



**Reports from the Business, Innovation and Skills, Defence,  
Foreign Affairs and International Development Committees**

**Session 2010-11**

**Strategic Export Control: Her Majesty's Government's Annual  
Report for 2009, Quarterly Reports for 2010, Licensing Policy  
and Parliamentary Scrutiny**

**Response of the Secretaries of State for Defence, Foreign and  
Commonwealth Affairs, International Development and Business,  
Innovation and Skills**

**Cm 8079**

**£10.25**



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Presented to Parliament by the Secretaries of State for Defence,  
Foreign and Commonwealth Affairs, International Development and  
Business, Innovation and Skills by Command of Her Majesty

July 2011

Cm 8079

£10.25

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ISBN: 9780101807920

Printed in the UK by The Stationery Office Limited  
on behalf of the Controller of Her Majesty's Stationery Office

ID 2431716 13401 07/11

Printed on paper containing 75% recycled fibre content minimum.

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SESSION 2010-11**

**STRATEGIC EXPORT CONTROLS: HER MAJESTY'S GOVERNMENT ANNUAL  
REPORT FOR 2009, QUARTERLY REPORTS FOR 2010, LICENSING POLICY  
AND PARLIAMENTARY SCRUTINY**

**RESPONSE OF THE SECRETARIES OF STATE FOR DEFENCE, FOREIGN AND  
COMMONWEALTH AFFAIRS, INTERNATIONAL DEVELOPMENT AND  
BUSINESS, INNOVATION AND SKILLS**

This Command Paper sets out the Government's response to the Committees on Arms Export Control report of 5 April 2011 "*Scrutiny of Arms Export Controls (2011): UK Strategic Export Controls Annual Report 2009, Quarterly Reports for 2010, licensing policy and review of control legislation*". The Government's response to the Committees' recommendation is set out in bold. Unless indicated otherwise, references are to paragraphs in the Committees' report.

## **Conclusions and recommendations**

### **The Government's Annual Report on Strategic Exports**

1. Given the key importance of the arms export control policy as demonstrated once again by recent events in North Africa and the Middle East, we recommend that the Government ensures that in future the Annual Reports on Strategic Exports be formally presented to Parliament by the respective four Secretaries of State. (Paragraph 6)

**The UK Strategic Export Control Report 2009 was presented to Parliament on 27 July 2010 (HC182). It was formally recorded in the Votes and Proceedings as presented by Secretary William Hague. The House authorities advise that it is not usual practice to record papers laid before Parliament as jointly presented by four Secretaries of State. However, in future, the Ministerial Foreword of the Annual Report will be signed off by the respective Secretaries of State.**

### **The Government's policy**

2. We conclude that the validity of the Ministerial evidence we took on 24 January and the wisdom of some of the export licences previously granted need to be assessed against the Government's subsequent abrupt changes in export licensing policy following the recent uprisings against authoritarian regimes in North Africa and the wider Middle East. We look at these issues at more depth later in this Report [chapter 10]. We recommend that the Government in its response to this report sets out how it intends to reconcile the potential conflict of interest between increased emphasis on promoting arms exports with the staunch upholding of human rights. (Paragraph 18)

**The Government is committed to both a thriving British defence and security industry and some of the strictest export controls in the world. The Government believes that its security, prosperity and values agendas are mutually reinforcing. Effective arms export controls prevent arms exports which could undermine our own security or the promotion of UK values of human rights and democracy, and enable continued UK prosperity by allowing the UK's defence and security industries to compete effectively in the global defence market.**

**The UK already has one of the most rigorous and transparent arms export control systems in the world. All controlled military goods, are assessed on a case by case basis, against the Consolidated EU and National Arms Exports Licensing Criteria, (Consolidated Criteria). Respect for human rights and fundamental freedoms are mandatory considerations for all export licence applications.**

**The Foreign Secretary has commissioned a review of Government policy and practice with regard to the export of equipment that might be used for internal repression, in particular crowd control goods. Although this review was originally commissioned in response to events in the Middle East and North Africa, any conclusions will apply to our procedures for arms exports to all countries. The FCO is leading this internal review in close consultation with the Department for Business, Innovation and Skills (BIS) and the Ministry of Defence (MoD). The Government will be reporting back on the review to Parliament. This will take place once the Foreign Secretary has fully considered the findings of the review.**

### **The Treaty on US/UK Defence Trade Cooperation**

**3. We recommend the Government sets out in its response to the Report what specific steps it is taking to ensure that UK exporters take full advantage of the potential benefits of the Treaty on US/UK Defence Trade Cooperation. We further recommend that the Government sets out the respective roles and responsibilities of the British Embassy in Washington and the British Consulate-General in New York in obtaining the maximum benefit for UK industry from the Treaty. (Paragraph 23)**

**The Government recognises that the Treaty, by strengthening the US and UK defence acquisition relationship and seeking to make defence and security trade between our countries simpler, has the potential to benefit both our Armed Forces and UK industry. The primary purpose of the Treaty is to improve the delivery of military capability to our Armed Forces by simplifying export licensing arrangements for eligible categories of equipment and information when these are destined for the end-use of either Government. As a consequence, the Treaty, once brought into force, should not only benefit UK companies exporting items to meet US Government requirements but, more importantly, UK firms undertaking work on behalf of Her Majesty's Government, directly or as sub-contractors to US companies, where this requires the access to US sourced equipment and information.**

**The UK Government, in close consultation with the US Administration and with UK industry through the Aerospace Defence Security (ADS) trade association, are currently working on the detailed implementation activities which need to be completed successfully before the Treaty can be brought into force which is planned in 2012. These include developing the detailed administrative processes and guidance, including those required to apply for membership of the Treaty Approved Community, assessing the application of the Treaty to joint US-UK programmes and UK projects and testing to ensure that the new arrangements are working effectively and to enable us to consider how and where the Treaty can best be applied to bring most value and benefit. It is essential that we ensure that the Treaty arrangements are operating effectively before the Treaty comes into force and we, and the US, plan to test all elements of the Treaty's operation, including exports to the US, by using a**

number of “pathfinder” projects. These will be existing acquisition projects selected by UK and US Governments in consultation with our industries. We are negotiating the selection of individual projects with the US before formally approaching Industry and plan for the first pathfinder trials to begin in the summer.

The implementation activity includes those areas that are required to enable UK exports to be made to the US under the Treaty. Amongst these are the development of a Treaty-specific UK Open General Export Licence (OGEL) for use by UK members of the Approved Community, reviewing how UK company facilities can join the UK Approved Community when such a facility is solely conducting work on behalf of the US Government and working with the US to understand the changes they are making to US procurement regulations that are required to enable UK companies to bid for, and secure, US contracts under the Treaty. In addition, we will also be participating in outreach activities with industry including workshops and other events. Officials recently spoke at an Aerospace Defence Security (ADS) trade association seminar in May.

As stated above, the primary purpose of the Treaty is to improve the delivery of military capability to our Armed Forces. The British Embassy is supporting the UK through their relationships with the US Government (including State Department and Department of Defense). The Embassy is seeking to ensure, through these relationships, that the implementation of the Treaty simplifies export licensing arrangements for eligible categories of equipment and information. The Director-General of UKTI in the USA (within the British Consulate-General in New York) and the British Embassy in Washington are both seeking to further HMG’s Prosperity Agenda. This is being taken forward by ensuring that UK industry has a level playing field to access US Government business and working to increase UK industry market access to the USA.

We will provide a further note on the Treaty to the Select Committees as implementation progresses.

### **The Performance of the Export Control Organisation**

4. We conclude that a well-functioning licence application system is vital to the promotion of arms exports and that the system should impose the least possible administrative burden on exporters, consistent with an effective control regime. We further conclude that it is a matter of concern that a prominent industry representative body, such as the Export Group on Aerospace and Defence (EGAD), has such a low opinion of the performance of the Export Control Organisation (ECO). We recommend the Government reviews the performance of the ECO and provide us with the results of this Review in its response to this Report. We further recommend that the Government reports to us the results of its review into the workings of the Open General Export License system. (Paragraph 31)

**The UK operates one of the most robust and transparent export licensing systems in the world and we are considered to be a world leader in this field. The Government remains fully committed to this and we recognise the need for continual improvement to ensure that high levels of performance continue.**

**There has been a year on year increase in the volume of export licence applications submitted to ECO and we have made improvements to the system in order to address these, in particular, through our electronic licensing system (SPIRE) and the extensive use of open licensing for the less sensitive cases. We are committed to further improvement and, through our 'change programme', we are exploring ways to build on this with further improvements in speed, efficiency and a better overall customer experience.**

**Overall in 2010 the ECO did fall slightly below the target time for processing standard individual export licences (SIELs); 64% were processed within 20 working days where the target is to process at least 70% of applications within this time. Performance has improved recently and, despite a spike in work due to the events that unfolded in the Middle East and North Africa, ECO is currently meeting its processing targets. In the first quarter of 2011, ECO processed 72% of SIELs within target, with a particularly strong performance in February (77%) and March (74%).**

**As part of our 'change programme' we have recently concluded a review of the Ratings service and a new enquiry service has been introduced to replace the current model. We consider that we will be able to provide a better level of service under this new system. Work has also started on the review of the Open General Export Licence (OGEL) system and we will report our findings to the Committees on completion of the review.**

**We are not conducting an overarching review of the performance of the ECO, but have been carrying out progressive and continuous improvements and reviews of aspects of the ECO's performance, and will continue to do so. In the longer term, we are exploring an alternative model whereby ECO is funded by its customers. We consider that this might be the best way of ensuring a high quality export licensing system in future as the volume of licensing activity continues to increase. We expect to hold a full consultation on this later in the year.**

## **Review of Arms Export Controls**

**5. We conclude that the Government's timetable of before the end of 2011 by which the wording of the UK's Consolidated Criteria will be updated to be wholly consistent with the EU Common Position is too protracted. We recommend that the Government sets itself a much shorter timetable in which to conclude this updating and to inform us of the revised timetable in its response to this report. We further**



conclude that, while the consolidated criteria appear robust their application seems to be less so. We therefore recommend that the Government ensures that the EU Common Position is rigidly and consistently applied. (Paragraph 36)

**The Government does not accept that there is any evidence that the application of the Consolidated Criteria is in anyway less robust than the EU Common Position. Nevertheless, it will update the wording of the Consolidated and National Arms Export Licensing Criteria before the end of 2011 and this work will be completed as soon as practicable this year.**

### **'Brass plate' companies**

6. We conclude that the Government's current examination of ways to tackle concerns about brass plate UK companies in the UK trading in arms from overseas locations with virtual impunity because of difficulties of enforcement is welcome. We recommend the Government tells us in its response what precise action it will take, including the results of its exploration of the possibility of using powers under the Companies Act to dissolve a company which is operating against the public interest. (Paragraph 40)

**We are giving careful consideration to the CAEC recommendations in the light of recent events and will revert later this year.**

### **Pre-licence registration of arms brokers**

7. We recommend that the Government carries out a full review of the case for a pre-licence register of arms brokers and that its review includes a public consultation and is concluded with a Ministerial decision within four months of the start of the consultation. (Paragraph 46)

**We are giving careful consideration to the CAEC recommendations in the light of recent events and will revert later this year.**

### **Extra-territorial arms export controls**

8. We conclude it is disappointing that the Government's discussions with the industry and NGOs have not resulted in extra-territorial controls being extended to include specific items in Category C. We recommend that the Government re-engages with NGOs and industry groups on this important policy issue and lets us know of the progress being made in its response to this report. We further conclude,

as did our predecessor Committees, that there is no justification for allowing a UK person to conduct arms exports overseas that would be a criminal offence if carried out from the UK. We note that extra-territorial legislation already applies to a number of areas, including sexual offences against children and young people, war crimes, terrorism, torture, bribery and corruption and taxation. We conclude that there is no reason why enforcing extra-territorial controls in connection with arms export controls should be more difficult to enforce than in these areas. We recommend that the Government extends extra-territoriality to all items on the Military List in Category C. (Paragraph 57)

**We are giving careful consideration to the CAEC recommendations in the light of recent events and will revert later this year.**

### **Military end-use control**

9. We conclude it is disappointing that the Government appears not to have continued the previous Government's work and pressed for an expanded Military End-Use Control. We recommend that the Government immediately re-starts work in producing specific policy proposals and to ensure that it has the requisite support for them at EU level in time for the 2012 review of the EU Dual-Use Regulation. We recommend that the Government provides us with an update on how this work is progressing when replying to this report. We further recommend that the Government in the meantime makes the necessary amendments to UK legislation to rectify the present deficiencies in military end use controls. (Paragraph 61)

**We continue to support an expanded Military End-Use Control and we now have a UK proposal that we can take forward. As part of the preparations for the 2012 review of the EU Dual-Use Regulation the European Commission intend to publish a Green Paper in June of this year. This will be followed by consultations with Member States, exporters and civil society organisations with a view to producing legislative proposals next year. We believe that effective engagement in this process offers the best opportunity for gaining broad support at EU level. In the meantime we have no plans to bring forward the amendments to UK legislation necessary to implement a national military end-use control.**

### **Torture end-use controls**

10. We conclude that the slow pace of progress towards an EU torture end-use control is very disappointing. We recommend that in its response to this report, the Government provides detailed information on the parameters of the torture end-use control it intends to propose to the EU. We further recommend that the Government simultaneously prepares draft UK legislation on this issue for public consultation. (Paragraph 65)

Consideration of a torture end-use control formed part of the previous Government's 2007 Review of export control legislation. Taking account of the responses to the public consultation that formed part of the Review, the end-use control we proposed to the Commission in June 2008 was based on the WMD end-use control in the EU Dual-Use Regulation. The parameters of the proposed control were as follows:

- (i) an export licence would be required where the exporter had been informed by the competent authority of the Member State in which he is established that the proposed export is, or may be, intended, in its entirety or in part, for use in connection with capital punishment or in connection with torture or other cruel, inhuman or degrading treatment or punishment;
- (ii) if an exporter is aware that goods which he proposes to export are intended for any of the uses referred to in paragraph (i), he must notify the competent authority, which will decide whether or not it is expedient to make the export concerned subject to authorisation.

We continue to press the Commission to bring forward proposals in this area. An EU-wide control would clearly be more effective. Mark Prisk MP, Minister for Business, wrote to Baroness Ashton, High Representative of the EU for foreign affairs and security policy, on 12 April 2011. Given that we consulted on this issue in 2007 we see no reason to do so again now, and we currently do not intend to prepare draft legislation.

### **Sodium Thiopental – US for use in lethal injections**

11. We conclude that the export of sodium thiopental from the UK for use in executions in the United States is deeply disturbing as is the elapse of time between this information becoming public and the Government making an Order under the Export Control Act 2002 during which further shipments were reportedly made. We recommend that the Government in its response to this report sets out what monitoring and procedural changes it has made to prevent any similar avoidance of export controls occurring. (Paragraph 70)

**The Government opposes the death penalty in all circumstances as a matter of principle and therefore fully agrees that it is highly undesirable that drugs used by some States in the United States of America for the purpose of execution could have been sourced from the UK.**

The Government does not share the Committee's view that there was a failure of the export control process in the run-up to the implementation of a control on sodium thiopental. The total time elapsed between the issue first being brought to the Government's attention and the decision by the Government to propose new secondary legislation was only one month. This was the minimum time period in which a proper assessment could be carried out of the

**impact of introducing new legislation. The Government was mindful of the fact that sodium thiopental was an essential medicine, and was therefore not prepared to act with excessive haste.**

**For avoidance of doubt, the Government has seen no evidence that any UK company exported sodium thiopental illegally in breach of any export control. We are unclear on the meaning of the term "avoidance" of export control in this context.**

**This issue first came to light on 28 October 2010, when Leigh Day & Co, who were solicitors acting on behalf of a prisoner on death row in Tennessee, wrote to Dr Vince Cable, in his capacity as Secretary of State for Business, Innovation and Skills, requesting that he place controls on the export of the drug sodium thiopental.**

**Sodium thiopental is an anaesthetic which is widely used in medicine throughout the world but it is also used by some States in the US to anaesthetise prisoners prior to execution. There has been a shortage of this drug in the US for some months and this has led at least some States to seek supplies of sodium thiopental elsewhere.**

**Whilst affirming the Government's opposition to the death penalty, Dr Cable declined to impose exports controls on the drug immediately. His primary concern was that he should not take action which might cause delays in the export of a medicine which could be needed by patients.**

**Leigh Day & Co was granted permission by the High Court to judicially review Dr Cable's decision and the first hearing of the case took place on 17 November. The Court adjourned the Claimants' public law challenge, which was due to be heard on 29 November.**

**In the course of the legal proceedings, all parties sought to clarify the extent of any possible lawful trade in sodium thiopental. Having consulted US lawyers, they advised that, under applicable federal law, it was not currently lawful to import sodium thiopental into the United States for medical purposes. Moreover, in the course of the legal action, it was established that at present sodium thiopental is virtually unused for legitimate medical purposes in the US (although, as noted above, it is used widely as an anaesthetic around the world).**

**On 29 November Dr Cable decided that these new developments significantly strengthened the arguments in favour of a control Order. Such an Order would serve to underline the UK's moral opposition to the death penalty, without impacting on legitimate trade and without adversely affecting the health of patients in the US.**

**Dr Cable therefore decided that he would make an Order under section 6 of the Export Control Act 2002, controlling the export of sodium thiopental from the UK to the United States. The Order came into force on 30 November - since that date any person seeking to export sodium thiopental from the UK to the**

**US has required a licence issued by the Export Control Organisation within BIS and a breach of the Order is a criminal offence. Control Orders made under section 6 of the 2002 Act last for a maximum of 12 months.**

**Since the introduction of the Order, the ECO has received no applications to export sodium thiopental and no incident of circumvention of the Order has come to light. There has therefore been no avoidance of export controls in the case of sodium thiopental. Should any such circumvention come to light, the exporter in question may have broken the law and, if so, appropriate enforcement action will follow.**

**The Committees will also wish to note that, following a request from the NGO Reprieve, we have now extended these controls to cover the export to the US of the other three drugs currently used by some States in the US for the purpose of execution. The Order controlling potassium chloride, pancuronium bromide and sodium pentobarbital came into force on 16 April 2011 and will remain in force for 12 months, subject to the agreement of both Houses of Parliament within 40 sitting days.**

#### **No re-export clauses and undertakings**

**12. We recommend that the Government provides us with an assessment of how no re-export undertakings are working, and details of the Government's methodology for assessing their effectiveness. We also recommend that the Government provides us with information as to which other countries have no re-export clauses in their contracts, as opposed to in their undertakings, and the effects of such clauses. (Paragraph 79)**

**The change to no re-export undertakings appears to be working well, in terms of end users being prepared to sign off the new undertakings. The current clause appears to have created no additional burdens on either exporters or end users alike and therefore there has been no resistance to the clause in its current form.**

**It is not feasible for the Government to track all UK origin goods once they have been exported. We rely on reporting from our overseas posts and other sources regarding cases where UK origin goods have been re-exported in undesirable circumstances. Such reports are very rare. So far it is not possible to judge whether the introduction of the revised End User Undertaking has impacted on this.**

**We interpret the word "contracts" in the question to mean "export licences". From our discussions with other Governments, we do not see a simple distinction between the use of licence conditions and the use of end-user undertakings. The primary focus of all European export licensing systems is the assessment, carried out at the point of export, of the risk of diversion, with an obligation on the exporter to declare any knowledge that they have that the goods are destined for re-export. To our knowledge, the United States is the**

only country that imposes legal penalties for re-export on an extra-territorial basis. To assess the "effectiveness" of this regime is a complex question: for example, it has been suggested that the extra bureaucracy of the US re-export regime may deter some overseas customers from buying controlled US goods.

## **Enforcement**

**13.** We recommend that in its response to this report, the Government explains what action, if any, was taken in the 290 cases of misuse that did not result in a warning letter following the 836 enforcement visits in 2009. (Paragraph 81)

**The errors identified in these cases would have been simple administrative or human errors. Examples are failing to ensure the licence used is stated on the shipping paperwork or not having a piece of supporting paperwork to hand on the day, but providing it shortly after. The company would have received a letter post-visit pointing out the errors made and, where possible, explaining what should be done to ensure this error did not happen in future. In some cases, HM Revenue and Customs may have been alerted to the errors made.**

**Depending on the exact nature of the error, a revisit may be scheduled within 6 months, or it may be decided that a visit in 12 months would suffice.**

## **Civil Penalty regime: compound penalties**

**14.** We conclude that it is too early to assess fully the effectiveness of the compound penalty regime since it has been in operation for barely one year. However, we further conclude that even at this early stage the penalty system seems to lack clarity and therefore fairness. We recommend that the Government considers the industry's concerns and make public the criteria used for imposing compound penalties and how the amounts of such penalties are calculated. (Paragraph 86)

**The Government notes the concerns raised by industry representatives and the Committees on the clarity of the compound penalty system. We will engage with the industry in order to further understand their concerns and to explore how best to address these.**

**15.** We also recommend that as compound penalties are applied to cases which would justify being referred to the Crown Prosecution Service for consideration for prosecution, the Government holds open the possibility of making public the names of companies and individuals who have breached arms exports controls sufficiently seriously to attract compound penalties. (Paragraph 87)

**The Government's policy is not to make public details of companies and individuals subject to compound penalties as a matter of course. The**

circumstances in which HM Revenue and Customs will publish the names of persons who have agreed to pay compound penalties was set out in Hansard on 26 April 1989 (column 560) in a written answer by the Economic Secretary to the Treasury, Mr Peter Lilley. Where HMRC includes a publicity clause in a compounding agreement, the relevant information will be published accordingly.

### **The UK Government's role in negotiations**

**16.** We conclude that the Government's statement that it is fully committed to securing a robust and effective Arms Trade Treaty is to be welcomed. We look to the Government to deliver on its commitment. (Paragraph 94)

**The Government is committed to securing an effective, legally binding international Arms Trade Treaty. The UK continues to play a leading role in the UN process on the Arms Trade Treaty to this end.**

### **A strong ATT or one based on consensus?**

**17.** We conclude that the Government seems to have adopted a different policy from its predecessor; appearing to be prepared to weaken the Arms Trade Treaty in order to try to ensure that key arms exporting countries become signatories. We recommend that the Government continues to try to achieve the strongest possible Treaty, including exports of ammunition, with the maximum number of key countries including the United States, as signatories, but should not adopt a strict consensus or lowest common denominator approach which is likely to result in an Arms Trade Treaty being ineffectual. (Paragraph 102)

**The Government is not weakening its approach. It is committed to achieving the strongest possible Treaty, which will need to be carefully balanced with the need for an Arms Trade Treaty to have the widest participation of states necessary for it to be truly effective. The Government remains committed to achieving an Arms Trade Treaty with the broadest possible scope, including ammunition, and will not sign up to a weak or ineffective Treaty.**

**18.** We further recommend that the Government, in its response to this report, sets out its policy on including anti-corruption provisions in the Arms Trade Treaty with details of the provisions it would wish to see incorporated. (Paragraph 103)

**The Government is supportive of an Arms Trade Treaty addressing the issue of corruption. There are a number of ways this could be achieved; through a stand-alone parameter, in combination with another parameter, such as diversion, or through implementation mechanisms. The Government is still**

considering the most effective way that this may be achieved through the Treaty.

### **Sustainable development—Criterion 8**

19. We conclude that deciding whether to approve arms exports to developing countries in relation to Criterion 8 can be difficult given that other policy considerations may need to be taken into account. However, we recommend that in its response to this report, the Government provides a full statement of the methodology it uses in relation to Criterion 8 in deciding whether or not a specific arms export licence should be approved. (Paragraph 107)

**The methodology that the Government uses in relation to Criterion 8 of the Consolidated Criteria was published as Annex C (page 71) of the United Kingdom Strategic Export Controls Annual Report 2007 published in July 2008 and available on the FCO Website.**

### **A specific Criterion**

We conclude that the Government has failed to demonstrate satisfactorily whether, and if so how, it assesses the risk that individual arms exports may be linked to bribery and corruption during the licence approval process. We recommend that the Government sets out fully in its response to this Report whether such an assessment is made for all arms export licence applications, and if so how. (Paragraph 115)

**The focus of the Government’s scrutiny relating to bribery and corruption in the licensing process is the risk that goods might be diverted from their intended use. Criterion 7 requires consideration of “*The existence of a risk that the equipment will be diverted within the buyer country or re-exported under undesirable conditions.*” Corrupt contract awards and corrupt processes further down the chain can increase the risk of diversion and where there is credible evidence of such risks emerging, licence applications will be refused.**

**Where the Government becomes aware of corruption in arms deals, it will take the appropriate action under the provisions of the Bribery Act 2010, which entered into force on 1 July 2011.**

20. We further recommend that, given that Criterion 8 applies only to developing countries and that bribery and corruption are not confined to such countries, the



Government gives full consideration to proposing the insertion of an additional Criterion into the EU Common Position on arms exports obliging Member States to assess the risk of bribery and corruption before approving an arms export licence to any country. (Paragraph 116)

**As the Minister for Business made clear during the evidence session on 24 January 2011, the Government does not support the Committees' recommendation. It would not be appropriate to base an assessment merely on the perception of corruption in the destination country. In order to refuse a licence under a corruption criterion, we would need to have firm evidence that the contract had been obtained by corruption and it is not feasible for the Government to investigate the circumstances of every contract. The Government therefore intends to maintain its focus on assessing the risks presented by the end-use or potential end-use of the goods, and the risks of diversion to undesirable end-use or end-users.**

**The new Bribery Act modernises the law on bribery and gives the UK some of the toughest anti-corruption laws in the world. Where there is evidence of bribery or corruption, the Government will address it through the provisions of the Act. We will also continue to support wider initiatives such as the defence industry's Common Industry Standards and Global Principles of Ethics.**

## **Countries of Concern**

### **China**

**21.** We recommend that in view of the continuing serious human rights violations taking place in China, the Government maintains its position of fully supporting the retention of the EU arms embargo on China. (Paragraph 120)

**There is a broad consensus within the EU that the time is not right to lift the EU Arms Embargo on China. We would need to see clear progress on the issue that necessitated the Embargo in the first place, namely civil and political rights.**

### **Israel**

**22.** We note that the previous Government obtained a categorical assurance from the Israeli Government, in writing, dated 29 November 2000, which included: "No UK originated equipment nor any UK originated systems/sub-systems/components are used as part of the Israel Defence Force's activities in the Territories". In a letter to the Chair of CAEC dated 10 February 2011, the FCO Minister, Mr Alistair Burt, says:

I can confirm that UK policy on the export of controlled goods and equipment to Israel has not changed since the Coalition Government took office. All export licence applications to Israel are considered on a case-by-case basis against the Consolidated EU and National Export Licensing Criteria.

**We note the Committees conclusion.**

**23.** We conclude that the present Government's policy on exporting arms or components of arms that could be used in the Occupied Palestinian Territories appears to be confused. Given that the Government in its response to the previous Committees' last Report stated: "That the UK Government does not have a policy that UK arms exports to Israel should not be used in the Occupied Palestinian Territories", we recommend that the Government re-states what specific arms or components of arms it is willing to approve for export to Israel that could be used in the Occupied Palestinian Territories. We further recommend that if the Government is unable to identify any such arms or components of arms, it formally withdraws the statement of policy quoted in this paragraph. (Paragraph 125)

**Since October 2000, Government policy on the export of UK controlled military goods to all destinations has been based on the Consolidated EU and National Arms Export Licensing Criteria. All export applications are assessed on a case-by-case basis, against the Consolidated Criteria.**

The UK Government did receive a letter dated the 29<sup>th</sup> November 2000 from the Israeli Ministry of Defence which pledged that "*no UK originated equipment nor any UK originated systems/sub-systems/components are used as part of the Israel Defence Force's activities in the Territories*". This assurance did not in any way alter the fact that all export licence applications received since October 2000 were assessed against the Consolidated Criteria. It never represented any different export control policy for Israel.

On the 15th April 2002 the then Foreign Secretary Jack Straw MP (in reply to Mr Menzies Campbell MP) stated that the Government would: "*continue to assess export licence applications for the proposed export of controlled goods to Israel on a case-by-case basis against the Consolidated EU and National Arms Export Licensing Criteria; but in so doing, we will no longer take the Israeli assurances given on 29 November 2000 into account*". Since this statement this assurance has not been taken into account in assessing exports to Israel.

It was not our intention to cause any confusion in our earlier response to the Committees' last report. The Government's answer was intended to emphasise that Government policy on Israel is determined solely by a case-by-case assessment against the Consolidated Criteria, not by the final destination of end-use alone.

## **Saudi Arabia and Yemen**

**24.** We recommend that the Government keeps its policy on approving arm exports to Saudi Arabia under review in the light of the specific allegations surrounding the 2009-10 conflict in Yemen and current events in Yemen, Bahrain, and the wider region. (Paragraph 130)

**The Government reacted quickly to recent events in the Middle East: we reviewed licences and moved swiftly to revoke licences where they were no longer in line with the Criteria.**

**The Foreign Secretary has commissioned a review of Government policy and practice with regard to the export of equipment that might be used for internal repression, in particular crowd control goods. Although this review was originally commissioned in response to events in the Middle East and North Africa, any conclusions will apply to our procedures for arms exports to all countries. The FCO is leading this internal review in close consultation with the Department for Business, Innovation and Skills (BIS) and the Ministry of Defence (MoD). The Government will be reporting back on the review to Parliament. This will take place once the Foreign Secretary has fully considered the findings of the review.**

**25.** We conclude that both the present Government and its predecessor misjudged the risk that arms approved for export to certain authoritarian countries in North Africa and the Middle East might be used for internal repression. We further conclude that the Government's decision to revoke a considerable number of arms export licences to Bahrain, Egypt, Libya and Tunisia is very welcome.

We recommend that, in its response to this Report:

- The Government provides us with full details on arms export licences it has revoked since the beginning of January 2011 when the recent uprisings and demonstrations in North Africa and the Middle East started;

**A table of revocations since January 2011 is attached as Annex 1.**

- The Government states what specific and systematic consideration of arms exports is carried out within the National Security Strategy and at meetings of the National Security Council;

**Countering the proliferation of conventional weapons, is a major driver of conflict and instability and is an element of security support within the National Security Strategy. We are committed to effective implementation of export controls at national level, and will also assist other states to develop and implement the governance mechanisms needed to ensure tough controls on arms transfers, and we will continue to play a leading role in pressing internationally for a legally binding Arms Trade Treaty. There have been to**

**date no specific or systematic consideration of arms exports at meetings of the National Security Council.**

**The Foreign Secretary has commissioned a review of Government policy and practice with regard to the export of equipment that might be used for internal repression, in particular crowd control goods. Although this review was originally commissioned in response to events in the Middle East and North Africa, any conclusions will apply to our procedures for arms exports to all countries.**

- The Government states the outcome of its review of arms exports to the wider Middle East region as announced by the FCO Minister, Mr Alistair Burt, on 18 February;

**The Foreign Secretary has commissioned a review of Government policy and practice with regard to the export of equipment that might be used for internal repression, in particular crowd control goods. Although this review was originally commissioned in response to events in the Middle East and North Africa, any conclusions will apply to our procedures for arms exports to all countries. The FCO is leading this internal review in close consultation with the Department for Business, Innovation and Skills (BIS) and the Ministry of Defence (MoD). The Government will be reporting back on the review to Parliament. This will take place once the Foreign Secretary has fully considered the findings of the review.**

- The Government states what changes it will make to improve both its arms export control procedures and its judgements about the risk of arms exported from the UK being used for internal repression by authoritarian regimes.

**The Foreign Secretary has commissioned a review of Government policy and practice with regard to the export of equipment that might be used for internal repression, in particular crowd control goods. Although this review was originally commissioned in response to events in the Middle East and North Africa, any conclusions will apply to our procedures for arms exports to all countries. The FCO is leading this internal review in close consultation with the Department for Business, Innovation and Skills (BIS) and the Ministry of Defence (MoD). The Government will be reporting back on the review to Parliament. This will take place once the Foreign Secretary has fully considered the findings of the review.**

We further recommend that the Government extends immediately its review of UK arms export licences announced by the FCO Minister, Mr Alistair Burt, on 18 February 2011 to authoritarian regimes worldwide in respect of arms or components of arms which could be used for internal repression. (Paragraph 135)

**The Foreign Secretary has commissioned a review of Government policy and practice with regard to the export of equipment that might be used for internal repression, in particular crowd control goods. Although this review was originally commissioned in response to events in the Middle East and North**

**Africa, any conclusions will apply to our procedures for arms exports to all countries. The FCO is leading this internal review in close consultation with the Department for Business, Innovation and Skills (BIS) and the Ministry of Defence (MoD). The Government will be reporting back on the review to Parliament. This will take place once the Foreign Secretary has fully considered the findings of the review.**

**Annex 1**

**Standard Individual Export Licences (SIELs)**

<b>End User Country</b>	<b>Annual Report Summary</b>	<b>Rating</b>	<b>Reason for Revocation</b>
Abu Dhabi, Bahrain, Kuwait, Qatar	equipment for the use of weapon day and night sights, imaging cameras, military infrared/thermal imaging equipment, weapon day and night sights, weapon night sights, weapon sight mounts	6A003, ML11, ML15, ML1, ML5, PL5017	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Abu Dhabi, Bahrain, Kuwait, Qatar	equipment for the use of weapon day and night sights, imaging cameras, military infrared/thermal imaging equipment, weapon night sights	6A003b, ML11, ML15, ML1, ML5	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	assault rifles (2), components for assault rifles, sporting rifles (2), semi automatic pistols (3), components for semi-automatic pistols, components for submachine guns, submachine guns (2), semi-automatic pistols (3), small arms ammunition, weapon sights, weapon cleaning equipment	ML1, ML3, PL5017	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	equipment employing cryptography	5A002	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	equipment employing cryptography	5A002	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	cryptographic software, equipment employing cryptography	5A002, 5D002	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3

Bahrain	cryptographic software, equipment employing cryptography	5A002, 5D002	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	non-sporting shotgun ammunition, small arms ammunition, training ammunition for wall and door breaching projectile launchers	ML3	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	corrosion resistant chemical manufacturing equipment	2B350	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	crowd control ammunition, non-sporting shotgun ammunition, tear gas/irritant ammunition, wall and door breaching projectiles	ML3	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	cryptographic software, software for the use of equipment employing cryptography	5D002	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	artillery, components for artillery, equipment for the use of artillery, technology for artillery, weapon cleaning equipment, weapon mountings	ML22, ML2, PL5017, PL5108	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	cryptographic software, equipment employing cryptography, software for the use of equipment employing cryptography	5A002, 5D002	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	cryptographic software, equipment employing cryptography	5A002, 5D002	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	technology for the use of equipment employing cryptography	5E002	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3

Bahrain	small arms ammunition	ML3	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	tear gas/irritant ammunition, training tear gas/irritant ammunition	ML3	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	anti-armour ammunition, small arms ammunition	ML3	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	NBC protective/defensive equipment, components for NBC protective/defensive equipment	ML7	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	components for assault rifles, components for machine guns	ML1	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	technology for the use of equipment employing cryptography	5E002	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	equipment for the use of sniper rifles	PL5017	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	blank/inert ammunition	ML3	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	components for military training aircraft	ML10	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	components for military training aircraft	ML10	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3



Egypt	Components for armoured personnel carriers	ML6	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	equipment employing cryptography	5A002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	equipment employing cryptography	5A002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	equipment employing cryptography	5A002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	cryptographic software, equipment employing cryptography	5A002, 5D002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	equipment employing cryptography	5A002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	equipment employing cryptography, software for the use of equipment employing cryptography	5A002, 5D002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	cryptographic software, equipment employing cryptography	5A002, 5D002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	cryptographic software, equipment employing cryptography	5A002, 5D002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	equipment employing cryptography	5A002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3

Egypt	equipment employing cryptography	5A002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	cryptographic software, equipment employing cryptography	5A002, 5D002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	equipment employing cryptography	5A002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	equipment employing cryptography	5A002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	equipment employing cryptography	5A002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	equipment employing cryptography	5A002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	equipment employing cryptography	5A002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	equipment employing cryptography	5A002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	equipment employing cryptography	5A002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	equipment employing cryptography, software for the use of equipment employing cryptography	5A002, 5D002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	equipment employing cryptography	5A002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3

Egypt	equipment employing cryptography	5A002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	equipment employing cryptography	5A002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	cryptographic software	5D002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	cryptographic software	5D002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	equipment employing cryptography	5A002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	equipment employing cryptography	5A002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	equipment employing cryptography	5A002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	equipment employing cryptography	5A002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	cryptographic software, equipment employing cryptography	5A002, 5D002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	cryptographic software, equipment employing cryptography	5A002, 5D002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3

Egypt	equipment employing cryptography	5A002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	equipment employing cryptography	5A002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	equipment employing cryptography	5A002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	equipment employing cryptography	5A002	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	direct view imaging equipment, weapon night sights, direct view imaging equipment, weapon day and night sights, goods treated for signature suppression for military use, test equipment for weapon sights, technology for the use of test equipment for weapon sights, imaging cameras, weapon sights, weapon sight mounts	6A002, 6A003, ML17, ML1, ML22, PL5017, PL5017,	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	direct view imaging equipment, equipment for the use of weapon sights, technology for the use of weapon sights, weapon night sights, weapon sight mounts, weapon sights	6A002, ML1, ML22, PL5017	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	equipment for the use of weapon day and night sights, imaging cameras, military infrared/thermal imaging equipment, weapon night sights, weapon sight mounts	6A003, ML11, ML15, ML1, ML5, PL5017	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	tear gas/irritant ammunition	ML3	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3

Libya	weapon cleaning equipment	PL5017	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	crowd control ammunition, small arms ammunition	ML3	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	ammunition for wall and door breaching projectile launchers, crowd control ammunition, small arms ammunition, tear gas/irritant ammunition, training tear gas/irritant ammunition	ML3	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	components for semi-automatic pistols, training small arms ammunition	ML1, ML3	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	crowd control ammunition, small arms ammunition	ML3	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	ammunition for wall and door breaching projectile launchers, crowd control ammunition, small arms ammunition, tear gas/irritant ammunition, training tear gas/irritant ammunition	ML3	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	crowd control ammunition, small arms ammunition	ML3	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3

Libya	ammunition for wall and door breaching projectile launchers, crowd control ammunition, small arms ammunition, tear gas/irritant ammunition, training tear gas/irritant ammunition	ML3	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	components for combat aircraft	ML10	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	weapon cleaning equipment	PL5017	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	artillery computers, command communications control and intelligence equipment, command communications control and intelligence software, equipment for the use of military communications equipment, military communications equipment, military electronic equipment, software for the modelling of military operation scenarios, software for the use of military communications equipment	ML11, ML21, ML5	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	military helmets	ML13	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	equipment for the use of military communications equipment, military communications equipment	ML11, PL5017	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	technology for the use of military infrared/thermal imaging equipment	ML22	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3

Libya	technology for the use of military infrared/thermal imaging equipment	ML22	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	technology for the use of military infrared/thermal imaging equipment	ML22	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	ground vehicle military communications equipment, military communications equipment	ML11, ML6	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	equipment employing cryptography, ground vehicle military communications equipment, military communications equipment, military containers, military electronic equipment, military field generators, software for the use of equipment employing cryptography, software for the use of military communications equipment, ground vehicle military communications equipment	5A002, 5D002, ML11, ML17, ML21, ML6	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	direct view imaging equipment	6A002	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3

Libya	ground vehicle military communications equipment, equipment for the use of ground vehicle military communications equipment, equipment for the use of military communications equipment, software for the use of ground vehicle military communications equipment, command and control vehicles, military communications equipment, military electronic equipment, software for the use of equipment employing cryptography, equipment employing cryptography, test equipment for military communications equipment	5A002, 5D002, ML11, ML21, ML6, PL5017	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	cryptographic software	5D002	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	military cargo vehicles, military communications equipment, military containers, software for the use of military communications equipment, technology for the use of military communications equipment, technology for the use of military cargo vehicles, technology for the use of military containers	ML11, ML17, ML21, ML22, ML6	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	components for multi-role missiles, components for surface-to-air missiles	ML4a	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	optical target surveillance equipment, components for optical target surveillance equipment, equipment for the use of optical target surveillance equipment,...	ML11, ML15, ML5, PL5017	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3



	...laser rangefinders, military cameras, military infrared/thermal imaging equipment			
Libya	imaging cameras	6A003b4b		Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	components for combat aircraft	ML10		Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	body armour	ML13		Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	components for military communications equipment, equipment for the use of military communications equipment	ML11, PL5017		Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	weapon cleaning equipment	PL5017		Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	components for anti-armour missiles	ML4		Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	components for anti-armour missiles	ML4		Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	software for the use of military communications equipment	ML21		Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	components for military transport aircraft	ML10		Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3

Libya	components for anti-armour missiles	ML4	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	technology for the use of naval communications equipment	ML22	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	radio jamming equipment, software for the use of radio jamming equipment	5A001, 5D001	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	spacecraft	9A005	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	NBC respirators	ML7	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	laser radar equipment	6A008	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	laser radar equipment	6A008	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	components for optical target surveillance equipment	ML5	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	technology for the use of optical target surveillance equipment	ML22	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	optical target surveillance equipment	ML5	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3

Libya	unfinished products for optical target acquisition equipment	ML17	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	components for airborne radars	ML5	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	components for military aircraft navigation equipment	ML11	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	components for aircraft radars	ML5	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	components for optical target surveillance equipment	ML5	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	components for military aircraft navigation equipment	ML11	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	components for military cargo vehicles, military cargo vehicles	ML6	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	components for military aircraft ground equipment, military aircraft ground equipment, technology for the use of military aircraft ground equipment	ML10, ML22	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	components for automatic piloting systems for parachuted loads, components for military parachutes, military parachutes, military parachutist equipment	ML10	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3

Libya	inert illuminators, inert signal flares, inert smoke canisters, inert smoke hand grenades, inert stun grenades, inert thunderflashes	ML4	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	equipment employing cryptography	5A002	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	components for military communications equipment, equipment employing cryptography, imaging cameras, military cameras, military communications equipment, military video recording equipment	5A002a, 6A003, ML11, ML15, ML15	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	imaging cameras	6A003	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	imaging cameras	6A003	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	anti-riot/ballistic shields	PL5001	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	inert chaff, inert decoy flares	ML4	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Tunisia	Components for assault rifles, components for general purpose machine guns, components for semi-automatic pistols, training small arms ammunition	ML1, ML3	Increasing Tension in Tunisia resulted in reassessment and that this licence now contravenes Criteria 2&3

**OIELs**

End User / Country	Annual Report Summary	Rating	State of play
Bahrain	Body Armour	1A005	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	ballistic shields, body armour, bomb suits, civil body armour, components for body armour, military helmets	1A005, ML 13, ML 13, PL5001	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	technology for the use of weapon sights, weapon sights	ML22, ML2	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	technology for the use of weapon night sights, technology for the use of weapon sights, weapon night sights, weapon sights	ML1, ML22	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	rifles, shotguns, small arms ammunition, sporting gun ammunition, sporting rifles, weapon sights	ML1, ML1, ML2, ML2, ML3	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3

Bahrain	components for military utility vehicles, military utility vehicles, technology for the production of military utility vehicles, technology for the use of military utility vehicles	ML22, ML6	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	components for gun laying equipment, components for military image intensifier equipment, components for weapon night sights, components for weapon sights	ML15, ML1, ML22, ML2, ML5, PL5017	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	equipment employing cryptography	5A002	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	components for military communications equipment, components for test equipment for military communications equipment, military communications equipment, military helmets, software for the use of military communications equipment, technology for the development of military helmets, technology for the production of military helmets, technology for the production of military communications equipment, technology for the production of military helmets, technology for the use of military communications equipment, test equipment for military communications equipment	ML11, ML13, ML21, ML22	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3

Bahrain	software for military communications equipment, technology for the use of software for military communications equipment	ML21, ML22	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	software for the use of military communications equipment, software to simulate the function of military communications equipment, technology for the use of software to simulate the function of military communications equipment	ML21, ML22	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	equipment employing cryptography	5A002	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	CS hand grenades, demolition charges, demolition devices, exploding simulation devices, fire simulation equipment for small arms ammunition, illuminators, military devices for initiating explosives, signal flares, signal hand grenades, smoke ammunition, smoke canisters, smoke generators, smoke hand grenades, stun grenades, tear gas/irritant ammunition, tear gas/riot control agents, thunderflashes, training anti-aircraft ammunition, training hand grenades	ML14, ML2, ML3, ML4, ML4, ML7	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain	ballistic shields, body armour, bomb suits, civil body armour, components for body armour, constructions for ballistic protection of military systems, military helmets	1A005, ML13, ML13, ML13, PL5001	Increasing Tension in Bahrain resulted in reassessment and that this licence now contravenes Criteria 2&3

Bahrain/Egypt	<p>Technology for the development of Software for the use of military communications equipment, Technology for the production of Software for the use of military communications equipment, Technology for the use of Software for the use of military communications equipments, Software for the use of military communications equipment, Technology for the use of Software for the use of military communications equipment, Technology for the use of command communications control and intelligence software, Technology for the development of command communications control and intelligence software, Technology for the production of command communications control and intelligence software, command communications control and intelligence software</p>	ML21, ML22	Increasing Tension in Bahrain/Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain/Egypt	<p>test equipment for military communications equipment, components for test equipment for military communications equipment, technology for the use of test equipment for military communications equipment, technology for the use of components for test equipment for military communications equipment, military communications equipment, components for military communications equipment, technology for the use of military communications equipment, technology for the use of components for military communications equipment, military communications equipment, components for military communications equipment, military helmets, components for military helmets, technology for the use of military communications equipment, technology for the use of components for military communications equipment, technology for the use of military helmets, technology for the use of components for military helmets</p>	ML11, ML13, ML22	Increasing Tension in Bahrain/Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3



Bahrain/Egypt	military distress signalling equipment, equipment for the use of military distress signalling equipment, technology for the use of military distress signalling equipment, technology for the use of equipment for the use of military distress signalling equipment	ML11, ML22	Increasing Tension in Bahrain/Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Bahrain/Egypt	components for military distress signalling equipment, military distress signalling equipment, technology for the use of military distress signalling equipment	ML11, ML22	Increasing Tension in Bahrain/Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	components for inertial equipment, inertial equipment	7A003, 7A103	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	components for military aero-engines, general military aircraft components, general military vehicle components, general naval vessel components	ML10, ML6, ML9	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	military aircraft pressurised breathing equipment, components for military aircraft pressurised breathing equipment, military communications equipment, components for military communications equipment, military electronic equipment, components for military electronic equipment, technology for the use of military flying helmets, technology for the use of military aircraft pressurised breathing equipment, technology for the use of military communications equipment, technology for the use of military electronic equipment, military flying helmets	ML10, ML11, ML22	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3

Egypt	<p>components for military training aircraft, ejector seats, components for ejector seats, military parachutes, components for military parachutes, military aircraft ground equipment, technology for the use of ejector seats, technology for the use of military parachutes, technology for the use of military training aircraft, technology for the use of military aircraft ground equipment</p>	ML10, ML22	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	military parachutes, military parachutist equipment, technology for the use of military parachutes	ML10, ML22	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Egypt	<p>military flying helmets, aircrew protective masks, components for aircrew protective masks, components for military flying helmets, military communications equipment, components for military communications equipment, equipment for the use of military flying helmets, components for equipment for the use of military flying helmets, equipment for the use of aircrew protective masks, components for equipment for the use of aircrew protective masks, military aircraft pressurised breathing equipment, components for military aircraft pressurised breathing equipment, technology for the use of military flying helmets, technology for the use of aircrew protective masks, technology for the use of military aircraft pressurised breathing equipment, technology for the use of military communications equipment</p>	ML10, ML11, ML22, PL5017	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3

Egypt	equipment employing cryptography	5A002a	Ongoing tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	components for military transport aircraft, military aircraft ground equipment, technology for the use of military transport aircraft; software for the use of military transport aircraft; equipment for the use of military transport aircraft	ML10, ML10, ML21, ML22, PL5017	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	artillery computers, bombing computers, command and control vehicles, command communications control and intelligence equipment, command communications control and intelligence software, components for military electronic equipment, equipment employing cryptography, equipment for the use of artillery computers, equipment for the use of command communications control and intelligence equipment, equipment for the use of fire control equipment, equipment for the use of ground vehicle military communications equipment, equipment for the use of laser rangefinders, equipment for the use of military communications equipment, equipment for the use of military electronic equipment, fire control equipment, ground vehicle military communications equipment, gun laying equipment, laser rangefinders, military communications equipment, military electronic equipment, military infrared/thermal imaging equipment, military navigation equipment, software for the modelling of military operation scenarios, software for the simulation of military operation scenarios, software for the use of equipment employing cryptography	5A002, 5D002, ML11, ML15, ML21, ML21, ML22, ML5a, ML6a, PL5017	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3

Libya	software for military communications equipment, technology for the use of software for military communications equipment	ML21, ML22	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	software for the use of military communications equipment, software to simulate the function of military communications equipment, technology for the use of software to simulate the function of military communications equipment	ML21, ML22	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	military communications equipment, software for the use of military communications equipment, software for the use of equipment employing cryptography, equipment employing cryptography, ground vehicle military communications equipment, military communications equipment, equipment for the use of military communications equipment, software for the use of military communications equipment, military containers, military communications equipment, technology for military communications equipment, technology for equipment employing cryptography, technology for ground vehicle military communications equipment	5A002, 5D002, 5E002, ML11, ML17, ML21, ML22, ML6	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3

Libya	mine clearing equipment, components for mine clearing equipment, mine countermeasures equipment, components for mine countermeasures equipment, equipment for the use of mine clearing equipment, components for equipment for the use of mine clearing equipment, technology for the use of mine clearing equipment, technology for the use of mine countermeasures equipment, technology for the use of general military vehicle components, technology for the use of equipment for the use of mine clearing equipment, technology for the use of military field engineer equipment, military field engineer equipment, components for military field engineer equipment, general military vehicle components, minefield breaching vehicles	ML11, ML17, ML22, ML4, ML6	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	technology for the use of military communications equipment	ML22	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Tunisia	laser range finders, components for laser range finders, aiming devices, components for aiming devices, weapon sights, components for weapon sights, equipment for the use of laser range finders, military image intensifier equipment, components for military image intensifier equipment, night vision goggles, components for night vision goggles, weapon sights, equipment for the use of laser range finders	ML11, ML15, ML1, ML2, ML5, PL5017	Increasing Tension in Egypt resulted in reassessment and that this licence now contravenes Criteria 2&3

**SITCLs**

<b>End User Country</b>	<b>Annual Report Summary</b>	<b>Rating</b>	<b>State of play</b>
Libya	pepper sprays for self protection, tear gas for self protection	HR AIII	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3
Libya	military utility vehicles	ML6	Increasing Tension in Libya resulted in reassessment and that this licence now contravenes Criteria 2&3



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ISBN 978-0-10-180792-0

