closure of a plant belonging to a well-known foreign multinational in Spain. Up until the first semester of 2001, its subsidiary had been the number one exporter of Dual Use Goods and Technologies thanks to the sale of electronic circuits to South-eastern Asian countries (basically Singapore and Thailand).

Year	Value (millions of €)
1998	209.66
1999	327.14
2000	319.65
2001	75.28
2002	81.40
2003	22.66
2004	28.05

The following were the top ten countries of destination:

Countries	Value (millions of €)
China	7.45
Iran	4.10
Venezuela	3.02
Brazil	2.06
United States	1.71
Turkey	1.13
Switzerland	1.09
Cuba	1.00
Algeria	0.96
Morocco	0.79

Of particular significance among these countries of destination were exports to China of power capacitors for coal mines and electric power, steel and cement plants; numerical control centres for the manufacture of clocks; milling machines and pre-impregnated carbon fibre for use in the automobile industry and machine tools for the production of moulds and pressure-resistant glassware. This country was the recipient of €7.45 million in exports accounting for 26.6% of the total. A further four countries –Iran, Venezuela, Brazil and the United States–accounted for 38.8% with exports totalling €10.89 million. The small remaining percentage was distributed among 47 countries from different parts of the world.

Sales in 2004 were concentrated in two main categories: “Treatment of materials” and “Materials, chemicals, micro-organisms and toxins” with sales of €19.36 million and €6.57 million respectively, the two categories considered jointly accounting for 92.4% of total exports.

#### *B) Data regarding operations undertaken*

In 2004, 363 licence applications for Dual Use goods and technologies were processed corresponding to 359 individual licences, 3 global licences and 1 temporary export licence. Also, 28 rectifications of previously issued licences were approved as was 1 inward processing traffic. Two general authorisations were granted pursuant to article 6 of the Community Regulation on Dual Use. Of the 359 individual licences, 330 were approved, 18 denied and 11 were abandoned by the exporter himself. The three global licences and temporary export licences were approved. Three preliminary agreements were authorised in 2004.

#### *C) Entries in the Special Register of Foreign Trade Operators in Defence Material and Dual Use Goods*

In 2004, 14 new entries were made of companies dealing in Dual Use goods and technologies.

#### *D) Data concerning licencing denied*

18 licences were denied within the scope of Dual Use, 8 pertaining to machine tools and the rest to chemicals. The reason for the said denials was risk that the equipment would be diverted to the manufacture of weapons of mass destruction. Also during 2004 Spain informed the Australia Group of its decision to renew 26 denials whose deadline had passed and to not renew 6 expired denials.

The JIMDDU took the decision on five different occasions to enforce the catch-all clause and, as laid down in article 4 of the European Regulation on Dual Use, this was with regard to the export of



machine tools, valves and chemical analysis equipment.

Also in 2004 an investigation was undertaken regarding possible shipments from Spain of machine tools and their being diverted to proliferation programmes in two countries.

A number of steps were undertaken in the last quarter of the year for the lifting of sanctions imposed by another country on a Spanish company that the former accused of exporting material to a proliferation country of destination. The steps taken had a positive effect in the end.

And finally an appeal to a higher court and an action for pecuniary damages were informed. These were filed in response to export denials concerning chemical materials and equipment issued in previous years.

### 3. Principal actions undertaken at international control and non-proliferation fora in 2004

The specific characteristics of these fora are explained in Annex V.

#### *A) Ad-hoc Council Group on the export of Dual Use goods and technologies*

The principal responsibility of the Dual Use ad hoc group is the review of the Community Regulation and the updating of its annexes. To this end, stock is taken of the changes decided at the principal international control and non-proliferation fora.

A summary of the main subjects addressed in 2004 is found below.

#### 1. *Monitoring of the Action Plan for the implementation of the basic principles*

*for a European strategy against weapons of mass destruction.* This Action Plan was adopted by the Policy and Security Committee following the Thessaloniki Declaration on the non-proliferation of weapons of mass destruction. As a result, a task force was created in the last quarter of 2003 formed by the Commission, the Council and Finland to coordinate and draw up the objectives and methodology for the groups of countries that carried out the review of the Dual Use legislation of the ten new Member States in 2004-05 (exercise known as peer review). Spain, together with France, participated in the review of Poland's legislation. The first stage of the review came to a close in 2004 and in 2005 the second stage shall be undertaken based on the recommendations drawn up during the first and its application schedule.

#### 2. *Updating of Annexes I and IV of the Community Dual Use Regulation.* This was done based on the changes agreed to in 2003 in the Wassenaar Arrangement, the Missile Technology Control Regime, the Nuclear Suppliers Group, the Australia Group and the Chemical Weapons Convention. The majority of these changes entailed the elimination or the raising of control thresholds on certain products and technologies which have increasingly important civilian and industrial uses. As a result, Council Regulation 1504/2004 of 19 July was published to update and consolidate the aforementioned annexes to Regulation 1334/2000. The reference to Poland, Hungary and the Czech Republic was eliminated from Annex II regarding General Authorisation once those

countries became members of the European Union.

3. *Control of brokering transactions in the trade of Dual Use goods and technologies.* Similar to what was taking place in the COARM group, during the Spanish Presidency, a discussion was initiated in this group regarding control of brokers. In 2004, headway made in this field continues to be very insignificant.

4. *Improvement in communication channels regarding the exchange of information on denials and sensitive information.* In 2004 the decision was taken to change the communication of denials and channel them through COREU. Moreover, these communications have been updated and exchanged among all of the countries of the enlarged EU.

5. *Support lent to requests for accession of candidate countries to international control and non-proliferation fora.* The Member States have defended the desirability of the accession of the new EU States – Estonia, Latvia, Slovenia, Cyprus and Malta- which are not yet members of these fora. Slovenia's candidacy was accepted at the plenary session of the Wassenaar Arrangement.

During 2005, in addition to the subjects already mentioned, work will continue on the study of the pending proposals regarding the reduction of control on the export of equipment arising from the European satellite navigation programme Galileo, control of the intangible transfer of technology and possible amendment of the catch-all clause relating to Dual Use goods and technologies which do not figure on the control lists and which

have possible end uses for individuals or terrorist groups.

#### *B) Wassenaar Arrangement (WA)*

The Arrangement, having replaced the Coordinating Committee on Multilateral Export Controls (COCOM) on 19 December 1995, is the principal international control and non-proliferation forum.

The main issues of debate in 2004 were:

1. *Terrorism.* The 2002 Plenary created the security and intelligence subgroup of experts in which Spain takes part alongside 14 other nations. Spain's participation in this security and intelligence subgroup of experts came about as the result of the active role Spain has played in Wassenaar in this regard leading to the 2001 Plenary decision, with the decisive support of Spain, to include an additional objective in the initial elements (guidelines) dealing with the prevention of the possible acquisition of conventional arms and Dual Use goods and technologies by individuals, groups or terrorist organisations.

The work of this subgroup commenced in 2003 with the study and preparation of a list of goods and technologies that could possibly be used by terrorists (which do not necessarily have to be included on the Arrangement's control lists). The majority of the participating countries submitted a specific control proposal even, in some cases, in respect of new products and technologies.

In 2004 work continued on the identification of products and technologies liable to be used by terrorists. Information exchange has been set up regarding counter-terrorism affairs and improvements have been introduced in terms of coordination with the Licencing and Enforcement Officers Meeting (LEOM).

2. *Exchange of specific information.* This has been the Arrangement's crucial point of debate over the last several years with a number of different proposals calling for an increase in transparency regarding the specific exchange of information. It is very important to note that at the 2003 Plenary an eighth category of small arms and light weapons (similar to that of the OSCE) was added to this exercise. This was made possible thanks to a number of contributions including Spain's proposal for a review of appendix 3 (large calibre artillery systems) and the inclusion of a new appendix 8 (more detailed than the definition of small arms and light weapons found in the OSCE document). However, no consensus was reached regarding individualised notification of the denials stemming from the 7 appendices on conventional arms and the same was true regarding the use of a consultation mechanism prior to the authorisation of an application which is "essentially identical" to another or others denied by other countries (known as the no undercut policy). The application of this mechanism to denials of products on the sensitive and very sensitive Dual Use list was not approved either.

The study of the possible inclusion of five new categories (submarines and

torpedo-firing frigates, armoured vehicles, amphibious vehicles, transport tanks and long-range artillery systems) in appendix 3 of the Initial Elements continued in 2004. Work also continued on the analysis of licenced production abroad and individual communication in respect of transfers and denials of Dual Use Goods and Technologies figuring on the aforementioned lists.

3. *Intangible transfer of technology.* The main recommendation made by the coordinators of this task force was the standardisation of a preliminary agreement and analysis system by the different departments responsible for these dispatches, further supplemented by after-the-fact controls. At the 2003 Plenary meeting, a "Best Practices" document in this regard was approved.
4. *Disclosure and participation.* Meetings with China and South Africa in 2005 were approved. As concerns the accession of new countries, Slovenia was accepted as a new member of the Arrangement and a silence procedure was established up to 15 April 2005 for the remaining candidates (Latvia, Lithuania, Estonia, Cyprus and Malta).

Other subjects of discussion during 2004 included: An agreement to strengthen the Licencing and Enforcement Officers Meeting (LEOM) by giving it its own chairperson; the possible introduction of a catch-all clause for terrorism; control procedures applicable to less sensitive Dual Use Goods and Technologies were made more flexible; mechanisms and guidelines for the amendment of control lists were reviewed; information was gathered from member countries on the

application of the SOUs based on the control of the so-called man-portable air defence systems (MANPADS); changes in the control lists were made (military as well as Dual Use); common elements in the control documents were developed; the Wassenaar Arrangement Information System (WAIS) was reviewed and administrative and budgetary aspects were studied.

### *C) Nuclear Suppliers Group (NSG)*

The aim of the Nuclear Suppliers Group is to assure that trade in nuclear equipment does not contribute to the proliferation of weapons of mass destruction and to facilitate cooperation as regards the peaceful use of nuclear energy.

At its annual plenary session held on 24-28 May in Gothenburg (Sweden) the Group agreed on the introduction of the catch-all principle in Dual Use guidelines and also supported the reinforcement of internal information exchange, contact with non-member nations and cooperation relations with the International Atomic Energy Agency (IAEA).

It also expressed support for a review of export control systems with a view to strengthening supply conditions especially with regard to sensitive products and technologies liable to more directly contribute to the production of fissionable material and always within the context of the Non-Proliferation Treaty (NPT) and other international initiatives.

And lastly, special accent was placed on the importance of the voluntary decision taken by Libya to abandon its nuclear programme while important concern was also expressed over the discovery of international nuclear trafficking networks

through which sensitive material had been supplied to Libya. As a result of the foregoing, a recommendation went out to the States to exercise extreme caution in their exports to prevent the use of these materials in nuclear arms programmes especially in countries that have lost the trust of the international community given their failure to comply with international obligations.

In 2004 Estonia, Lithuania, Malta and the People's Republic of China were admitted as new members bringing the number of NSG nations to 44 plus the European Commission which participates as an observer.

This forum's 2005 plenary will be held in Oslo (Norway).

### *D) Missile Technology Control Regime (MTCR)*

The Regime is comprised of 34 members including Bulgaria which was admitted at the 2004 plenary session held on 4-8 October in Seoul (Korea). The Regime has contributed to international efforts aimed at the non-proliferation of missiles while at the same time acknowledging that the risk of proliferation of weapons of mass destruction and their delivery systems continue to be the greatest threat to global and regional security.

In 2004 the MTCR reaffirmed its determination to continue discouraging the development of missile and proliferation programmes especially in the greatest areas of concern in certain Asian and Middle Eastern regions.

Priority activities in 2004 included improving, strictly enforcing and updating export controls including the consideration of subjects concerning the

intangible transfer of technology, transit, transshipment and brokering activities.

United Nations resolution 1540, declaring that the proliferation of delivery systems for weapons of mass destruction constitutes a threat to international peace and security and calling on all States to establish effective export control measures to prevent the said proliferation, was highlighted by the MTCR which called on all non-member states as well to apply this forum's control lists and guidelines.

And lastly, the Regime welcomed Spain's offer to host and chair the upcoming plenary meeting of the MTCR to be held in the Autumn of 2005 and to continue chairing the organisation during 2006.

#### *E) Australia Group (AG)*

Paris hosted the plenary session of the Australia Group from 7-10 June 2004 aimed at strengthening the export control measures applied by participating countries with a view to preventing the production and spread of chemical and biological weapons. This meeting was attended by new members of the European Union which were not previously members of the Group: Lithuania, Latvia, Estonia, Slovenia and Malta bringing to 38 the number of member countries plus the European Commission in its role as observer. Ukraine submitted its admission application.

The Australia Group measures are becoming increasingly accepted as international benchmarks in respect of export control of chemical and biological weapons and the control lists of Dual Use Goods and Technologies. In this connection, a number of different

proposals were submitted for the inclusion of new chemical products, related discussions being set for the period between the two plenary sessions. In the area of biology, acceptance was granted for the inclusion of five new pathogenic agents affecting plants on the controls lists and medical exemptions applicable to conotoxins were broadened. A study was also made of the possibility of including spraying or fogging systems capable of disseminating biological agents through aerosols.

The 2005 plenary session will be held in Sydney (Australia) marking the 20<sup>th</sup> anniversary of the Group's creation.

#### *F) Chemical Weapons Convention (CWC)*

As of 4 April 2005, following ratification by Chad, Libya, Madagascar, the Marshall Islands, Rwanda, Saint Kitts and Nevis, Sierra Leone, the Solomon Islands and Tuvalu, a total of 156 countries had signed and ratified the Convention. Approximately 95% of the world's population and over 98% of the chemical industry is located within the territories of the states party to the Convention. In addition there are 11 signatory states.

In 2004 the activities of the Organisation for the Prohibition of Chemical Weapons (OPCW) continued to focus on disarmament and the non-proliferation of chemical weapons. In February the destruction process of Libya's chemical arsenal and production facilities commenced under the supervision of OPCW inspectors who will likewise supervise the conversion of the facilities for alternative purposes not prohibited by the Convention such as the production of vaccines and disease-fighting medicines.

OPCW's Executive Council, at its 38<sup>th</sup> session (12-15 October), adopted a technical change in paragraph 72, part V of the CWC Verification Annex so that the conversion of chemical weapon production facilities is carried out as expediently as possible and in no case shall this process take longer than six years from the time that the CWC enters into force in a state party to the Convention.

The Annual Conference of CWC States Parties was held at the Hague on 29 November to 3 December with the attendance of the 167 Convention Member States with non-member states invited as observers. This Conference is the main body of the OPCW. At this session the delegates considered requests for the extension of intermediate deadlines for the destruction of chemical weapons submitted by Albania and Libya. The universal and effective implementation of the CWC was likewise ratified by the States Parties while at the same time promoting international cooperation in the peaceful use of chemical substances.

As for the activities carried out by the National Authority for the Prohibition of Chemical Weapons (Spanish acronym ANPAQ), three inspections of companies were undertaken in 2004 and it organised a course on assistance and protection regarding chemical weapons on 13-23 September at the *Grupo de Escuelas de la Defensa* (Defence School Group) in Madrid.

As is customary, the Secretariat-General of ANPAQ sent the Annual Declarations containing the substances of the Convention's three lists to the OPCW at the Hague.

#### *G) Biological and Toxin Weapons Convention (BTWC)*

As of 4 April 2005, 153 States were party to the Convention and a further 16 had signed but had yet to ratify it. At the V Review Conference held on 10-14 November 2002 in Geneva it was agreed that each year a week-long meeting would be held until the VI Review Conference which will take place before the end of 2006.

The Meeting of Experts was held in Geneva on 19-30 July with debate mostly focusing on the strengthening of international response capacity, research and mitigation of effects regarding cases of alleged use of biological arms or toxins and outbreaks of suspicious diseases.

The meeting of the States party to the Convention was held in Geneva on 6-10 December following up on the subjects addressed by the Group of Experts. Spain submitted a document on national and international efforts made in the area of surveillance, detection, diagnosis and combating infectious diseases affecting humans, animals and plants.

The ratification process of the Convention's verification protocol is still pending.

Lastly, 6 meetings were held with companies and associations, mostly focusing on the spread of export control mechanisms applicable to chemical and biological substances as well as machine tools.

The aim of this report, together with the ten annexes found below, is to furnish official, complete and reliable information to the Defence and Foreign Affairs Commissions of the Parliament and,

once submitted to the latter, to the public at large, in respect of the export of Defence Material and Dual Use Goods

and Technologies in Spain and likewise Government action undertaken to control these transactions.





## **ANNEX I. PLENARY SESSION AGREEMENTS TAKEN AT THE SPANISH PARLIAMENT ON ARMS TRADE TRANSPARENCY**

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Text of the Plenary session agreement taken at the Parliament on 18 March 1997

accordance with Spanish law and international commitments.

The Parliament urges the Government:

1. To incorporate and implement the eight criteria in respect of transparency and control of the export of Defence Material and Dual Use Goods and Technologies approved by the European Union in 1991 and 1992 into Spanish legislation.
2. To include all military security and police transfers of material as well as personnel, training and technology, in legislation and arms trade information.
3. To disclose, on an annual basis, the essential export data as from 1991 including statistics by countries of destination in
4. To send, half-yearly, the essential export data in respect of Defence Material and Dual Use Goods and Technologies to the Defence and Foreign Affairs Commissions of the Parliament.
5. To provide the Defence and Foreign Affairs Commissions of the Parliament with the list of countries which, given their human rights status, degree of conflict or militarisation, are subject to embargo by the United Nations, the European Union or by any other international organisation of which Spain is a member and which should therefore be subject to restrictions with respect of the export of Defence Material and Dual Use Goods and Technologies.

Text of the Plenary session agreement taken at the Parliament on 11 December 2001

The Parliament urges the Government to:

1. Continue advancing in its policy of information transparency as concerns exports of defence, security and law enforcement material with a view to achieving more specific information in respect of products and countries in accordance with that passed by the Parliament on 18 March 1997.
2. Enforce the European Union Code of Conduct approved in 1998 on an individualised, transaction case by case basis, remaining firm in refusing to authorise exports when these do not comply with the criteria laid down in the Code.
3. Promote, during the upcoming Presidency of the European Union and within the framework of the COARM, the study of all initiatives which increase the level of transparency and control of conventional arms exports and specifically the following: improvement and reform of the Code of Conduct on the transfer of defence, security and law enforcement material; widening of the scope of products to be included in the said Code in line with the definition established by the United Nations in 1997, including material used for the purpose of torture and enforcement of the death penalty; improvement of control mechanisms curtailing the activities of brokers, promoting the appropriateness of creating a register in that regard and studying and controlling transactions; establishment of controls on licenced production and effective control mechanisms in respect of the end-use of transfers and the enforcement of the European Union Code of Conduct in all OSCE countries.
4. Continue participating in the different international fora which address the problem of the proliferation and control of small arms.
5. Promote initiatives envisaging the buy-back, collection and destruction of arms in specific countries or areas through the European Union and the working group established to that end.
6. Appear before the Defence Commission of the Parliament to provide a detailed account of external trade transactions involving Defence Material and Dual Use Goods and Technologies and the initiatives carried out by the Government to contribute to better control of small arms.
7. Propose a debate, within the context of the European Union, on the control of air, sea and land transit of arms through Member States' territory.
8. Apply the results of the United Nations Conference held in July in New York on the illicit traffic of small arms and light weapons.

## ANNEX II. EXPORT STATISTICS ON DEFENCE MATERIAL AND OTHER MATERIALS IN 2004

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BY-COUNTRY AUTHORISED EXPORT OF DEFENCE MATERIAL 2004		
Country	Lic No	Value €
Algeria	1	0
Andorra	21	52,150
Angola	1	185,000
Argentina	9	18,317
Australia	4	2,601,664
Austria	2	0
Belgium	13	5,255,433
Brazil	5	0
Canada	4	1,913,451
Chile	5	4,071,433
Colombia	7	3,421,774
Cuba	1	31,850
Cyprus	1	80,000
Ecuador	2	48,506,956
Egypt	2	1,947,517
El Salvador	1	7,500
France	44	7,945,189
Germany	58	145,924,882
Greece	5	2,251,587
Indonesia	2	757,518
Israel	5	175,537
Italy	19	5,175,281
Kazakhstan	2	6,098
Kenya	1	177,235
Kuwait	1	3,500
Luxembourg	7	6,305
Malaysia	4	274,447
Mauritania	2	1,188
Mexico	5	10,850
Morocco	5	8,033,420
Mozambique	1	0
Netherlands	6	195,748
New Zealand	3	5,368,796
Norway	7	586,660
Oman	5	56,080
Pakistan	1	132,000
Paraguay	1	5,568,279
Peru	1	543,900
Philippines	2	444,303
Poland	1	119,348,589
Portugal	7	522,834
Qatar	5	316,397
Romania	1	1,000
Saudi Arabia	9	23,304,742

BY-COUNTRY AUTHORISED EXPORT OF DEFENCE MATERIAL 2004 (Continued)		
Country	Lic No	Value €
Singapore	3	822,250
South Africa	2	0
Sri Lanka	1	420
Sweden	1	440,975
Switzerland	5	35,450
Tanzania	1	0
Thailand	4	894,413
Tunisia	2	368,000
Turkey	7	3,498,322
U. Kingdom	50	20,166,994
United States	55	18,180,285
Venezuela	1	0
Zimbabwe	1	0
<b>TOTAL</b>	<b>422</b>	<b>439,632,519</b>

**Note.-** The number of licenses authorised is lower than the number of licenses processed given that the former does not reflect those denied by the JIMDDU, abandoned by companies or expired because control documentation was not submitted before the stipulated deadline date.

**BY-COUNTRY / BY-PRODUCT EXPORTS OF DEFENCE MATERIAL ACTUALLY UNDERTAKEN  
2004**

Country	Categories										
	1	2	3	4	5	6	7	8	9	10	11
Andorra	7,616		22,982								
Angola										185,001	
Argentina	10,871										
Australia											10,423
Austria			3,888			1,308,621					
Belgium			1,561,248	318,405				75			
Brazil	29,385		770								
Canada				610,141	51,464						
Chile				557,811						92,419	
Colombia		6,200		955,217							
Costa Rica	1,773										
Cyprus				80,000							
Ecuador						3,463,123				16,690,755	
Egypt										628,469	
El Salvador	5,150										
France				1,391,239				1,575,384		257,935	401,288
Germany		54,000	223,000	414,411	1,004,455	24,443,797		142,022		23,462,244	157,064
Greece	5,548		42,240	15,858				2,984,232			
Indonesia				1,280,526							
Israel	35,257										
Italy			19,000	47,800		4,056,000		1,797		33,575,664	6,753,553
Jordan										20,250,000	
Kazakhstan	6,098										
Kuwait		3,500									
Luxembourg						14,423				172,502	
Malaysia				274,447							
Mexico	2,100			193,264							
Morocco	2,557					3,635,420					
Netherlands		7,621						8,748			
Norway	3,428		419,430					124,983			
Oman			7,290								
Peru	14,160										
Philippines	81,377										
Poland										97,903,741	
Portugal							1,425	4,585,390			
Qatar						204,261					
Saudi Arabia	1,800		9,183,562	13,523,787							
Singapore			470,000	53,985							
Sri Lanka	420										
Switzerland	3,530										
Thailand		574,058		1,007,238							
Tunisia		22,450									
Turkey	652					14,339					
U. A. Emirates				12,290							
U. Kingdom			1,040	813,122		442,929		6,837,629		29,464,819	
United States	1,787,084	1,367,161		2,693,085		3,883		29,641		99,916	21,321
Venezuela			1,671,425	2,000			30,374				
Zimbabwe	1,500										
<b>TOTAL</b>	<b>2,000,306</b>	<b>2,034,990</b>	<b>13,625,875</b>	<b>24,244,626</b>	<b>1,055,919</b>	<b>37,586,796</b>	<b>31,799</b>	<b>16,289,901</b>		<b>222,783,465</b>	<b>7,343,649</b>

**BY-COUNTRY / BY-PRODUCT EXPORTS OF DEFENCE MATERIAL ACTUALLY UNDERTAKEN**  
**2004 (Continued)**

Country	Categories											Value €
	12	13	14	15	16	17	18	19	20	21	22	
Andorra												30,598
Angola												185,001
Argentina												10,871
Australia												10,423
Austria												1,312,509
Belgium												1,879,728
Brazil												30,155
Canada												661,605
Chile												650,230
Colombia												961,417
Costa Rica												1,773
Cyprus												80,000
Ecuador												20,153,878
Egypt												628,469
El Salvador												5,150
France												3,625,846
Germany				12,847,345						302,144		63,050,482
Greece												3,047,878
Indonesia												1,280,526
Israel												35,257
Italy				15,021,219								59,475,033
Jordan												20,250,000
Kazakhstan												6,098
Kuwait												3,500
Luxembourg												186,925
Malaysia												274,447
Mexico												195,364
Morocco												3,637,977
Netherlands												16,369
Norway												547,841
Oman												7,290
Peru												14,160
Philippines												81,377
Poland												97,903,741
Portugal												4,586,815
Qatar												204,261
Saudi Arabia				553,113								23,262,262
Singapore												523,985
Sri Lanka												420
Switzerland												3,530
Thailand												1,581,296
Tunisia												22,450
Turkey												14,991
U. A. Emirates												12,290
U. Kingdom				50,174,359								87,733,898
United States												6,002,091
Venezuela												1,703,799
Zimbabwe												1,500
<b>TOTAL</b>				<b>78,596,036</b>						<b>302,144</b>		<b>405,895,506</b>

## DESCRIPTION OF THE 22 ARTICLES FIGURING ON THE LIST OF DEFENCE MATERIAL (ROYAL DECREE 1782/2004 OF 30 JULY)

Category	Description 22 articles	List of products included
1	Smooth-bore weapons with a calibre of less than 20 mm.	Rifles, carbines, revolvers, pistols, machine pistols, machine guns, silencers, clips, sights and flash suppressers
2	Smooth-bore weapons with a calibre of 20 mm or more	Firearms (including pieces of artillery), howitzers, cannons, mortars, anti-tank weapons, projectile launchers, flame throwers, recoilless rifles, signature reduction devices, military smoke, gas and pyrotechnic projectors or generators and weapons sights
3	Ammunition, devices and components	Ammunition for the weapons subject to control under articles 1, 2 or 12. Fuse-setting devices including cases, links, bands, power supplies with high operational output, sensors, submunitions
4	Bombs, torpedoes, rockets, missiles	Bombs, torpedoes, grenades, smoke canisters, rockets, mines, missiles, depth charges, demolition charges, "pyrotechnic" devices, cartridges and simulators, smoke grenades, incendiary bombs, missile rocket nozzles and re-entry vehicle nosetips.
5	Fire control systems	Weapon sights, bombing computers, gun laying equipment, weapon control systems, systems for data collection, surveillance or tracking, recognition or identification
6	Ground vehicles	Tanks and other military armed vehicles and military vehicles fitted with mountings for arms or equipment for mine laying, armoured vehicles, amphibious vehicles, bullet-proof tyres
7	Chemical or biological toxic agents	Biological agents and radioactive materials, nerve agents, vesicant agents, tear gases
8	Energetic materials and related substances	Explosives, propellants, pyrotechnics, fuels and related substances, perchlorates, chlorates and chromates, oxidizers, binders, additives and precursors
9	Vessels of war	Combatant vessels and surface or underwater vessels and components therefore, diesel engines especially designed for submarines, electric motors especially designed for submarines, underwater detection devices, submarine and torpedo nets
10	Aircraft	Combat aircraft, unmanned airborne vehicles, aero-engines, remotely piloted air vehicles, refuelling equipment, pressurised breathing equipment, parachutes, automatic piloting systems
11	Electronic equipment	Electronic countermeasure and electronic counter-countermeasure equipment, underwater acoustic material, data security equipment, equipment using ciphering processes, guidance and navigation equipment
12	Kinetic energy weapon systems	Kinetic energy weapon systems, test and evaluation facilities and test models, propulsion systems, homing seeker, guidance or divert propulsion systems for projectiles
13	Armoured equipment and constructions	Armoured plate, constructions of metallic or non-metallic materials, military helmets, body armour and protective garments
14	Military training or simulation equipment	Attack trainers, flight trainers, radar target trainers, anti-submarine warfare trainers, missile launch trainers, image generating trainers
15	Imaging or countermeasure equipment	Recorders and image processing equipment, cameras, photographic equipment, image intensifier equipment, infrared or thermal imaging equipment, imaging radar sensor equipment
16	Forgings, castings and unfinished products	Forgings, castings and unfinished product parts
17	Miscellaneous equipment, materials and libraries	Self-contained diving and underwater swimming apparatus, closed and semi-closed circuit apparatus, robots, ferries
18	Production equipment	Environmental test facilities, continuous nitrators, centrifugal testing apparatus or equipment, screw extruders
19	Directed energy weapon systems	Laser systems, particle beam systems, radio-frequency systems, particle accelerators
20	Cryogenic and superconductive equipment	Equipment especially designed or configured to be installed in a vehicle for military ground, marine, airborne or space applications, superconductive electrical equipment
21	Software	Software designed for modelling, simulation or evaluation of military weapon systems or for the simulation of military operation scenarios, for command, communications, control and intelligence applications
22	Technology	Technology for the development, production or use of materials controlled

BY-COUNTRY AUTHORISED EXPORT OF "OTHER MATERIALS" 2004		
Country	Licence No	Value €
Argentina	2	546,700
Cameroon	3	462,992
Costa Rica	1	0
Ecuador	1	0
Iran	1	0
Mexico	1	0
Nicaragua	3	126,000
Panama	2	219,285
Peru	4	94,240
Portugal	1	0
Serbia and Montenegro	1	85,920
Venezuela	15	4,457,090
<b>Total</b>	<b>35</b>	<b>5,992,227</b>

**Note 1.-** Value 0 €, indicates no charge made for export

**Note 2.-** The number of licences authorised is lower than the number of licences processed given that the former does not reflect those denied by the JIMDDU, abandoned by companies or expired because control documentation was not submitted before the stipulated deadline date.

BY-COUNTRY EXPORT OF "OTHER MATERIALS" ACTUALLY UNDERTAKEN IN 2004	
Country	Value €
Argentina	603,700
Ecuador	99
Morocco	6,800
Nicaragua	99,320
Peru	50,723
Serbia and Montenegro	85,920
Venezuela	509,229
<b>Total</b>	<b>1,355,791</b>

DESCRIPTION OF "OTHER MATERIALS" (ROYAL DECREE 1782/2004 OF 30 JULY)
Firearms or propelled arms
Visors and sights, telescopic sights and light or image intensification
Generator devices, projectors, smoke dispensers, gases, "anti-riot agents" or incapacitating substances
Launchers of the foregoing elements
Bombs, grenades and explosive devices
Armoured vehicles and vehicles equipped with metal or non-metal materials providing anti-ballistic protection
Light and deafening sound equipment for riot control
Devices for the restriction of bodily movement including leg and/or waist shackles with or without chains and remote, fixed anti-movement devices
Portable equipment and electric shock belts.
Vehicles equipped for anti-riot control.



## ANNEX III EXPORT STATISTICS ON DUAL USE GOODS AND TECHNOLOGIES 2004

BY-COUNTRY AUTHORISED EXPORT OF DUAL USE GOODS AND TECHNOLOGIES 2004		
Country	Lic No	Value €
Algeria	27	591,936
Argentina	7	877,611
Australia	9	1,547
Bosnia and Herzegovina	7	2,887
Brazil	10	4,660,342
Bulgaria	6	1,623
Canada	1	6,178
Chile	5	22,350
China	33	13,417,447
Colombia	8	347,749
Costa Rica	2	38,635
Croatia	2	1,015
Cuba	19	1,003,351
Dominican Rep.	2	62,886
Ecuador	1	20,105
Ethiopia	1	108
Guatemala	1	54,000
India	4	1,640,797
Iran	13	5,748,701
Israel	3	1,515,636
Japan	3	2,070
Jordan	1	36,500
Kazakhstan	1	0
Kenya	4	65,159
Libya	6	664
Lithuania	1	50
Madagascar	1	117
Malaysia	5	1,758,658
Mali	3	163,260
Mexico	1	610,429
Morocco	32	2,332,894
Myanmar	1	20
Netherlands	1	3,000
Netherlands Antilles	2	565,432
New Zealand	4	436
Nigeria	1	56,160
Norway	1	557,225
Pakistan	19	4,005
Peru	8	6,031
Philippines	3	151,377
Poland	5	977,606
Qatar	1	104
Romania	3	327,712

**BY-COUNTRY AUTHORISED EXPORT OF DUAL USE  
GOODS AND TECHNOLOGIES  
2004 (Continued)**

Country	Lic No	Value €
Saudi Arabia	1	100
South Korea	1	26,500
Senegal	4	32,401
Serbia and Montenegro	1	58,000
Singapore	2	47
South Africa	5	602,157
Switzerland	5	6,135
Taiwan	7	1,691
Thailand	6	1,416
Tunisia	9	31,448
Turkey	4	1,209,635
U. Arab Emirates	2	1,459
United States	9	1,056,264
Uzbekistan	1	16
Venezuela	13	3,422,753
<b>TOTAL</b>	<b>338</b>	<b>44,083,835</b>

**Note.-** The number of licenses authorised is lower than the number of licenses processed given that the former does not reflect those denied by the JIMDDU, abandoned by companies or expired because control documentation was not submitted before the stipulated deadline date.

**BY-COUNTRY / BY-PRODUCT EXPORTS OF DUAL USE GOODS AND TECHNOLOGIES ACTUALLY UNDERTAKEN  
2004**

Country	Categories										Value €
	0	1	2	3	4	5	6	7	8	9	
Algeria	495	93,837	865,355								959,687
Argentina		466,696				2,604					469,300
Australia		7,141									7,141
Bosnia Herzegovina	690	1,789									2,479
Brazil		339,432	1,689,000	31,680							2,060,112
Bulgaria	227	40,170									40,397
Canada	19,927										19,927
Chile		21,555									21,555
China		51,635	7,122,954	180,243		91,996					7,446,828
Colombia		135,140									135,140
Costa Rica		6,055									6,055
Croatia		1,015									1,015
Cuba	894	3,993	1,000,000								1,004,887
Dominican Rep.		5,920									5,920
Ecuador		5,437									5,437
Guatemala		7,704									7,704
Hungary		31,664									31,664
India			479,239								479,239
Iran			4,098,408								4,098,408
Israel		3,560				340,497					344,057
Japan							74,000				74,000
Jordan		6,585									6,585
Kazakhstan										0	0
Kenya		26,208									26,208
Libya		606									606
Madagascar		117									117
Malaysia		26,485				94,106					120,591
Mali		87,180									87,180
Malta		38									38
Morocco		368,527	424,500								793,027
Netherlands		3,172									3,172
Netherlands Antilles		339,732									339,732
New Zealand		63									63
Nigeria		100,632									100,632
Norway		36,119	557,225								593,344
Pakistan		2,858									2,858
Peru		6,084									6,084
Philippines		39,747									39,747
Poland		88,494	696,250								784,744
Romania		201,155									201,155
Saudi Arabia	100	17,523									17,623
Senegal		10,261									10,261
Singapore		13									13
South Africa		295,142									295,142
South Korea		5,672	420,000								425,672
Switzerland	2,454	2,947	1,046,320	40,000							1,091,721
Taiwan		1,217									1,217
Thailand		2,265									2,265
Tunisia		12,260									12,260
Turkey		290,159	840,000								1,130,159
United States	1,184,483	333,633	120,000	72,194							1,710,310
Venezuela		3,022,153									3,022,153
TOTAL	1,209,270	6,568,173	19,359,251	324,117		510,820	74,000			0	28,045,631

**CORRESPONDENCE BETWEEN THE 10 STATISTICAL CATEGORIES AND THE CATEGORIES OF PRODUCTS AND TECHNOLOGIES  
UNDER REGULATION 1334/2000 AND SUBSEQUENT AMENDMENTS**

Category	Description 10 categories	List of products included
0	Nuclear material, facilities and equipment	Nuclear reactors, plants for the separation of isotopes of natural uranium, depleted uranium and fissionable materials, gas centrifuges, mass spectrometers, graphite electrodes
1	Materials, chemicals, "microorganisms" and "toxins"	Gas masks, body armour, personal dosimeters, prepregs, tools, dies, moulds, continuous mixers, filament winding machines, fluids and lubricating materials, fluorides, sulphides, cyanides and halogenated derivatives
2	Materials processing	bearings, crucibles, machine tools, isostatic presses, measuring instruments, robots, motion simulators and machining centres
3	Electronics	Electronic components, integrated circuits, microprocessor microcircuits, programmable gate logic arrays, microwave components, mixers and converters and electrically fired explosive detonators
4	Computers	Electronic, hybrid, digital, analogue, systolic array, neural and optical COMPUTERS
5	Telecommunications and "information security"	Telecommunications transmission equipment and systems, underwater communication systems, radio equipment, optic fibre cables, telemetering and telecontrol equipment and security systems
6	Sensors and lasers	Acoustics, image intensifier tubes, optical sensors, instrumentation cameras, optics, lasers, gravity meters, gravity gradiometers and radar systems
7	Navigation and avionics	Inertial navigation accelerometers, gyros, GPS and GLONASS, hydraulic, mechanical, electro-optical and electro-mechanical flight control systems including <i>fly-by-wire</i> types
8	Marine	Submersible vehicles and surface vessels, hydrofoil vessels, underwater vision systems, diving and underwater swimming apparatus
9	Propulsion systems, space vehicles and related equipment	Aero and marine gas turbine engines, space launchers and space vehicles, solid and liquid rocket propulsion systems, ramjet, turbojet and turbofan engines, sounding rockets, hybrid rocket propulsion systems, launch support equipment, environmental and anechoic chambers and re-entry vehicles

## **ANNEX IV. EUROPEAN UNION CODE OF CONDUCT ON ARMS EXPORTS**

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The Council of the European Union,

BUILDING on the Common criteria agreed at the Luxembourg and Lisbon European Councils in 1991 and 1992,

RECOGNISING the special responsibility of arms exporting states,

DETERMINED to set high common standards which should be regarded as the minimum for the management of, and restraint in, conventional arms transfers by all EU Member States, and to strengthen the exchange of relevant information with a view to achieving greater transparency,

DETERMINED to prevent the export of equipment which might be used for internal repression or international aggression, or to contribute to regional instability,

WISHING within the framework of the CFSP to reinforce their cooperation and to promote their convergence in the field of conventional arms exports,

NOTING complementary measures taken by the EU against illicit transfers, in the form of the EU Programme for Preventing and Combating Illicit Trafficking in Conventional Arms,

ACKNOWLEDGING the wish of EU Member States to maintain a defence industry as part of their industrial base as well as their defence effort,

RECOGNISING that states have a right to transfer the means of self-defence, consistent with the right of self-defence recognised in the UN Charter,

have adopted the following Code of Conduct and operative provisions:

### **Criterion One**

*Respect for the international commitments of EU Member State, in particular the sanctions decreed by the UN Security Council and those decreed by the Community, agreements on non-proliferation and other subjects, as well as other international obligations*

An export licence should be refused if approval would be inconsistent with, inter alia:

- a) The international obligations of Member States and their commitments to enforce UN, OSCE and EU arms embargoes;
- b) The international obligations of Member States under the Nuclear Non-Proliferation Treaty, the Biological and Toxin Weapons Convention and the Chemical Weapons Convention;
- c) their commitments in the frameworks of the Australia Group, the Missile Technology Control Regime, the Nuclear Suppliers Group and the Wassenaar Arrangement;
- d) their commitment not to export any form of anti-personnel landmine.

### **Criterion Two**

*The respect of human rights in the country of final destination*

Having assessed the recipient country's attitude towards relevant principles established by international human rights instruments, Member States will:

- a) not issue an export licence if there is a clear risk that the proposed export might be used for internal repression;
- b) exercise special caution and vigilance in issuing licences, on a case-by-case basis and taking account of the nature of the equipment, to countries where serious violations of human rights have been established by the competent bodies of the UN or by the EU.

For these purposes, equipment which might be used for internal repression will include, inter alia, equipment where there is evidence of the use of this or similar equipment for internal repression by the proposed end-user, or where there is reason to believe that the equipment will be diverted from its stated end-use or end-user and used for internal repression. Inline with operative paragraph 1 of this Code, the nature of the equipment will be considered carefully, particularly if it is intended for internal security purposes. Internal repression includes, inter alia, torture and other cruel, inhuman and degrading treatment or punishment, summary or arbitrary executions, disappearances, arbitrary detentions and other major violations of human rights and fundamental freedoms as set out in relevant international human rights instruments, including the Universal Declaration on Human Rights and the International Covenant on Civil and Political Rights.

### Criterion Three

*The internal situation in the country of final destination, as a function of the existence of tensions or armed conflicts*

Member States will not allow exports which would provoke or prolong armed conflicts or aggravate existing tensions or conflicts in the country of final destination.

### Criterion Four

*Preservation of regional peace, security and stability*

Member States will not issue an export licence if there is a clear risk that the intended recipient would use the proposed export aggressively against another country or to assert by force a territorial claim.

When considering these risks, EU Member States will take into account inter alia:

- a) The existence or likelihood of armed conflict between the recipient and another country;
- b) A claim against the territory of a neighbouring country which the recipient has in the past tried or threatened to pursue by means of force;
- c) Whether the equipment would be likely to be used other than for the legitimate national security and defence of the recipient;
- d) The need not to affect adversely regional stability in any significant way.

#### Criterion Five

*The national security of the Member States and of territories whose external relations are the responsibility of a Member State, as well as that of friendly and allied countries*

Member States shall take into account:

- a) the potential effect of the proposed export on their defence and security interests and those of friends, allies and other Member States, while recognising that this factor cannot affect consideration of the criteria on respect of human rights and on regional peace, security and stability;
- b) the risk of use of the goods concerned against their forces or those of friends, allies or other Member States;
- c) the risk of reverse engineering or unintended technology transfer.

#### Criterion Six

*The behaviour of the buyer country with regard to the international community, as regards in particular to its attitude to terrorism, the nature of its alliances and respect for international law*

Member States will take into account inter alia the record of the buyer country with regard to:

- a) Its support or encouragement of terrorism and international organised crime;
- b) Its compliance with its international commitments, in particular on the non-use of force, including under international humanitarian law applicable to international and non-international conflicts;
- c) Its commitment to non-proliferation and other areas of arms control and

disarmament, in particular the signature, ratification and implementation of relevant arms control and disarmament conventions referred to in sub-paragraph b) of Criterion One.

#### Criterion Seven

*The existence of a risk that the equipment will be diverted within the buyer country or re-exported under undesirable conditions*

In assessing the impact of the proposed export on the importing country and the risk that exported goods might be diverted to an undesirable end-user, the following will be considered:

- a) The legitimate defence and domestic security interests of the recipient country, including any involvement in UN or other peacekeeping activity;
- b) The technical capability of the recipient country to use the equipment;
- c) The capability of the recipient country to exert effective export controls;
- d) The risk of the arms being re-exported or diverted to terrorist organisations (anti-terrorist equipment would need particularly careful consideration in this context).

#### Criterion Eight

*The compatibility of the arms exports with the technical and economic capacity of the recipient country, taking into account the desirability that states should achieve their legitimate needs of security and defence with the least diversion for armaments of human and economic resources*

Member States will take into account, in the light of information from relevant sources such as the UNDP, World Bank, IMF and OECD reports, whether the proposed export would seriously hamper the sustainable development of the recipient country. They will consider in this context the recipient country's relative levels of military and social expenditure, taking into account also any EU or bilateral aid.

#### OPERATIVE PROVISIONS

1. Each EU Member State will assess export licence applications for military equipment made to it on a case-by-case basis against the provisions of the Code of Conduct.
2. This code will not infringe on the right of Member States to operate more restrictive national policies.
3. EU Member States will circulate through diplomatic channels details of licences refused in accordance with the Code of Conduct for military equipment together with an explanation of why the licence has been refused. The details to be notified are set out in the form of a draft pro-forma at Annex A. Before any Member State grants a licence which has been denied by another Member State or States for an essentially identical transaction within the last three years, it will first consult the Member State or States which issued the denial(s). If following consultations, the Member State nevertheless decides to grant a licence, it will notify the Member State or States issuing the denial(s), giving a detailed explanation of its reasoning.
4. EU Member States will keep such denials and consultations confidential and will not use them for commercial advantage.
5. EU Member States will work for the early adoption of a common list of military equipment covered by the Code, based on similar national and international lists. Until then, the Code will operate on the basis of national control lists incorporating, where appropriate, elements from relevant international lists.
6. The criteria in this Code and the consultation procedure provided for by paragraph 3 of the operative provisions will also apply to Dual Use goods as specified in Annex 1 of Council Decision 94/942/CFSP as amended, where there are grounds for believing that the end-user of such goods will be the armed forces or internal security forces or similar entities in the recipient country.



7. In order to maximise the efficiency of this Code, EU Member States will work within the framework of the CFSP to reinforce their cooperation and to promote their convergence in the field of conventional arms exports.
8. Each EU Member State will circulate to other EU Partners in confidence an annual report on its defence exports and on its implementation of the Code. These reports will be discussed at an annual meeting held within the framework of the CFSP. The meeting will also review the operation of the Code, identify any improvements which need to be made and submit to the Council a consolidated report, based on contributions from Member States.
9. EU Member States will, as appropriate, assess jointly through the CFSP framework the situation of potential or actual recipients of arms exports from EU Member States, in the light of the principles and criteria of the Code of Conduct.
10. It is recognised that Member States, where appropriate, may also take into account the effect of proposed exports on their economic, social, commercial and industrial interests, but that these factors will not affect the application of the above criteria.
11. EU Member States will use their best endeavours to encourage other arms exporting states to subscribe to the principles of this Code of Conduct.
12. This Code of Conduct and the operative provisions will replace any previous elaboration of the 1991 and 1992 Common criteria.

Annex A

*(Name of Member State) has the honour to inform partners of the following denial under the EU Code of Conduct:*  
*Destination Country: .....*  
*Short description of equipment, including quantity and, where appropriate, technical specifications: .....*  
*Proposed consignee: .....*  
*Proposed end-user (if different):.....*  
*Reason for refusal: .....*  
*Date of denial: .....*

## ANNEX V. INTERNATIONAL CONTROL FORA

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### A. Wassenaar Arrangement (WA)

The Wassenaar Arrangement dates back to 19 December 1995 when it replaced the Coordinating Committee on Multilateral Strategic Export Controls (COCOM). This latter organisation was in operation from 1950 until March of 1994 and was based on a series of informal agreements between the governments of 17 countries (NATO countries) along with Japan and Australia and 6 collaborating nations (Austria, Finland, Ireland, New Zealand, Sweden and Switzerland). With the fall of the Berlin Wall in November 1989 and the end of the Cold War, the COCOM Member States decided that it no longer made sense to persevere in a common control system for the export of sensitive products and technologies with respect to countries from the defunct Warsaw Pact.

However, the existence of regional conflicts and instability and the underlying threat of the possible stockpiling of weapons of mass destruction in some regions, called for some sort of general agreement based on the control of the export of arms and Dual Use goods and technologies. Subsequent to a series of drawn-out discussions, the decision was taken to negotiate a new, less restrictive agreement which did not focus on a block of embargoed countries. Finally on 19 December 1995 a “minimum” agreement known as the “Wassenaar Arrangement” was reached at the meeting held at the Dutch city of Wassenaar. In addition

to the COCOM member nations and the six collaborating countries, the agreement was subscribed to by Russia and four other ex-socialist block countries (Hungary, Poland, the Czech Republic and Slovakia). These 28 founding countries were later joined by a further five (Argentina, Bulgaria, Korea, Romania and Ukraine). Slovenia was admitted in December 2004 bringing the current number of members to 34. Spain joined the COCOM in 1985.

The Arrangement's Secretariat is located in Vienna.

The Arrangement has two export control lists: The Munitions List and the Dual Use List. The Dual Use List, in turn, has two annexes: the first corresponds to sensitive products and technologies (Sensitive List) while the second addresses very sensitive products and technologies (Very Sensitive List).

The Wassenaar Dual Use list basically corresponds to Categories 1 to 9 of Annex I of Regulation (EC) 1334/2000 (amended by Regulation 2432/2001 of 20 November, 880/2001 of 27 May and 149/2003 of 27 January). Annex I contains an extra category 0 of nuclear material and a more extensive list of products from other fora (the Australia Group, the Missile Technology Control Regime and the Nuclear Supplier Group).

The main goal of the Arrangement is to foster international transparency, develop effective cooperation and information systems and encourage greater responsibility in respect of foreign trade in Defence Material and Dual Use Goods

and Technologies, preventing the stockpiling of conventional weapons that could endanger global security and the stability of the most conflictive regions. Since its creation the Arrangement has undergone two review processes in 1999 and 2003.

#### B. Nuclear Suppliers Group (NSG)

The NSG is a group formed by nuclear supplier countries whose aim is to contribute to the non-proliferation of nuclear weapons through compliance with two sets of Guidelines applicable to the export of nuclear products and likewise of materials, software and related technology without hindering international trade and cooperation in the peaceful use of nuclear energy.

Part I of the NSG guidelines lays down the fundamental principles concerning export safeguards and controls applicable to nuclear transfers for peaceful purposes to any State which does not possess nuclear arms and, in the case of re-transfer control, it applies to all nations. The aforementioned guidelines require formal guarantees from the recipient government assuring the peaceful use of the products exported (non-proliferation policy, blanket safeguards, physical protection, etc.). This first set of guidelines applies to an initial list known as the Trigger List which includes nuclear material and specific equipment for nuclear purposes as well as related technology.

Part 2 of the NSG guidelines governs the export, to any country, of a list of Dual Use nuclear-industrial material and technology which could play an important role in nuclear explosive activities or in the nuclear fuel cycle not

subject to safeguards but which are widely used in industry.

The NSG has a Consultation Group which was created in 2001 for the study of the guidelines and technical annexes of both parties. The plenary session will be held once yearly taking decisions by consensus. The NSG does not have a headquarters but rather a point of contact at Japan's Permanent Mission in Vienna. It is comprised of 44 member countries. Spain became a member of the NSG in 1988.

Enforcement of NSG guidelines is the responsibility of each participating State in accordance with its national laws and practices. Decisions concerning exports are taken at the national level.

Aside from the NSG, there is the so-called Zangger Committee (ZC) also known as the Nuclear Exporters Committee constituted as another nuclear non-proliferation forum with the aim of achieving the standard enforcement of article III.2 of the Non-Proliferation Treaty (NPT).

The NSG and Zangger Committee guidelines and control lists are published by the IAEA under the name of INFCIRC 254/ Part 1, INFCIRC 254/ Part 2 and INFCIRC 209, respectively.

#### C. Missile Technology Control Regime (MTCR)

The MTCR is an export control regime aimed at restricting the proliferation of certain missile systems and unmanned aerial vehicles and related technology, of systems capable of transporting a payload of 500 kg over a distance of 300 km and likewise of systems capable of transporting weapons of mass destruction with 300 km range.

The Group was created in 1987 by 7 nations concerned about the proliferation of missiles capable of carrying nuclear warheads. It is currently formed by 34 Member States, Spain joining in 1989. The Regime's point of contact is in Paris.

Being an MTCR member entails the adoption of common guidelines regarding export policies applicable to an Annex of equipment, software and technology which includes a wide range of military and Dual Use Goods and Technologies which are important for the development, production and deployment of missiles.

MTCR guidelines call for the enforcement of restrictions concerning the approval of all transfers of the products listed in the Annex. These transfers must be considered on a case-by-case basis.

The MTCR Annex (list of products subject to control) is divided into two categories:

- “Category I Products”: These include complete missile and unmanned aerial vehicle systems with a “range/payload” of over 300 km/500 kg, facilities for their manufacture and their main sub-systems. These are considered highly sensitive products subject to a “high presumption of export denial”. Transfer of production facilities for Category I products is strictly prohibited.
- “Category II Products”: These include the remainder of the Annex; i.e. the complete missile and unmanned aerial vehicle

systems not included in Category I with a range of 300 km or greater and likewise a wide array of equipment, material and technology much of which have uses other than their application in missiles under the MTCR. Despite export restrictions it is not generally difficult to procure authorisation for these materials providing that their end use is not related to the development of missiles regulated by the MTCR.

The Regime is not intended to hinder national space or international cooperation programmes providing that the said programmes do not contribute to the development of transport systems for weapons of mass destruction.

The MTCR does not take group decisions when it comes to export licences. Decisions regarding exports are taken at the national level in accordance with national laws and practices.

#### D. Australia Group (AG)

The Australia Group was created in June 1985, the result of an informal agreement, its purpose being that of curtailing the risk that certain exports and transfers present in terms of contributing to the proliferation of chemical and biological weapons. Up until 2001 the Group had limited its meetings to one yearly plenary session but has held a number of meetings since February 2002 given mounting concern in the aftermath of the 11 September 2001 attacks.

The Australia Group is comprised of 38 Member States and its point of contact is the Australian Embassy in Paris. This forum has six annexes of controlled products (chemical precursors, Dual Use Goods and Technologies and chemicals,

pathogenic agents for use against plants and animals and Dual Use biological equipment). Spain became a member of the Australia Group in December 1985.

Australia Group participants do not undertake legally binding obligations. The efficacy of cooperation among participating members depends solely on their commitment to the non-proliferation objectives of chemical and biological weapons and on the effectiveness of the measures adopted individually by each one on the national level. Therefore, the Group's members must bear in mind that the said measures must be effective in terms of curtailing the production of chemical and biological weapons, they must be reasonably easy to enforce and should not hinder normal trade in materials and equipment used for legitimate purposes. All of the States members to the Australia Group are also parties of the Chemical Weapons Convention and the Biological and Toxin Weapons Convention.

#### E. Chemical Weapons Convention (CWC)

The Convention on the Prohibition of the Development, Production, Stockpiling and use of Chemical Weapons and on their Destruction signed at Paris on 13 January 1993 and entering into force on 29 April 1997 is the only international legal instrument in the history of disarmament and non-proliferation that is fully operational. As of 4 April 2005 there were 167 signatory countries and 156 nations had ratified it. The international organisation entrusted with its effective enforcement is the Organisation for the Prohibition of Chemical Weapons

(OPCW) with headquarters at The Hague (Netherlands).

The CWC envisages the complete prohibition of the development, production, acquisition by any other means, stockpiling or upkeep of chemical weapons and the direct or indirect transfer of the said weapons. The products controlled by the CWC not only include chemical weapons but also toxic chemicals and their precursors except those cases in which the latter are intended for purposes not prohibited by the CWC and providing that the type and quantity of the substance in question are in line with the said purposes.

There are three lists of chemicals within the CWC:

- List 1: Compounds and precursors which are considered chemical weapons given that they have no civilian use with the exception of ricine and saxitoxin. The trade of these substances, even among OPCW countries, is strictly prohibited except for limited quantities and for specific purposes (medical and research use in laboratories).
- List 2: Dual Use chemical substances and precursors. Export of this material outside of the OPCW is prohibited.
- List 3: Widely available chemical substances and precursors. Export is allowed even to OPCW non-member countries but under strict control including licence application and the submission of an end-use certificate.

However, the Convention not only lays down a set of regulations concerning Member States –during war or peacetime- but also envisages a set of strict verification measures with a view to assuring compliance. Specifically, each Member State is required to file a series of periodical declarations to the OPCW furnishing detailed information regarding civilian or military facilities affected by the CWC as well as data concerning external trade transactions undertaken. Based on these declarations, the Organisation has the authority to carry out routine inspections or inspections stemming from a charge filed with a view to checking the veracity of the data furnished by the States thus preventing the illicit diversion of chemicals for the manufacture of WMD.

In Spain, Law 49/1999 of 20 December regulates the composition and operation of the National Authority for the Prohibition of Chemical Weapons (Spanish acronym ANPAQ), a collegiate body of the General State Administration chaired by the Under-Secretary of the Ministry of Foreign Affairs and Cooperation and comprised of the Under-Secretaries of the eight ministerial departments directly involved in the CWC.

The executive body of ANPAQ is the permanent Secretariat-General attached to the Ministry of Industry, Tourism and Trade and a Working Group was created to provide assistance. Spain also has a Permanent Representation to the OPCW at its embassy in The Hague.

#### F. Biological and Toxin Weapons Convention (BTWC)

Signed in 1972 and with 153 Member Countries as of 4 April 2005 (169 signatory countries), the Biological and Toxin Weapons Convention was given renewed impetus in the middle of the 90's.

The Convention prohibits the development, production, stockpiling, acquisition and holding of microbiological and other biological agents or toxins regardless of their origin or production method, type or in quantities not warranted by peaceful purposes and likewise weapons, equipment or means of transfer designed for the use of the said agents or toxins for hostile purposes or in armed conflicts. The signatory States undertake to destroy or divert for pacific purposes all prohibited agents, toxins and weapons, to not directly or indirectly transfer the said materials and to not encourage or provide technical assistance to anyone for their development, production, stockpiling, acquisition or holding.

The main problem is that the Convention does not have the means by which to verify or enforce compliance given that at the time it was drawn up (during the Cold War) biological war was not considered a threat. A stronger regime thus became necessary to detect and prevent violations of the Convention and in 1995 the signatory countries commenced negotiations to set up a Verification Protocol that would include declaration, verification and inspection provisions similar to those envisaged in the Chemical Weapons Convention.

**G. List of member countries of international  
fora controlling the export of defence  
material and Dual Use goods and  
technologies.**

Countries	WA	MTCR	NSG	AG	ZC
Argentina	X	X	X	X	X
Australia	X	X	X	X	X
Austria	X	X	X	X	X
Belarus			X		
Belgium	X	X	X	X	X
Brazil		X	X		
Bulgaria	X	X	X	X	X
Canada	X	X	X	X	X
China			X		X
Cyprus			X	X	
Czech Rep.	X	X	X	X	X
Denmark	X	X	X	X	X
Estonia	X		X	X	
European Commission	OBS		OBS	OBS	OBS
Finland	X	X	X	X	X
France	X	X	X	X	X
Germany	X	X	X	X	X
Greece	X	X	X	X	X
Hungary	X	X	X	X	X
Iceland		X		X	
Ireland	X	X	X	X	X
Italy	X	X	X	X	X
Japan	X	X	X	X	X
Kazakhstan			X		
Latvia	X		X	X	
Korea Rep.	X	X	X	X	X
Lithuania	X		X	X	
Luxembourg	X	X	X	X	X
Malta	X		X	X	
Netherlands	X	X	X	X	X
New Zealand	X	X	X	X	
Norway	X	X	X	X	X
Poland	X	X	X	X	X
Portugal	X	X	X	X	X
Romania	X		X	X	X
Russian Fed.	X	X	X		X
Slovak Rep.	X		X	X	X
Slovenia	X		X	X	X
South Africa		X	X		X
Spain	X	X	X	X	X
Sweden	X	X	X	X	X
Switzerland	X	X	X	X	X
Turkey	X	X	X	X	X
Ukraine	X	X	X	X	X
United Kingdom	X	X	X	X	X
United States	X	X	X	X	X



## ANNEX VI. DEFENCE MATERIAL EMBARGOES CURRENTLY IN FORCE

Countries	United Nations	European Union	OSCE
Armenia	July 1993 (v)		March 1992 (*)
Azerbaijan	July 1993 (v)		March 1992 (*)
Bosnia and Herzegovina		February 1996 October 2001 (Mod.)	
China		June 1989 (v)	
Congo Dem. Rep. (Zaire)	July 2003	April 1993 September 2003 (Mod.)	
Iraq	August 1990 May 2003 (Mod.)	August 1990 July 2003 (Mod.)	
Ivory Coast	November 2004		
Liberia	March 2001 December 2003 (Mod.)	May 2001 February 2004 (Mod.)	
Myanmar (Burma)		July 1991 April 2004 (Mod.)	
Rwanda	May 1994 August 1995		
Sierra Leone	June 1998 May 2000 (Mod.)	June 1998	
Somalia	January 1992 July 2002 (Mod.)	December 2002	
Sudan		March 1994 January 2004 (Mod.)	
Zimbabwe		February 2002 February 2004 (Mod.)	

The United Nations (January 2002) and the European Union (May 2002) agreed to prohibit the export of arms and all types of related equipment to Osama Bin Laden, members of Al-Qaida and Taliban and likewise other individuals, groups and organisations related to these.

The embargoes reflected in this table exclude prohibitions on the export of non-lethal equipment for humanitarian purposes or for certain International Organisations and United Nations personnel as well as those used for demining actions except in the case of China. As concerns embargoes on Iraq, Rwanda and Sierra Leone, the prohibition of arms shipments to their governments is excluded.

(\*) The region of Nagorno-Karabakh is subject to an OSCE embargo.

(v) Voluntary embargo.

(Mod.) Date of modification.



## **ANNEX VII. STATISTICS ON SPANISH FOREIGN TRADE OF SMALL ARMS AND LIGHT WEAPONS IN THE OSCE DOCUMENT**

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In accordance with the OSCE document concerning small arms and light weapons Spain, as a participating State, must submit, on an annual basis and using the agreed format, the information regarding the export to and import from the rest of the participating States.

The said document defines small arms as those intended for use by individual members of the armed forces or law enforcement officials. Included under this denomination are revolvers and pistols, rifles and carbines, submachine guns, assault rifles and light machine guns. In this same document, light weapons are defined as those intended for use by several members of the armed forces or law enforcement officials acting collectively including: grenade launchers,

heavy machine guns, portable anti-aircraft arms, portable anti-tank arms, portable missile and rocket launching systems, portable anti-aircraft missile launching systems and mortars under 100 mm calibre.

Data regarding authorisations and exports undertaken in 2004 are presented in this Annex. The data set out in this section do not necessarily have to coincide with those presented in the foregoing tables given that the exchange of information in the OSCE is limited, first of all, to the armed forces and law enforcement officials in respect of the consignees of the arms and to OSCE countries in terms of countries of destination.

**EXPORTS AUTHORISED IN 2004**  
**Annual information regarding the export of small arms and light weapons**

Reporting country: Spain  
 Original Language: English

Reporting year: 2004  
 Date of the report: May 2005

Category and sub-category	End importing State	Number of products	State of origin (if not the importer)	Intermediate situation (if applicable)	Commentary on the transfer*
<b>A. Small arms</b>					
1. Revolvers and automatic pistols	Belgium	1	Spain		Exempt
2. Rifles and Carbines					
3. Submachine guns	Belgium	3	Spain		Exempt
4. Assault rifles	Belgium	1	Spain		Exempt
	Germany	3	"		"
5. Light machine guns	Belgium	4	Spain		Exempt
	Canada	1	"		IIC
<b>B. Light weapons</b>					
1. Heavy machineguns					
2. Portable grenade launchers with and without support	Belgium	1	Spain		Exempt
3. Portable anti-aircraft arms					
4. Portable anti-tank arms					
5. Recoilless cannons					
6. Launchers for portable anti-tank missile and rocket systems					
7. Launchers for portable anti-aircraft missiles					
8. Mortars under 100 mm calibre	Netherlands	1	Spain		IIC
	Turkey	3	"		EUC
	US	4	"		Exempt

\* Control document.

**EXPORTS UNDERTAKEN IN 2004**  
**Annual information regarding the export of small arms and light weapons**

Reporting country: Spain	Reporting year: 2004				
Original Language: English	Date of the report: May 2005				
Category and sub-category	End importing State	Number of products	State of origin (if not the importer)	Intermediate situation (if applicable)	Commentary on the transfer*
<b>C.. Small arms</b>					
6. Revolvers and automatic pistols					
7. Rifles and Carbines					
8. Submachine guns					
9. Assault rifles					
10. Light machine guns					
<b>D. Light weapons</b>					
9. Heavy machineguns					
10. Portable grenade launchers with and without support					
11. Portable anti-aircraft arms					
12. Portable anti-tank arms					
13. Recoilless cannons					
14. Launchers for portable anti-tank missile and rocket systems					
15. Launchers for portable anti-aircraft missiles					
16. Mortars under 100 mm calibre	Netherlands	1	Spain		IIC

\* Control document.



## ANNEX VIII. AVAILABLE PUBLICATIONS

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### Articles published

(Secretariat for Tourism and Trade)

*Española No. 2.589, of 5-11 October 1998).*

1. *External Trade Control of Defence Material and Dual Use Goods and Technologies (Boletín Económico de Información Comercial Española [Economic Bulletin of Spanish Trade Information] No. 2.409, of 18-24 April 1994).*
2. *Community Regime for the Control of the Export of Dual Use Goods and Technologies (Boletín Económico de Información Comercial Española No. 2.468, of 4-10 September 1995).*
3. *External Spanish Trade in Defence Material and Dual Use Goods and Technologies 1991-1994 (Boletín Económico de Información Comercial Española No. 2.478, of 13-19 November 1995).*
4. *Report on Authorisations for the Export of Defence Material and Dual Use Goods and Technologies issued by the Directorate-General of External Trade in 1995 (Boletín Económico de Información Comercial Española No. 2.527, of 16-22 December 1996).*
5. *Export of Defence Material by Recipient Country. Period from 1991-1996 (Boletín Económico de Información Comercial Española No. 2.566, of 2-15 February 1998).*
6. *Export of Defence Material and Dual Use Goods and Technologies in 1997 by recipient countries (Boletín Económico de Información Comercial Española No. 2.589, of 5-11 October 1998).*
7. *External Trade Control of Defence Material and Dual Use Goods and Technologies (Boletín Económico de Información Comercial Española No. 2.594-2.596, of 9-22 November 1998).*
8. *External Trade of Defence Material and Dual Use Goods and Technologies first semester 1998 (Boletín Económico de Información Comercial Española No. 2.625, of 2 August to 5 September 1999).*
9. *External Trade in Defence Material and Dual Use Goods and Technologies second semester of 1998 (Boletín Económico de Información Comercial Española No. 2.638, of 20 December 1999 to 2 January 2000).*
10. *The Chemical Weapons Convention (CWC) and external trade (Boletín Económico de Información Comercial Española No. 2.649, of 10-23 January 2000).*
11. *The European Union Code of Conduct on Arms Exports (Boletín Económico de Información Comercial Española No. 2.644, of 21-27 February 2000).*
12. *External Trade Statistics concerning Defence Material and Dual Use Goods and Technologies from 1999 (Boletín Económico de Información Comercial Española No. 2.666, of 9-15 October 2000).*

13. The future of weapons of mass destruction non-proliferation regimes. Export control regime (*Boletín Económico de Información Comercial Española* No. 2.687, of 2-15 April 2001).
  14. External Trade Statistics concerning Defence Material and Dual Use Goods and Technologies from 2000 (*Boletín Económico de Información Comercial Española* No. 2.708, of 2-18 November 2001).
  15. External trade and non-proliferation of chemical and biological weapons (*Boletín Económico de Información Comercial Española* No. 2.723, of 18-31 March 2002).
  16. External Trade in Defence Material and Dual Use Goods and Technologies 2001 (*Boletín Económico de Información Comercial Española* No. 2.745, of 28 October to 3 November 2002).
  17. Spanish exports of Defence Material and Dual Use Goods and Technologies in the first semester of 2002 (*Boletín Económico de Información Comercial Española* No. 2.771, of 16-22 June 2003).
  18. External Trade in Defence Material and Dual Use Goods and Technologies 2002 (*Boletín Económico de Información Comercial Española* No. 2.780, of 29 September to 5 October 2003).
  19. Spanish Export Statistics regarding Defence Material and Dual Use Goods and Technologies 2003 (*Boletín Económico de Información Comercial Española* No. 2.827, of 13-19 December 2004).
  20. New Spanish legislation regarding the control of external trade in Defence Material, Other Materials and Dual Use Goods and technologies (*Boletín Económico de Información Comercial Española* No. 2.829, of 27 December 2004 to 9 January 2005).
- Other articles
- "The Industrial Defence Sector." Annual Report 2005, AFARMADE.
- By-country reports available on the Internet.
1. Spain  
<http://www.mityc.es/sgcomex/mddu>  
- link to publications
  2. Germany  
<http://www.bmwi.de/Homepage/Startseite.jsp>  
- select "Politikfelder".
  3. Belgium  
[http://diplobel.fgov.be/Politics/policy\\_exportation\\_d'armes\\_FR.htm](http://diplobel.fgov.be/Politics/policy_exportation_d'armes_FR.htm)
  4. Denmark  
<http://www.um.dk>
  5. Finland  
<http://www.vn.fi/plm/evkas.htm>  
(Report 2000)
  6. Ireland  
<http://www.entemp.ie/export/military.htm>  
(Report 2000)



## 7. Norway

<http://www.odin.dep.no>

## 8. Netherlands

<http://www.minez.nl/ezenglish/export.htm>

## 9. United Kingdom

<http://www.fco.gov.uk/news/newstext>

## 10. Sweden

<http://www.utrikes.regeringen.se/prefak>

<http://www.utrikes.regeringen.se/prefak/document.jsp> <http://www.australiagroup.net>

## 11. Australia

<http://www.dmo.defence.gov.au/id/export/ar2000.pdf> <http://www.opcw.org>

## 12. Canada

<http://www.dfait-maeci.gc.ca>

## 13. United States of America

<http://www.state.gov/www/global/arms/bureauac.html>

## Web pages of international fora

## 1. Nuclear Suppliers Group (NSG)

<http://www.nsg-online.org>

## 2. Missile Technology Control Regime (MTCR)

<http://www.mtcr.info>

## 3. Wassenaar Arrangement (WA)

<http://www.wassenaar.org>

## 4. Australia Group (AG)

## 5. Chemical Weapons Convention (CWC)

<http://www.mcyl.es/anpaq>