

Annual Report 2016



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A word from the DG

A MARKED INCREASE in exports of military equipment from Sweden took place in 2016. In comparison with the previous year, exports increased by 45 per cent, resulting in an export value of SEK 11 billion.

Deliveries of large systems have a considerable effect on the statistics and a number of such deliveries took place over the year. Given that licenses for major transactions were granted in 2016, it is possible to predict that the export value will continue to rise in the future.

Operational changes

A number of changes have occurred in our core concerns, the most noteworthy of which is EU sanctions relief regarding Iran. Furthermore, the EU military list and the military equipment list have been updated and a new list of dual-use items has been drawn up.

Work at the Government Offices of Sweden continued throughout the year to develop new legislation in the field of military equipment and the European Commission put forward a proposal for a new Dual-Use Regulation.

Changes in the organisation

A number of changes have also occurred at organisational level. ISP had a big anniversary at the beginning of the year and has now been in existence for 20 years. Our General Counsel was also appointed Deputy Director-General as part of our efforts to strengthen the authority's legal competence in the light of the expected amendments to the legislation. Furthermore, our activities have been strengthened with more resources in the areas of military equipment, sanctions and legal affairs.

Christer Ahlström
Director-General



Photo: Catharina Biesert

ISP in short

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

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 evolved from 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 by means of issuing licences.

Moreover, the ISP visits companies that are subject to compliance overview. During these visits, the ISP controls 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.

Military equipment

Military equipment (ME) 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 military equipment. The ISP also licence technical aid, military training and various cooperation agreements.

Civilian firearms

The ISP controls exports of civilian firearms. This means that whoever wishes to export firearms, parts and ammunition to a country outside the EU must apply for a licence from the ISP.

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 terrorist groups, by states or by individuals.

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 are subject to sanctions and arms embargoes. For example, the restrictions might ban the export of certain products or financial transactions to companies or individuals.

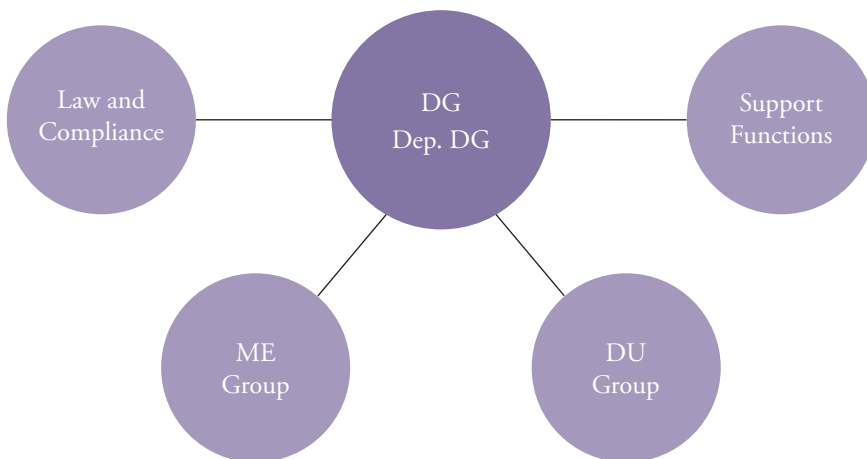
The purpose of such sanctions is to influence a country to stop certain behaviours or

implement certain reforms. The UN, EU and OSCE decide on sanctions. The ISP is implementing sanctions against certain countries as well as on possible issues relating to arms embargoes.

National authority for the CWC

The ISP is the national authority for the Chemical Weapons Convention (CWC). 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. The assignment means that some chemical companies must declare their operations to the ISP, which in turn is forwarded to the Convention's main organisation, the Organisation for the Prohibition of Chemical Weapons (OPCW). The ISP

The ISP's organization



also assists the OPCW with inspections in Sweden. Another important part of the ISP's work with the CWC is to serve as a point of contact for the Swedish chemical industry and the relevant authorities.

International cooperation

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.

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 employees.

All export cases 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.

Technical Scientific Council (TSC)

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

The Council normally meets quarterly under the chairmanship of the ISP Director-General, who also 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, the 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 whenever required and the ISP Director-General appoints its members.

Some facts about the ISP

Employees: 28
Number of men/women: 17/11
Average age: 41 years of age
Number of cases: about 6 000 annually
Budget: about 30 SEK million annually

Specific competence: Engineers, political scientists, legal advisers, military officer

The ISP belongs to the Ministry of Foreign Affairs' area of responsibility.

News & events

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The year has seen major changes in the area of sanctions, updates of the EU military list and the military equipment list, a new list of dual-use items as well as the 20th anniversary celebrations and several organisational changes.

Changes in the sanctions assignment

The EU published a new Regulation regarding Iran on 16 January. The Regulation contains easing of sanctions, which has meant major changes for ISP's work in the form of more cases and applications as well as a higher number of questions relating to Iran.

ISP celebrates 20 years

On 1 February, ISP had been an authority for 20 years. ISP was formed on 1 February 1996 following a decision by the Riksdag. This created a closely-connected organisation for work on matters concerning export controls.

The EU military list

The EU military list was updated on 14 March 2016. The update relates to minor changes or clarifications to categories 8, 10, 13 and 17.

Chemical Weapons Convention

In spring 2016, ISP attended the annual

Nordic-Baltic meeting for national authorities. Norway hosted the meeting, which discussed current issues for the OPCW, declarations and the inspections that have taken place in the countries during the year.

New Deputy Director-General

On 1 July 2016, the General Counsel Carl Johan Wieslander was appointed as the new Deputy Director-General of ISP. The appointment means that Wieslander serves as both Deputy Director-General and General Counsel at the authority.

The Export Control Council

In August, ISP arranged a study trip to the Netherlands, where the Export Control Council members were given the opportunity to exchange views with those responsible for export controls at the Dutch Foreign Ministry. Meetings were also held with representatives from the defence industry and NGOs.

Focus on a new website

The work to develop a new website with a more modern graphic design, a new structure, overseen content and a new technical platform began at the end of August. The website is expected to be launched during the first half of 2017.

The Military Equipment List

The Annex to the Regulation on military equipment was updated and entered into force on 28 September 2016. The Annex contained some clarifications, amendments and additions to specific categories of equipment.

International cooperation

International work is carried out through the export control regimes and working groups of which Sweden is a member.

The regimes aim, among other things, to identify products and technologies that should be subject to export controls. ISP mainly provides expert support in two areas; technology and practical issues related to the permit applications process and compliance control.

Australia Group (AG)

The AG works on matters relating to production equipment and material that can be used for chemical and biological weapons. In 2016, ISP has participated in the plenary and in an Inter-Session Implementation Meeting (IIM) aimed at updating the list of products subject to export controls.

Missile Technology Control Regime (MTCR)

The MTCR works on matters relating to material, equipment and technology for ballistic missiles. In 2016, ISP participated

in the Information Exchange Meeting, the Licensing and Enforcement Experts Meeting and the plenary meeting.

Nuclear Suppliers Group (NSG)

The NSG works on matters relating to products and technologies with a bearing on nuclear weapons. ISP, which is responsible for the permit applications process for dual-use items, regularly participates as an expert in work on licences and provides the Government Offices of Sweden with support in matters relating to the practical implementation of export control regulations.

The Wassenaar arrangement (WA)

The WA works on matters relating to products and technologies linked to conventional weapons. In 2016, ISP took part in all working group meetings and the plenary.

New product list for DU

A new list regarding dual-use items entered into force on 16 November. In addition to a new Annex I, resulting changes are also made to Annex IIa–IIg and Annex IV.

Updates in the control lists in the international export control regimes were introduced through the new product list.

Reinforced work area

During the year, ISP has reprioritised resources to strengthen work on sanctions, legal affairs and cases concerning military equipment.

A look forward



This section presents a description of future events, expectations and challenges with regard to Swedish export controls.

Change over time

Individual export transactions have historically had a large impact in specific years. Actual exports of SEK 11 billion in 2016 once again mean an increase. At the same time, it may be stated that the invoicing of the defence industry in Sweden also rose slightly in 2016.

At the end of the 1950s, exports doubled due to the delivery of destroyers to Colombia. In the early 1970s, exports doubled due to deliveries of aircraft to Denmark and Finland and in 1979-1980 exports increased significantly with deliveries of boats to Malaysia and pieces of ordnance to the former Yugoslavia and Singapore. Exports rose considerably in the late 1980s due to an order for field howitzers to India. There were few deliveries of larger systems during much of the 1990s.

The increase that has taken place so far throughout much of the 2000s was due to deliveries of larger systems to Denmark,

Finland, the Netherlands, Pakistan, Saudi Arabia, South Africa, Switzerland, Thailand and the United Arab Emirates. In 2016, these statistics were dominated by a large transaction relating to JAS Gripen for Brazil.

The defence industry's domestic invoicing is also affected by the increase in the national investments in materiel, in the aviation and submarine areas for example, decided on by the Swedish Parliament and the Government.

Changing environment

A more universal tendency that affects processing in both the area of military equipment and dual-use items concerns the increasingly changing environment in which export companies have to operate. Rapid changes in the surrounding environment affect the predictability of the industry so that exports to certain countries can be completely or partially halted for certain periods of time.

Military equipment

Within the field of military equipment, pooling and sharing, leasing, transfer of technology, fragmentation of the regulatory framework and offset transactions can be specifically cited as important factors for future work on export controls.

Pooling and Sharing

For reasons of cost and logistics, there is a greater need for supplies between countries that either individually or collectively use certain military equipment and that have a common system for exchange of spare parts and support, known as “Pooling and Sharing”. The spare parts may, for example, be located in one third country and may be needed for a military equipment system in another third country, while the procurement itself is carried out by a Swedish company or by the Swedish Defence Materiel Administration (FMV). Supply systems of those kinds have already been established between different countries.

The Military Equipment Act has not been fully adapted to a system of this kind as it imposes a licensing requirement for each individual supply (such as procurement) that takes place for military material that is located in one third country and that must be supplied to another third country. Considering the fact that spare parts for military equipment used by the countries in question – depending on supply and demand – can be procured from one third country for another third country, the current license requirement is often unreasonable. Supplies of spare parts under the “Pooling and Sharing” system can only be allowed between countries to which Sweden originally approved a delivery and

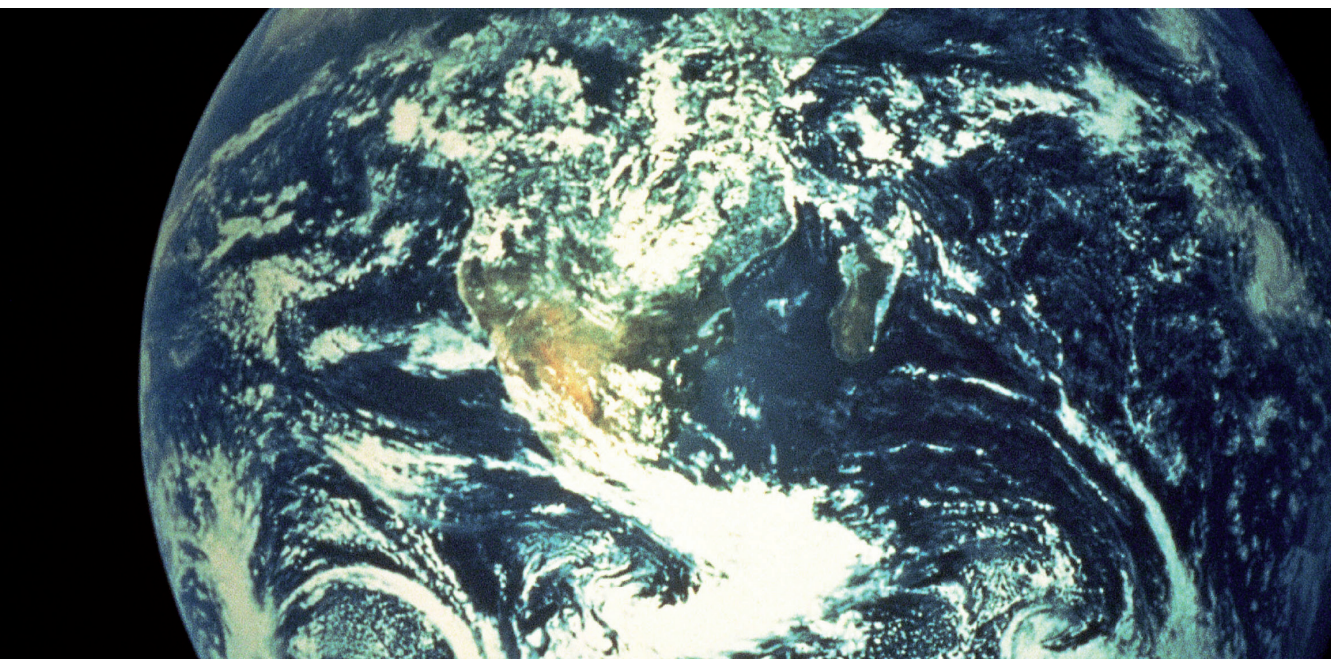
which operate the military equipment in question, for example the JAS 39 Gripen.

According to ISP's assessment, the requirement of a supply licence in each individual case means a considerable administrative burden for ISP, the companies and FMV, while the benefits of a check in each individual case are questionable. In order to curb this, but at the same time maintain a sufficiently high degree of export control, the ability to grant global licenses with regard to such supply should therefore be introduced.

Leasing does not appear in the statistics. Leasing of military equipment is becoming an increasingly important complement to the sale of military equipment. At present, for example, Sweden leases aircraft to the Czech Republic and Hungary. Judging by the marketing reports that the defence industry and the State submit to the ISP, there is reason to assume that leasing transactions will become more common in future, particularly when it comes to the larger military equipment systems.

In order to ensure that the military equipment statistics provide enough information on leasing, the annual declarations submitted should also contain information on the value of the military equipment leased abroad during the previous calendar year.

Risk of spread through transfer of technology
There is increasing demand from countries outside the circle of established recipient countries for transfer of advanced technology from the Swedish defence industry, for example when the country in question requires compensation commitments (offset) as a condition for purchasing military equipment from the Swedish company.



In some cases, the technology may be subject to defence secrecy. In addition to an export licence, a decision by the government that defence secrecy may be shared with the other country is required in such cases. In other cases, the technology itself may have evolved partly through self-financing in the defence industry and partly through FMV, but at the same time it may also be the case that the Swedish Armed Forces no longer use the system in question and have waived the intellectual property rights to the technology. It may also be the case that the technology was wholly self-financed by the defence industry, but there is some interest from the Swedish Armed Forces in purchasing the material linked to the technology in future.

It is therefore difficult to verify that a country that has access through Sweden to advanced technology in the defence industry will not spread it or derivatives of it to a re-

ipient that is undesirable as far as Sweden is concerned. In order to obtain better supporting data for decisions on the importance of the technology to the Swedish Armed Forces and on any risk of dissemination of the technology to undesirable recipients as far as Sweden is concerned, the ISP has established cooperation with the defence authorities at the level of officials.

Fragmentation of the regulatory framework
The national examination of licence issues regarding military equipment exports is increasingly characterised by international influence. Both the EU Common Position defining common rules governing control of exports of military technology and equipment and the UN Arms Trade Treaty, ATT, are based on the performance of an examination of whether the specific military equipment to which an application relates can be used for

such purposes as violating human rights, a so-called materiel-specific approach. The Swedish guidelines are more general and are based on an examination of whether a criterion has been fulfilled, for example whether there are gross and systematic violations of human rights in the country in question, regardless of whether the military equipment to which the application relates can be used to violate human rights.

The complexity of each individual case has increased due to the materiel-specific approach. Moreover, transparency is difficult even for those who are versed in the regulatory framework since three separate guidance documents must be taken into account during the assessment. ISP has said that a specific investigator should be appointed to investigate whether it is possible to combine the three guidance documents into a single document and the most suitable way of doing this.

Offset transactions

It is increasingly the case that a customer will establish requirements for counter-purchases in conjunction with exports of military equipment. Such requirements may either be directly related to the exported product (direct offset) or unrelated to that product (indirect offset). In the former case, it may be a question of locating part of or the entire production of the equipment in the purchasing country. Often, an offset requirement is established in order to increase the importing country's own ability to manufacture the equipment in question. The Swedish guidelines on exports of military equipment stipulate that an agreement on international cooperation must be examined under the control text in the guidelines relating to

military equipment for combat (MEC) even in the event that the equipment is classified as other military equipment (OME).

Swedish industry has repeatedly pointed out that the Swedish guidelines are anachronistic in the light of how today's military equipment market works. The issue was unaffected by the so-called KRUT and KEX reports in 2005 and 2015 respectively. The conditions for international cooperation in the defence industry should nevertheless be investigated in order to assess whether the national guidelines can be considered to be up-to-date.

Dual-use items

In dual-use items, continued acquisition attempts are the major challenge.

Making acquisition attempts more difficult
Continued attempts to acquire dual-use items were made in Sweden in 2016 by countries subject to economic sanctions. Work to combat illicit attempts to acquire such products in Sweden requires extensive efforts and affects authorities other than just ISP.

One specific measure that could be carried out to make such attempts more difficult and that affects ISP is if the government lowered the threshold for when a company is obliged to inform ISP. At present, the company is required to be aware that the products are or may be intended for the production of weapons of mass destruction, but this should instead be changed to a situation whereby it is enough to suspect that a product that a company intends to export is or may be intended for such activities.

Communication

To increase knowledge of export controls and non-proliferation, ISP informs businesses, government agencies and other interested parties concerned about its activities in various ways.

Popular speakers

ISP's employees are engaged for seminars and conferences both nationally and internationally. During the year, ISP participated in the following contexts:

- The Swedish Export Control Society's training of export control administrators/managers
- Seminar on export controls in Paris
- The Swedish Export Control Society seminar Swedish Update
- Customs Days in Stockholm, Gothenburg and Malmö
- Defence Company Days by SOFF
- Strategic product identification course for customs personnel
- Almedalen Week in Gotland

Development of a new website

One of ISP's most important channels for providing service and sharing knowledge and making operations more transparent and accessible is the external website. The existing website has been in place for many years and therefore a project to develop a new website, which will be launched in the first half of 2017, began during the year.

ISP in the media

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

Statistical data

This section presents a sample of statistical data regarding the export of military equipment and dual-use items during the past year.

Exports of military equipment

In 2016, Swedish industry exported military equipment worth SEK 11 billion, an increase of 45% compared to 2015.

Swedish exports of military equipment are dominated by a number of large transactions that have a major impact on the statistics.

Approximately 88% of Swedish exports went to EU countries and Norway and traditional partner countries such as Brazil, South Africa, South Korea and the USA. Approximately 12% of the total export value went to some 20 countries, of which India and Thailand were the two largest export destinations.

Largest export destinations

In 2016, the five largest export destinations for Swedish military equipment were Brazil, Germany, Norway, Thailand and the USA.

Deliveries of the JAS Gripen to Brazil began and deliveries of Combat Vehicle 90

Distribution of exports in 2016		
Area	MSEK	Per cent
EU, Iceland, Norway and Switzerland	5,238	48
Partner countries outside the EU (Australia, Brazil, Canada, Japan, Singapore, South Africa, South Korea, the USA)	4,395	40
Rest of the world (Of which India and Thailand are the two largest recipients)	1,356	12

to Norway continued. Products supplied to Germany consisted mainly of components for robot systems and radar and ground sensors while exports to Thailand were dominated by a naval management system. Products supplied to the USA consisted primarily of anti-tank weapons and munitions and naval artillery and radar systems. Exports to France, the Netherlands and the UK were also relatively extensive.

The Middle East and North Africa Swedish exports of military equipment to the Middle East and North Africa have fallen

The 10 largest export destinations 2014–2016						
#	2014		2015		2016	
1	USA	1,451	Norway	2,128	Brazil	2,821
2	Norway	1,298	USA	667	Norway	2,727
3	Thailand	532	Finland	541	USA	719
4	The UK	527	India	380	Germany	619
5	India	468	Germany	341	Thailand	424
6	France	453	The UK	315	France	352
7	Germany	402	France	312	India	346
8	Australia	350	S. Korea	303	S. Korea	328
9	Canada	347	Canada	295	Netherlan.	274
10	Saudi Arab.	338	Italy	252	S. Africa	255

Export progress 2014–2016			
	2014	2015	2016
MSEK	7,958	7,603	10,989
MEC	4,700 (59%)	3,560 (47%)	4 410 (40%)
OME	3,258 (41%)	4,043 (53%)	6 579 (60%)

by 39% since 2015. Exports to the UAE consisted mainly of naval artillery systems, munitions and hunting rifles and camouflage material have been exported to Qatar. Supplies to Jordan, Oman and Saudi Arabia were less extensive.

Camouflage material and spare parts for naval management systems were exported to Algeria.

Distribution of exports

For 2016, the proportion of exports of military equipment for combat (MEC) amounted to 40% and the proportion of other military equipment (OME) to 60%.

Small arms and light weapons

No small arms were exported in 2016. Light weapons and components and ammunition for both categories of approximately SEK 1.3 billion were exported.

Exports to South-east Asia and South Asia	
South-east Asia	MSEK
Malaysia	14
Singapore	96
Thailand	424
South Asia	MSEK
India	346
Pakistan	180
Sri Lanka	0.1

Exports to the Middle East and North Africa	
Middle East	MSEK
United Arab Emirates	108
Jordan	8
Oman	1.8
Qatar	46
Saudi Arabia	1.9
North Africa	MSEK
Algeria	38

Largest exporters

The ten largest exporters have together exported military equipment for a value of SEK 10.4 billion.

Civilian firearms, parts and ammunition
Civilian firearms and parts and ammunition for them have been exported to 15 countries for a value of approximately SEK 310 million.

Total exports

Swedish exports of military equipment went to almost 60 countries in 2016. The defence industry's total sales within and outside the country increased by approximately 9% and exports accounted for 53% of total production.

Small arms	
Type of weapon	Export
Revolvers and automatic 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 munitions have been exported to Austria, Canada, Chile, Denmark, Finland, Italy, Japan, Norway, Poland, Switzerland and the USA.

Light weapons	
Type of weapon	Export
Heavy machine guns (12.7 mm)	No exports
Hand-held barrel and mounted grenade launchers (40 mm)	Components to Australia and Denmark, grenades to Norway.
Portable anti-tank guns	No exports
Recoilless weapons (recoilless anti-tank rifle systems)	Recoilless anti-tank rifles have been exported to Australia, Canada, Japan, New Zealand, South Africa and the USA. Spare parts, training equipment, components and ammunition have been exported to Australia, Austria, the Czech Republic, Estonia, Greece, India, Japan, Latvia, Lithuania, Norway, New Zealand, Poland, Slovakia, South Africa and the USA.
Portable anti-tank weapons	Armoured personnel carriers have been exported to Luxembourg and South Africa. Spare parts, exercise equipment and components have been exported to Brazil, Finland and South Africa.
Mortars of less than 75 mm calibre	No exports
Other	No exports

Civilian firearms, parts and ammunition	
Country	SEK million
Andorra	0.3
Australia	4
Botswana	0.2
Iceland	0.7
Japan	0.4
Canada	2
Kazakhstan	0.3
Namibia	1
Norway	166
New Caledonia	0.05
New Zealand	2
Switzerland	2
South Africa	1
USA	130
Zambia	0.3
Total	310

10 biggest exporters 2016		
#	Exporter	SEK million
1	Saab AB	4,358
2	BAE Systems Hägglunds AB	2,982
3	Saab Dynamics AB	1,322
4	BAE Systems Bofors AB	449
5	Norma Precision AB	269
6	SSAB EMEA AB	234
7	EURENCO Bofors AB	231
8	FFV Ordnance AB	187
9	Nammo Vanäsverken AB	176
10	Saab Underwater Systems AB	151
	Total	10,359

Total exports 2016 by region and country					
Region	Country	SEK million	Region	Country	SEK million
EU			Northeast Asia		
	Belgium	11.2		Japan	31.2
	Bulgaria	18.5		South Korea	327.7
	Denmark	172.4		Total	359.0
	Estonia	109.2	Central Asia		
	Finland	206.4		Kazakhstan*	0.3
	France	351.8		Total	0.3
	Greece	0.6	South-east Asia		
	Italy	78.7		Malaysia	14.2
	Croatia	0.7		Singapore	95.7
	Latvia	43.7		Thailand	424.0
	Lithuania	43.7		Total	533.9
	Luxembourg	27.6	South Asia		
	Netherlands	274.1		India	345.7
	New Caledonia*	0.05		Pakistan	179.8
	Poland	88.8		Sri Lanka*	0.1
	Portugal	1.5		Total	522.6
	Romania	1.5	Middle East		
	Slovak Republic	11.5		United Arab Emirates	108.1
	Slovenia	0.4		Jordan	8.0
	Spain	20.5		Oman	1.8
	Great Britain	237.9		Qatar	46.3
	Czech Republic	20.7		Saudi Arabia	1.9
	Germany	619.2		Total	166.0
	Hungary	7.0	North Africa		
	Austria	97.7		Algeria	37.8
	Total	2,455.4		Total	37.8
Rest of Europe			Sub-Saharan Africa		
	Andorra	0.4		Botswana	0.1
	Iceland	0.7		Namibia*	0.3
	Norway	2,727.3		South Africa	254.6
	Switzerland	54.6		Zambia	0.2
	Turkey	88.6		Total	255.2
	Total	2,871.7	Oceania		
North America				Australia	49.8
	Canada	96.8		New Zealand	3.7
	USA	718.7		Total	53.5
	Total	815.6	Other		
Central America and the Caribbean				Organisations	7.9
	Mexico	81.5		Total	7.9
	Total	81.5	Total		
South America				Total	10,989.7
	Brazil	2,820.7			
	Chile	8.6			
	Total	2,289.3			

* For this country, the export value includes or is made up of exports of civilian firearms and parts and ammunition for civilian firearms that fall under military equipment legislation. See previous page for details.

Exports of dual-use items

Exports of DUs are based on free trade, with controls only when they are justified, and the statistics are therefore limited.

A licence is not usually required for trade in these products within the EU, but it is required for exports to another country. In the licence assessment, ISP evaluates the product itself as well as the end use and end user of the product.

Closed cases 2014–2016			
Case type	2014	2015	2016
Product enquiries	224	228	94
Preliminary decisions	183	139	152
Export licences	1,327	1,478	1,581
Catch-all	15	30	13
Transfers to Iran	565	715	80
Declined	34	50	42

Military end-use Number of licences by existing countries		
Country	Product type	#
United Arab Emirates	Telecom/information security, IR camera	12
Oman	Telecom/information security	7
Jordan	Telecom/information security	4
Lebanon	Telecom/information security	2
Malaysia	IR cameras, radar	2
Bahrain	Telecom/information security	1
Brazil	Chemical protection suits	1
India	Telecom	1
Morocco	IR camera	1
Pakistan	Carbon fibre	1
Singapore	Telecom/information security	1

Civil end-use Number of licences by 10 most frequent countries		
Country	Product type	#
Iran	Seals/gaskets, tubing/pipe fittings, heat exchangers, pumps, telecom/information security	279
China	Chemical protection suits, titanium powder, carbon fibre, transfer of technology, isostatic press, pressure sensor, heat exchangers, frequency converters, bioreactor, electronic components, telecom/information security	222
Russia	Plate press, chemical protection suits, titanium powder, isostatic press, pressure transmitters, heat exchangers, bioreactor, microprocessors, frequency converters, telecom/information security, IR cameras, electrical components, technical assistance	101
Brazil	Carbon fibre, transfer of technology, telecom/information security	60
South Korea	Titanium powder, carbon fibre, machine tools, heat exchanger plate, bioreactor, microprocessors, frequency converters, telecom/information security, IR cameras, radar sensors, UAV	50
India	Chemical protection suits, grinding machines, optical multimeters, bioreactor, plate heat exchanger, transfer of technology, frequency converters, telecom/information security, carbon fibre, filter equipment, electrical components	44
Israel	Chemical protection suits, titanium powder, heat exchanger plates, pumps, filter, microprocessors, IR cameras	42
Taiwan	Chemical protection suits, carbon fibre, titanium powder, telecom/information security, transfer of technology, air traffic management system	38
Turkey	Machine tools, heat exchanger plate, frequency converters, substrates, telecom/information security	35
Mexico	Chemical protection suits, grinding machines, electrical components, telecom/information security	34



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