

Swedish Agency for Non-Proliferation and Export Controls

Annual Report

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# A word from the DG

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2012 HAS BEEN AN EVENTFUL year within the ISP's operational areas. Reduced exports, changes in rules and regulations, upcoming review of the legislation, international negotiations and increased sanctions have characterised the year.

## Reduced exports?

In 2012 the export of defence material from Sweden was characterised by a sharp reduction. It is too early to speculate whether this constitutes a change of trend, as in recent years the Swedish export has been dominated by a number of large systems which have now been delivered and have previously had a large impact on the statistics.

In terms of export of dual-use items, a slight decrease in the number of cases has been witnessed, but even here it is too early to speak of a change in trend.

## Changes in rules and regulations

During the year there were changes to the rules and regulations which the ISP applies, both to defence material and non-proliferation.

In the middle of the year, a directive on the transfers of defence-related products within the European Economic Area (EEA) entered into force, referred to as the ICT directive, which aims to simplify the

terms and conditions of transfers within the Community. The implication of the change is adapted licence types, the possibility of becoming certified as a recipient of products, that the Swedish list of controlled products is adapted to the EU and extended with technical assistance and further controlled products.

In the field of non-proliferation, the checklist for dual-use items was updated and targeted sanctions against certain countries were increased.

## Review of legislation

In the last few years, there has sometimes been a lively debate on the Swedish export of defence material. There has been special focus on the suitability of certain countries as recipients of such exports. An open debate on the principles of Swedish export controls is always useful, and the ISP has an important task to ensure that the debate remains factual.

During the year the Government appointed a parliamentary committee which has been commissioned to prepare a proposal for new military equipment legislation, with the aim of strengthening export controls of non-democratic states, which should be ready by the end of 2014. The ISP assists the investigation by provid-

ing supporting material for, among other things, the development of procedures.

### Arms Trade Treaty

The UN led negotiations on an international binding agreement for regulating the Arms Trade Treaty (ATT) were conducted during the summer. The negotiations should have been completed during the year, but as the majority of complicated issues remain to be resolved, the work will resume in the spring of 2013. The ISP has assisted the Swedish delegation with expert knowledge of the work and this will also continue in the new year.

### Increased sanctions

It has now been more than ten years since the international community started to raise concerns over the purpose of Iran's nuclear programme. Over the years extensive sanctions have been imposed with the aim of convincing the country to cooperate with the International Atomic Energy Agency (IAEA). Consequently the ISP was given greater responsibility for implementation of the sanction regime against Iran.

Against the backdrop of developments in Syria, implementing the new sanctions against the country was also added. The situation in Syria also entailed greater

international focus on the risks of remaining stocks of chemical weapons.

### Internal changes

At the end of the year, the ISP's former Director-General retired and I took over this role in February 2013.

As a part of my earlier work in the foreign policy administration, I have followed the ISP's operational areas closely, and I look forward to being on site and now having the opportunity to continue developing the operations.

Christer Ahlström  
Director-General



Photo: Pawel Flato

# Assignments in short

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The ISP is a government authority with assignments within Swedish foreign and security policy. The focus is on control and compliance of strategic products, management of targeted sanctions, responsibility as a national authority for the Chemical Weapons Convention and international cooperation, assistance and support in these areas.

The mission of the ISP is based on close, active cooperation with several authorities as well as with European and multilateral cooperation bodies, while maintaining a constant dialogue with Swedish industrial and technology companies and organisations.

The ISP works according to the laws passed by the Swedish Parliament, EU regulations and the commitments associated with international cooperation.

## Control and compliance

Sweden has an advanced defence industry, and several high-tech companies that are world leaders in many respects. The ISP controls certain production and exports of products within these industries.

Moreover, the ISP visits companies that are subject to compliance. During these visits, the ISP checks that the company is aware of current regulations, which products are subject to export controls and that such knowledge is incorporated in the company's work process.

## Defence material

Defence material (DM) or defence equipment, refers to products such as weapons, ammunition, surveillance and monitoring equipment as well as security equipment or other products developed for military use.

The ISP is responsible for processing applications for purposes such as the manufacture and export of defence material. The ISP also assesses technical assistance, military training and various cooperation agreements.

## Dual-use items

Dual-use items (DUs) are products that have an established civilian application. Machine tools, heat exchangers, encryption equipment, IR cameras, microorganisms and chemicals are examples of such products. It is crucial that such products do not fall into the wrong hands where they can be used for internal repression, or for the manufacture or use of weapons of mass destruction (WMD) by terrorists or by states or individual actors.

The principal rule for DUs is that

exports should be permitted unless there are specific reasons suggesting otherwise, and it is the task of the ISP to determine whether to allow products to be exported.

### Targeted sanctions

Certain countries, companies and individuals have limited opportunities to trade in strategic products due to sanctions and arms embargo. For example, the restrictions might ban the export of certain products, or financial transactions to companies or individuals in those countries.

The purpose of such sanctions is to influence a country to stop certain behaviours or implement certain reforms. The UN, EU and OSCE decide on sanctions and the ISP works with sanctions against Belarus, Burma,

Guinea, Iran, Lebanon, Liberia, Libya, North Korea, Somalia and Syria as well as with embargos against a number of countries.

Targeted sanctions involve licence examination for the export of controlled products, determining whether frozen assets can be released and management of financial transactions.

### National authority for the non-proliferation of chemical weapons

The ISP is the national authority for the Chemical Weapons Convention. Under this convention, comprehensive work is carried out around the world to destroy those chemical weapons that remain and at the same time to ensure that no new chemical weapons are produced. Companies must declare



their activities to the ISP which also assists the Convention's main organisation OPCW with inspections in Swedish factories.

Another important part of the ISP's work with the Convention is to serve as a hub for the Swedish chemical industry and the relevant authorities.

### International cooperation, support and assistance

One way to ensure that international export controls work is to have well-developed cooperation in place, both within the EU and the Nordic countries, with other partner countries and through export control regimes.

Another important area is to educate and inform countries in which export controls are not as developed. The goal is to strengthen export controls and non-proliferation, thereby helping to improve global security.

### ISP councils

Three councils are linked to the ISP, the Export Control Council, the Technical-Scientific Council and the Strategic Cooperation Council.

#### Export Control Council (ECC)

The ECC is an advisory body consisting of twelve members appointed by the Government. The Moderate and Social Democratic parties have three members each, while the other parties each have one member. ECC members are subject to the same confidentiality provisions as the ISP administrators.

All export matters are reported to the Council, as are cases in which the ISP needs advice prior to taking positions concerning new recipient countries or countries where

developments require a new assessment.

The Council meets approximately ten times per year and the chairperson of the Council is the ISP Director-General. Representatives of the Swedish Ministry for Foreign Affairs and the Ministry of Defence also participate at council meetings.

#### Technical Scientific Council (TSC)

The TSC consists of senior management of various academies and technical authorities and assists the ISP in decisions of fundamental significance regarding classification of products and materials.

The Council meets quarterly and the ISP Director-General appoints its members.

#### Strategic Cooperation Council (SCC)

The SCC consists of representatives from the ISP, the Swedish Defence Research Agency, the Swedish National Defence Radio Establishment, Swedish Military Intelligence Agency, the Swedish Security Service and the Swedish Customs. The purpose of the Council is to coordinate and allocate non-proliferation resources at the management level.

The Council meets quarterly and the ISP Director-General appoints its members.

### Facts about the ISP

Number of employees: 24  
Number of cases: approx 6,000 per year  
Budget: approx SEK 29 million per year

Specific expertise:  
Engineers, political scientists and legal advisers

The authority was founded in 1996 and falls under the responsibility of the Swedish Ministry for Foreign Affairs.



# News & events

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It has been an eventful year within the ISP's operational areas. New licence types and product lists, increased control, more assignments and further sanctions have primarily characterised 2012.

A brief summary of news and events within each work area is presented below.

## Defence material

The list of controlled products was changed and is now based on the EU's common military list. Five general licences were introduced for the export of certain defence material and technical assistance to the EEA countries. Within the EEA the possibility for companies to become certified as recipients of components was introduced.

## Dual-use items

During the first half of the year, the EU introduced five new general licences and a new list with controlled products.

## Targeted sanctions

The EU strengthened sanctions against Iran and Syria on a few occasions during the year.

## Chemical Weapons Convention

Work within the Convention has focused on continued destruction of chemical weapons and the main organisation OPCW's future issues as the final point for implementation is approaching. During the summer the ISP participated in the annual meeting for the Nordic-Baltic network for work with the Chemical Weapons Convention.

## International cooperation

The international work is managed through export control regimes and different work groups, in which the ISP is actively participating:

- Australia Group: Development of specific control list for Syria. The EU implemented this demand through sanctions in April.
- Missile Technology Control Regime: Participation in meetings for technol-

ogy, licensing and compliance.

- Nuclear Suppliers Group: A review of the control list was initiated during the year.
- The Wassenaar Arrangement: Control lists for dual-use items and defence material were processed and updated during the year.

### Outreach

During the year the ISP has assisted in the drafting of a new regulation in Georgia and

held a lecture at a seminar organised by the Organisation for Security and Co-operation in Europe (OSCE) in Moldavia.

### Participation in UN negotiations

The ISP assisted the Swedish delegation with expert knowledge in the negotiations for the Arms Trade Treaty through the UN.



# Important trends

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This section presents a comprehensive analysis of export controls of defence material and dual-use items.

## Defence material exports

During the year, the value of defence material exports amounted to SEK 9.8 billion, which is approximately SEK 4 billion lower than the previous year. Delivery of several large systems has been completed over the last few years and consequently the value of Swedish exports is also declining.

For 2012, India is the largest recipient (SEK 1.4 billion). Here it mainly involves follow-on deliveries for previously exported army material; primarily ammunition but also supplementary orders such as spare parts and components.

During the year there have been continued exports of airborne systems such as JAS 39 Gripen and Erieye to Thailand and continued deliveries of Erieye to Saudi Arabia, Pakistan and the United Arab Emirates.

As for traditional partner countries, it can be noted that exports to France, Finland, Canada, Singapore and Great Britain

have also been extensive. Exports to South Africa have entailed final deliveries of JAS 39 Gripen.

Exports to Saudi Arabia and the United Arab Emirates have been relatively large while exports to other countries in the Middle East have been limited. Exports of camouflage equipment to Algeria have been granted. Exports of armour plate have been permitted to Egypt, Israel and Jordan. There have not been any exports to Qatar, Morocco, Libya, Lebanon, Syria and Yemen.

Swedish exports to countries in the Middle East during the year have essentially been completely limited to marine equipment, radars and surveillance systems such as the Erieye.

## Committee directive

During the year the Government appointed a committee with the task of investigating the future Swedish export control. The aim

includes submitting a proposal for the new Military Equipment Act and strengthening the export control to non-democratic countries.

The ISP assists the investigation and the Committee's work should be completed by the end of 2014.

#### European cooperation

Within the European cooperation, the focus was on the issue of defence material export within the EEA through the EU Intra Community Transfer (ICT) Directive, where the aim is to facilitate trade of defence material between EEA member states. As a result of this Directive, changes have been made to the current Military Equipment Act.

Both in Sweden and in Europe, application of the new provisions has not had a very large impact till now, as so far only a few companies have become certified or used the new general licences.

With respect to the development of cooperation within the six nation multilateral cooperation (FA-LOI), the aim is coordination with corresponding work within the European Defence Agency (EDA).

In addition, the issue of the EU's military capability development and its link to industry, research and development and to the EU's internal market will be discussed at the European Council's meeting at the end of 2013. The aim is to review whether, for example, additional simplification directives can facilitate trade with the European defence material industry. Any effects of this project will be visible during 2014 at the earliest.

Inspection work of the Council's joint standpoint on arms export has been con-

ducted in the Council Working Group on Conventional Arms Exports (COARM). It was assessed that no change is necessary. The group will continue to discuss any changes in the user guide which constitutes guidance in the examination of export applications.

#### International trends

The introduction of the ICT Directive has resulted in several countries amending their legislation. Some examples include Italy conducting a total review of legislation and France intends to change the export control process from two stages to one stage.

The consequences of the Arab Spring have entailed increased demands for parliamentary control in Great Britain and Germany. This has aroused interest in the Swedish system with an export control council which receives information in advance on any export deals at less common destinations or politically more sensitive regions.

In Japan it was already decided in 2011 to open up the principle applicable until now of not permitting exports of defence material, as the Japanese Government has assessed that the domestic market is too small for maintaining the local industry's expertise.

A few years ago the USA initiated a review of the regulations for export control within the framework of an explicit strategy of simplifying collaboration with selected countries and also to generally create conditions for increasing the American exports. The work on American reforms has been slow, but after President Obama's re-election the work is expected to gain momentum again.

### Non-proliferation initiatives

Proliferation of WMDs continues to be one of the most serious security threats facing the world. The ISP's main commission in terms of non-proliferation initiatives is to ensure that the Swedish products or products which are exported or pass in transit from Sweden do not end up in the wrong hands and thereby contribute to, for example, a state developing WMDs. Here the ISP collaborates with other Swedish authorities and coordinates resources within the framework of the Strategic Cooperation Council (SVR) and the Non-Proliferation and Export Control group (ISEK).

### European cooperation

The new EU general export authorisations which were introduced at the start of the year with the aim of simplifying certain exports to specific non-EU countries have not entailed any significant reduction in the inflow of cases.

The EU further developed its "Long Term Programme" to spread awareness about export controls to neighbours and key trading partners during the year. The German export control agency BAFA received new assignments from the EU to promote export controls to neighbouring countries.



BAFA has been commissioned to implement the programme and the ISP has assisted in the work. Next year the collaboration will be expanded to also include the new countries in Eastern Asia.

#### Continued public awareness

An important task for the ISP is to inform Swedish companies about their obligation to have knowledge of that the products they manufacture or sell may be subject to controls. As the manufacture of DUs does not require licences, experience shows that several of these companies are not aware that their products are covered by the regulatory framework and are of a sensitive nature.

By studying and analysing WMD programmes in other states, for being able to identify which sensitive technology they want to purchase, the ISP can, together with collaborating authorities, target information initiatives towards companies which supply or manufacture such products.

#### Targeted sanctions

The use of targeted sanctions by the EU and UN as political instruments for influencing regimes and states has been developed over the last decade and will also be used in the future. Examples of this are financial sanctions against Iran which impose requirements for permits for financial transactions to and from Iranian people, units and bodies and which also blacklist certain Iranian banks and organisations.

Using sanctions for humanitarian purposes and thereby trying to prevent the regime's violation of human rights, for example, by control of products which can be used for internal repression, has been

conducted both against Iran and Syria.

The use of targeted sanctions may increasingly be influenced as units affected by targeted sanctions get the entitlement to examine such decisions in the EU court. This may result in the EU instead using partial embargoes on trade targeted against specific operational areas to a greater extent.

#### Cases and assessment

The number of DU and sanction cases has declined slightly during the year, while the number of DM cases is largely the same. Whether the decline is temporary or equates to an international economic decline is too early to determine.

The ISP continues to develop the work process so that resources can be dedicated to the more complex cases. One approach would be to develop forms for global authorisations, which could be issued when a product is considered to be insensitive to a particular end user or to a specified destination.

Implementing such simplifications fully requires that the ISP is given the possibility to levy administrative sanction charges on companies which do not fulfil their obligations. If the simplifications are implemented without such a possibility, there is a risk that companies do not invest adequate resources in their external export control, which can result in a weakening of the export control.

# Communication activities

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To increase knowledge about export controls and non-proliferation, the ISP informs affected businesses, government agencies and the general public about its activities by organising seminars, as speakers and through the website.

## Export Control Seminar 2012

The ISP arranges an annual export control seminar aimed at companies that export defence material and dual-use items. In 2012 the seminar focused on changes in legislation. Speakers at the seminar included the Swedish Security Service and the Stockholm International Peace Research Institute (SIPRI).

## Important channel for information

One of the ISP's most important communication channels for providing service, sharing knowledge and making operations more transparent and accessible is the external website. During the year practical information in the form of handbooks has been published and certain technical improvements have been made to the website.

## External seminar

The ISP organised its own seminar for the first time during the Almedalen week, a well-visited political platform in Sweden.

The aim of the seminar was to discuss Swedish exports based on a defence, security and foreign policy perspective. In addition to the ISP, the Swedish Defence and Security Export Agency (FXM) and the think tank Stimson Center participated.

## New customer survey

As a part of the ISP's efforts to develop the Agency's work, customer surveys are carried out on a regular basis. The purpose is to obtain information on how the ISP is perceived, the Agency's accessibility and possible areas of improvement for the ISP according to companies.

The year's survey showed a continued positive assessment of the Agency's information, service and reception.

## Popular speakers

ISP employees are in demand as speakers. They participate at both national and international seminars, conferences and debates.



### ISP in the media

Export issues are occasionally addressed in the media and the ISP's activities occasionally attract great journalistic interest.

During the year there was particular focus on Swedish defence material exports to Saudi Arabia and that a parliamentary committee has been appointed for providing proposals on new military equipment legislation. There was also some attention when the Prosecution Office for National Security summoned for a trial concerning breach of the Swedish Act on Certain International Sanctions. The trial will start at the beginning of 2013.

Furthermore, the ISP has participated in several debates and discussions on radio, television and in newspapers.



# Statistical data

Below is a sample of statistical data regarding the export of defence material and dual-use items in 2012. All sums are in SEK million if nothing else is stated.

## Export of defence material

In 2012, the Swedish defence industry exported defence material worth SEK 9.8 billion, a decrease of 30% compared to 2011.

In recent years the Swedish export of defence material has been dominated by a number of major deals, which have had a large impact on the statistics, such as the export of the JAS 39 Gripen, Erieye airborne surveillance system and Stridsford 90. Delivery of several of these systems has been completed and consequently now the value of the Swedish exports is also decreasing.

Approximately 56% of the Swedish exports went to EU countries and traditional partner countries such as Canada, South Africa and the USA. For the rest, 44% of the total export value went to some 20 countries, of which India, Saudi Arabia and Pakistan were the three largest export destinations.

Exports to the Nordic countries Denmark, Finland and Norway amounted to approximately SEK 1.1 billion.

Distribution of exports in 2012		
Area	Sum	Per cent
EU + Norway and Switzerland	3 290	34
Cooperation outside EU (Australia, Canada, Japan, Republic of Korea, Singapore, South Africa, USA)	2 200	22
Rest of the world (Where India, Pakistan, Saudi Arabia and Thailand are the biggest destinations)	4 270	44

## Largest export destinations

In 2012, the five largest export destinations for Swedish defence material were India, Saudi Arabia, France, Pakistan and Thailand.

In the case of Pakistan, the figure pertains to follow-on deliveries of RB70 and final delivery of airborne early warning radar (Erieye). As a result of political developments in Pakistan, the ISP has not granted any new exports since the fall of 2007.

For many years, India has been receiving follow-on deliveries of spare parts, components and ammunition for previously

10 largest export destinations 2010–2012						
#	2010		2011		2012	
1	Netherlands	2 107	Thailand	3 017	India	1 438
2	Great Britain	1 427	Saudi Arabia	2 869	Saudi Arabia	922
3	Pakistan	1 340	India	1 049	France	899
4	USA	1 264	Pakistan	862	Pakistan	615
5	South Africa	1 079	Great Britain	753	Thailand	600
6	Un. Arab Em.	804	USA	753	Finland	535
7	India	696	Netherlands	563	Canada	457
8	Singapore	611	Un. Arab Em.	526	Singapore	445
9	Thailand	498	South Africa	518	Great Britain	428
10	Denmark	491	Canada	428	South Africa	403

Exports to the Middle East and North Africa	
Country	Sum
Saudi Arabia	922
United Arab Emirates	302
Algeria	172
Kuwait	46
Bahrain	41
Egypt	9
Oman	1
Israel	0.3
Tunisia	0.3
Jordan	0.06

10 largest export destinations 2008–2012		
#	Country	Sum
1	Netherlands	7 115
2	South Africa	5 656
3	Pakistan	5 076
4	India	4 591
5	Thailand	4 209
6	Saudi Arabia	4 108
7	Great Britain	3 963
8	USA	3 446
9	Denmark	3 254
10	Finland	2 551

Exports of large systems 2000–2012			
	Erieye	JAS 39 Gripen	Stridsford. 90
Denmark			2007–2009
Finland			2003–2007
Un. Arab Em.	2010–2012		
Greece	2000–2008		
Netherlands			2006–2011
Pakistan	2006–2012		
Saudi Arabia	2011--		
Switzerland			2002–2005
South Africa		2002--	
Thailand	2010–2012	2011--	

supplied army material systems.

During 2012 follow-on deliveries of airborne early warning radar (Erieye) have been exported to Saudi Arabia.

Exports to the Middle East and North Africa  
With the exception of exports to Saudi Arabia (SEK 922 million) and the United Arab Emirates (SEK 302 million), Swedish exports of defence material to the Middle East and North Africa were limited. Camouflage equipment was exported to Algeria. In addition, Bahrain, Kuwait, Oman and Tunisia have received minor follow-on deliveries. Only armour plate has been exported to Egypt, Israel and

Jordan. Otherwise no exports occurred in the region.

Export trend

The proportion of exports of military equipment for combat (MEC) in 2012 was 38% and the proportion of other military equipment (OME) was 62%.

Only hunting and sports ammunition  
Only hunting and sports ammunition were exported to seven countries for a value of SEK 17 million.

Light weapons	
Type of weapon	Export
Heavy machine guns (12.7 mm)	Ammunition to Norway
Hand-held barrel and mounted grenade launchers (40 mm)	Components to Italy, ammunition to Denmark and Germany
Portable anti-tank guns	No exports
Recoilless rifles	Anti-tank systems have been exported to Brazil, Chile, Canada, Poland and the USA. Spare parts, components and ammunition for anti-tank systems were exported to Australia, Denmark, India, Ireland, Japan, Canada, New Zealand, Poland, the USA and Austria.
Portable anti-tank missile launchers and rocket systems	Anti-tank weapons to France, spare parts, training equipment and components to Denmark, France, Ireland, Luxembourg, Norway, Great Britain, the USA and Austria.
Mortars of less than 75 mm calibre	No exports
Other	No exports

Export trend 2008–2012					
	2008	2009	2010	2011	2012
Sum	12 698	13 561	13 745	13 913	9 760
OME	6 372 (50%)	6 273 (46%)	6 998 (51%)	8 074 (58%)	6 014 (62%)
MEC	6 326 (50%)	7 288 (54%)	6 447 (49%)	5 839 (42%)	3 746 (38%)

### Small arms and light weapons

No small arms were exported in 2012. Light weapons of about SEK 1.6 billion were exported.

### Largest exporters

The ten largest exporters have exported defence material for a value of SEK 8.2 billion, which constitutes approximately 84% of the total export.

### Total exports

Swedish exports go to approximately 60 countries and the next page shows the value of total exports by region and country.

Small arms	
Type of weapon	Export
Revolvers and self-loading pistols	No exports
Rifles and carbines	No exports
Sub-machine guns	No exports
Assault rifles	No exports
Light machine guns	No exports
Other	Small calibre ammunition to Finland, Italy, Japan, Canada, Norway, Great Britain, South Africa, Thailand, Germany, the USA and Austria.

10 biggest exporters 2012		
#	Exporter	Sum
1	Saab AB, Surveillance Systems	1 354
2	FFV Ordnance AB	1 307
3	Saab AB, Electronic Defence Systems	1 246
4	BAE Systems Hägglunds AB	1 035
5	Saab Dynamics AB	887
6	Saab AB, Aeronautics	566
7	Defence Materiel Administration (FMV)	542
8	Saab AB, Security and Defence Solutions	466
9	BAE Systems Bofors AB	417
10	Kockums AB	387
	<b>Total</b>	<b>8 207</b>

### Increased control

During the year, control was increased to also cover technical assistance and a number of products which were previously not subject to control, for example, armour plate and military bridges.

## 2012 exports by region and country

Region	Country	Sum	Region	Country	Sum
<b>EU</b>			<b>South America</b>		
	Belgium	27		Brazil	20
	Bulgaria	1.5		Chile	15
	Denmark	246		<b>Total</b>	<b>35</b>
	Estonia	0.3	<b>Northeast Asia</b>		
	Finland	535		Japan	23
	France	899		Republic of Korea	169
	Ireland	36		<b>Total</b>	<b>192</b>
	Italy	109	<b>Central Asia</b>		
	Latvia	5		Kazakhstan*	0.3
	Lithuania	1		<b>Total</b>	<b>0.3</b>
	Luxembourg	26	<b>Southeast Asia</b>		
	Netherlands	148		Brunei	0.4
	New Caledonia*	0.2		Malaysia	3
	Poland	12.5		Singapore	445
	Portugal	1		Thailand	600
	Romania	0.5		<b>Total</b>	<b>1 048</b>
	Slovak Republic	1	<b>South Asia</b>		
	Slovenia	0.6		India	1 438
	Spain	16		Pakistan	615
	Great Britain	428		<b>Total</b>	<b>2 053</b>
	Czech Republic	12	<b>Middle East</b>		
	Germany	394		Bahrain	41
	Hungary	3		Egypt**	9
	Austria	8		United Arab Emirates	302
	<b>Total</b>	<b>2 911</b>		Israel**	0.3
<b>Rest of Europe</b>				Jordan**	0.06
	Andorra*	0.1		Kuwait	46
	Iceland	0.3		Oman	1
	Croatia	3		Saudi Arabia	922
	Norway	335		<b>Total</b>	<b>1 321</b>
	Russia*	15	<b>North Africa</b>		
	Switzerland	44.5		Algeria	172
	Turkey	13		Tunisia	0.3
	Ukraine*	1.5		<b>Total</b>	<b>172</b>
	<b>Total</b>	<b>412</b>	<b>Sub-Saharan Africa</b>		
<b>North America</b>				Namibia*	0.3
	Canada	457		South Africa	403
	USA	340		Zambia*	0.01
	<b>Total</b>	<b>797</b>		<b>Total</b>	<b>403</b>
<b>Central America</b>			<b>Oceania</b>		
	Mexico	39.5		Australia	363
	<b>Total</b>	<b>39.5</b>		New Zealand	13
				<b>Total</b>	<b>376</b>
			<b>Total exports</b>		<b>9 760</b>

\* Only hunting and sports ammunition were exported to these countries.

\*\* Only armour plate was exported to these countries – previously not controlled/subject to permit requirement. Delivery agreements concluded before the amendment of law on 30 June 2012.

## Exports of dual-use items

A full account of exports of dual-use items similar to the report provided for defence material is not possible because the area is based on free trade, with control only when justified.

A licence is not usually required for trade in these products within the EU, but it is required for exports to another country.

When reasonable suspicion exists that a product may be used for the wrong

purposes, exports are prohibited. The ISP evaluates the situation and considers the product itself as well as the end use and end user of the product.

This section presents a comprehensive view of the number of cases and the countries and type of products for which licences have been granted.

Closed cases 2008–2012					
Case type	2008	2009	2010	2011	2012
Product inquiries	183	166	170	180	201
Export licence	500	788	1 029	1 165	1 101
Transfer of assets and financial services	-	-	226	646	279

Civil end-use Number of licences by 10 most frequent countries		
Country	Product	No
Iran	Spare parts, dairy equipment, pumps, measurement system	139
People's Republic of China	Telecom, B-filter, isostatic press, IR camera, pumps, information security, carbon fibre weave	116
Brazil	Pumps, valves, heat exchanger sheet, telecom, B-filter, carbon fibre weave, cell reactors	50
India	Heat exchanger sheets, B-filter, IR cameras	49
Russian Federation	Telecom, information security, heat exchangers, titanium power, IR cameras	44
Israel	Telecom, B-filter, heat exchanger sheet, IR cameras	36
Taiwan	Food press, pumps, heat exchangers, carbon fibre weave, telecom	34
Republic of Korea	Heat exchangers, pumps, telecom, IR cameras	33
Malaysia	Telecom, electronic components, information security, pumps	26
Thailand	Heat exchanger sheet, telecom	25

Licence per category in the list Decided 2012	
Product category	Number
Telecommunication and information security	523
Material processing	339
Sensors and lasers	167
Electronics	88
Special material and related equipment	42
Capacity and propulsion	17
Navigation and avionics	5
Marine	0
Computers	0

Military end-use Total number of licences by country		
Country	Product	No
Republic of Korea	Telecom, IR cameras	7
Saudi Arabia	Telecom	5
Jordan	Telecom, IR camera	5
Thailand	Telecom	4
Bahrain	Telecom, heat exchanger sheet	3
Egypt	Telecom	3
People's Republic of China	IR cameras	2
United Arab Emirates	Telecom	1
India	Telecom	1
Kuwait	Telecom	1
Montenegro	Telecom	1
Oman	Telecom	1
Pakistan	Telecom	1
Qatar	Telecom	1







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