

Part I

National defence export licence assessment criteria

On 28 July 1997, the Foreign Secretary announced a new set of criteria against which we would judge export licence applications for arms and for dual-use equipment where the end-user would be the armed forces or internal security forces of the recipient country. These criteria gave effect to the pledge to add an ethical dimension to arms exports in that for the first time, the Government made clear that it would not issue export licences for equipment where there was a clearly identifiable risk that it might be used for internal repression or international aggression. Proposed exports are also carefully assessed to ensure that they do not seriously undermine the social and economic development of the recipient country.

The Foreign Secretary's full statement

The Foreign Secretary made the following announcement in the House of Commons on 28 July 1997.

The Government is committed to the maintenance of a strong defence industry which is a strategic part of our industrial base, as well as of our defence effort. Defence exports can also contribute to international stability by strengthening bilateral and collective defence relationships in accordance with the right of self-defence recognised by the UN Charter. But arms transfers must be managed responsibly, in particular so as to avoid their use for internal repression and international aggression.

It will be important to avoid a situation in which our policy of seeking to prevent certain regimes from acquiring certain equipment is undermined by foreign competitors supplying them. We will therefore work for the introduction of a European Code of Conduct, setting high common standards to govern arms exports from all EU member states.

Licences to export strategic goods are issued by the Secretary of State for Trade and Industry, and the Export Control Organisation of the DTI is the licensing authority. All relevant individual licence applications are circulated by DTI to other Government departments with an interest, as

determined by them in line with their policy responsibilities. These include the Foreign and Commonwealth Office, the Ministry of Defence and the Department for International Development.

The present Government was not responsible for the decisions on export licences made by the previous Administration. We do not, however, consider it would be realistic or practical to revoke licences which were valid and in force at the time of our election.

The criteria set out below will be used when considering all future individual applications for licences to export goods entered in Part III of Schedule I to the Export of Goods (Control) Order 1994, and existing licence applications on which a decision has not yet been made. The criteria will also be applied when considering advance approvals for promotion prior to formal application for an export licence, and licence applications for the export of dual-use goods when there are grounds for believing that the end-user of such goods will be the armed forces or the internal security forces of the recipient country

The criteria will constitute broad guidance. They will not be applied mechanistically and judgement will always be required. Individual applications will be considered case-by-case.

Criteria used in considering conventional Arms Export Licence Applications

An export licence will not be issued if the arguments for doing so are outweighed by the need to comply with the UK's international obligations and commitments, or by concern that the goods might be used for internal repression or international aggression, or by the risks to regional stability, or other considerations as described in these criteria.

The United Kingdom's International Obligations

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

- the UK's international obligations and commitments to enforce UN, Organisation for Security and Co-operation in Europe (OSCE), and EU arms embargoes, together with any national embargoes or other commitments regarding the application of strategic export controls;
- the UK's international obligations under the Nuclear Non-Proliferation Treaty, the Biological Weapons Convention and the Chemical Weapons Convention;
- the UK's commitments to the international export control regimes (the Australia Group, the Missile Technology Control Regime, the Nuclear Suppliers Group and the Wassenaar Arrangement);
- the EU Common Criteria for Arms Exports, the Guidelines for Conventional Arms Transfers agreed by the Permanent Five members of the UN Security Council, and the OSCE Principles Governing Conventional Arms Transfers;

- the UK's commitment not to export all forms of anti-personnel land mines and their component parts.

The United Kingdom's National Interests

Full weight should be given to the UK's national interests when considering applications for licences, including:

- the potential effect on the UK's defence and security interests and those of allies and EU partners;
- the potential effect on the UK's economic, financial and commercial interests, including our long-term interests in having stable, democratic trading partners;
- the potential effect on the UK's relations with the recipient country;
- the potential effect on any collaborative defence production or procurement project with allies or EU partners;
- the protection of the UK's essential strategic industrial base.

Human Rights and Internal Repression

The Government:

- will take into account respect for human rights and fundamental freedoms in the recipient country;
- will not issue an export licence if there is a clearly identifiable risk that the proposed export might be used for internal repression.

For these purposes equipment which might be used for internal repression will include:

- Equipment where there is clear evidence of the recent use of similar equipment for internal repression by the proposed end-user, or where there is reason to believe that the equipment will be diverted from its stated end-use or end-user and used for internal repression;
- Equipment which has obvious application for internal repression, in cases where the recipient country has a significant and continuing record of such repression, unless the end-use of the equipment is judged to be legitimate, such as protection of members of security forces from violence.

The nature of the equipment proposed for export will also be carefully considered. Certain goods have more obvious potential for use in internal repression than others, such as armoured personnel carriers specially designed for internal security. In other cases, there may be prima facie reasons for believing that a particular equipment might be used in such roles in certain circumstances. Any proposed export which is to be used by the recipient country for internal security purposes should be considered particularly carefully.

Internal repression includes extra-judicial killings, arbitrary arrest, torture, suppression or major violation of human rights and fundamental freedoms. In some cases, the use of force by a government within its own borders does not constitute internal repression. The use of such force by governments is legitimate in some cases, eg to preserve law and order against terrorists or other criminals. However, force may only be used in accordance with international human rights standards.

International Aggression

The Government will not issue an export licence if there is a clearly identifiable risk that the intended recipient would use the proposed export aggressively against another country, or to assert by force a territorial claim. However a purely theoretical possibility that the items concerned might be used in the future against another state will not of itself lead to a licence being refused.

When considering the risk that the country for which arms are destined might use them for international aggression, the Government will take into account:

- the existence or likelihood of armed conflict between the recipient and another country;
- a claim against the territory of a neighbouring country which the recipient has in the past tried or threatened to pursue by means of force;
- whether the equipment would be likely to be used other than for the legitimate national security and defence of the recipient.

Regional Stability

The need not to affect adversely regional stability in any significant way will also be considered. The balance of forces between neighbouring states, their relative expenditure on defence, and the need not to introduce into the region new capabilities which would be likely to lead to increased tension, will all be taken into account.

Other Criteria

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

- the legitimate defence and domestic security interests of the recipient country, including any involvement in UN or other peace-keeping activity;
- the technical capability of the recipient country to use the equipment;
- whether the purchase would seriously undermine the economy of the recipient country, taking into account its public finances, balance of payments, external debt, economic and social development and any IMF/World Bank sponsored economic reform programme;
- the risk of the arms being re-exported or diverted to an undesirable end-user, including terrorist organisations (anti-terrorist equipment would need particularly careful consideration in this context).

The following factors will also be taken into account:

- the risk of use of the goods concerned against UK forces;
- the need to protect UK military classified information and capabilities;
- the potential for the equipment to be a force multiplier in the region;
- the risk of reverse engineering or technology transfer.

In the application of all the above criteria, account should also be taken of, for example, reporting from diplomatic posts, relevant reports by international bodies, intelligence, and information from open sources and non-governmental organisations.

Reporting to Parliament

To ensure full transparency and accountability to Parliament the Government will report annually on the state of strategic export controls and their application, thereby providing for parliamentary consideration of the application of the criteria. The Government will also inform Parliament of any changes to the criteria.

EU Code of Conduct on arms exports

On 8 June 1998, the Foreign Ministers of the European Union adopted a Code of Conduct for Arms Exports. This important development, which was proposed formally to our European partners by both the United Kingdom and France at the beginning of the UK's Presidency, sets the same high standards governing arms exports that we have set for ourselves nationally, and will ensure that if one country denies an export, its decision will not be quietly undercut by another country supplying the same equipment.

European Union Code of Conduct on Arms Export

The Foreign Ministers of the European Union agreed the following Declaration on 8 June 1998:

The Council of the European Union,

Building on the Common Criteria agreed at the Luxembourg and Lisbon European Councils in 1991 and 1992,

Recognising the special responsibility of arms exporting states,

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

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

Wishing within the framework of the Common Foreign and Security Policy (CFSP) to reinforce their co-operation and to promote their convergence in the field of conventional arms exports,

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

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

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

have adopted the following Code of Conduct and operative provisions:

Criterion One

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

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

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

Criterion Two

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

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

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

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

Criterion Three

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

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

Criterion Four

Preservation of regional peace, security and stability.

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

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

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

Criterion Five

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

Member States will take into account:

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

Criterion Six

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

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

- a) its support or encouragement of terrorism and international organised crime;
- b) its compliance with its international commitments, in particular on the non-use of force, including under international humanitarian law applicable to international and non-international conflicts;
- c) its commitment to non-proliferation and other areas of arms control and disarmament, in particular the signature, ratification and implementation of relevant arms control and disarmament conventions referred to in sub-para b) of Criterion One.

Criterion Seven

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

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

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

Criterion Eight

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

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

Operative Provisions

- 1 Each EU Member State will assess export licence applications for military equipment made to it on a case-by-case basis against the provisions of the Code of Conduct.
- 2 This Code will not infringe on the right of Member States to operate more restrictive national policies.
- 3 EU Member States will circulate through diplomatic channels details of licences refused in accordance with the Code of Conduct for military equipment together with an explanation of why the licence has been refused. The details to be notified are set out in the form of a draft pro-forma at Annex A. Before any Member State grants a licence which has been denied by another Member State or States for an essentially identical transaction within the last three years, it will first consult the Member State or States which issued the denial(s). If following consultations, the Member State nevertheless decides to grant a licence, it will notify the Member State or States issuing the denial(s), giving a detailed explanation of its reasoning.

The decision to transfer or deny the transfer of any item of military equipment will remain at the national discretion of each Member State. A denial of a licence is understood to take place when the member state has refused to authorise the actual sale or physical export of the item of military equipment concerned, where a sale would otherwise have come about, or the conclusion of the relevant contract. For these purposes, a notifiable denial may, in accordance with national procedures, include denial of permission to start negotiations or a negative response to a formal initial enquiry about a specific order.

- 4 EU Member States will keep such denials and consultations confidential and not to use them for commercial advantage.
- 5 EU Member States will work for the early adoption of a common list of military equipment covered by the Code, based on similar national and international lists. Until then, the Code will operate on the basis of national control lists incorporating where appropriate elements from relevant international lists.
- 6 The criteria in this Code and the consultation procedure provided for by paragraph 3 of the operative provisions will also apply to dual-use goods as specified in Annex I of Council Decision 94/942/CFSP as amended, where there are grounds for believing that the end-user of such goods will be the armed forces or internal security forces or similar entities in the recipient country.
- 7 In order to maximise the efficiency of this Code, EU Member States will work within the framework of the CFSP to reinforce their cooperation and to promote their convergence in the field of conventional arms exports.
- 8 Each EU Member State will circulate to other EU Partners in confidence an annual report on its defence exports and on its implementation of the Code. These reports will be discussed at an annual meeting held within the framework of the CFSP. The meeting will also review the operation of the Code, identify any improvements which need to be made and submit to the Council a consolidated report, based on contributions from Member States.

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- 9 EU Member States will, as appropriate, assess jointly through the CFSP framework the situation of potential or actual recipients of arms exports from EU Member States, in the light of the principles and criteria of the Code of Conduct.
- 10 It is recognised that Member States, where appropriate, may also take into account the effect of proposed exports on their economic, social, commercial and industrial interests, but that these factors will not affect the application of the above criteria.
- 11 EU Member States will use their best endeavours to encourage other arms exporting states to subscribe to the principles of this Code of Conduct.
- 12 This Code of Conduct and the operative provisions will replace any previous elaboration of the 1991 and 1992 Common Criteria.

Annex A

..... (name of Member State) has the honour to inform partners of the following denial under the EU Code of Conduct:

Destination country:.....

Short description of equipment, including quantity and where appropriate, technical specifications:.....

Proposed consignee:.....

Proposed end-user (if different):.....

Reason for refusal:.....

Date of denial:.....

This Code of Conduct may serve as a suitable model for other countries which export arms, and we have commended its criteria and principles to foreign governments.

We see agreement to this Code as a first, but important, step towards greater harmonisation of arms export policies and procedures within the European Union as well as providing for increased transparency. EU partners will circulate to partners an annual report on their exports and on their implementation of the Code which will then be considered by the Council of Ministers. We will draw on the experience of the Code as we implement it, and expect to develop it further in the light of that experience.

Ban on export of equipment used for torture or other cruel, inhumane or degrading treatment or punishment

On 28 July 1997, the Foreign Secretary announced a ban on the export and transshipment of certain equipment which had been used for torture and other cruel, inhuman or degrading treatment or punishment.

The United Kingdom's National Ban on Exports of equipment that has been used for torture

We are committed to preventing British companies from manufacturing, selling or procuring equipment designed primarily for torture and to press for a global ban. There is clear evidence that certain equipment has been used for torture or other cruel, inhuman or degrading treatment or punishment. I can now announce that we will take the necessary measures to prevent the export or transshipment from the UK of the following equipment:

Portable devices designed or modified for riot control purposes or self-protection to administer an electric shock, including electric-shock batons, electric-shock shields, stun guns, and tasers, and specially designed components for such devices.

Leg-irons, gang-chains, shackles (excluding normal handcuffs) and electric-shock belts designed for the restraint of a human being.

Some of the above goods are not presently controlled and we will be amending the Export of Goods (Control) Order 1994 to bring them under control.¹

The acquisition, purchase, possession, manufacture, sale and transfer of electric-shock weapons is already regulated by the Firearms Act 1968 as amended. We are examining how to take forward our commitment to ban the manufacture and possession of the other goods listed above.

The Government's review of strategic export controls, which is being led by the Department of Trade and Industry, sought views on the extent to which any new legislation should seek to control trafficking in undesirable goods and the brokering of such deals. As my RHF, the President of the Board of Trade said on 5 June (col 236), we are considering all of the responses to the consultation carefully in formulating our proposals, which will be announced soon.

If we are to prevent would-be torturers from procuring such equipment elsewhere, similar controls will need to be implemented by other countries. To this end, we will seek to encourage EU Member States to impose similar restrictions to those announced above as a first step towards a global ban. We shall report to the House on progress in this and our other efforts to promote respect for human rights.

Illegal trading in such weapons would amount to an offence under Section 5(1) (b) of the Firearms Act 1968. Any allegation that British companies are involved in such activities should be brought to the attention of the police.

Since then, we have considered with our European Union partners how they might align themselves with this policy. While there is broad support for the idea of controlling equipment which evidence shows may be used for torture or cruel, inhuman or degrading treatment or punishment, not all our partners control the export of the same equipment - some because they do not manufacture it. We are now considering with our partners and the European Commission a suitable mechanism to bring such equipment under export control throughout the EU.

White Paper on Strategic Export Controls

At present the legal bases of the United Kingdom's powers to control the export of goods for strategic reasons are the Import, Export and Customs Powers (Defence) Act 1939 and in EC Council Regulation 3381/94 on the export of dual-use goods from the European Community. Goods subject to export control are listed in the Export of Goods (Control) Order 1994, as amended, in Council Decision 94/942/CFSP, as amended, and in the Dual-Use and Related Goods (Export Control) Regulations 1996, as amended.

The Government published a White Paper on 1 July 1998 proposing new primary legislation either to amend or to replace the 1939 Act. The key proposals were:

- to make provision for parliamentary scrutiny of Export of Goods (Control) Orders made under the new primary legislation;
- to make provision for the purposes of export control to be set out in secondary legislation;
- to introduce equivalent measures in relation to nuclear and biological weapons to those already in place in relation to chemical weapons so that it becomes an offence for any person in the UK or for a UK person overseas to develop, produce, use, possess or participate in the transfer of a weapon of mass destruction. In the case of nuclear weapons, the legislation would exempt

involvement in the official nuclear weapons programmes of countries that are members of NATO;

- to introduce a power enabling the Government to control the transfer of technology, whatever the means of transfer. This power would be used to provide that documents transferred abroad containing controlled technology would be subject to export licensing requirements, whether exported physically or in electronic form. This power would also be used to control the transfer of technology relating to weapons of mass destruction or long-range missile programmes in non-documentary form (eg orally or by personal demonstration);
- to introduce a power enabling the Government to control the involvement of persons in the UK or UK persons abroad in the trafficking and brokering of controlled goods. This power would be used to control such activity in relation to countries subject to arms embargoes (to the extent not already controlled by Orders made under the UN Act 1946 implementing binding UN decisions); certain types of equipment export from the UK which has been banned because of evidence that goods of the same type have been used for torture purposes; and long range missiles;
- to formalise the appeal procedure for companies refused an export licence.

International Commitments

The UK has a range of international obligations and commitments which impact on our exports of defence equipment and of dual-use equipment and technologies which could be useful to a country planning to develop weapons of mass destruction or missiles capable of delivering them.

Our international commitments are:

- to enforce United Nations, Organisation of Security and Co-operation in Europe and European Union arms embargoes;
- to ensure that we do not facilitate the proliferation of weapons of mass destruction, in particular through compliance with our obligations under the Nuclear Non-Proliferation Treaty, the Biological and Toxin Weapons Convention and the Chemical Weapons Convention;

- to comply with our obligations under international export control regimes: the Wassenaar Arrangement, the Zangger Committee and the Nuclear Suppliers Group, the Australia Group, and the Missile Technology Control Regime;

- to abide by the EU Code of Conduct on Arms Exports.

A summary of the Government's commitments as at 12 March 1999 regarding the application of strategic export controls is at Appendix A to this Report.

International Export Control Regimes

Conventional Weapons

The Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies has 33 members and was formed in 1996. Its aim is to contribute to regional and international security and stability by promoting transparency and greater responsibility in transfers of arms and dual-use technologies, thus preventing destabilising accumulations. Participating states exercise export controls over agreed lists of equipment and exchange, on a voluntary basis, information on transfers of this equipment to non-participating states.

The United Kingdom is at the forefront of efforts to develop the Arrangement. For example:

- we are working to increase the range of military equipment on which information is exchanged;
- we have volunteered to provide information on certain denials of licences for military equipment, the first country to do so, in an effort to develop the Arrangement as an important international instrument for transparency in arms transfers;
- we are promoting exchanges of more general information, such as on end-users of concern;
- we have been at the forefront of efforts to agree an internationally recognised set of objective criteria for assessing the impact of arms transfers on regional stability.

Nuclear Weapons

The Zangger Committee is an informal group of 33 parties to the Nuclear Non-Proliferation Treaty. It was set up in 1971 to interpret an article of the Treaty which requires parties not to supply nuclear

materials or equipment to non-nuclear weapons states unless under International Atomic Energy Agency (IAEA) safeguards. In addition Committee members require that any export should be subject to a non-explosive end-use assurance and a retransfer provision. The Committee meets formally twice a year to consider improvements or clarifications to its control lists.

The Nuclear Suppliers Group (NSG) has 35 members. Its objective is to prevent the proliferation of nuclear weapons through export controls on materials, equipment and technology which might be used for the development of nuclear weapons. This Group has taken a wider view of nuclear weapons proliferation than the Zangger Committee. For instance, its members undertake not to export nuclear materials unless all such material in the country of destination is subject to IAEA safeguards, and require that all such material has adequate physical protection. The NSG also controls the export of nuclear related dual-use equipment. The NSG meets formally once a year, but has a number of working groups which meet more regularly throughout the year. The United Kingdom currently holds the NSG Chair.

The Indian and Pakistani nuclear tests in May 1998 presented a challenge to the principles to which the vast majority of the international community subscribe. The NSG Guidelines were originally formulated as a direct response to the Indian nuclear test in 1974. The recent tests have demonstrated the continuing need for the international community to exercise the strictest controls on the transfer of nuclear materials, equipment and technology, and underlined the importance of all countries adhering to the international nuclear non-proliferation conventions, in particular the Nuclear Non-Proliferation Treaty and the Comprehensive Nuclear Test Ban Treaty.

Biological and Chemical Weapons

The number of countries participating in the Australia Group has grown to 30. In addition, the European Commission participates. The Australia Group was created in 1985 following the use of chemical weapons in the Iran/Iraq war. Its aim is to prevent the proliferation of chemical and biological weapons by encouraging suppliers of relevant equipment, materials and technology to have responsible trade policies, in particular to avoid the diversion of materials and equipment from legitimate civil use to the development of chemical or biological weapons of mass destruction. Being an informal arrangement, the Australia Group's members have national discretion to impose controls on agreed lists of goods and technology.

The Group meets formally at least once a year, but informally as necessary, to exchange information, and, where appropriate, to agree on improvements to its common approaches to eliminating the risk of chemical and biological weapon proliferation. The UK has been seeking to improve the effectiveness of the regime by pressing for the extension of controls on precursors for chemical weapons to include chemicals in mixtures and solutions.

The principles of the Australia Group supplement the important work being undertaken to strengthen the Biological and Toxin Weapons Convention, and to implement the Chemical Weapons Convention in order to verify compliance of states parties with their commitments not to develop biological or chemical weapons.

Missiles

The Missile Technology Control Regime (MTCR) was formed in 1987 and now has 32 members.

It complements the activities of the other suppliers' regimes by controlling transfers that could help a country to develop missiles capable of delivering weapons of mass destruction. It is the only multilateral forum to consider the proliferation of ballistic and cruise missiles and related technology. Like the Australia Group, it is not treaty-based, so controls remain the national responsibility of its members. The MTCR meets formally once a year, but regularly meets less formally to consider issues of concern as well as to promote the effective implementation of export controls in this sensitive area.

The UK is committed to enhancing the effectiveness of the regime through prudent and selective extension of its membership, focussing on key suppliers of missile technology.

Small Arms

It is not just weapons of mass destruction that can wreak havoc on a society. Small arms - assault rifles, sub-machine guns and the like - can have a devastating effect. Where they are too readily available they can accumulate in dangerous numbers. This can destabilise whole regions and create a culture of violence.

The Government is determined to act to help prevent this from happening. We have supported the work of the UN Panel of Experts on Small Arms. The Panel looked at how we can stop small arms accumulating in dangerous numbers, and what we can do when these accumulations have already happened. We are working with the UN, through the UN Small Arms Group, to follow up the Panel's recommendations.

We are also concerned about the illicit trafficking of small arms. In June 1997, the EU adopted a Programme for Preventing and Combating Illicit Trafficking in Conventional Arms. Under the umbrella of this Programme, the UK hosted a seminar in February 1998, attended by over 30 countries, which addressed the problem of illicit arms trafficking within and into the EU. The seminar highlighted the need for further cooperation in this area between EU law enforcement agencies.

The Department for International Development funded a seminar in South Africa in May 1998 run by two non-governmental organisations, Saferworld from the UK and the Institute for Security Studies from South Africa.

The seminar agreed a number of practical ideas for cooperation in Southern Africa, as well as ways in which the European Union could help the countries of the region tackle the proliferation of small arms. We are taking these ideas forward.

We have used the UK's pivotal position to bring the problem of small arms up the international agenda. A statement of principles and action plan covering illicit firearms trafficking was endorsed by the G8 Heads of Government at Birmingham in May 1998. And we have raised in the G8 the issue of small arms in a wider proliferation context.

In December 1998 the EU adopted a Joint Action on small arms. It aims to combat destabilising accumulations of small arms and to reduce existing accumulations of these weapons to levels consistent with countries' legitimate security needs. The UK fully supports these principles.

We have established an interdepartmental committee, chaired by the FCO, to develop small arms policy, to promote the circulation of information and ideas, and to ensure coherence of UK action in this area.

In West Africa, the UK has welcomed the Economic Community of West African States' (ECOWAS) declaration of a regional moratorium on the import, export and manufacture of small arms. The Department for International Development have pledged US\$500,000 to assist the UNDP in the implementation of this initiative.