



European Union

Arms Trade Treaty

Fourth Conference of States Parties

Tokyo, 20-24 August 2018

EU Statement

Thematic Discussion on Diversion

Mr. President,

I have the honour to speak on behalf of the European Union and its Member States.

The Candidate Countries the former Yugoslav Republic of Macedonia*, Montenegro*, Serbia* and Albania*, the country of the Stabilisation and Association Process and potential candidate Bosnia and Herzegovina, as well as Georgia align themselves with this statement.

The prevention of the diversion of conventional arms is one of the primary objectives of the ATT. We therefore welcome the choice of this topic for a thematic discussion at CSP4.

The diversion, illicit trade and unauthorised use of conventional arms, and especially small arms and light weapons (SALW), and their related ammunition constitute a serious impediment for global peace, security and sustainable development. Most recently, these risks were recognised by the UN Programme of Action Review Conference in New York, where UN Member States agreed on a set of important measures to prevent and combat the diversion of SALW in the context of arms export control.

The EU recognises that Article 11 of the ATT has a comprehensive scope, as diversion can occur at any stage of the life cycle of a weapon. In this regard, we welcome the comprehensive

* The former Yugoslav Republic of Macedonia, Montenegro, Serbia and Albania continue to be part of the Stabilisation and Association Process.

guidance compiled by the Working Group on Effective Treaty Implementation on possible information sources as well as measures to prevent and address diversion, to which also the EU has contributed.

We support further voluntary exchange of information on illicit arms flows and diversion trends and compiling good practices on preventing and addressing diversion. We welcome the proposal, initiated by France and others, on more structured discussions, drawing on the expertise of export licencing and law enforcement officials, as well as industry and civil society. We welcome further investigation of the idea of preparing further guidance documents, as proposed by Switzerland, and to explore the possibility of utilising the ATT website to facilitate information sharing, as proposed by Japan.

The EU Common Position 2008/944/CFSP defines common rules governing the control of exports of military technology and equipment of EU Member States when assessing applications to export items listed in the agreed EU Common Military List. Each EU Member State must assess whether there is a risk that equipment could be diverted within the buyer country, or re-exported under undesirable conditions. The risk of diversion is explicitly included as one of the eight criteria in the EU Common Position. EU Member States take diversion very seriously as illustrated by the fact that it is the most frequently invoked criterion for denying an export licence application. In 2017, it was invoked 157 times as the reason for a denial.

The export control authorities of EU Member States are connected through an on-line system that enables a rapid exchange of information on denials, related consultations and other information. By exchanging information on identified diverters, such as brokers and end-users, Member States support each other in their risk assessment exercises. EU Member States may also exchange information about entities and persons convicted for arms trafficking offences through the European criminal records information system (ECRIS).

We believe that the User's Guide to the EU Common Position, which is a publicly available document, may benefit export licensing officials also in third countries. The User's Guide summarises best licensing practices in the area of end-user certificates, assessment of

applications and re-export, post shipment verification, the export of controlled equipment for humanitarian purposes and definitions. It also provides best practices for the interpretation of the eight EU criteria for risk assessment.

Mr. President,

A comprehensive diversion risk mitigation system should combine two elements: end-user documents and the examination of the possible diversion track record of intended recipients, intermediaries, and other parties involved in the transaction.

Since 2013, the EU has been supporting the iTrace project, implemented by Conflict Armament Research, which aims at identifying and documenting diverted arms in conflict affected areas. In December 2017, Conflict Armament Research published the results of a three-year investigation into the origins of the weapons used by Da'esh in Iraq and Syria. The information is shared with export control authorities of the concerned States to help assess the risk of diversion as well as with law enforcement authorities in order for them to cut identified diversion channels. The project provides valuable data for implementation of Article 11 of the ATT.

In addition to national level measures, we would like to highlight the usefulness of regional and sub-regional cooperation in preventing and addressing diversion. The EU's Outreach Programme in support of the ATT promotes South-South cooperation by involving experts from other partner regions and countries in assistance activities. The degree of comparability is higher in some regions than in others, but in most cases, clear synergies can be achieved from an exchange of experiences between countries with similar conditions and challenges.

Many SALW-control activities funded by the EU, such as the Physical Security and Stockpile Management (PSSM) projects in Africa, also contribute to preventing diversion of conventional arms and ammunition throughout their lifecycle.

Thank you, Mr. President