



REPUBLIC OF CROATIA
MINISTRY OF ECONOMY, LABOUR
AND ENTREPRENEURSHIP

Annual Report on Export and Import of Military Goods and Non-Military Lethal Goods

for 2009

Zagreb, October 2010

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MINISTRY OF ECONOMY, LABOUR AND ENTREPRENEURSHIP

Division for Trade and Internal Market

Department for Enforcement Measures of Trade Policy

Zagreb, October 2010

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1. Introduction

This is the first Annual Report on the export and import of military and non-military lethal goods, covering in its expanded form all the efforts that have been invested by the relevant bodies of the Republic of Croatia in the course of 2009, with the aim of establishing the system for import and export control of military and non-military lethal goods that would be as successful as possible.

It is worth pointing out that the import and export control of military goods in a given state is a reflection of various factors, including, most importantly, the issues of national security, foreign policy and economic interests. For a considerable number of years, the Republic of Croatia has been aiming to balance all of these factors in various ways.

With the signing of the Stabilization and Association Agreement between the Republic of Croatia and the European Union, the Republic of Croatia undertook the commitment to harmonize its legislation with the EU *acquis communautaire*.

As an active participant and party to all the globally relevant international legal instruments in the area of weapons control – such as the Treaty on the Non-Proliferation of Nuclear Weapons (NPT), the Comprehensive Nuclear-Test Ban Treaty (CTBT), the Chemical Weapons Convention (CWC), the Biological Weapons Convention (BWC), the Convention on Certain Conventional Weapons (CCW), the Hague Code of Conduct against Ballistic Missile Proliferation (HCOC), and the Ottawa Convention – the Republic of Croatia has the duty to regulate the import and export of military goods through an appropriate set of regulations.

Given the fact that the sphere of import and export control for military and non-military lethal goods for commercial purposes was only partially regulated in the past, it became clear that a new law should be adopted, one that would ensure a comprehensive oversight of export and import of military and non-military goods, as well as the provision of services for military goods.

In its National Security Strategy, adopted in March 2002, the Republic of Croatia expressed its readiness and interest to join international arrangements and regimes in the area of export oversight of the goods and technology subject to control, such as: the Wassenaar Arrangement on the control of export of conventional arms and dual-use goods (WA); the Missile Technology Control Regime (MTCR); the Nuclear Suppliers Group (NSG); and the Australia Group for the control of biological and chemical weapons (AG).

In accordance with that, it became clear that it would be necessary to establish a new set of domestic legal provisions, which would harmonize the national legislation with the requirements set out in these regimes. The harmonization process also includes the European Union Code of Conduct on Arms Exports, adopted on June 8, 1998, which the Government of the Republic of Croatia adopted on May 9, 2002, by reaching its Decision on the acceptance of the principles of the Code.

On the basis of Article 5 of the EU Code of Conduct, the Common Military List of the European Union has been accepted (OJ, 2008/C 98/01, 18 April 2008).

Furthermore, it was important to harmonize the domestic legal framework with the Council Common Position 2003/468/CFSP of 23 June 2003 on the control of arms brokering, and with the Council Joint Action of 22 June 2000 concerning the control of technical assistance related to certain military end-uses (2000/401/CFSP) (OJ L 159, 30 June 2007).

The standards established by the UN Security Council Resolution 1540 on the non-proliferation of weapons of mass destruction also needed to be built into the legal provisions. Namely, the UNSCR 1540 provides that the parties to the Resolution have the obligation to reach the regulations that would disable the proliferation of nuclear, chemical and biological weapons, and their means of delivery.

In addition, on top of this process of harmonizing the legislation of the Republic of Croatia with international regulations and obligations, it also became necessary to legislatively regulate the provision of services, including brokering services and technical assistance for military goods.

In accordance with the above, the Parliament of the Republic of Croatia voted in favor of the Law on the Export and Import of Military Goods and Non-Military Lethal Goods in July 2008, and the Law was published in the official journal of the Republic of Croatia (Official Gazette [“Narodne novine”] no. 86/2008), while the application of the Law began on January 1, 2009.

The provisions of this Law served as a foundation for implementing rules and regulations that were reached, including the List of Military Goods, harmonized with the EU Military List, and the national List of Non-Military Lethal Goods.

In accordance with the provisions of Article 25 of the Law, the Ministry of Economy, Labor and Entrepreneurship drafted its first report on the licenses issued for the export and import of goods from the List of Military Goods, which was completed in April 2010, covering 2009 as the previous year. Upon the adoption of the Report at the session of the Government of the Republic of Croatia, the Report

1.**Introduction**

was published on the official website of the Ministry of Economy, Labor and Entrepreneurship (www.mingorp.hr).

We should also point out that the Republic of Croatia began using the TRACKER program in 2009, donated by the US Government, with the aim of improving the efficiency of the control of trade in arms and military equipment. All the state bodies participating in the process of issuance

of licenses for these types of goods have thus been networked through this program with the Ministry of Economy, Labor and Entrepreneurship, where the main database is located. As of January 1, 2010, the Customs Authority began verifying the licenses through the TRACKER program, which integrated the comprehensive process of the control of export and import of military goods and non-military lethal goods, as well as export of dual-use goods.

2. National Legislation

Given the fact that the area of export and import control of military and non-military lethal goods was only partially regulated until 2008, it became clear that there is a need to pass a new law, one that would ensure comprehensive control of the export and import of military and non-military lethal goods, and the provision of services for military goods.

The adoption of the Law on the Export and Import of Military Goods and Non-Military Lethal Goods created the opportunity to develop an effective universal control system for the export and import of military and non-military lethal goods, which is necessary in order to ensure that the Republic of Croatia meets its international commitments, and to ensure the competitiveness of Croatian companies engaged in trade in military and non-military lethal goods in the global market.

The Law is harmonized with the Council Common Position on the Control of Arms Brokering, the European Union Code of Conduct on Arms Exports, the Common Military List of the European Union, and the Council Joint Action concerning the control of technical assistance related to certain military end-uses.

2.1. Law on the Export and Import of Military and Non-Military Lethal Goods

Having in mind that in the past the export and import control of military and non-military lethal goods took place on the basis of only several articles of the Regulation Specifying the Goods Subject to Export and Import Licenses, and the Decision of the Government of the Republic of Croatia on the Acceptance of Principles from the European Union Code of Conduct on Arms Exports, the passage of this Law was necessary. It also created the opportunity for an effective general control system for the export and import of military and non-military lethal goods, which is indispensable in order for the Republic of Croatia to meet its international commitments.

The Law prescribes the conditions for the export and import of military and non-military lethal goods for commercial purposes; the powers for the issuance of export

and import licenses for military goods and non-military lethal goods within the competence of the Ministry of Defense and the Ministry of Interior; the provision of services pertaining to military goods; the competences of state administration bodies participating in the implementation of the Law; the rights and obligations of exporters, importers and service providers; the conditions for pursuit of activities prescribed by the Law; and the control and administrative measures for those breaching the Law when national or foreign policy interests of the Republic of Croatia are endangered.

The definitions and concepts adopted from the European Union regulations, such as the definition of military goods and the definition of services, including brokering services and technical assistance, are built into the text of the Law.

Namely, military goods are goods mainly, but not solely constructed, created, assembled or modified for military purpose, including the technology and software connected to these goods that are listed in the List of Military Goods. The List of Military Goods is being harmonized with the EU Common Military List each current year for the previous year.

The syntagm “mainly, but not solely constructed for military purpose” means that some goods stated in the List of Military Goods do not have a solely military character, just like a pistol is not constructed solely for military purpose, but it is, however, specified in the Military List, and is used in the same manner by military persons, the police, security services and hunters, as well as by private individuals as a personal weapon. A similar situation can be seen in weapons and centrefire cartridges that are used both for military purposes and for hunting.

Non-military lethal goods are goods that are subject to export or import control due to their technical characteristics and possibilities of use, and that are specified in the List of Non-Military Lethal Goods for Commercial Purposes. The List of Non-Military Lethal Goods is a national list, and each member state of the European Union has the possibility to decide independently which types of goods will become part of its national list. Non-military lethal goods include hunting weapons and sporting arms and their parts; hunting and sporting ammunition and their parts; and commercial explosives, gunpowder and certain pyrotechnical products.

Article 2, paragraph 8 of the Law prescribes that the services shall mean making profit, transfer of rights and other business activities pertaining to military goods, including brokering services and technical assistance.

2.

National Legislation

2. National Legislation

The provision of services covered by this Article can only be done by the persons registered for the pursuit of production or brokering activity in the domestic and international market regarding the goods specified in the List of Military Goods, whose headquarters are located in the territory of the Republic of Croatia, and who are registered in the Register of Service Providers for Military Goods, which was not the case prior to the drafting of this Law.

Brokering services refer to the negotiation or contracting of business in connection with the purchase, sale or procurement of military goods specified in the List of Military Goods from one foreign country into any other foreign country, as well as the sale and purchase of military goods specified in the List of Military Goods that are located in one foreign country for transfer into another foreign country.

Brokering services do not include transportation, financial services, insurance and reinsurance, nor do they include advertising or promotion.

Technical assistance refers to any technical assistance in regard to repair, development, production, assembly, testing or maintenance of military goods, and any other form of technical assistance pertaining to military goods that may take a form of instruction, training, transfer of business knowledge, or transfer of expert or advisory services.

Technical assistance includes oral forms of assistance, written or voice instructions, trainings, transfers of business knowledge or skills, as well as consultancy services.

The Law prescribes that the licenses for the export and import of military and non-military lethal goods, as well as those for the provision of services for military goods, are issued by the Ministry of Economy, Labor and Entrepreneurship, on the basis of the consent of the Commission for the Provision of Consent for Export and Import of Military Goods and Non-Military Lethal Goods and for the Provision of Services for Military Goods.

It is important to point out that the provisions of this Law pertain to the export and import of military and non-military lethal goods for commercial purposes, which means that the provisions of this Law do not pertain to the export and import of these goods for personal needs of individuals. Namely, the Law on Trade and Commerce (Official Gazette no. 87/2008) prescribes that domestic and foreign natural persons may freely carry into the country and receive from abroad, or carry out of the country and send abroad items that constitute personal luggage, victuals and items for their personal needs and the needs of their family members; items for the needs of their household and animals, in quantities that are not intended for resale. This provision allows natural persons to freely carry

into and out of the country the permitted types of goods from the List of Military Goods and the List of Non-Military Lethal Goods, in accordance with the Law on Weapons, without the license of the Ministry of Economy, Labor and Entrepreneurship, but on the basis on the acquisition license of the Ministry of Interior.

In addition to what we have stated above, the Law on the Export and Import of Military Goods and Non-Military Lethal Goods furthermore prescribes that certain types of licenses are issued by the Ministry of Defense, or by the Ministry of Interior: licenses for the import of goods intended for the Armed Forces of the Republic of Croatia and the police; licenses for the export of goods for the needs of the Armed Forces of the Republic of Croatia and the police with the intent of return of these goods back to the state; and licenses for the export of goods on the basis of the donation of the Government of the Republic of Croatia. In addition to that, the licenses for the export of goods on the basis of international military agreements signed by the Republic of Croatia are issued by the Ministry of Defense.

Furthermore, the provisions of this Law make it possible to stop the transactions in connection with military goods, when there is doubt that these goods might be delivered to forbidden destinations, or to forbidden end users, which is necessary in order to ensure that the Republic of Croatia meets its international commitments. Namely, the Law enables the judicial bodies to adequately determine the penalties for those breaching this Law, with high prison sentences and fines prescribed for behavior contrary to the provisions of the Law

2.2. Subordinate Legislation

On the basis of the provisions of the Law on the Export and Import of Military and Non-Military Lethal Goods, the Government of the Republic of Croatia is establishing the List of Military Goods, which is fully harmonized with the Common Military List of the European Union, and also the List of Non-Military Lethal Goods, which represents the national list.

It is worth pointing out that the goods specified in both of these Lists used to be subject to the license regime even prior to the passage of this Law, and that the licenses of the Ministry of Economy, Labor and Entrepreneurship were needed for their export or import for commercial purposes in the past as well. However, given the fact that previous export and import procedures were not comparable with European Union procedures, the harmonization of the national framework with the *acquis communautaire* became necessary.

2.2.1. Regulation Specifying the Goods Subject to Export and Import Licenses

Given the fact that the Law prescribes that the Government of the Republic of Croatia shall establish the List of Military Goods harmonized with the Common Military List of the European Union, as well as the List of Non-Military Lethal Goods for Commercial Purposes, following the proposal of the competent Ministry of Economy, the Government reached the Regulation Specifying the Goods

Subject to Export and Import Licenses. The integral part of that Regulation is the List of Military Goods (APPENDIX IV of the Regulation), and the List of Non-Military Lethal Goods (APPENDIX V of the Regulation). The Regulation was published in the official journal of the Republic of Croatia – the Official Gazette [“Narodne novine”].

The List of Military Goods covers the total of 22 categories, outlined below. In addition to the Official Gazette, this List was also published on the official Internet site of the Ministry of Economy, Labor and Entrepreneurship.

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The categories (from ML1 to ML22) have the following meaning:

- | | | | |
|-------------|--|-------------|---|
| ML1 | Smooth-bore weapons with a calibre of less than 20 mm, other arms and automatic weapons with a calibre of 12,7 mm or less and accessories, and specially designed components therefor; | ML11 | Electronic equipment, not controlled elsewhere in the Military List, and components therefor; |
| ML2 | Smooth-bore weapons with a calibre of 20 mm or more, other weapons or armament with a calibre greater than 12,7 mm, projectors and accessories, and specially designed components therefor; | ML12 | High velocity kinetic energy weapon systems and related equipment, and specially designed components therefor; |
| ML3 | Ammunition and fuse setting devices, and specially designed components therefor; | ML13 | Armored or protective equipment and constructions; |
| ML4 | Bombs, torpedoes, rockets, missiles, other explosive devices and charges and related equipment and accessories, specially designed for military use, and specially designed components therefor; | ML14 | Specialized equipment for military training or for simulating military scenarios, simulators designed for training in the use of any firearm or weapon controlled by ML1 or ML2; |
| ML5 | Fire control, and related alerting and warning equipment, and related systems, test and alignment and countermeasure equipment, specially designed for military use, and specially designed components and accessories therefor; | ML15 | Imaging or countermeasure equipment, specially designed for military use, and specially designed components and accessories therefor; |
| ML6 | Ground vehicles and components (tanks, armored vehicles); | ML16 | Forgings, castings and other unfinished products the use of which in a controlled product is identifiable by material composition, geometry or function, and which are specifically designed for any products controlled by ML1 to ML4, ML6, ML9, ML10, ML12 or ML19. |
| ML7 | Chemical and biological toxic agents, riot control agents, radioactive materials, related equipment and materials; | ML17 | Miscellaneous equipment, materials and libraries, and specially designed components therefor; |
| ML8 | Energetic materials – explosives, gunpowders and related substances, | ML18 | Equipment for the production of products referred to in the Military List; |
| ML9 | Vessels of war, special naval equipment and accessories, and components therefor, specially designed for military use; | ML19 | Directed energy weapon systems; |
| ML10 | Aircrafts, lighter-than-air vehicles, unmanned airborne vehicles, aero-engines and aircraft equipment, related equipment and components, specially designed for military use; | ML20 | Cryogenic and superconductive equipment; |
| | | ML21 | Software; |
| | | ML22 | Technology. |

2. National Legislation

2.2.2. Ordinances

In accordance with the provisions of the Law, having in mind the aim to facilitate the monitoring of the overall export control system, the following bylaws have also been created:

- Ordinance on the Application Form for the Issuance of the License for Export or Import of Military and Non-Military Lethal Goods;
- Ordinance on the Format and Content of the Application for Global Export License of Military Goods specified under category ML 13;
- Ordinance on the Format and Content of the End-User Certificate for Import of Military and Non-Military Lethal Goods for Commercial Purposes;
- Ordinance on the Format and Content of the Export License or Import of Military and Non-Military Lethal Goods for Commercial Purposes;
- Ordinance on the Application Form for the Issuance of the Service Provision License;
- Ordinance on the Format and Content of the Service Provision License for Military Goods;
- Ordinance on the Content and Method of Keeping of the Register of Exporters and Importers of Military and Non-Military Lethal Goods;
- Ordinance on the Content and Method of Keeping of the Register of Service Providers for Military Goods.

All the outlined documents have been published in the Official Gazette no. 1/2009, and they can be found on the official website of the Ministry of Economy, Labor and Entrepreneurship.

2.3. National Strategy and Action Plan for the Control of Small Arms and Light Weapons

In September 2009, the Government of the Republic of Croatia passed the National Strategy and Action Plan for the Control of Small Arms and Light Weapons, which also covers the segment pertaining to the export control of small arms and light weapons.

The National Strategy is based on the principles and goals of controlling small arms and light weapons, as elaborated in the National Security Strategy of the Republic of Croatia; the European Union Strategy to Combat the Illicit Accumulation and Trafficking of Small Arms and Light Weapons (SALW) and their Ammunition; the Decision of the Government of the Republic of Croatia on the Acceptance of Principles from the European Union Code of Conduct on Arms Exports (now the Council Common Position), which determines the common rules for export control of military technology and equipment; Council Joint Action on the European Union's contribution to the fight against the destabilizing accumulation and spread of small arms and light weapons; and the Protocol against the Illicit Manufacturing of and Trafficking in Firearms, Their parts and Components. In accordance with the National Strategy, the National Commission was formed in order to control the efforts invested in the implementation of planned activities. The National Strategy and the action plan were published in the Official Gazette no. 113/2009.

3. International Legal Instruments and Regimes

Having in mind the aim to create an efficient export control system, the Republic of Croatia is fulfilling all the commitments stemming from international treaties and export control regimes, as well as those belonging to the corresponding conventions and agreements. This fact is particularly relevant in the context of fight against terrorism and prevention of the proliferation of weapons of mass destruction, which makes it imperative to establish and consistently improve the legal and institutional framework pertaining to export control of goods and technology with military and dual-use characteristics.

3.1. International Export Control Regimes

As part of its National Security Strategy adopted in March 2002, the Republic of Croatia expressed its readiness and interest to join international arrangements and regimes in the area of export control of controlled goods and technology, such as: the Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies (WA); the Missile Technology Control Regime (MTCR); the Nuclear Suppliers Group (NSG); and the Australia Group for the control of biological and chemical weapons (AG).

What follows is a brief description of the main characteristics of these regimes and their goals.

3.1.1. The Wassenaar Arrangement (WA)

The goal of the Wassenaar Arrangement is to promote transparency and greater responsibility in transfers of conventional arms and dual-use goods and technologies, and maintenance of the agreed control list of military goods and dual-use goods. The Wassenaar Arrangement currently includes 40 countries of the world, whose

representatives are regularly meeting in Vienna, where the WA Secretariat is located, participating in various types of meetings (Expert Group – EG; General Working Group – GWG; Licensing and Enforcement Officers' Meeting – LEOM), as well as in the plenary session, which takes place in December each year. More information on the arrangement can be found at www.wassenaar.org. The Republic of Croatia became a member of the Wassenaar Arrangement in June 2005, and Croatian experts have been regularly participating in the work of these bodies since then.

3.1.2. The Nuclear Suppliers Group (NSG)

Since its foundation in 1975, the Nuclear Suppliers Group is aiming to decrease the global expansion of nuclear weapons through the control of export and transfers of materials that can be used in the development of nuclear weapons. The Republic of Croatia was accepted as member of the Nuclear Suppliers Group in June 2005. More information on the Group can be found at www.nuclear-suppliersgroup.org.

3.1.3. The Zangger Committee

The goal of the Zangger Committee is to prevent the redirection of nuclear materials for civilian purposes into nuclear weapons, or other nuclear explosive devices. The Republic of Croatia is an active participant and member of the Zangger Committee as of June 2006, and more details on the Committee can be found at www.zanggercommittee.org.

3.1.4. The Australia Group (AG)

This control regime was established back in 1985, with the aim of preventing the spread of weapons of mass destruction, in particular chemical and biological agents, and equipment for the production of dual-use goods (military and civilian). It currently includes 41 countries, including the member states of the European Union. The Republic of Croatia became a member of the Australia Group in April 2007, since when Croatian experts have been actively participating in the work of the Group. All the information regarding its work can be found at www.australiagroup.net.

3. International Legal Instruments and Regimes

3.1.5. Missile Technology Control Regime (MTCR)

The goal of the Regime is to limit the proliferation of missiles and technology for missile production, and to maintain the control list of military and dual-use goods. Even though the Republic of Croatia submitted the request to be accepted as member of the Regime, given the fact that the country is formally fulfilling all the membership conditions, it still has not joined the Regime. More information on it can be found at www.mtcr.info.

Overall, we can conclude that the Republic of Croatia is a member of four out of five described regimes, the only exception being the MTCR regime.

3.2. International Treaties and Conventions

As we have already stated, export control of military and non-military lethal goods is undertaken with the purpose of ensuring national and international security. As part of that effort, the Republic of Croatia is fulfilling its international commitments as a party and active participant of the majority of important international treaties and conventions, and as the signatory of documents pertaining to the non-proliferation of weapons of mass destruction and conventional arms. Among numerous conventions and treaties of this nature, we shall only outline some:

- The Treaty on the Non-Proliferation of Nuclear Weapons (NPT)
- The Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction (CWC)
- The Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction (BTWC)
- The Convention on Cluster Munitions (which the Republic of Croatia ratified August 17, 2009)

4. Export Control System Procedures

The Law on the Export and Import of Military and Non-Military Lethal Goods, as well as the corresponding Ordinances and instructions established by the Minister for Economy, Labor and Entrepreneurship, prescribe the procedures in regard to the export or import of military and non-military lethal goods, and in regard to the provision of services for military goods.

4.1. Registration

The activity of import or export of military and non-military lethal goods, as well as the activity of providing services for military goods, constitute the scope of work that, according to the Law may be performed by both legal entities and natural persons – craftsmen, registered in the Register of Exporters and Importers of Military Goods and Non-Military Lethal Goods for Commercial Purposes, or in the Register of Service Providers for Military Goods, which are maintained by the Ministry of Economy, Labor and Entrepreneurship.

The registration in these Registers is conducted on the basis of a written request, authorized by stamp and own signature of the responsible person in the legal entity, or of the natural person - craftsman, whereby the applicant has the duty to provide all the prescribed documentation. On the basis of the delivered, legally valid documentation, the Minister for Economy, Labor and Entrepreneurship is reaching the Decision on Registration in the Register. This entitles the applicant to submit the request for the export or import of goods specified in the List of Military Goods, in the List of Non-Military Lethal Goods, or for the provision of services for military goods.

Should a change of data arise, the person registered in any of the mentioned Registers has the duty to inform the Ministry in writing of any changes of data used in the process of registration in the Register that may have taken place, within 15 days of the change.

If new facts are determined, the knowledge of which at the time of registration in the Register would have precluded such registration, the Law foresees the possibility of deletion from the Register. Such findings most frequently have to do with the following situations: the responsible person in a

legal entity or a trade is issued a final judgment for a criminal offense against property; the responsible person is issued a security measure banning the pursuit of activity which is included in the responsible person's business operations in whole or in part, or such a security measure is already in place; the person is not conducting business operations in accordance with the provisions of the Law on the Export and Import of Military Goods and Non-Military Lethal Goods; the person is breaching international sanctions, or ceases to fulfill the conditions upon which the decision had been issued.

4.2. The Issuance of Licenses

Requests for the issuance of a license for the export or import of military and non-military lethal goods and provision of services for military goods are submitted to the Ministry of Economy, Labor and Entrepreneurship on prescribed forms. The structure and the outlook of the forms are specified in the relevant ordinances published in the Official Gazette no. 1/2009. The forms can be downloaded in electronic form as well, from the official website of the Ministry of Economy, Labor and Entrepreneurship.

Article 6 of the Law prescribes that the licenses for export or import of military and non-military lethal goods and for the provision of services for military goods are issued by the Ministry of Economy, Labor and Entrepreneurship, on the basis of the consent provided by the Commission for the Provision of Consent for Export and Import of Military Goods and Non-Military Lethal Goods and for the Provision of Services for Military Goods. The Commission includes the representatives of the competent Ministries of Defense; Interior; Foreign Affairs; and Economy. The consent is provided on the basis of consensus of all the Commission's members. In the work of the Commission, each member or his/her appointed deputy is competent for the tasks belonging to the scope of work covered by that member's respective ministry. The Commission is appointed and dismissed by the Minister for Economy, on the basis of the proposal of the Ministers competent for Defense, Interior, Foreign Affairs and Economy. The Commission consists of one member and one deputy member from each of the competent ministries.

The Law also permits the issuance of a general export license for the export of military goods of the same type to one or more states, taking into consideration the type of goods, the duration of the export arrangement, and the country to which these goods are exported. However, the general export license can be issued only for the export of samples of armored or protective equipment, constructions and

4. Export Control System Procedures

components from the category ML13 of the List of Military Goods, for the purpose of participating in tenders and exhibitions, with the duration of the license limited to one year.

The introduction of such a provision allows the domestic producers of protective equipment to participate in the global market more competitively, given the fact that the procedure of issuance of licenses requires a certain period of time, which has, in certain situations, thwarted the participation of Croatian producers of protective equipment in international tenders, thus inherently disabling the export of these goods.

Given the fact that previous regulations rendered it impossible to revoke the export license once it is issued, a provision of the current Law now allows the Ministry of Economy, Labor and Entrepreneurship to reach a decision on the revocation of the issued license, if it is established that one or more conditions on the basis of which the license had been issued no longer exist, or if the license had been issued on the basis of inaccurate or incomplete data. This provision is extremely important, because of the fact that the Ministry was unable to revoke the export license in situations that took place in the past, even in the cases in which an export license authorized the export of military goods to a country against which international restrictive measures were undertaken in the meantime. Given the fact that, according to the provisions of the new Law, the Republic of Croatia is not liable for costs that may be incurred due to the revocation of the issued license, one can assume that exporters and importers will be approaching their export-import affairs with greater responsibility and caution, paying more attention to persons and companies with whom they decide to engage in business relations. However, having in mind the fact that the exporter or importer is unable to obtain all the needed information on the potential business partner, this Law enables them to ask the Ministry of Economy, Labor and Entrepreneurship for an opinion on whether business cooperation with a certain broker, purchaser, importer, end user, or a country which is the ultimate venue for the use of the goods, would be contrary to the provisions of this Law, prior to the signing of the contract on purchase or sale of military and non-military lethal goods. In order to avoid undesirable consequences, the Ministry has the duty to inform the interested person whether a certain person or a certain company is a desirable participant in the business affair.

4.3. Licensing criteria

In the course of the authorization process for the export of military and non-military lethal goods, the Licensing Commission is handling its tasks on the basis of the criteria taken over from European Union acquis. Namely, back in May 2002, the Government of the Republic of Croatia accepted the European Union Code of Conduct on Arms Exports of June 1998, through its Decision on the Acceptance of Principles from the European Union Code of Conduct on Arms Exports. These criteria are now built into the Law on the Export and Import of Military and Non-Military Lethal Goods; for example, Article 21 of the Law prescribes that the Ministry of Economy, Labor and Entrepreneurship will reject the request for an export or import license for military goods or a license for the provision of services for military goods if the Commission determines that the issuance of the requested license would be contrary to the foreign policy or economic interest of the Republic of Croatia, and contrary to the principles of the European Union Code of Conduct on Arms Exports, and if the issuance of the license would endanger the fulfillment of international obligations of the Republic of Croatia. In addition, the Law also specifies other reasons why a request may be rejected.

In addition to that, the Law regulates that, if a country belongs to the list of countries against which restrictive measures are prescribed by the UN, EU, OSCE, or other international organizations whose restrictive measures the Republic of Croatia is implementing, the export license can be issued only for humanitarian use, or for the needs of peacekeeping forces, upon the submission of request.

The Republic of Croatia applies the identical criteria for the issuance of licenses for the provision of services for military goods.

It is worth pointing out that the member states of the European Union have enacted into law the already mentioned Code of Conduct, by reaching the Council Common Position 2008/944/SFSP defining common rules governing control of exports of military technology and equipment, in December 2008.

4.4. Oversight and Control

Export and import licenses for military and non-military lethal goods issued prior to January 1, 2009 contained a note that the exporter or importer has the duty to submit the information on usage of the license to the Ministry of Economy, Labor and Entrepreneurship within 15 days of the expiry of the license. Despite that, it had been noted that certain companies, aware of the fact that there is no criminal liability attached to this provision, disregarded that particular note. In order to ensure that the Ministry receives credible and exact data on requested, issued, implemented and revoked licenses, with the fundamental purpose of creating a database, the Law prescribes that the persons pursuing the export or import of controlled goods and services have the duty to inform in writing the Ministry of Economy, Labor and Entrepreneurship of the performed export or import of goods, within 15 days of the date of the performed export or import. In addition, the companies also have the duty to attach the documentation on the basis of which export or import was performed, which includes the copy of the customs declaration. Given the fact that the data in the customs declaration is quite frequently insufficient to verify on the basis of which license the export or import was performed, the Law prescribes that the declarant has the duty to incorporate certain elements in the customs declaration that are necessary for the maintenance of the database and the drafting of annual reports. In regard to that, the declarant has the duty to specify in the customs declaration not only the full name and address of exporter or importer, but also the number of export or import license on the basis of which the customs procedure was conducted; the name of the goods consistent with the name in the corresponding license; the quantity of the goods expressed in measurement units specified in the corresponding license; the value of the goods specified in

the currency that is specified in the corresponding license; the CN code of the goods according to the Regulation on Customs Tariff; and, for the goods from the List of Military Goods, the ML code of the corresponding goods needs to be incorporated as well.

The aim of these provisions is to obligate the declarant to provide all the specific data which the customs officers need in the course of customs procedure, in order to undertake as quick and efficient customs control as possible. Namely, the specification of the ML code in the customs declaration draws the attention of the customs officer to the fact that the corresponding goods are subject to export or import license, which would be impossible to determine according to the CN code of the goods, given the fact that the List of Military Goods does not contain CN codes.

The passage of the Law on the Export and Import of Military and Non-Military Lethal Goods introduced a novelty in the oversight of fulfillment of the obligations stemming from this Law. Namely, in addition to the state bodies that are supervising the implementation of the Law in accordance with their competencies, the oversight is also undertaken by the body that issues the licenses – the Ministry of Economy, Labor and Entrepreneurship – in collaboration with other bodies participating in the license issuance procedure. These bodies include the Ministry of Defense, the Ministry of Interior, and the Ministry of Foreign Affairs and European Integration. The implementation of the oversight includes supervision prior to, during and upon the issuance of the license, with a written report being created on the matter. This report is then delivered to the Minister for Economy, Labor and Entrepreneurship; if any irregularities are found, the Minister reports on these irregularities to the competent state bodies, for the purpose of instituting the relevant proceedings.

4.

Export Control System Procedures

4.

Export Control
System Procedures

5. Cooperation in Export Control

5.1. International Cooperation

International cooperation, as an integral element of foreign and security policy of the Republic of Croatia, is developing and being implemented within the framework specified by the Program of the Government of the Republic of Croatia for the 2009 – 2011 Mandate, the National Security Strategy of the Republic of Croatia, and the guidelines and decisions of the President of the Republic, the Croatian Parliament, and the Government of the Republic of Croatia.

In the course of 2009, international cooperation was focused on intensifying the efforts aimed at NATO membership and EU accession. Upon gaining membership in NATO, the focus of activities shifted towards full integration, articulation and implementation of credible, constructive and proactive participation in all the relevant processes, in particular those in the direct national interest. In addition to that, the priority remained to conduct all the activities aimed at the implementation of restrictive measures, and at improving and promoting international and regional stability and security.

In the sphere of regional cooperation, the emphasis was placed on the implementation of bilateral activities involving the neighboring countries, and on the overall regional cooperation with the purpose of strengthening mutual trust and regional security.

In the sphere of control of weapons of mass destruction, the Republic of Croatia has been implementing all of its obligations stemming from universal treaties and conventions in a consistent manner, including informal regimes. A bilateral workshop on the development of the national strategy against the proliferation of weapons of mass destruction was organized, in cooperation with the United States. The Inter-ministerial Working Group, established by the Decision of the Government of the Republic of Croatia, began drafting the National Strategy and Action Plan against the proliferation of weapons of mass destruction.

The Republic of Croatia is consistently implementing its obligations stemming from the Ottawa Convention on the prohibition of anti-personnel mines, and from the Convention on Certain Conventional Weapons (CCCW) with its five Protocols; in addition to that, the country also actively participated in negotiations regarding the

adoption of Protocol VI on the ban of cluster munitions. On the basis of the progress achieved in demining of the territory of the Republic of Croatia, the UN Secretary General and parties to the Ottawa Convention have formally agreed to extend the deadline for demining all known mine suspected areas in Croatia by 10 years, until 2019.

In June 2009, the Croatian Parliament reached the Law on the Confirmation of the Convention on Cluster Munitions. The ratification process was completed in August, as the Instrument of Ratification was delivered to the depositary – the UN Secretary General. In addition to Croatia, 37 countries have ratified this convention so far. The convention entered into force on August 1, 2010, six months upon the ratification of the thirtieth state. Croatia is strongly supporting the inclusion of as many countries as possible in this process, given the exposure of the country itself to cluster munitions during the Homeland War. Through the ratification of the Convention, the Republic of Croatia undertook the obligation not to produce, use or export cluster munitions, as well as the obligation to destroy all the existing stockpiles within 8 years.

In October 2009, the representatives of the Ministry of Economy, Labor and Entrepreneurship, the Ministry of Foreign Affairs and European Integration, the Ministry of Interior, and the Ministry of Finance - Customs Administration participated at the tenth international conference on export control of weapons and dual-use goods, held in Istanbul (Turkey). The conference brought together experts from the entire world, focused on export control of weapons and dual-use goods, and it provided the state officials and civil servants with the opportunity to exchange experiences and evaluate current affairs, while aiming to develop mechanisms for the improvement of export control systems.

The republic of Croatia is also actively involved in activities implemented by the South Eastern and Eastern Europe Clearinghouse for the Control of Small Arms and Light Weapons (SEESAC).

It is worth pointing out that the Republic of Croatia will continue to actively participate in meetings of the representatives of countries in the region regarding the issues pertaining to the trade in arms and military equipment, with the aim of sharing its experiences in this sphere, in particular when it comes to the application of new legislation. That is all the more important given the fact that Croatia is currently the only country in this part of the region that is a member of the Wassenaar Arrangement (the international regime for the control of conventional arms and dual-use goods) as of June 2005, having in mind that virtually all the countries of the region have expressed the desire to become members of the Arrangement.

5. Cooperation in Export Control

5.2. Implementation of the TRACKER program

Until 2009, Croatia was not using any specialized programs for export/import control of the goods subject to licensing. Such a situation became problematic, given the fact that the volume of activities increased significantly in recent years, and also given the fact that, in the meantime, Croatia also accepted a range of obligations in regard to the delivery of data on exported and imported weapons to international organizations (UN, OSCE, WA).

Therefore, the Government of the Republic of Croatia accepted the donation of the US Government to the Ministry of Economy, Labor and Entrepreneurship, as the competent institution for the issuance of export and import licenses for military and non-military lethal goods, and licenses for the export of dual-use goods, in the form of the program entitled "TRACKER", together with the corresponding IT equipment, with the aim of facilitating better implementation of export control. Following up on that donation, the program installation took place in the course of 2008, and the capacities of the program were presented to the representatives of state bodies and agencies participating in the process of issuance of licenses.

The process of adjusting the program to local circumstances and its overall implementation took place in three phases. In phase one, the software was adjusted, with output documents generated in conformity with the format and the content required by the Croatian legislation. In the second phase, staff members of the Department for Implementation of Trade Policy Measures were trained for

the work in the system, and the Manual on Data Input was created for this system. In the final, third phase, individual solutions were tested, and noticed shortcomings were corrected. On January 1, 2009, the actual implementation of the program began.

The TRACKER program serves for the monitoring of the procedures on export and import of military and non-military lethal goods and on export of dual-use goods. It is harmonized with the *acquis communautaire* of the European Union, and it includes the possibility of issuing licenses on standardized forms and the creation of a high-quality database. The interface was translated into Croatian, and output documents were harmonized with the current legislation. The program is continuously being improved (the Republic of Croatia is currently using the version 5.0.2), and it can be installed on a range of IT platforms. The design of the start page of the program is shown in Image 1.

In the course of 2010, the plan is to upgrade the program to the version 7.0, which would additionally improve the export control process.

5.3. Cooperation with the Industry

Successful cooperation with the industry is one of the key elements of the export control system. It covers various forms of assistance to companies exporting their products, and the most important forms of assistance include organizing specialized seminars and workshops, as well as continuous education and information efforts regarding all the legislative novelties in this area (Image 2).



Image 1. Start page of the TRACKER program



Image 2. Seminar with the representatives of the industry

5.

Cooperation in
Export Control

5.3.1. Seminars and Education

As of January 1, 2009, when the application of the Law on the Export and Import of Military and Non-Military Lethal Goods began, the relevant ministries are continuously informing the interested companies and individuals on their obligations and opportunities stemming from the new Law, in order to ensure that the companies can export their products with the fewest possible obstacles.

Thus, as early as February 2009, the first seminar of this kind was organized, with the representatives from 21 Croatian companies informed on the specific aspects of the new regulations.

The Ministry of Economy, Labor and Entrepreneurship, in collaboration with the Federal Office of Economics and Export Control of Germany (BAFA), organized a seminar in July 2009, which explored ways in which the cooperation with companies in the Republic of Croatia might be improved. The seminar was organized within the framework of a long-term EU cooperation program entitled "Assistance in Export Control of Dual-Use Goods", and it was intended for domestic companies producing the goods that might have a dual-use purpose, but also for the producers of military and non-military lethal goods. Experts on export control from Croatia, Germany, Slovenia and Sweden contributed to the seminar work.

In December 2009, the Ministry of Economy, Labor and Entrepreneurship, again in collaboration with the Federal Office of Economics and Export Control of Germany (BAFA), organized a two-day seminar on the investigation and prosecution of export control violations in the Republic of Croatia. The seminar was envisaged as European Union support to the representatives of state bodies of the Republic of Croatia participating in the implementation of rules and regulations on export control. In the course of the seminar, experts from Germany and the United Kingdom presented various examples of cases where violations of export controls were determined on the basis of export control rules.

5.3.2. Website of the Ministry of Economy, Labor and Entrepreneurship

Given the fact that Internet access is available in almost every home and every company in the Republic of Croatia, all the state bodies, including the Ministry of Economy, Labor and Entrepreneurship, dedicate particular attention to the maintenance of their websites. In that respect, all the information on current events in the sphere of export control, seminar announcements, and announcements on other forms of education, can be found at the official Internet site of the Ministry of Economy, Labor and Entrepreneurship. The address of the site is www.mingor.gov.hr, and the layout of the cover page on export control can be seen in Image 3.

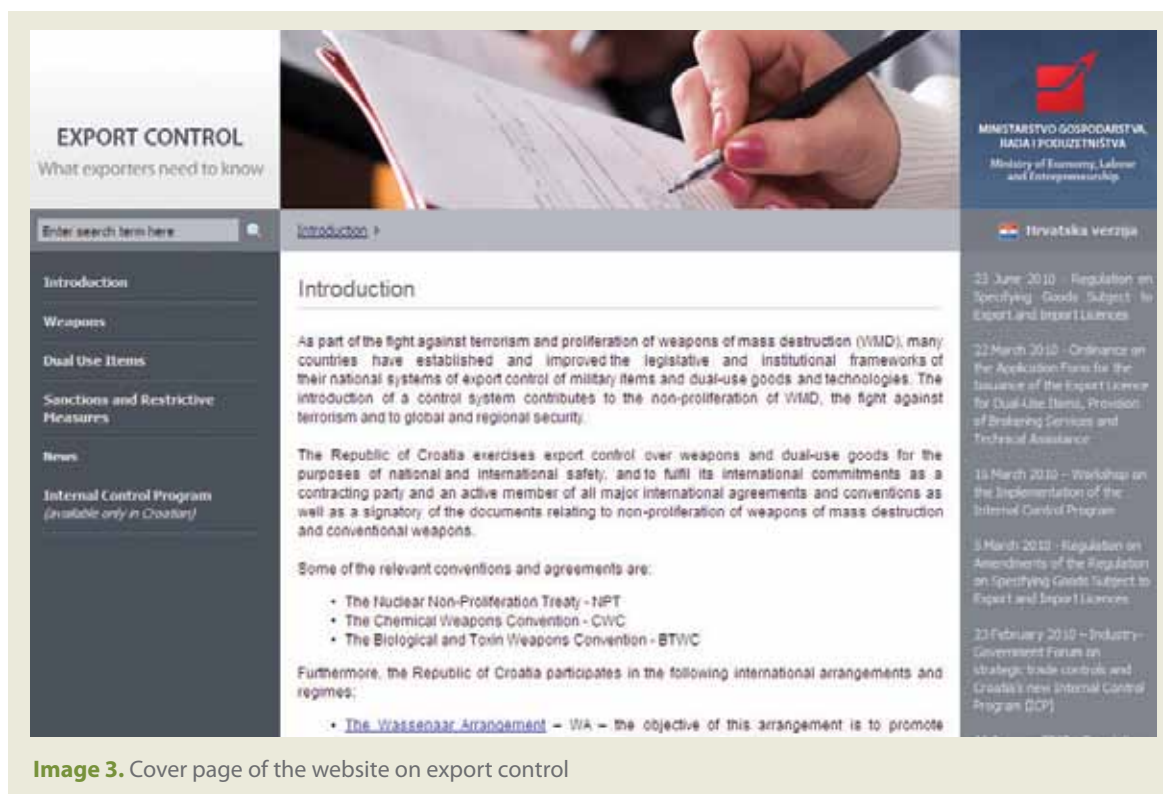


Image 3. Cover page of the website on export control

5. Cooperation in Export Control

The site is continuously updated, which means that interested companies can find all the information they need at any point in time, including the information on relevant laws and bylaws, and they can also download the electronic version of the required forms, in case they need them.

5.3.3. Internal Control Program

The Ministry of Economy, Labor and Entrepreneurship, with the assistance of the US Government, presented the program entitled PUK to domestic companies (PUK is the Croatian acronym for the Internal Control Program). This program is expected to contribute to the strengthening of the comprehensive system of export control, while at the same time decreasing potential financial losses of companies which might be incurred on the basis of poor export decisions. This Program was donated by the Office for Export Control and Related Border Security (EXBS Office) of the US Government

This is a new and advanced Internet tool, assisting the companies in the process of export of goods to adhere to the Croatian and international regulations on export control. The PUK program is free of charge, and it is available at <http://icp.mingorp.hr/>. The design of the start page is shown in Image 4.



Image 4. Cover page of the internal control program

The Croatian companies will be using this program on a voluntary basis.

The first presentation of the program to companies in the Republic of Croatia took place in the course of the Industry-Government Forum on Strategic Trade Controls. Approximately sixty companies – producers, importers and exporters of military goods or dual-use goods – participated in the Forum (Image 5).

Given the fact that the Internal Control Program is considered to be an important international standard in the sphere of export control of dual-use goods, and in the sphere of import and export of military goods, it is likely that the introduction of the Internal Control Program will raise the competitiveness of Croatian companies in the international market.

It is expected that, by the end of 2010, we will witness the first cases of companies with a successfully implemented internal control system in the Republic of Croatia.

In the course of years to come, regional workshops will be organized in order to allow the companies from other regions of Croatia to become acquainted with the Internal Control Program, with the aim of raising awareness on the importance of export control in combating international terrorism and the proliferation of weapons of mass destruction.



Image 5. Presentation of the PUK program for the industry representatives

6. Licenses issued in 2009

In accordance with the provisions of Article 25 of the Law on the Import and Export of Military and Non-Military Lethal Goods for Commercial Purposes, the Ministry of Economy, Labor and Entrepreneurship completed its first Annual Report in April 2010, detailing the licenses issued for the export or import of military and non-military lethal goods for the period January 1 – December 31, 2009. Upon the adoption of the Report at the session of the Government of the Republic of Croatia, the Report was published on the official website of the Ministry of Economy, Labor and Entrepreneurship.

The export and import of military and non-military lethal goods can only be performed by legal entities and natural persons - craftsmen, registered in the Register of Exporters and Importers of Military and Non-Military Lethal Goods. In the year 2009, the total of 64 companies were registered in this Register (Appendix 8), and there were 10 companies registered in the Register of Service Providers for Military Goods (Appendix 9).

Table 1. Number of companies in the Registers

Companies registered in the register of exporters and importers of military and non-military lethal goods	64
Companies registered in the register of service providers for military goods	10

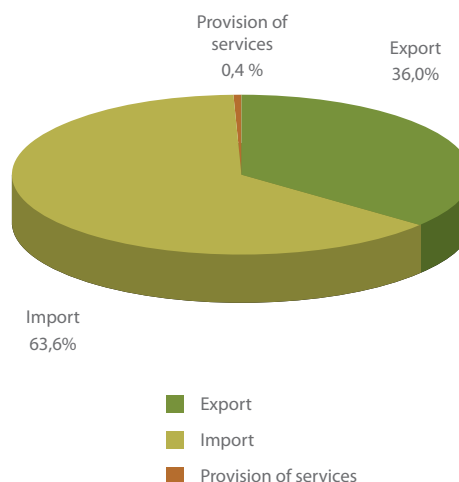
It is clear from the Report that the Ministry of Economy, Labor and Entrepreneurship issued the **total of 255 export licenses, 450 import licenses, and 3 licenses for the provision of services.**

Table 2. Overview of the total of licenses issued in 2009

	Number of licenses issued in 2009
Export	255
Import	450
Provision of services	3

Graphic outline of issued licenses in percentage points is shown in Chart 1.

Chart 1. Number of licenses issued in 2009



Of the total number of licenses, there were 113 licenses issued for the export of goods specified in the List of Military Goods (Appendix 1); 143 licenses for the import of goods from the List of Military Goods (Appendix 2); 44 licenses for the export of goods listed in the List of List of Non-Military Lethal Goods (Appendix 3); 305 licenses for the import of goods listed in the List of Non-Military Lethal Goods (Appendix 4); 22 licenses for the temporary export of goods from the List of Military Goods (Appendix 5); and 2 licenses for the temporary import of goods from the List of Military Goods (Appendix 6).

6.
Licenses issued in 2009

Table 3. Analysis of export and import licenses issued per category

	List of military goods	List of non-military lethal goods	Temporary export / import	General license
Export	113	44	22	75
Import	143	305	2	/

The Ministry issued 75 general licenses for the export of military helmets and accompanying equipment, belonging to the category ML13 of the List of Military Goods, for the purpose of presentation at fairs and tenders.

On the basis of the Commission's opinion, the Ministry rejected the total of 48 requests for export, import and the provision of services. The requests were mostly rejected because of the fact that companies did not fulfill the conditions prescribed by Law, or because they were not registered in the relevant registers; there were also several cases in which the companies were unable to deliver all the prescribed documentation.

Chart 2 contains the overview of licenses for the export of military goods per country. It is obvious from the chart that the biggest portion of the total of 113 issued licenses pertains to the United States of America (30 licenses).

Given the fact that the licenses are issued with a validity period of up to 6 months, a considerable number of approved licenses remain unused, or used only partially. On the basis of the analysis that was undertaken, it was noted that the biggest volume of requested and unused export licenses pertains to the export of Croatian pistols and their parts to the US, because of the fact that the Croatian exporter is adjusting his export request to the quantities specified in the US license.

In addition, it is important to point out that the tables attached do not show the data on used licenses, despite the fact that the exporters and importers have the duty, stipulated in Article 26 of the Law, to inform the Ministry in writing of the performed export or import upon its completion, and to attach the documentation on the basis of which this export or import was performed.

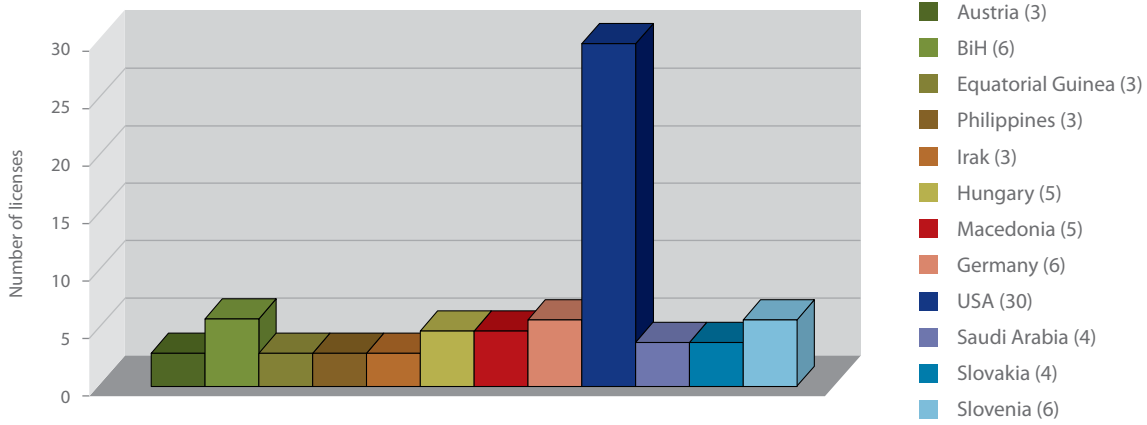
In order to gain a better overview of the performed export and import of the relevant goods, the Ministry of Economy, Labor and Entrepreneurship requested from the Ministry of Finance – the Customs Administration to provide data on the usage of licenses issued in 2009.

However, the insight into data received from the Customs Administration has shown that this data was not derived from the licenses issued by the Ministry of Economy, Labor and Entrepreneurship, which made it impossible to determine whether these goods belong to the goods listed in the List of Military Goods, or to those from the List of Non-Military Lethal Goods. Namely, the report of the Customs Administration does not say which license constituted the basis for a particular case of export or import, nor is there data on the number of the license issued by the Ministry of Economy, Labor and Entrepreneurship. Therefore, it was impossible to create a comparative overview of the Customs Administration report and the reports delivered by exporters or importers. However, in individual cases, where the creation of a comparative overview was possible, it turned out that the data delivered by the exporters and importers does not correspond in full to the data from the Report of the Customs Administration. To be exact, the measurement unit used in the licenses of the Ministry approving the export or import of arms, parts of arms, ammunition and military equipment is "unit of goods", while the Report of the Customs Administration used "kilograms of goods" as the measurement unit in several cases.

Given the fact that the data delivered by the Customs Administration was not fully comparable with the data delivered by the exporters or importers, this data was not introduced into the Annual Report of the Ministry of Economy, Labor and Entrepreneurship for 2009.

However, it is important to emphasize that, as of January 1, 2010, the Customs Administration began processing the licenses through the TRACKER Program, which is used by this Ministry for the issuance of licenses. Namely, this Program enables precise and high-quality analysis per license type, taking into account factors such as whether a license is issued for export or import of military and non-military lethal goods, for the provision of services for military goods, or for export of dual-use goods.

Chart 2. The overview of licenses issued for export of military goods per country



6.

Licenses issued
in 2009

APPENDICES

1. Export of military goods in 2009
2. Import of military goods in 2009
3. Export of non-military lethal goods in 2009
4. Import of non-military lethal goods in 2009
5. Temporary export of military goods in 2009
6. Temporary import of military goods in 2009
7. Provision of services for military goods in 2009
8. List of companies registered in The Register of Importers and Exporters of military And non-military lethal goods
9. List of companies registered in the Register of Service Providers in the Republic of Croatia
10. Law on the export and import of military and non-military lethal goods
11. Overview of the export of military goods according to the EU methodology

Appendix 1

Export of military goods in 2009

Appendix 1

Export of military goods in 2009

EXPORT TO	NUMBER OF LICENSES	DESCRIPTION OF GOODS	ML CODE	VALUE	CURRENCY
ALBANIA	1	MILITARY AMMUNITION	ML3a	820.00	EUR
TOTAL	1			820.00	EUR
ARGENTINA	1	HELMETS	ML13c	14,160.00	EUR
TOTAL	1			14,160.00	EUR
AUSTRIA	1	PARTS FOR PISTOLS	ML1a	20,000.00	EUR
AUSTRIA	1	PISTOLS	ML1a	268,500.00	EUR
AUSTRIA	1	PARTS FOR PISTOLS	ML1d	6,530.00	EUR
TOTAL	3			295,030.00	EUR
BELGIUM	1	PISTOLS	ML1a	371,245.00	EUR
TOTAL	1			371,245.00	EUR
BOSNIA AND HERZEGOVINA	2	PISTOLS	ML1a	232,310.00	EUR
BOSNIA AND HERZEGOVINA	1	PARTS FOR PISTOLS	ML1a	30.00	EUR
BOSNIA AND HERZEGOVINA	2	PARTS FOR PISTOLS	ML1d	754.00	EUR
BOSNIA AND HERZEGOVINA	1	MILITARY AMMUNITION	ML3a	65,637.50	EUR
TOTAL	6			298,731.50	EUR
BULGARIA	2	PISTOLS	ML1a	132,500.00	EUR
TOTAL	2			132,500.00	EUR
MONTENEGRO	1	HELMETS	ML13c	261,800.00	EUR
TOTAL	1			261,800.00	EUR

Appendix 1

Export of military goods in 2009

EXPORT TO	NUMBER OF LICENSES	DESCRIPTION OF GOODS	ML CODE	VALUE	CURRENCY
CZECH REPUBLIC	1	PISTOLS	ML1a	480.00	EUR
CZECH REPUBLIC	1	PARTS FOR PISTOLS	ML1d	140.00	EUR
TOTAL	2			620.00	EUR
EGYPT	1	GRENADE LAUNCHER	ML2a	3,500.00	EUR
TOTAL	1			3,500.00	EUR
EQUATORIAL GUINEA	2	MACHINE GUN, PISTOLS	ML1a	21,000.00	USD
EQUATORIAL GUINEA	1	MILITARY AMMUNITION	ML3a	355,000.00	USD
TOTAL	3			376,000.00	USD
THE PHILIPPINES	1	PARTS FOR PISTOLS	ML1a	4,791.13	EUR
THE PHILIPPINES	1	PISTOLS	ML1a	204,530.00	EUR
THE PHILIPPINES	1	PARTS FOR PISTOLS	ML1d	332.20	EUR
TOTAL	3			209,653.33	EUR
GREECE	2	PISTOLS	ML1a	91,565.00	EUR
TOTAL	2			91,565.00	EUR
GEORGIA	1	HELMETS	ML13c	630,000.00	EUR
TOTAL	1			630,000.00	EUR
INDONESIA	1	PISTOLS	ML1a	1,478.00	EUR
TOTAL	1			1,478.00	EUR
IRAQ	2	PISTOLS	ML1a	4,480,500.00	USD
IRAQ	1	RIFLES	ML1a	65,000.00	USD
TOTAL	3			4,545,500.00	USD
IRAN	1	HELMETS	ML13c	624,000.00	EUR
TOTAL	1			624,000.00	EUR

EXPORT TO	NUMBER OF LICENSES	DESCRIPTION OF GOODS	ML CODE	VALUE	CURRENCY
ITALY	2	HELMETS	ML13c	643,750.00	EUR
TOTAL	2			643,750.00	EUR
ISRAEL	1	WEAPONS SIGHTS	ML2C	25,300.00	EUR
TOTAL	1			25,300.00	EUR
KENYA	1	PISTOLS	ML1a	6,000.00	EUR
TOTAL	1			6,000.00	EUR
COLOMBIA	1	PISTOLS	ML2a	32,390.00	USD
COLOMBIA	1	HELMETS	ML13c	6,960.00	EUR
TOTAL	2			6,960.00	EUR
				32,390.00	USD
LIBYA	1	GRENADE LAUNCHER	ML2a	4,000,000.00	USD
LIBYA	2	VESSEL	ML9a	25,924,567.00	USD
TOTAL	3			29,924,567.00	USD
HUNGARY	1	GRENADE LAUNCHER	ML2a	1,500.00	EUR
HUNGARY	3	HELMETS	ML13c	10,560.00	EUR
HUNGARY	1	PISTOLS	ML1a	25,272.00	EUR
TOTAL	5			37,332.00	EUR
UKUPNO	5			37,332,00	EUR
MACEDONIA	1	TENT	ML7f1	120,000.00	EUR
MACEDONIA	1	DETECTION PAPER	ML7g	4,800.00	EUR
MACEDONIA	2	BIOLOGICAL IDENTIFIER, CHEMICAL DETECTOR	ML7g	301,750.00	EUR
MACEDONIA	1	SOFTWARE	ML21b3	27,000.00	EUR
TOTAL	5			453,550.00	EUR
MEXICO	1	HELMETS	ML13c	153,250.00	EUR
TOTAL	1			153,250.00	EUR

Appendix 1

Export of military goods in 2009

Appendix 1

Export of military goods in 2009

EXPORT TO	NUMBER OF LICENSES	DESCRIPTION OF GOODS	ML CODE	VALUE	CURRENCY
NAMIBIA	1	HELMETS	ML13c	111,210.00	EUR
TOTAL	1			111,210.00	EUR
NORWAY	1	MILITARY TELEPHONES	ML11a	83,538.00	NOK
TOTAL	1			83,538.00	NOK
GERMANY	1	DRILLING TOOLS	ML18a	2,534.50	EUR
GERMANY	5	HELMETS	ML13c	7,875.00	EUR
TOTAL	6			10,409.50	EUR
PAKISTAN	1	GRENADE LAUNCHER	ML2a	3,900.00	USD
TOTAL	1			3,900.00	USD
PERU	2	HELMETS	ML13c	206,817.00	EUR
TOTAL	2			206,817.00	EUR
USA	1	HELMETS	ML13c	432,000.00	EUR
USA	1	HELMET	ML13c	432,000.00	USD
USA	11	PISTOLS	ML1a	195,845,000.00	USD
USA	2	PISTOLS	ML1a	1,207,725.00	EUR
USA	8	MILITARY AMMUNITION	ML3a	8,613,250.00	USD
USA	1	RIFLES	ML1a	150,300.00	USD
USA	2	PARTS FOR RIFLES	ML1a	2,260,000.00	USD
USA	2	PARTS FOR PISTOLS	ML1a	55,244,500.00	USD
USA	1	PARTS FOR PISTOLS	ML1d	15,000.00	EUR
USA	1	MILITARY AMMUNITION	ML3a	1,300,000.00	EUR
TOTAL	30			2,954,725.00	EUR
				262,545,050.00	USD
SAUDI ARABIA	4	HELMETS	ML13c	1,510,000.00	EUR
TOTAL	4			1,510,000.00	EUR

EXPORT TO	NUMBER OF LICENSES	DESCRIPTION OF GOODS	ML CODE	VALUE	CURRENCY
SLOVAKIA	2	PISTOLS	ML1a	166,730.00	EUR
SLOVAKIA	1	PARTS FOR PISTOLS	ML1a	300.00	EUR
SLOVAKIA	1	PARTS FOR PISTOLS	ML1d	7,370.00	EUR
TOTAL	4			174,400.00	EUR
SLOVENIA	1	WEAPONS SIGHTS	ML2c	6,075.00	EUR
SLOVENIA	1	MOULDS FOR RUBBER	ML18a	27,100.00	EUR
SLOVENIA	1	AUTOINJECTOR	ML7f1	136,700.00	EUR
SLOVENIA	1	DECONTAMINATION SET	ML7f1	58,550.00	EUR
SLOVENIA	1	DETECTION PAPER	ML7g	11,750.00	EUR
SLOVENIA	1	PISTOLS	ML1a	67,925.00	EUR
TOTAL	6			308,100.00	EUR
SWITZERLAND	2	PISTOLS	ML1a	2,960.00	EUR
TOTAL	2			2,960.00	EUR
TAIWAN	1	HELMETS	ML13c	26,250.00	EUR
TOTAL	1			26,250.00	EUR
TURKEY	1	ELECTRICAL IGNITER	ML4a	301,455.00	EUR
TOTAL	1			301,455.00	EUR
UAE	1	MILITARY AMMUNITION	ML3a	24,150.00	EUR
UAE	1	RIFLES	ML1a	20,800.00	EUR
TOTAL	2			44,950.00	EUR
TOTAL	113			9,912,521.33	EUR
				297,427,407.00	USD
				83,538.00	NOK

Appendix 1

Export of military goods in 2009

Appendix 2

Import of military goods in 2009

Appendix 2

Import of military goods in 2009

IMPORT FROM	NUMBER OF LICENSES	DESCRIPTION OF GOODS	ML CODE	VALUE	CURRENCY
AUSTRIA	4	FORGING MANDREL FOR GUN BARREL (TOOL)	ML18a	33,991.00	EUR
AUSTRIA	14	RIFLES	ML1a	311,773.26	EUR
AUSTRIA	4	PARTS OF RIFLES	ML1a, ML1d	21,779.40	EUR
AUSTRIA	2	PARTS FOR PISTOLS	ML1d	2,273.00	EUR
AUSTRIA	8	MILITARY AMMUNITION	ML3a	262,150.54	EUR
TOTAL	32			631,967.20	EUR
BELGIUM	1	DIGITAL CAMERA	ML15a	46,100.00	EUR
BELGIUM	4	RIFLES	ML1a	116,820.00	EUR
BELGIUM	1	PISTOLS	ML1a	500.00	EUR
BELGIUM	1	PARTS OF RIFLES	ML1d	1,831.15	EUR
BELGIUM	2	MILITARY AMMUNITION	ML3a	97,750.00	EUR
TOTAL	9			263,001.15	EUR
BOSNIA AND HERZEGOVINA	3	MILITARY AMMUNITION	ML3a	54,020.00	EUR
TOTAL	3			54,020.00	EUR
CYPRUS	1	RIFLES	ML1a	3,510.00	USD
TOTAL	1			3,510.00	USD
CZECH REPUBLIC	2	REVOLVERS AND PISTOLS	ML1a	16,156.00	EUR
CZECH REPUBLIC	1	RIFLES	ML1a	37,055.00	EUR
CZECH REPUBLIC	1	PARTS FOR PISTOLS	ML1d	280.00	EUR
CZECH REPUBLIC	1	PARTS OF RIFLES	ML1d	7,572.60	EUR
CZECH REPUBLIC	16	MILITARY AMMUNITION	ML3a	1,292,400.94	EUR
TOTAL	21			1,353,464.54	EUR

Appendix 2

Import of military goods in 2009

IMPORT FROM	NUMBER OF LICENSES	DESCRIPTION OF GOODS	ML CODE	VALUE	CURRENCY
DENMARK	1	SOFTWARE	ML21b3	11,940.00	EUR
TOTAL	1			11,940.00	EUR
FINLAND	1	RIFLES	ML1a	38,880.00	EUR
TOTAL	1			38,880.00	EUR
FRANCE	2	RIFLES	ML1a, ML1b2b	8,975.00	EUR
TOTAL	2			8,975.00	EUR
IRAQ	1	DEMING MACHINE	ML6B	220,000.00	USD
TOTAL	1			220,000.00	USD
ITALY	8	RIFLES	ML1a, ML1b2b	49,925.00	EUR
ITALY	1	PARTS OF RIFLES	ML1d	7,125.00	USD
ITALY	1	PARTS OF RIFLES	ML1d	2,070.00	EUR
ITALY	1	MILITARY AMMUNITION	ML3a	13,036.00	EUR
TOTAL	11			65,031.00	EUR
				7,125.00	USD
ISRAEL	1	TENT	ML7f1	89,775.00	EUR
TOTAL	1			89,775.00	EUR
REPUBLIC OF SOUTH AFRICA	1	TELESCOPE SIGHTS	ML2c	12,000.00	USD
TOTAL	1			12,000.00	USD
LIBYA	1	VESSEL	ML9a	1,500,000.00	USD
TOTAL	1			1,500,000.00	USD
GERMANY	3	CALIBER MEASURING DEVICES (TOOLS)	ML18a	24,227.50	EUR
GERMANY	7	RIFLES	ML1a	74,190.00	EUR
GERMANY	2	PARTS OF RIFLES	ML1a, ML1d	1,804.89	EUR

IMPORT FROM	NUMBER OF LICENSES	DESCRIPTION OF GOODS	ML CODE	VALUE	CURRENCY
GERMANY	2	PARTS FOR PISTOLS	ML1a	20,062.00	EUR
GERMANY	1	MILITARY AMMUNITION	ML3a	20,911.40	EUR
TOTAL	15			141,195.79	EUR
POLAND	1	AUTOINJECTOR	ML7f1	115,000.00	EUR
TOTAL	1			115,000.00	EUR
PORTUGAL	3	RIFLES	ML1a	77,622.00	EUR
TOTAL	3			77,622.00	EUR
USA	4	PARTS FOR REVOLVERS AND PISTOLS	ML1d	240,922.22	USD
USA	3	RIFLES	ML1a	44,550.00	EUR
USA	2	RIFLES	ML1a	84,674.32	USD
USA	2	REVOLVERS AND PISTOLS	ML1a	38,840.06	USD
USA	1	DECONTAMINATION SET	ML7f1	60,000.00	USD
USA	1	DETECTION PAPER	ML7g	3,140.00	EUR
USA	1	DETECTION PAPER	ML7g	12,000.00	USD
TOTAL	14			47,690.00	EUR
				436,436.60	USD
SLOVENIA	6	BARREL GAUGES AND RELOADING DIES (TOOLS)	ML18a	122,050.00	EUR
SLOVENIA	2	PARTS OF RIFLES	ML1a	4,520.00	EUR
SLOVENIA	1	PARTS FOR PISTOLS	ML1a	150.00	EUR
SLOVENIA	2	MILITARY AMMUNITION	ML3a	85,000.00	EUR
TOTAL	11			211,720.00	EUR
SERBIA	2	FORGING MANDREL FOR GUN BARREL HAMMER (TOOL)	ML18a	26,064.32	EUR
SERBIA	7	MILITARY AMMUNITION	ML3a	160,477.50	EUR
TOTAL	9			186,541.82	EUR

Appendix 2

Import of military goods in 2009

Appendix 2

Import of military
goods in 2009

IMPORT FROM	NUMBER OF LICENSES	DESCRIPTION OF GOODS	ML CODE	VALUE	CURRENCY
SWEDEN	2	MILITARY AMMUNITION	ML3a	109,015.00	EUR
TOTAL	2			109,015.00	EUR
TURKEY	1	MILITARY WEAPON	ML4a	14,700.00	EUR
TOTAL	1			14,700.00	EUR
UNITED KINGDOM	2	CHEMICAL DETECTOR, BIOLOGICAL IDENTIFIER	ML7g	164,868.00	EUR
TOTAL	2			164,868.00	EUR
TOTAL	143			3,585,406.50	EUR
				2,179,071.60	USD

Appendix 3

Export of non-military lethal goods in 2009

Appendix 3

Export of non-military lethal goods in 2009

EXPORT TO	NUMBER OF LICENSES	DESCRIPTION OF GOODS	VALUE	CURRENCY
AUSTRIA	3	EXPLOSIVE SUBSTANCES	2,978,667.55	EUR
TOTAL	3		2,978,667.55	EUR
BOSNIA AND HERZEGOVINA	4	EXPLOSIVES	968,648.16	EUR
BOSNIA AND HERZEGOVINA	8	EXPLOSIVE SUBSTANCES	1,893,270.00	EUR
BOSNIA AND HERZEGOVINA	1	HUNTING RIFLES	40,780.00	EUR
BOSNIA AND HERZEGOVINA	1	PARTS OF HUNTING RIFLES	2,250.00	EUR
BOSNIA AND HERZEGOVINA	1	HUNTING AMMUNITION	20,800.00	EUR
BOSNIA AND HERZEGOVINA	1	PYROTECHNIC DEVICES	609,855.00	EUR
TOTAL	16		3,535,603.16	EUR
BULGARIA	1	EXPLOSIVE SUBSTANCES	150,000.00	EUR
TOTAL	1		150,000.00	EUR
GREECE	3	EXPLOSIVE SUBSTANCES	965,850.00	EUR
TOTAL	3		965,850.00	EUR
ITALY	1	HUNTING AMMUNITION	17,250.00	EUR
TOTAL	1		17,250.00	EUR
KOSOVO	3	EXPLOSIVE SUBSTANCES	177,140.00	EUR
TOTAL	3		177,140.00	EUR

Appendix 3

Export of non-
military lethal goods
in 2009

EXPORT TO	NUMBER OF LICENSES	DESCRIPTION OF GOODS	VALUE	CURRENCY
HUNGARY	1	EXPLOSIVE SUBSTANCES	32,600.00	EUR
TOTAL	1		32,600.00	EUR
GERMANY	2	EXPLOSIVE SUBSTANCES	4,450,000.00	EUR
TOTAL	2		4,450,000.00	EUR
SLOVENIA	5	EXPLOSIVE SUBSTANCES	1,227,907.00	EUR
SLOVENIA	1	EXPLOSIVES	4,686.00	EUR
SLOVENIA	1	PYROTECHNIC DEVICES	34,223.04	EUR
TOTAL	7		1,266,816.04	EUR
SERBIA	1	HUNTING RIFLES	9,809.50	EUR
SERBIA	5	HUNTING AMMUNITION	521,810.00	EUR
SERBIA	1	PYROTECHNIC DEVICES	190,302.10	EUR
TOTAL	7		721,921.60	EUR
TOTAL	44		14,295,848.35	EUR

Appendix 4

Import of non-military lethal goods in 2009

Appendix 4

Import of non-military lethal goods in 2009

IMPORT FROM	NUMBER OF LICENSES	DESCRIPTION OF GOODS	VALUE	CURRENCY
AUSTRIA	5	EXPLOSIVES	760,000.00	EUR
AUSTRIA	8	HUNTING AMMUNITION	120,731.96	EUR
AUSTRIA	18	HUNTING RIFLES	160,729.92	EUR
AUSTRIA	2	PARTS OF HUNTING RIFLES	18,463.40	EUR
TOTAL	33		1,059,925.28	EUR
BELGIUM	12	HUNTING RIFLES	310,562.00	EUR
BELGIUM	2	PARTS OF HUNTING RIFLES	2,726.15	EUR
BELGIUM	2	HUNTING AMMUNITION	77,500.00	EUR
TOTAL	16		390,788.15	EUR
BOSNIA AND HERZEGOVINA	8	EXPLOSIVES	2,686,000.00	EUR
BOSNIA AND HERZEGOVINA	21	EXPLOSIVE SUBSTANCES	3,144,015.00	EUR
TOTAL	29		5,830,015.00	EUR
BULGARIA	9	EXPLOSIVES	3,066,400.00	EUR
BULGARIA	4	ANTI-HAIL ROCKETS	863,610.00	EUR
TOTAL	13		3,930,010.00	EUR
CYPRUS	3	HUNTING RIFLES	30,150.00	USD
TOTAL	3		30,150.00	USD
MONTENEGRO	1	ANTI-HAIL ROCKETS	330,000.00	EUR
MONTENEGRO	2	EXPLOSIVES	548,000.00	EUR
TOTAL	3		878,000.00	EUR

Appendix 4

Import of non-
military lethal goods
in 2009

IMPORT FROM	NUMBER OF LICENSES	DESCRIPTION OF GOODS	VALUE	CURRENCY
CZECH REPUBLIC	1	GUNPOWDERS	39,000.00	EUR
CZECH REPUBLIC	12	EXPLOSIVES	15,627,200.00	EUR
CZECH REPUBLIC	10	EXPLOSIVE SUBSTANCES	2,981,600.00	EUR
CZECH REPUBLIC	5	HUNTING RIFLES	210,422.00	EUR
CZECH REPUBLIC	8	HUNTING AMMUNITION	94,875.80	EUR
TOTAL	36		18,953,097.80	EUR
FRANCE	1	PYROTECHNIC DEVICES	4,240.00	EUR
FRANCE	1	PARTS OF HUNTING RIFLES	105.00	EUR
TOTAL	2		4,345.00	EUR
GREECE	2	HUNTING RIFLES	6,285.00	EUR
TOTAL	2		6,285.00	EUR
ITALY	3	VESSEL LINE THROWING DEVICE	7,283.30	EUR
ITALY	2	GUNPOWDERS	132,000.00	EUR
ITALY	2	EXPLOSIVES	70,470.00	USD
ITALY	1	EXPLOSIVE SUBSTANCES	6,414.00	EUR
ITALY	4	EXPLOSIVE SUBSTANCES	16,434.00	USD
ITALY	28	HUNTING RIFLES	279,013.68	EUR
ITALY	5	PARTS OF HUNTING RIFLES	7,750.50	EUR
ITALY	10	HUNTING AMMUNITION	1,596,721.03	EUR
ITALY	5	PYROTECHNIC DEVICES	33,919.64	EUR
TOTAL	60		2,063,102.15	EUR
			86,904.00	USD
JAPAN	2	HUNTING RIFLES	30,973.00	EUR
TOTAL	2		30,973.00	EUR
HUNGARY	3	EXPLOSIVES	2,880,000.00	EUR
TOTAL	3		2,880,000.00	EUR

IMPORT FROM	NUMBER OF LICENSES	DESCRIPTION OF GOODS	VALUE	CURRENCY
GERMANY	11	HUNTING RIFLES	211,421.65	EUR
GERMANY	2	HUNTING AMMUNITION	26,445.58	EUR
GERMANY	2	PYROTECHNIC DEVICES	3,178.32	EUR
GERMANY	2	SPORTING PISTOLS	7,539.50	EUR
TOTAL	17		248,585.05	EUR
ROMANIA	5	EXPLOSIVES	4,224,000.00	EUR
TOTAL	5		4,224,000.00	EUR
USA	1	GUNPOWDERS	10,416.00	USD
USA	1	EXPLOSIVES	185,199.00	USD
USA	3	EXPLOSIVE SUBSTANCES	41,112.60	USD
USA	6	HUNTING RIFLES	71,429.85	USD
USA	2	PARTS OF HUNTING RIFLES	2,918.92	USD
USA	1	HUNTING AMMUNITION	52,000.00	USD
TOTAL	14		363,076.37	USD
SLOVAKIA	9	EXPLOSIVES	3,315,450.00	EUR
SLOVAKIA	2	EXPLOSIVE SUBSTANCES	39,000.00	EUR
TOTAL	11		3,354,450.00	EUR
SLOVENIA	3	GUNPOWDERS	21,000.00	EUR
SLOVENIA	6	EXPLOSIVES	5,992,900.00	EUR
SLOVENIA	10	EXPLOSIVE SUBSTANCES	371,000.00	EUR
TOTAL	19		6,384,900.00	EUR
SERBIA	3	EXPLOSIVES	1,155,000.00	EUR
SERBIA	4	HUNTING AMMUNITION	314,116.00	EUR
SERBIA	2	ANTI-HAIL ROCKETS	635,960.00	EUR
TOTAL	9		2,105,076.00	EUR

Appendix 4

Import of non-military lethal goods in 2009

Appendix 4

Import of non-
military lethal goods
in 2009

IMPORT FROM	NUMBER OF LICENSES	DESCRIPTION OF GOODS	VALUE	CURRENCY
SPAIN	7	EXPLOSIVES	3,523,150.00	EUR
SPAIN	17	EXPLOSIVE SUBSTANCES	9,838,320.00	EUR
SPAIN	3	HUNTING RIFLES	14,837.75	EUR
TOTAL	27		13,376,307.75	EUR
SWITZERLAND	1	SPORTING PISTOLS	3,690.00	CHF
TOTAL	1		3,690.00	CHF
TOTAL	305		65,719,860.18	EUR
			480,130.37	USD
			3,690.00	CHF

Appendix 5

Temporary export of military goods in 2009

Appendix 5

Temporary export
of military goods in
2009

EXPORT TO	NUMBER OF LICENSES	DESCRIPTION OF GOODS	ML CODE	VALUE	CURRENCY	CLARIFICATION
ALBANIA	1	RIFLES	ML1a	3,000.00	EUR	FOR PRESENTATION
ALBANIA	1	REVOLVERS AND PISTOLS	ML1a	1,780.00	EUR	FOR PRESENTATION
TOTAL	2			4,780.00	EUR	
BELGIUM	1	REVOLVERS AND PISTOLS	ML1a	1,750.00	EUR	DISABLED EXHIBITS
TOTAL	1			1,750.00	EUR	
BOSNIA AND HERZEGOVINA	1	DEMINEING MACHINE	ML4a	70,000.00	EUR	TESTING
BOSNIA AND HERZEGOVINA	1	METAL DETECTORS	ML4b	1,500.00	EUR	TESTING
TOTAL	2			71,500.00	EUR	
FRANCE	1	MILITARY AMMUNITION	ML3a	40.00	EUR	DISABLED EXHIBITS
FRANCE	1	RIFLES	ML1a	2,400.00	EUR	DISABLED EXHIBITS
FRANCE	1	GRENADE LAUNCHER	ML2a	3,500.00	EUR	DISABLED EXHIBITS
FRANCE	1	REVOLVERS AND PISTOLS	ML1a	2,080.00	EUR	DISABLED EXHIBITS
TOTAL	4			8,020.00	EUR	
USA	1	REVOLVERS AND PISTOLS	ML1a	555.00	USD	FOR REPAIR
TOTAL	1			555.00	USD	

Appendix 5

Temporary export
of military goods in
2009

EXPORT TO	NUMBER OF LICENSES	DESCRIPTION OF GOODS	ML CODE	VALUE	CURRENCY	CLARIFICATION
SLOVENIA	2	ASSAULT RIFLE TOOLS	ML18a	18,865.00	EUR	MODIFICATION ASSAULT RIFLE TOOLS
TOTAL	2			18,865.00	EUR	
TURKEY	1	RIFLES	ML1a	6,400.00	USD	DISABLED EXHIBITS
TURKEY	1	REVOLVERS AND PISTOLS	ML1a	2,280.00	USD	DISABLED EXHIBITS
TURKEY	1	MILITARY AMMUNITION	ML3a	225.00	USD	DISABLED EXHIBITS
TURKEY	1	MORTAR WEAPON SIGHTS	ML2c	14,600.00	USD	DISABLED EXHIBITS
TURKEY	1	GRENADE LAUNCHER	ML2a	4,120.00	USD	DISABLED EXHIBITS
TURKEY	1	BALLISTIC VEST	ML13d	4,266.00	USD	EXHIBITS
TURKEY	1	HELMETS	ML13c	720.00	USD	EXHIBITS
TOTAL	7			32,611.00	USD	
UNITED KINGDOM	1	REVOLVERS AND PISTOLS	ML1a	1,350.00	EUR	DISABLED EXHIBITS
UNITED KINGDOM	1	GRENADE LAUNCHER	ML2a	3,000.00	EUR	DISABLED EXHIBITS
UNITED KINGDOM	1	RIFLES	ML1a	4,600.00	EUR	DISABLED EXHIBITS
TOTAL	3			8,950.00	EUR	
TOTAL	22			113,865.00	EUR	
				33,166.00	USD	

Appendix 6

Temporary import of military goods in 2009

Appendix 6

Temporary import
of military goods in
2009

IMPORT FROM	NUMBER OF LICENSES	DESCRIPTION OF GOODS	ML CODE	VALUE	CURRENCY	CLARIFICATION
NORWAY	2	MILITARY PHONES	ML11A	83,768.00	NOK	FOR REPAIR
TOTAL	2			83,768.00	NOK	

Appendix 7

Provision of services
for military goods in
2009

Appendix 7

Provision of services for military goods in 2009

EXPORT TO	NUMBER OF LICENSES	DESCRIPTION OF GOODS	ML CODE	VALUE	CURRENCY
BOSNIA/USA	1	PARTS OF MILITARY RIFLES	ML1a	790,000.00	USD
BOSNIA/USA	1	MILITARY AMMUNITION	ML3a	2,776,000.00	EUR
BOSNIA/USA	1	MILITARY AMMUNITION	ML3a	2,420,000.00	USD
TOTAL	3			2,776,000.00	EUR
				3,210,000.00	USD

Appendix 8

List of companies registered in The Register of Importers and Exporters of military And non-military lethal goods

Appendix 8

List of companies registered in The register of importers and exporters of military And non-military lethal goods

#	COMPANY NAME	ADDRESS
1	„BRODOMERKUR Trgovina i usluge" d.d.	Split, Poljička cesta 35
2	„ŠESTAN-BUSCH" d.o.o.	Prelog, Industrijska zona 3
3	„RUDAR – Posebna trgovina" d.o.o.	Zagreb, Smičiklasova 23
4	„MAJOR I PARTNERI" d.o.o.	Zagreb, Roberta Frangeša Mihanovića 5
5	„EKSPLO-PROMET" d.o.o.	Velika Gorica, Jurjevski Hrast 3
6	„Agencija ALAN" d.o.o.	Zagreb, Grškovićeve 15
7	„EKSPLOZIVI" d.o.o.	Labin, Rudarska 1
8	„SPORTCOMMERCE" d.o.o.	Zagreb, Livadićeve 22
9	„ATTOS" d.o.o.	Varaždin, Kukuljevićeve 14
10	„HS Produkt" d.o.o.	Karlovac, M. Bogovića 7
11	„CROEX-TRADE" d.o.o.	Split, Supavla 39
12	„HUT" d.o.o.	Poreč, Istarske divizije 40
13	„LOVAC TRGOVINA" d.o.o.	Zagreb, Varšavska 4
14	„MIRNOVEC PIROTEHNIKA" d.o.o.	Samobor, Mirnovec 20
15	„MAXAM DETINES" d.o.o.	Lijeva Martinska Ves, Mahovo bb
16	„DETONEX" d.o.o.	Zagreb, J. Martinovića 11
17	„ĐURO ĐAKOVIĆ" - Specijalna vozila d.d.	Slavonski Brod, Dr.M.Budaka 1
18	„ATIR" d.o.o.	Zagreb, Sutinska vrela bb
19	„BENTHOS" d.o.o.	Zagreb, Žitnjak bb
20	„RUMITAL" d.o.o.	Zagreb, Črnomerec 31a
21	„FANZOJ-INOX" d.o.o.	Zagreb, Ogrizovićeve 40
22	„M.D.M. HUNTER" d.o.o.	Čavle, Cernik 25a
23	„AUTOCENTAR-MERKUR" d.d.	Zagreb, Martićeva 14
24	„SCOUT" d.o.o.	Zagreb, Bukovac 77
25	„MIKRON" d.o.o.	Marija Bistrica, Hum Bistrički 142a
26	„TORNADO" d.o.o.	Lepoglava, Kamenički Vrhovec 38

Appendix 8

List of companies registered in The register of importers and exporters of military And non-military lethal goods

#	COMPANY NAME	ADDRESS
27	„MA-RA“ d.o.o.	Zagreb, Širolina 6
28	„RITOŠA TRGOVINE“ d.o.o.	Poreč, M.Županića 6
29	„INTER-PROMET“ d.o.o.	Zagreb, Brozova 8a
30	„M-90“ d.o.o.	Duga Resa, Bana Josipa Jelačića 51
31	„DALMATINER“ d.o.o.	Split, Svetog Petra Starog 33
32	„KLOŠTAR 900“ d.o.o.	Kloštar Ivanić, Šćapovec 52
33	„AGROTEHNIKA ŽMINJ“ d.o.o.	Žminj, Pazinska cesta bb
34	„CROSCO“ Naftni servisi, d.o.o.	Zagreb, Ulica grada Vukovara 18
35	„MONI TRGOVINA“ d.o.o.	Samobor, Molvice, Molvička 67
36	„MONI“ d.o.o.	Zagreb, Ilica 132
37	„KONIS SPORT“ d.o.o.	Pločice, Karasovići 7
38	„LISKA“ d.o.o.	Zadar, F.G.Fishte 8
39	„INDUCHEM“ d.o.o.	Zagreb, Vrbanićeva 33
40	„EUROZON“ d.o.o.	Vrbovec, Luka 345
41	„ĐURO ĐAKOVIĆ“-Alatnica d.d.	Slavonski Brod, Dr. Mile Budaka 1
42	„ALDEA“ d.o.o.	Koprivnica, Koprivnička 48
43	„MAXAM HRVATSKA“ d.o.o.	Martinska Ves, Mahovo bb
44	„KROKO-INTERNATIONAL“ d.o.o.	Zagreb, Kancelak 20
45	„A.M.E.C.“ d.o.o.	Rijeka, Osječka 47
46	„ADRIA-MAR BRODOGRADNJA“ d.o.o.	Zagreb, Petrovaradinska 1
47	Obrt „TLORIS“	Bedečkovčina, Naselje Grbovec 46
48	„HUNTER & KŽ“ d.o.o.	Zagreb, Tomašićeva 4
49	„LALIZAS MARINA“ d.o.o.	Split, Kopilica 62
50	„GRAMEH“ d.o.o.	Varaždin, Mirka Maleza 15
51	„SUIS“ NOVI SPECIJALNI UREĐAJI I SUSTAVI d.o.o.	Zagreb, Potok 41
52	„REPUTARE“ d.o.o.	Osijek, Divoltova 183
53	„PROTEKTA“ d.o.o.	Varaždin, Julia Merlića 7
54	„ERICSSON – N.TESLA“ d.d.	Zagreb, Krapinska, 45
55	„AM TRADE“ d.o.o.	Čavle, Čavle
56	„ANTIPIROS“ d.o.o.	Split, Pujanke 77A
57	„DOMJANKOVIĆ“ d.o.o.	Donji Dragonožec, Turopoljski Markuševac 8
58	„PLANET PIROTEHNIKA“ d.o.o.	Samobor, Črečni 8

#	COMPANY NAME	ADDRESS
59	„POMORSKI CENTAR ZA ELEKTRONIKU“ d.o.o.	Split, Zrinsko Frankopanska
60	„AUTOBUSNI KOLODVOR“ d.d.	Karlovac, Prilaz Vječeslava Holjevca 2
61	„TGL Stimulacijski servisi“ d.o.o.	Zagreb, Sortina 1b
62	„DIBA NEKRETNINE“ d.o.o.	Lički Osik, Čukovac bb
63	„BAM-ING“ d.o.o.	Zagreb, Belomanastirska 9
64	„VIRIBUS“ d.o.o.	Zagreb, Ilica 106

Appendix 8

List of companies registered in The register of importers and exporters of military And non-military lethal goods

Appendix 9

List of companies
registered in the
Register of Service
Providers in the
Republic of Croatia

Appendix 9

List of companies registered in the Register of Service Providers in the Republic of Croatia

#	COMPANY NAME	ADDRESS	PHONE/WEB
1	„Agencija ALAN“ d.o.o.	Zagreb, Grškovićeva 15	+38513780806
2	„RUDAR – Posebna trgovina“ d.o.o.	Zagreb, Smičiklasova 23	+38514614446
3	„DETONEX“ d.o.o.	Zagreb, J. Martinovića 11	+38513647147 www.detpnex.hr
4	„SCOUT“ d.o.o.	Zagreb, Bukovac 77	+38514637394
5	„MA-RA“ d.o.o.	Zagreb, Širolina 6	+38514621477
6	„HUNTER & KŽ“ d.o.o.	Zagreb, Tomašićeva 4	+38514611044
7	„MAJOR I PARTNERI“ d.o.o.	Zagreb, Roberta F.Mihanovića 5	+38513861356
8	„AUTOCENTAR-MERKUR“ d.d.	Zagreb, Martićeva 14	+38514596555
9	„ACM – Pothvati“ d.o.o.	Zagreb, Martićeva 14	+38514596505
10	„ERICSSON – Nikola Tesla“ d.d.	Zagreb, Krapinska 45	+38513653535 www.ericsson.com/hr

Appendix 10

Law on the export and import of military and non-military lethal goods

(published in the Official Gazette no. 86 of July 18, 2008)

Appendix 10

Law on the export and import of military and non-military lethal goods

GENERAL PROVISIONS

Article 1

This Law specifies the conditions for export and import of military goods and non-military lethal goods for commercial purposes; powers for the issuance of licenses for export and import of military goods and non-military lethal goods within the competences of the Ministry of Defense and the Ministry of Interior; provision of services pertaining to military goods; competences of state administration bodies in the implementation of this Law; rights and obligations of exporters, importers and service providers; conditions for the pursuit of activities prescribed by this Law; and control and administrative measures.

Article 2

The individual terms used in the sense of this Law shall mean the following:

- Military goods (hereinafter: goods) shall mean the goods that are mainly, but not solely constructed, created, assembled or modified for military purpose, including the technology and software connected to these goods, and that are listed in the List of Military Goods [Military List];
- Non-military lethal goods (hereinafter: goods) shall mean the goods listed in the List of Non-Military Lethal Goods for Commercial Purposes;
- Export shall mean the customs procedure regulated by customs regulations, applied for the goods which are permanently or temporarily leaving the customs territory of the Republic of Croatia, including the reexport of such goods. Export shall also mean the transfer of computer programs and technology via electronic media, fax or telephone to the area outside of the Republic of Croatia, and it shall also pertain to the oral transfer of technology by telephone only if the technology is contained in the document the important part of which is read over the telephone, or described over the telephone, in order to achieve the same result;
- Exporter shall mean a legal entity, or a natural person – craftsman, with headquarters in the territory of the Republic of Croatia, registered for the pursuit of activity of trading in goods, and registered in the Register of Exporters and Importers;
- Import shall mean the implementation of customs procedure for goods that are permanently or temporarily entering the customs territory of the Republic of Croatia, including reimport;
- Importer shall mean a legal entity, or a natural person – craftsman, with headquarters in the territory of the Republic of Croatia, registered for the pursuit of activity of trading in goods, and registered in the Register of Exporters and Importers;

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military lethal goods

- License shall mean a special act issued by the competent body on the basis of a written request, in accordance with the provisions of this Law;
- Services shall mean the acquisition of gain, the transfer of rights, and other business activities pertaining to military goods, including brokering services and technical assistance;
- Brokering services shall mean the negotiation or contracting of business in connection with the purchase, sale or procurement of military goods specified in the List from Article 3 of this Law from one foreign country into any other foreign country; sale and purchase of military goods specified in the List from Article 3 of this Law that are located in one foreign country for transfer into another foreign country. Auxiliary services shall not be considered brokering services. Auxiliary services are transportation, financial services, insurance and reinsurance, and advertising or promotion;
- Broker shall mean a legal entity, or a natural person – craftsman, with headquarters in the territory of the Republic of Croatia, engaged in brokering services;
- Technical assistance shall mean any technical assistance in regard to repair, development, production, assembly, testing or maintenance of military goods, and any other technical assistance pertaining to military goods, which may have the form of instruction, training, transfer of business knowledge, or transfer of expert or advisory services. Technical assistance includes oral forms of assistance, written or voice instruction, training, transfers of business knowledge or skills, and consultancy services.

Article 3

On the basis of the proposal of the competent ministry for the economy (hereinafter: the Ministry), the Government of the Republic of Croatia (hereinafter: the Government) shall reach, through its Regulation, the List of Military Goods harmonized with the Common Military List of the European Union.

Article 4

On the basis of the proposal of the Ministry, the Government shall reach, through its Regulation, the List of Non-Military Lethal Goods for Commercial Purposes.

Article 5

The procedures of the issuance of licenses for the export and import of goods and for the provision of services, on the basis of this Law, shall be governed by the law specifying the general administrative procedure, unless this Law prescribes otherwise.

COMPETENCE FOR PROCEDURE PER REQUEST

Article 6

The export and import of goods and the provision of services, stipulated in Article 2 of this Law, shall be conducted on the basis of licenses.

The licenses for the export and import of goods and for the provision of services are issued by the Ministry on the basis of consent of the Commission for the Provision of Consent for Export and Import of Military Goods and Non-Military Lethal Goods and for the Provision of Services for Military Goods (hereinafter: the Commission). The Commission consists of the representatives of the ministries competent for defense, internal affairs, foreign affairs, and the economy.

The consent from paragraph 2 of this Article is provided on the basis of the consensus of all the members of the Commission. If any member of the Commission is prevented from participating, the right to vote shall belong to the deputy of that member.

In the work of the Commission, each member, or the deputy of that member, is competent for affairs from the scope of work of the ministry represented by that member or deputy.

If some representatives of the Commission are not able to provide the consent for the requested export within 15 days of the date of the Commission's meeting, and these representatives have not reached the decision on the rejection of the request, the minister competent for the economy (hereinafter: the Minister) shall ask for the written declaration of competent ministers in connection with that request.

The Commission from paragraph 2 of this Article shall be appointed and dismissed by the Minister, on the basis of the proposals of ministers competent for defense, internal affairs, foreign affairs and the economy, and it shall consist of one member and one deputy member from each of the competent ministries. The President of the Commission is the member from the ministry competent for the economy.

The Minister is reaching the Rules of Procedure of the Commission from paragraph 2 of this Article.

Article 7

Notwithstanding Article 6, paragraph 2 of this Law:

- Licenses for the import of goods intended for the Armed Forces of the Republic of Croatia and for the police are issued by the Ministry of Defense and the Ministry of Interior respectively;
- Licenses for the export of goods for the needs of the Armed Forces of the Republic of Croatia and the police, with the intent of returning these goods to the country, are issued by the Ministry of Defense and the Ministry of Interior respectively;
- Licenses for the export of goods on the basis of the donation of the Government of the Republic of Croatia are issued by the Ministry of Defense, or by the Ministry of Interior if these goods fall within its competence;
- Licenses for the export of goods on the basis of international military agreements signed by the Republic of Croatia are issued by the Ministry of Defense;
- Approval for transit of military goods and non-military lethal goods across the territory of the Republic of Croatia is issued by the Ministry of Interior.

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Law on the export and import of military and non-military lethal goods

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Article 8

The Ministry is issuing the export or import license for each individual export or import.

The licenses from paragraph 1 of this Article are issued with the validity period of up to six months and can not be extended.

The form and the content of licenses from paragraph 1 of this Article shall be prescribed by the Minister through ordinance.

Article 9

Notwithstanding Article 8, paragraph 1 of this Law, the Ministry may issue a general export license for the export of military goods of the same type, for one or more countries, taking into account the type of goods, the type and duration of export affairs, and the destination country of the exported goods.

The general export license can be issued only for the export of armoured or protective equipment, constructions and components from the category ML13 of the List from Article 3 of this Law, with the validity period of up to one year, and can not be extended.

The form and the content of the license from paragraph 1 of this Article shall be prescribed by the Minister through ordinance.

Article 10

At the request of the importer, the Ministry shall issue the end user certificate for the import of military goods and non-military lethal goods for commercial purposes.

The form and the content of the certificate from paragraph 1 of this Article shall be prescribed by the Minister through ordinance.

Article 11

The export and import of goods, on the basis of this Law, can be performed by legal entities and natural persons – craftsmen (hereinafter: the persons) registered in the Register of Exporters and Importers of Military and Non-Military Lethal Goods for Commercial Purposes (hereinafter: the Register).

Prior to the start of the export or import activity, the persons have the duty to request the registration in the Register from paragraph 1 of this Article.

The Register from paragraph 1 of this Article is kept by the Ministry.

The content and the method of keeping of the Register from paragraph 1 of this Article shall be prescribed by the Minister through ordinance.

Article 12

Registration in the Register from Article 11, paragraph 1 of this Law is conducted on the basis of a written request certified by the stamp and own signature of the responsible person in the legal entity or craft.

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The submitter of the request from paragraph 1 of this Article has the duty to submit the following documentation supplementing the request:

- Certified copy of the decision of the Ministry of Interior on the pursuit of activity of production or trade in weapons and ammunition or explosive substances;
- Unique Master Citizen Number or Taxpayer's Identification Number of the person
- Customs Identification Number;
- Certificate of the competent body testifying that the submitter of request, or the responsible person in a legal entity or natural person, is not subject to investigation and has not been penalized for a criminal offence due to illegalities in the procedures with military goods or non-military lethal goods, not older than six months;
- Name of the bank, and the document certified by the bank which is the depositor of the submitter (copies of the most recent final balance sheet and profit and loss account; certificate that the submitter's account has not been blocked in the course of the last six months; copy of the card of deposited signatures);
- Statement on the number and structure of employees;
- Statement by which the responsible person in a legal entity or natural person –craft undertakes the obligation to allow the control conducted by the competent control body over business operations in the area of export and import, as well as the control of storage space and means of transportation.

The Ministry is reaching the decision on the registration in the Register from Article 11, paragraph 1 of this Law.

Article 13

The person registered in the Register from Article 11 of this Law has the duty to submit the information in writing regarding any change of data stipulated in Article 12, paragraph 2, subparagraphs 1 to 5, on the basis of which the person has been registered in the Register, within 15 days of the occurrence of change, and regarding the data from subparagraph 6 of the same Article within 30 days of the occurrence of change.

Article 14

The person shall be deleted from the Register, if:

- New facts are determined, the possession of which at the time of the registration in the Register would have precluded the registration of the person in the Register.
- The responsible person in a legal entity or craft is issued a final judgment for a criminal offence against property, or the responsible person is issued or is already subject to the security measure of ban on the pursuit of activity fully or partly covered by the responsible person's business operation;
- The person is not undertaking business operations in accordance with the provisions of this Law;
- The person is breaching international sanctions;
- The person ceases to pursue his or her activity;
- The person ceases to fulfill the conditions on the basis of which the decision was issued;
- At the request of the person registered in the Register.

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PROCEDURES PER REQUEST FOR EXPORT AND IMPORT**Article 15**

The request for the issuance of the license for export or import of goods is submitted to the Ministry on the prescribed form.

The request from paragraph 1 of this Article may contain the goods from only one CN Code, or from only one ML code from the List of Military Goods.

The request for the export of military goods and non-military lethal goods must be supplemented with the import license issued by the competent body of the country to which the goods are exported, and the original of the end user certificate, certified by the competent body of the country to which the goods are exported.

The import license from paragraph 3 of this Article is not required as a supplement to the export request if the country of import does not require the import license to be issued for the corresponding goods.

The end user certificate from paragraph 3 of this Article is not required as a supplement to the export request if the export is temporary for the needs of an exhibition, or if the export is temporary for the purpose of repair of goods at the manufacturer, or if the exported goods are samples of armoured or protective equipment, construction and components from category ML13 of the List from Article 3 of this Law.

The format and the content of the form stipulated in paragraph 1 of this Article, and the list of documents supplementing the request, shall be prescribed by the Minister through ordinance.

Article 16

The request from Article 15, paragraph 1 of this Law shall be decided upon by the Commission within 15 days of the date of the orderly submitted request, or within 60 days if additional verification is needed in the process of issuance of license.

Article 17

The Ministry has the duty to issue the requested license within seven days of the date of receiving the consent of the Commission.

In case when the Commission withholds its consent for the requested export or import, the Ministry has the duty to inform the submitter of request of the impossibility of issuance of the export or import license, within seven days.

The Ministry shall inform the submitter of request on the reason why the Commission did not provide its consent for the requested export or import, unless the attitude of the Commission is based on the information classified at the appropriate degree of confidentiality by law or by the criteria determined by law, or if the information is protected by the law governing the area of personal data protection.

Article 18

The license and other documents produced on the basis of this Law are not transferable onto another person.

In case of procedure contrary to paragraph 1 of this Article, the person to whom the license and other documents are made shall lose all rights arising from this Law.

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Article 19

In case the goods are imported for the purpose of export to a third country, the submitter of request has the duty to supplement its export request at the request of the Ministry with the consent of the competent body of the country of origin of the goods, or of the country from which the goods are intended to be imported, which provides consent for the export of these goods to the third country.

In case of export of the goods imported earlier, the Ministry may ask the submitter of request to supplement the export request with the consent regarding the change of the end user of the goods, issued by the competent body of the state from which the goods were imported.

Article 20

In case of reasonable doubt regarding the credibility or legal validity of the attached documentation, the Ministry shall, at the proposal of the Commission, forward the documentation to the competent bodies for further procedure.

Article 21

The Ministry shall reject the request for the issuance of the export or import license if the Commission determines that the issuance of the requested license would be contrary to foreign policy or economic interest of the Republic of Croatia, and contrary to the European Union Code of Conduct on Arms Exports, and if:

- The issuance of the license would endanger the fulfillment of international obligations of the Republic of Croatia;
- The issuance of the license would endanger the security or defense interests of the Republic of Croatia;
- It is contrary to the national security strategy of the Republic of Croatia;
- The issuance of the license would enable the outbreak and continuation of armed conflict in the country where the goods would ultimately be used;
- The issuance of the license would enable the incitement of unrest in the country where the goods would ultimately be used;
- The issuance of the export license would enable undesirable persons to come to possession of the exported goods, contrary to the will of the exporter;
- It is determined that the goods for which the export license is requested is subject to police investigation or court disputes;
- The submitter of the request does not amend the incomplete request within 30 days of the date of the reception of notification by the Ministry.

Article 22

In case of the submission of request for the issuance of the export license to a country belonging to the list of countries subject to the restrictive measures of the UN, EU, OSCE, or other international organizations whose restrictive measures the Republic of Croatia has joined, the license can be issued only for humanitarian use, or for the needs of the peace-keeping forces.

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Article 23

Prior to the signing of the contract on purchase or sale of military goods and non-military lethal goods for commercial purposes, the persons can request the Ministry for an opinion on whether the pursuit of the respective activity with a certain broker, purchaser, importer, end user and the country of end use of the goods would be contrary to the provisions of Article 21 of this Law.

The Ministry has the duty to inform the interested person whether a broker, purchaser, importer, end user or country of end use constitutes a desirable participant in the business affair.

Article 24

The Ministry shall reach a decision on the revocation of the issued license, if it is determined:

- That one or more conditions on the basis of which the license was issued no longer exist;
- That the license was issued on the basis of incorrect or incomplete data, and that the submitter of request had known or must have known that this data is incorrect or incomplete;
- At the request of the person to whom the license is made.

The Republic of Croatia is not liable for the costs that have been incurred or shall be incurred through the revocation of the issued license.

Appeal against the decision from paragraph 1 of this Article is not admissible, but administrative dispute can be initiated.

Article 25

The Ministry is keeping the database on the requested, issued, used and revoked licenses, and on rejected requests for the export and import of goods and for the provision of services from Article 2 of this Law.

The Ministry has the duty to create the annual report on the export and import of military goods and non-military lethal goods for commercial purposes for the previous year by April 30 of the current year, and to deliver it to the Government of the Republic of Croatia with a classification of confidentiality.

The Ministry has the duty to publish the report from paragraph 2 of this Article on the Internet site of the Ministry by May 30 of the current year, with the exception of confidential data.

The confidential data from paragraph 3 of this Article are names of companies, individual financial indicators, rejected requests and other data in accordance with the Law on Data Protection.

Article 26

The persons who perform the export or import of goods have the duty to:

- Maintain the special register of transactions that are made according to this Law, and to keep the documentation on transactions and transport for the minimum of 10 years from the performed export or import;
- Respect the deadlines and the conditions under which the licenses were issued, and to inform the Ministry on any change that may have arisen;

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- Inform the Ministry in writing on any change of data regarding the broker or the end user, within 10 days of the occurrence of change;
- Within 15 days of the performed export or import, inform the Ministry in writing on the performed export or import of goods, and submit the documentation on the basis of which the export or import was performed;
- At the request of the Ministry, deliver the certificate on the reception of goods;
- Respect other obligations arising from the license and from this Law.

Article 27

The documentation from Article 26, subparagraph 4 of this Law must contain the following:

- Notification on the performed export or import;
- Copy of the license on the basis of which the export or import was performed;
- Copy of the customs declaration;
- Serial numbers of weapons;
- Other documentation, depending on the type of goods.

Article 28

The declarant has the duty to include the following data in the customs declaration from Article 27, subparagraph 3 of this Law:

- Full name and address of the exporter or importer;
- Number of the export or import license on the basis of which the customs procedure was performed;
- Name of the goods conforming to the name in the subject license;
- Quantity of the goods expressed in the unit of measurement specified in the subject license;
- Value of the goods expressed in the currency specified in the subject license;
- CN code of the goods;
- ML code specified in the List from Article 3 of this Law, if the goods belong to that type of goods.

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SERVICES**Article 29**

The provision of services from Article 2, subparagraph 8 of this Law can be undertaken by the persons registered for the pursuit of activity of production of, or brokering in the goods specified in the List from Article 3 of this Law, in the domestic and international market, with headquarters in the territory of the Republic of Croatia, and registered in the Register of Service Providers for Military Goods.

The Register from paragraph 1 of this Article is kept by the Ministry.

The content and the method of keeping of the Register from paragraph 1 of this Article shall be prescribed by the Minister through ordinance.

Article 30

The registration in the Register from Article 29, paragraph 1 of this Law is performed on the basis of the written request of the person.

The persons have the duty to supplement the request with the following documentation:

- Certified copy of the decision of the competent body on the registered activity;
- Unique Master Citizen Number or Taxpayer's Identification Number of the person
- Certificate of the competent body that the submitter of request, or the responsible person in the legal entity or natural person – craft, has not been convicted for a criminal offense, and that he or she is not subject to investigation;
- Name of the bank and the document certified by the bank where the person is the depositor;
- Statement on the number and structure of employees;
- Statement by which the responsible person in a legal entity or natural person –craft undertakes the obligation to allow the control conducted by the competent control body over business operations in the area of the provision of services;
- Statement by which the responsible person in a legal entity or natural person – craft authorizes one or more employed persons to perform brokering services on behalf of and in the name of that company.

The Ministry is reaching the decision on registration in the Register from Article 29, paragraph 1 of this Law.

Article 31

The Ministry shall reject the registration in the Register from Article 29 of this Law if:

- False information or documents with the elements of forgery were consciously delivered;
- In the course of the last five years, the submitter of request breached the legislation pertaining to the import, export or transit of military goods or non-military lethal goods, and to the provision of services for military goods;
- In the course of the last five years, the submitter of request breached international sanctions;

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- Police investigative measures are being pursued against the submitter of request for illegalities in procedure with military goods or non-military lethal goods;
- Investigative or criminal proceedings are initiated for illegalities in procedure with military goods or non-military lethal goods;
- Indictment was laid, or the person was convicted for illegalities in procedure with military goods or non-military lethal goods;
- Other valid reasons exist.

Article 32

Prior to the start of the provision of service, the person registered in the Register from Article 29, paragraph 1 of this Law has the duty to request from the Ministry the license for the provision of service.

The license from paragraph 1 of this Article is issued by the Ministry, on the basis of the consent of the Commission, for each individual activity, with the maximum validity period of up to twelve months, and can not be extended.

The form and the content of the license from paragraph 1 of this Article shall be prescribed by the Minister through ordinance.

Paragraphs 1 and 2 of this Article do not apply if the technical assistance is provided in the form of the information which is in "public ownership", or which is part of "the fundamental scientific research", and if the provision of services in undertaken for the needs of the Armed Forces of the Republic of Croatia.

Article 33

The request for the issuance of the license for pursuit of the provision of service is submitted to the Ministry on the prescribed form.

The format and the content of the form from paragraph 1 of this Article, and the list of documents supplementing the request, shall be prescribed by the Minister through ordinance.

Article 34

The provisions of this Law do not pertain to the provider of services participating, on the basis of the decision of the Ministry of Defense or some other state body, within the framework of military or humanitarian missions.

Article 35

The request from Article 33 of this Law shall be decided upon by the Commission within 15 days of the date of the orderly submitted request, or within 60 days if additional verification is needed in the process of issuance of license.

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Article 36

The Ministry has the duty to issue the requested license for the provision of service within seven days of the date of the received consent of the Commission.

In case when the Commission withholds the consent for the provision of service, the Ministry has the duty to inform the submitter of request on the reason why the Commission did not provide its consent for the provision of service, within seven days.

The Ministry shall not inform the submitter of request on the reason why the Commission did not provide its consent for the provision of service, if the attitude of the Commission is based on the information which is classified at an appropriate degree of secrecy on the basis of the law or the criteria determined by law, or if the information is protected by the law governing the area of personal data protection.

Article 37

The Ministry shall reject the request for issuance of the license for the provision of services from Article 2 of this Law if the Commission from Article 6, paragraph 2 of this Law determines that the issuance of the requested license would be contrary to the foreign policy or economic interest of the Republic of Croatia, and contrary to the principles of the European Union Code of Conduct on Arms Exports, and if:

- The issuance of the license would endanger the fulfillment of international obligations of the Republic of Croatia;
- The issuance of the license would endanger the security or the defense interests of the Republic of Croatia;
- It is contrary to the national security strategy of the Republic of Croatia;
- The issuance of the license would enable the outbreak and continuation of armed conflict in the country where the goods would ultimately be used;
- The issuance of the license would enable incitement of unrest in the country where the goods would ultimately be used;
- The issuance of the license would enable undesirable persons to come to possession of the exported goods, contrary to the will of the exporter;
- It is determined that the goods for which the license is requested is subject to police investigation or court disputes;
- The submitter of request does not amend the incomplete request within 30 days of the date of the reception of notification by the Ministry.

Article 38

The person pursuing the activity of the provision of service for military goods has the duty to:

- Maintain the register of services performed on the basis of the provisions of this Law;
- Respect the time limitations and the conditions under which the license from Article 32 of this Law was issued;
- Within 15 days of the date of the performed activity of service provision, or upon the expiry of the validity period of the license from Article 32 of this Law, inform the Ministry in writing on undertaken steps, arising from the license;
- Keep all the documentation and information connected with that service for the minimum of 10 years upon the performed service;
- Respect other provisions arising from the license and from this Law.

Article 39

The Ministry shall decide to annul the decision from Article 30, paragraph 3 of this Law if:

- New facts are determined, the possession of which at the time of the registration in the Register from Article 29 of this Law would have precluded the registration of the person in the Register.
- The responsible person in a legal entity or craft is issued a final judgment for a criminal offence against property, or the responsible person is issued or is already subject to the security measure of ban on the pursuit of activity fully or partly covered by the responsible person's business operation;
- The person is not undertaking business operations in accordance with the provisions of this Law;
- The person is breaching international sanctions;
- The person or the responsible person in a legal entity or craft is issued a final judgment due to illegalities in procedure with military goods or non-military lethal goods
- The person ceases to fulfill the conditions on the basis of which the decision was issued;
- The person discontinues the work;
- At the request of the person registered in the Register.

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CONTROL**Article 40**

The control of the fulfillment of obligations arising from this Law is undertaken by the body issuing the licenses, in cooperation with other bodies participating in the procedure of issuance of licenses, and other state bodies in accordance with their competences.

The undertaking of control on the basis of this Law includes the control prior to, during and after the issuance of license.

The written report is created on the results of the undertaken control and it is delivered to the minister competent for the economy.

If irregularities are determined, the minister shall inform the competent state bodies on these irregularities for further procedure.

Article 41

In the course of the undertaking of control, the control bodies from Article 39, paragraph 1 of this Law may:

- Request information from the submitter of request necessary for the undertaking of control;
- Request information from other state bodies and services necessary for the undertaking of control;
- Request assistance from the competent bodies of other countries, for the purpose of gathering additional information necessary for the undertaking of control;
- Undertake control regarding the fulfillment of obligations arising from the license;
- Undertake control of the end user of the goods.

The control bodies have the duty to adhere to the provisions in connection with the confidentiality of official, commercial and production secrets, and of persons subjected to control.

Article 42

For the needs of the fulfillment of tasks determined by this Law, the Ministry, within its competences, collaborates with other state administration bodies and security agencies, and with international organizations and competent bodies of other countries, to which, in accordance with the obligations undertaken by the Republic of Croatia, it delivers appropriate data.

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Article 43

The Ministry has the duty to participate in the exchange of information on export and import activities with other member states of the European Union, including the services.

The participation includes the exchange of information on registered service providers and their activities, and the exchange in the area of legislation.

PENAL PROVISIONS

Article 44

Prison sentence of one to five years shall be imposed on a person for whom the judicial bodies of the Republic of Croatia determine to have exported the goods specified in the List from Article 3 of this Law without license, or on the basis of forged certificate on the end user, and on whoever acts contrary to the provision of Article 29, paragraph 1 and Article 32, paragraph 1 of this Law, to the extent that may endanger:

- The fulfillment of international obligations of the Republic of Croatia, in particular the sanctions;
- Foreign policy interests of the Republic of Croatia.

If the criminal offence from paragraph 1 of this Article caused the death of more persons, or material damage of major proportions, the perpetrator shall be punished by imprisonment for not less than five years.

The same punishment shall be imposed on a natural person – individual pursuing the activities from Article 2, subparagraphs 3, 5 and 8 of this Law without the license of the Ministry, unless allowed by another law.

MISDEMEANOR PROVISIONS

Article 45

Pecuniary penalty in the amount of 100,000.00 to 500,000.00 kuna shall be imposed on a legal entity for misdemeanor, if it is determined that it attempted or succeeded to export the goods specified in the List from Article 3 of this Law without license, and if the goods were exported on the basis of the license issued on the basis of incorrect or incomplete data.

Pecuniary penalty in the amount of 20,000.00 to 100,000.00 kuna shall also be imposed on the responsible person in the legal entity for the misdemeanor from paragraph 1 of this Article.

Pecuniary penalty in the amount of 50,000.00 to 100,000.00 kuna shall be imposed on a legal entity for misdemeanor, if it is determined that it attempted or succeeded to export the goods specified in the List from Article 4 of this Law without license, and if the goods were exported on the basis of the license issued on the basis of incorrect or incomplete data.

For the misdemeanor from paragraph 1 of this Article, in addition to the pecuniary penalty, the protective measure of the ban on the pursuit of activity of export or import of military goods and non-military lethal goods for commercial purposes can also be issued, in the duration of not less than three months, and not more than one year.

Article 46

Pecuniary penalty in the amount of 50,000.00 to 100,000.00 kuna shall be imposed on a legal entity or natural person – craftsman for misdemeanor, in case of breach of the provision from Article 13, paragraph 1; Article 26, paragraph 1, subparagraphs 4 and 6; Article 28; and Article 38, paragraph 1, subparagraph 5 of this Law.

Appendix 10

Law on the export
and import of
military and non-
military lethal goods

Article 47

Pecuniary penalty in the amount of 1,000.00 to 20,000.00 kuna shall also be imposed on the responsible person in the legal entity for misdemeanor, if acting in contravention of the provisions of Article 26 and Article 38 of this Law.

Article 48

Pecuniary penalty in the amount of 10,000.00 to 100,000.00 kuna shall be imposed on a legal entity or natural person – craftsman for misdemeanor, if:

- Acting in contravention of the provisions of Article 18 of this Law;
- Acting in contravention of the provisions of Article 26, subparagraphs 1, 2, 3 and 5 of this Law;
- Acting in contravention of the provisions of Article 27 of this Law;
- Acting in contravention of the provisions of Article 38, subparagraphs 1, 2, 3. and 4 of this Law.

Article 49

Pecuniary penalty in the amount of 10,000.00 to 100,000.00 kuna shall be imposed on a legal entity or natural person for misdemeanor, if:

- Acting in contravention of the provisions of Article 11 of this Law;
- Guilty of misdemeanor from Article 24, paragraph 1, subparagraph 2 of this Law;
- Acting in contravention of the provisions of Article 29 of this Law.

TRANSITIONAL AND FINAL PROVISIONS

Article 50

The rights arising from individual acts, reached by the competent bodies in connection with the export and import of military goods and non-military lethal goods for commercial purposes, which are not used in full until the date of the beginning of the application of this Law, can be used within the validity periods stipulated by these acts.

Article 51

Regulations from Articles 3 and 4 of this Law shall be reached by the Government, within 90 days of the date of entry into force of this Law.

Article 52

Regulations from Articles 6, 8, 9, 10,11, 15, 29, 30, 32, and Article 33 of this Law, shall be reached by the Minister, within 60 days of the date of entry into force of this Law.

Article 53

This Law shall be published in the Official Gazette [“Narodne novine”], and it shall enter into force January 1, 2009, with the exception of the provisions of Article 43 of this Law, which shall enter into force on the day of the accession of the Republic of Croatia into the European Union.

Appendix 10

Law on the export and import of military and non-military lethal goods

Appendix 11

Overview of the export of military goods according to the EU methodology

#	ISO Country Code	Categories from the Common Military List of the European Union (22 categories total)										
		Croatian export to:		ML 1	ML 2	ML 3	ML 4	ML 5	ML 6	ML 7	ML 8	ML 9
1		North Africa	a		1							2
2			b		2 873 485							18 623 462
3			c									
4	LY	Libya	a		1							2
5	LY		b		2 873 485							18 623 462
6	LY		c									
7		Sub-Saharan Africa	a	3		1						
8			b	21 086		255 022						
9			c									
10	GQ	Equatorial Guinea	a	2		1						
11	GQ		b	15 086		255 022						
12	GQ		c									
13	KE	Kenya	a	1								
14	KE		b	6 000								
15	KE		c									
16	NA	Namibia	a									
17	NA		b									
18	NA		c									
19		North America	a	19		9						
20			b	183 329 674		7 487 511						
21			c									
22	US	United States	a	19		9						
23	US		b	183 329 674		7 487 511						
24	US		c									

Notes

This overview is made in the format used by the member states of the European Union for the purpose of delivering their reports on the export of military technology and equipment, in accordance with Article 8 of the Council Common Position 2008/944/SFSP defining common rules governing the control of exports of military technology and equipment.

Line (a) shows the number of export licenses issued by the Republic of Croatia for each country. The licenses are classified according to the categories from the Common Military List of the European Union (22 categories in total).

Line (b) shows the financial amounts in connection with the licenses issued by the Republic of Croatia for each country, and these are classified according to the categories from the Common Military List of the European Union. All the values are presented in euros (EUR). In cases where the issued licenses originally involve other currencies, the values are calculated in euros (EUR), without showing the value beyond the decimal point.

ML 10	EU Common Military List category												TOTAL per destination
	ML 11	ML 12	ML 13	ML 14	ML 15	ML 16	ML 17	ML 18	ML 19	ML 20	ML 21	ML 22	
													3
													21 496 947
													3
													21 496 947
			1										5
			111 210										387 318
													3
													270 108
													1
													6 000
			1										1
			111 210										111 210
			2										30
			742 336										191 559 521
			2										30
			742 336										191 559 521

#	ISO Country Code	Categories from the Common Military List of the European Union (22 categories total)										
		Croatian export to:		ML 1	ML 2	ML 3	ML 4	ML 5	ML 6	ML 7	ML 8	ML 9
25		Central America and the Caribbean	a									
26			b									
27			c									
28	MX	Mexico	a									
29	MX		b									
30	MX		c									
31		South America	a		1							
32			b		23 268							
33			c									
34	AR	Argentina	a									
35	AR		b									
36	AR		c									
37	CO	Colombia	a		1							
38	CO		b		23 268							
39	CO		c									
40	PE	Peru	a									
41	PE		b									
42	PE		c									
43		Northeast Asia	a									
44			b									
45			c									
46	TW	Taiwan	a									
47	TW		b									
48	TW		c									
49		Southeast Asia	a		4							
50			b		211 131							
51			c									
52	ID	Indonesia	a		1							
53	ID		b		1 478							
54	ID		c									

EU Common Military List category													
ML 10	ML 11	ML 12	ML 13	ML 14	ML 15	ML 16	ML 17	ML 18	ML 19	ML 20	ML 21	ML 22	TOTAL per destination
			1										1
			153 250										153 250
			1										1
			153 250										153 250
			2					2					5
			21 120					206 817					251 205
			1										1
			14 160										14 160
			1										2
			6 960										30 228
								2					2
								206 817					206 817
			1										1
			26 250										26 250
			1										1
			26 250										26 250
													4
													211 131
													1
													1 478

#	ISO Country Code	Categories from the Common Military List of the European Union (22 categories total)										
		Croatian export to:		ML 1	ML 2	ML 3	ML 4	ML 5	ML 6	ML 7	ML 8	ML 9
55	PH	The Philippines	a	3								
56	PH		b	209 653								
57	PH		c									
58		South Asia	a		1							
59			b		2 802							
60			c									
61	PK	Pakistan	a		1							
62	PK		b		2 802							
63	PK		c									
64	EU	European Union	a	16	2					3		
65	EU		b	1 158 557	7 575					207 000		
66	EU		c									
67	AT	Austria	a	3								
68	AT		b	295 030								
69	AT		c									
70	BE	Belgium	a	1								
71	BE		b	371 245								
72	BE		c									
73	BG	Bulgaria	a	2								
74	BG		b	132 500								
75	BG		c									
76	CZ	Czech Republic	a	2								
77	CZ		b	620								
78	CZ		c									
79	DE	Germany	a									
80	DE		b									
81	DE		c									
82	GR	Greece	a	2								
83	GR		b	91 565								
84	GR		c									
85	HU	Hungary	a	1	1							
86	HU		b	25 272	1 500							
87	HU		c									

EU Common Military List category													
ML 10	ML 11	ML 12	ML 13	ML 14	ML 15	ML 16	ML 17	ML 18	ML 19	ML 20	ML 21	ML 22	TOTAL per destination
													3
													209 653
													1
													2 802
													1
													2 802
			10					2					33
			662 185					29 635					2 064 952
													3
													295 030
													1
													371 245
													2
													132 500
													2
													620
			5					1					6
			7 875					2 535					10 410
													2
													91 565
			3										5
			10 560										37 332

#	ISO Country Code	Categories from the Common Military List of the European Union (22 categories total)										
		Croatian export to:		ML 1	ML 2	ML 3	ML 4	ML 5	ML 6	ML 7	ML 8	ML 9
88	IT	Italy	a									
89	IT		b									
90	IT		c									
91	SK	Slovakia	a	4								
92	SK		b	174 400								
93	SK		c									
94	SI	Slovenia	a	1	1					3		
95	SI		b	67 925	6 075					207 000		
96	SI		c									
97		Other European countries	a	7		2	1			4		
98			b	236 054		66 458	301 455			426 550		
99			c									
100	AL	Albania	a			1						
101	AL		b			820						
102	AL		c									
103	BA	Bosnia and Herzegovina	a	5		1						
104	BA		b	233 094		65 638						
105	BA		c									
106	MK	FYROM	a							4		
107	MK		b							426 550		
108	MK		c									
109	GE	Georgia	a									
110	GE		b									
111	GE		c									
112	ME	Montenegro	a									
113	ME		b									
114	ME		b									
115	NO	Norway	a									
116	NO		b									
117	NO		c									

EU Common Military List category													
ML 10	ML 11	ML 12	ML 13	ML 14	ML 15	ML 16	ML 17	ML 18	ML 19	ML 20	ML 21	ML 22	TOTAL per destination
			2										2
			643 750										643 750
													4
													174 400
								1					6
								27 100					308 100
	1		2								1		18
	10 188		891 800								27 000		1 959 505
													1
													820
													6
													298 732
											1		5
											27 000		453 550
			1										1
			630 000										630 000
			1										1
			261 800										261 800
	1												1
	10 188												10 188

#	ISO Country Code	Categories from the Common Military List of the European Union (22 categories total)										
		Croatian export to:		ML 1	ML 2	ML 3	ML 4	ML 5	ML 6	ML 7	ML 8	ML 9
118	CH	Switzerland	a	2								
119	CH		b	2 960								
120	CH		c									
121	TR	Turkey	a				1					
122	TR		b				301 455					
123	TR		c									
124		The Middle East	a	4	2	1						
125			b	3 286 156	28 800	24 150						
126			c									
127	EG	Egypt	a		1							
128	EG		b		3 500							
129	EG		c									
130	IR	Iran	a									
131	IR		b									
132	IR		c									
133	IQ	Iraq	a	3								
134	IQ		b	3 265 356								
135	IQ		c									
136	IL	Israel	a		1							
137	IL		b		25 300							
138	IL		c									
139	SA	Saudi Arabia	a									
140	SA		b									
141	SA		c									
142	AE	United Arab Emirates	a	1		1						
143	AE		b	20 800		24 150						
144	AE		c									
		TOTAL per category	a	53	7	13	1			7		2
			b	188 242 658	2 935 930	7 833 141	301 455			633 550		18 623 462
			c									

EU Common Military List category													
ML 10	ML 11	ML 12	ML 13	ML 14	ML 15	ML 16	ML 17	ML 18	ML 19	ML 20	ML 21	ML 22	TOTAL per destination
													2
													2 960
													1
													301 455
			5										12
			2 134 000										5 473 106
													1
													3 500
			1										1
			624 000										624 000
													3
													3 265 356
													1
													25 300
			4										4
			1 510 000										1 510 000
													2
													44 950
	1		24					4			1		113
	10 188		4 742 151					236 452			27 000		223 585 987



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