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COVER NOTE

from : General Secretariat
to : Delegations
Subject : Second Progress Report on the implementation of the EU Strategy to Combat
Illicit Accumulation and Trafficking of SALW and their Ammunition

Delegations will find attached the Second Progress Report on the implementation of the EU Strategy to Combat Illicit Accumulation and Trafficking of SALW and their Ammunition, which was endorsed by the General Affairs and External Relations Council on 11-12 December 2006.

Second Progress Report
on the implementation of the EU Strategy to Combat Illicit
Accumulation and Trafficking of SALW and their Ammunition

I. INTRODUCTION

The European Council adopted on 15-16 December 2005 an EU Strategy to combat illicit accumulation and trafficking of Small Arms and Light Weapons and their ammunition. Based on the 2003 EU Security Strategy, this Strategy builds upon existing EU policies and actions in the area of SALW and serves as political guidance for all EU activities through various instruments in this field, underlining the need for an integrated approach to combat the illicit trade of SALW. It also contains an Action Plan which calls for continuous monitoring by means of an interim report on its implementation every six months. The first progress report was submitted to the Council in June 2006.

This second progress report on the implementation of the SALW Strategy covers EU activities in the second half of 2006. As the previous one, it has been prepared by the General Secretariat of the Council/Office of the HR's Personal Representative on non-proliferation, in cooperation with the European Commission services.

II. IMPLEMENTATION OF THE ACTION PLAN

II.1 Effective multilateralism to develop universal, regional and national mechanisms to counter the supply and destabilising spread of SALW and their ammunition.

II.1.1 International

a) Implementation of the 2001 UN Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons

- During the Review Conference of the UN PoA, the European Union presented on 30 June 2006 a comprehensive overview of its activities to support the fight against illicit small arms and light weapons. Representatives from the EU Presidency (Austria), the Council Secretariat/Office of HR's Personal Representative and the European Commission presented the overall SALW policy based on the new EU SALW Strategy on SALW and ammunition and how this is being translated into concrete activities through various instruments. The audience comprised governments, international organisations and SALW experts. Members of the European Parliament also participated as part of the Presidency delegation.
- Despite the lack of an agreed outcome document at the Review Conference of the UN PoA, the EU reaffirmed in its closing statement that it will remain at the forefront of the common fight and practical work to prevent, combat and eradicate the illicit trade in small arms and light weapons in all its aspects. It also underlined its engagement in the implementation of the UN PoA at EU level. EU funding (through Member States, the EDF, Community funding and CFSP budget resources) remains one of the main sources of financial assistance to implement the UN PoA.

b) Export controls

- The EU and Member States continue to support the strengthening of export controls and the promotion of the principles and criteria of the Code of Conduct on Arms Exports among third countries through technical and practical assistance, inter alia in drafting national legislation and in interpreting and applying the criteria of the Code, and by promoting measures to improve coherence and transparency.

- The Finnish Presidency, in conjunction with SIPRI, held in Sarajevo on 31 October 2006 a seminar on export controls:
 - = with particular emphasis on the application of the criteria of the EU Code of Conduct on Arms Export;
 - = for Western Balkan Countries together with Moldova, Romania and Bulgaria.

II.1.2 Regional

- EU/OSCE: On 5-7 July 2006, the European Commission organised a Joint EC-OSCE high level and technical assessment mission to Novobohdanivka ammunition depots area (Ukraine). As a result of this mission:
 - a) Ukraine's Ministries of Defence, Foreign Affairs and Emergencies welcomed the Commission's encouragement to work on a comprehensive Ukraine Action Plan tackling the problems of surplus weapons and ammunition in a transparent and comprehensive manner; they also clearly saw the need to reflect this political priority in the EU-Ukraine Action Plan
 - b) The Commission and OSCE formulated a common assessment of the problems and the response needed in the Novobohdanivka ammunition depot and
 - c) The EC started working at a package of measures in response to the needs identified at this stage (€ 200.000).

On 28 September 2006 Col. Claes Nilsson, OSCE/FSC Coordinator for SALW and Col. Anders Gardberg, Senior Military Adviser to the Permanent Mission of Finland to the OSCE gave presentations on the OSCE activities on SALW and stockpiles of Conventional Ammunitions and on the possible role of the EU in the OSCE SALW work, to the Working Group on Global Disarmament and Arms Control.

The Austrian Government co-organised an international conference on "New Challenges and Crisis Management: Demobilisation, Disarmament, Rehabilitation, Disasters and Disruption - EU and OSCE responses" in Vienna on 17 November 2006. The HR's Personal Representative and members of the Council Secretariat (ESDP) presented the EU's approach on disarmament and crisis management at this meeting.

- Austria/EU: The Office of the PR presented the EU SALW Strategy at the seminar on SALW organised by the Institute for Peace Support and Conflict Management of the Austrian National Defence Academy on 10 October 2006.

- ECOWAS/West Africa: The implementation of the decision adopted by the Council in December 2004, (financial reference amount EUR 515 000), with a view to an EU contribution to ECOWAS in the context of the moratorium on small arms and light weapons continues. This project aimed at setting up the Light Weapons Unit within the ECOWAS Technical Secretariat and transforming the Moratorium on the Import, Export and Manufacture of SALW into a Convention on Small Arms and Light Weapons. This Council Decision implementing Joint Action 2002/589/CFSP was considered very successful, since the ECOWAS Convention on Small Arms and Light Weapons, Their Ammunition and Other Related Materials was signed on 14 June 2006. A one year financing agreement between the European Commission and ECOWAS was signed on November 2005. An extension by 6 months is being considered.

- On 4-5 September the European Commission participated in the “First International Meeting on Illicit Arms Dealing in the Great Lakes Region of Africa” which took place in Nairobi, with the aim to discuss the “Project on illicit arms dealing in the GLR” initiated by Interpol. The EC delegation expressed interest in co-operating with Interpol, the ICC and other international organisations as recommended by the Africa Strategy.

- On 13 September, the European Commission participated in the Committee on Political Affairs of the EU-ACP Interparliamentary Assembly elaborating the ACP-EU Joint Motion for a Resolution on “Small Arms Light Weapons and Sustainable Development”.
- On 18-23rd November the 12th session of the ACP-EU Joint Parliamentary Assembly took place in Bridgetown (Barbados) with the participation of the European Commission. The Assembly issued a Resolution on “Small Arms Light Weapons and Development”.
- In October 2006, the European Commission adopted the financial decision (€ 1,5 million) to support a Preparatory Action on SALW in the Western Balkans. This Action will complete the EU Western Balkans SALW control Support Plan launched in 2005 under the EC Pilot Project for Western Balkans; it will target the “supply” and the “demand” side through full compliance of national legislations with EU/EC legislation in complementarity with the CARDS twinning projects to combat trafficking in Firearms, Ammunition and Explosives (Croatia).
- On 1 November, the first EU-Western Balkans Interparliamentary Forum on SALW will be held in Belgrade as part of the EC Pilot Project on SALW 2005 (EU-Western Balkans Support Plan).

II.1.3 SALW In the framework of political dialogue, Strategy papers and Action Plans

- SALW was included in the agenda of a number of EU's regular political dialogues with countries which are major exporters of SALW, and especially with countries holding surplus stocks of SALW left over from the Cold War, in particular in Eastern Europe and South-Eastern Europe. In addition, CONOP/CODUN Troikas have been held with Brazil, Ukraine, Canada, and US.

- The European Commission has been pursuing the integration of issues related to SALW into Country and Regional Strategy Papers. The joint elaboration of National and Regional Action Plans offers to partner countries the opportunity to give the appropriate political and funding priority to tackling these issues.

II.1.4 EU assistance to Third Countries

- Ukraine: Following the conclusion of the financial agreement between the European Commission and the NATO Maintenance and Supply Agency (NAMSA) on 4 August 2006, the implementation of the Council decision on an EUR 1 000 000 EU contribution to the destruction of SALW and their ammunition in Ukraine has started. A presentation in September was made by NAMSA (Ammunition Support Office) of the Ukraine II - Phase I PfP Trust Fund Project to the CODUN Working Party. The project will last one year and will allow for the provision of equipment and the destruction of 20 000 SALW.
- Cambodia: The EU has completed on 30 June 2006 the implementation of a comprehensive project, which started in 2000 (Council decision 1999/730/CFSP, extended 6 times) to combat the destabilising accumulation and spread of small arms and light weapons in Cambodia. In total the EU has contributed with EUR 8, 5 million to this project. Since the Cambodian government has suggested further assistance in particular in relation to stocks of ammunitions, a GTZ (German Agency for Technical Cooperation) project identification mission will visit Cambodia in December 2006. The purpose of the mission is in particular to assess the needs and make proposals for further action with regard to stockpile management and ammunition destruction.

- Congo Brazzaville. Under the EC-ACP Co-operation frameworks, 2 projects have been administered by the European Commission, one under 2005 budget of the 8th EDF for an amount of EUR 2 millions for Disarmament activities in Congo Brazzaville (not reported under 1st Progress Report) and one under the 9th EDF complementing the first one and extending its activities to include a Rehabilitation Programme (MDRP), for an amount of EUR 6 million.

II.2. An effective response to the accumulation and the problems posed by the availability of existing stocks

- The Working Party on Global Disarmament and Arms Control has been considering the following initiatives:

1. **SALW management and destruction in Latin America / Caribbean:** The Council Working Group on Global Disarmament and Arms Control agreed on a third and final contribution to UN-LiREC - (Train the trainers, phase III) to combat the destabilising accumulation and spread of SALW in Latin America and the Caribbean. A draft Council Decision concerning this project (EUR 700 000) has been forwarded to RELEX Counsellors. The project will have the duration of one year and will provide, inter alia, for further training for law enforcement officials and as well as awareness raising of Members of Parliament and for support to the maintenance of databases and to SALW destruction and stockpiles management. Previous contributions amounted up to EUR 345 000 in 2001 and EUR 700 000 in 2003.

2. **Fighting against the illicit trafficking of SALW in Africa**. The Office of the HR's PR presented in September 2006, in cooperation with the Policy Unit, a non-paper on the implementation of the SALW and Africa Strategies to the Working Group on Global Disarmament and Arms Control. This non-paper aims at providing the basis for a substantive discussion by Member States in order to identify elements for possible EU initiatives.
3. **Fighting against the illicit trafficking of SALW by air-transport**. On 13 September 2006, the European Commission organised an informal seminar on the challenges posed by the illicit transport of SALW by air. The seminar, mainly intended for Commission's services, was open to EU Member States, the European Parliament and the Council Secretariat. Two NGOs (TransArms and Amnesty International) presented their findings to the audience. Before the end of 2006, the European Commission will support a data base to gather information on these issues.
4. **Destruction of SALW in Ukraine**. The Working Group on Global Disarmament and Arms Control has discussed the possibility of further support to Ukraine for the destruction of SALW and ammunition on the basis of an Ukrainian request. The project proposal concerns the destruction of 32 000 units of SALW (including 101 thousand units of ammunition) and 15 thousand tons of old conventional ammunition (rounds for grenade launchers mostly). Total cost estimated by Ukraine: EUR10 million.
5. **Afghanistan**. The European Commission adopted a financial decision to provide EUR 26,200 million to the "Ammunition Project" in Afghanistan in order to support demining and ammunition control, in response to the integrated national security coordination strategy that seeks to strengthen synergies between SSR capacity, DDR and Illegal Armed Group Program. The project will be implemented by ANBP (the Afghanistan's New Beginning Program) and the Ministry of Defense.