



UNITED NATIONS INSTITUTE
FOR DISARMAMENT RESEARCH



EUROPEAN UNION

**Supporting the Arms Trade Treaty Negotiations through
Regional Discussions and Expertise Sharing**

**KEY ISSUES FOR THE ARMS TRADE TREATY
NEGOTIATIONS**

Monday, 17 October 2011
13:15–14:45
Conference room A, United Nations, New York

SUMMARY REPORT

Introduction

Since July 2010, the United Nations Institute for Disarmament Research (UNIDIR) is implementing a project for the European Union (EU), entitled “Promoting the Arms Trade Treaty negotiations through regional discussion and expertise sharing”. The project consists of a series of regional seminars, commissioned research and other support activities, such as side events held in the margins of United Nations meetings.

On 17 October 2011, UNIDIR held a lunchtime event as part of its contribution to the debate of the United Nations General Assembly’s First Committee. Given that the Preparatory Committee (PrepCom) process of the ATT Negotiating Conference of July 2012 is at its final stages, the side event concentrated on discussing some of the key issues that are on the table for the ATT negotiations. It presented two background studies that UNIDIR is commissioning as part of its ATT project: one on the possible inclusion of ammunition in the future Treaty and another one looking at technology transfers as a possible type of activity to be covered.

The event was open to all interested parties and attracted a wide audience: around 110 representatives from permanent delegations, United Nations agencies, international organizations and civil society listened to the presentations and participated in the discussion. This report presents a summary of the presentations made at the event as well as an analysis of ideas and recommendations put forward during its discussions. It reflects the impressions and views of the organizers at UNIDIR, based on our account of the proceedings and exchanges of views.

Summary of proceedings

The lunchtime event was chaired by Dr. Christiane Agboton-Johnson, Deputy Director of UNIDIR. In her welcoming remarks, Dr. Agboton-Johnson welcomed everyone to the meeting and explained briefly the goals and objectives of the EU–UNIDIR project and the side event. As Dr. Agboton-Johnson recalled, the current activities are follow-on to a project that UNIDIR implemented for the EU in 2009 to 2010 and that also consisted of regional events, discussions and background research. The sense from those seminars was that more discussion of the different aspects of an ATT was needed, and therefore the follow-on project was developed with an element of background research. As part of the project, UNIDIR is commissioning up to 12 background papers from research institutes and individual experts, focusing on some key relevant aspects of the project and the regional seminars. Examples of already commissioned research include papers on the scope of the future Treaty in terms of weapons and equipment; on what implications international law has on the future ATT; on developmental aspects of arms transfers; and on international assistance and cooperation mechanisms of the future Treaty. Dr. Agboton-Johnson noted further that some of the background studies, such as the ones to be presented at the side event, are mostly theoretical and global in scope, and while building on national and regional good practices they attempt to make recommendations for the ATT process as a whole. Other papers then again have been developed specifically for a particular region, keeping in mind the goal of the project: “supporting the ATT negotiations through regional discussions and expertise sharing”.

As a conclusion, Dr. Agboton-Johnson introduced the two speakers and noted that both studies presented at the side event are still work in progress—comments and suggestions regarding their content and recommendations would be most welcome.

The first presentation was delivered by Mr. Roy Isbister from the non-governmental organization Saferworld. Mr. Isbister introduced a paper that Saferworld is preparing for UNIDIR on the possible inclusion of ammunition in the scope of an ATT. At the outset he noted that there are different opinions on how to address ammunition in the future Treaty, and that most, but not all, states are very supportive about their inclusion. In his talking points, Mr. Isbister concentrated on two key questions: first, whether the scope of the future Treaty should include ammunition; and second, if so, how ammunition in the future ATT should be treated in terms of reporting and transparency. Before embarking on these questions, Mr. Isbister briefly discussed the definition of ammunition, and noted that there currently exists no generally accepted definition, so it is up to the participants to decide what is meant with the term, for example whether it would also include parts and components, bombs, grenades or missiles. In Mr. Isbister's view, a comprehensive approach drawn from existing practice at the national level would be the most desirable solution.

Turning to the question about the desirability of including ammunition in the future Treaty's scope, Mr. Isbister recalled the goals and objectives of an ATT and noted that in order for those to be met, the inclusion of ammunition is of crucial importance. Referring to some sceptical remarks made about the feasibility of including ammunition, he noted that most states already regulate their international ammunition transfers as standard practice and apply the same standards to ammunition that they do to arms. It has been suggested that attempting to control the billions of rounds of ammunition that are shipped each year is an impossible task. Commenting on that, Mr. Isbister noted that existing practice suggests that it is not problematic and that licensing international transfers of ammunition is manageable.

A related argument against including ammunition has been that marking and tracing billions of individual rounds is impractical. Again, Mr. Isbister recalled that an ATT would not establish unique markings on individual rounds; it would only aim at ensuring that no international transfers of items falling within the scope of the future Treaty take place without first being considered and approved by a competent governmental authority. He also argued against the scepticism expressed towards the inclusion of ammunition based on the previous experience of the United Nations Programme of Action on SALW (PoA) and the United Nations Conventional Arms Register (UNRCA) by noting that an ATT would be a new type of instrument, designed for a different purpose than the PoA or the UNRCA—hence its coverage could and should be different.

Turning to the second main point of his presentation—transparency and reporting—Mr. Isbister noted that, in principle, ammunition should be subject to similar reporting requirements as arms and other items falling under the future Treaty. In his view, reporting creates the possibility for accountability, and there is no less need for accountability for decisions about international ammunition transfers than for international arms transfers. Further, a significant number of states, including EU member states and the United States, already report on their international ammunition transfers

To those who argue that reporting on ammunition would be too burdensome, Mr. Isbister noted that the level of burden depends on what exactly is being reported on. As ammunition reporting will be aggregated, its volume is not foreseen to be more than about 5% of national reporting. In Mr. Isbister's view, the main challenge for states that do not report at the moment will be to get the systems and processes up and running to report in the first place, not the extra work involved in reporting on ammunition.

Regarding concerns raised regarding military sensitivities related to ammunition reporting, Mr. Isbister recalled that, realistically, ATT reporting will happen with a delay of 1–3 years. As a consumable good, the strategic meaning of ammunition is much more time sensitive: reporting about transfers that happened some years ago are not likely to be of strategic importance or a threat to national security. Further, he noted that data could be reported on quantities or values in ways that can protect against giving away too much information. This also applies to concerns about possible commercial sensitivities and concerns that reporting would reveal some crucial information about competitors' pricing or other details. According to Mr. Isbister, the minimum information to be included in ammunition reporting would cover the number of transactions (authorizations or actual deliveries), the country of end-use, and some kind of categorization of the type of ammunition transferred. Here, the categorization needs to be reasonably specific and the information should include some indication of the size of the transaction, either in quantity or by value.

To conclude, Mr. Isbister noted that in his view there is some unnecessary confusion over the question of why ammunition should and how it could be included in the ATT. Due to the devastation caused by ill-advised ammunition transfers, the inclusion of ammunition in the future Treaty is of paramount importance, and should be strived for despite the practical problems that some states have claimed to be posed by expanding the future Treaty's scope.

The second presentation was also about the scope of an ATT: Mr. Vadim Kozyulin from the Centre for Policy Studies in Russia (PIR Centre) discussed challenges related to effective controls of transfers of defence technology both with regard to large conventional weapons and small arms, and presented some ideas about how this issue could be addressed in an ATT. He started by referring to early technology transfers during the Cold War era, when both the Soviet Union and the United States tried to extend their area of influence by helping their allies to develop their defence industries through transfers of technology and know-how. Since the end of the Cold War, the number of producing states has further increased, and in today's world we see a multiplicity of sources of defence technologies for both advanced and developing countries. Challenged by a global economic downturn, many states have in recent years been forced to cut down their military budgets and to find new solutions to simultaneously meet defence needs and budget cuts. One way is to develop new defence technologies in cooperation with other parties. While the partnership sometimes is between equally developed countries, these deals have also brought up again a Cold War-type of partnership, where one side provides funding while another side contributes knowledge and skills. This allows the financial partner to quickly pass through the new technology lessons and to get full capacities in implementing as well as creating advanced defence technologies.

Mr. Kozyulin then went on to describe the different ways of transferring defence technologies, and listed manufacturing under license, joint developments and offset deals as examples. He noted that offset deals are often accomplished through complex foreign sales agreements in which the buyer purchases, for example, a few copies of an advanced fighter or tank, assembles a second batch under license, and manufactures the rest indigenously. For the buyer, offset is a relatively cheap way to procure a new technology, and while it does not always involve transfers of technology, it is a frequent case of both intended and unintended technology transfers.

According to Mr. Kozyulin the most demanded defence technologies include aeronautics and aerospace, armaments (small arms, artillery systems and ammunition, tank armament), electronic warfare, radars, command and control software and decision-making tools, computing technologies, missile systems and laser technology, just to mention a few. In general, defence

technologies span the spectrum of sophistication from low-tech weapons to highly sophisticated systems such as anti-satellite weapons and equipment.

Mr. Kozyulin then went on to discuss small arms and light weapons (SALW) in more detail as a specific case of technology transfers noting that there are numerous known cases when a state has been manufacturing SALW without a license or on a basis of an expired license. Illustrating his claim with photos, he showed how easy it is for a new producer to take on the production of, for example, machine guns and pistols based on copied technology, and called for an international solution to address this problem, which greatly contributes to the illicit trade in these weapons.

Mr. Kozyulin also touched upon transparency and arms transfers, and noted that while there are several instruments recording the international trade of conventional weapons, information on technology transfers is limited and remains a challenging category to accurately reflect developments currently ongoing across the globe. With regard to possibilities of developing better control and monitoring mechanisms for technology transfers, Mr. Kozyulin noted that the international community has invested a lot of intellectual resources and produced many useful instruments, which have prevented nuclear war and considerably slowed down proliferation of nuclear and missile technologies. Hence there might be good findings from the existing regimes, which could be collected and implemented in the field of conventional arms technologies transfer. There are also numerous national export control systems that provide examples of comprehensive and strict control over transfers of national defence technologies. According to Mr. Kozyulin, these export control systems (like the United States' Blue Lantern Program) could maybe be regarded as manuals for good practices, however keeping in mind that no single state can control the ultimate distribution of advanced weapons and the technologies necessary to build them—international controls are needed to support national and regional efforts.

Turning more specifically to the future ATT, Mr. Kozyulin noted that the ATT is intended to limit uncontrolled procurement of conventional arms for irresponsible and uncontrolled users, and given the nature of today's international arms trade the threat of proliferation of defence technologies has to be addressed in the future ATT. This could be done in many ways. First, transparency about the transfers of defence technologies could be increased by including these transfers in the scope of the future ATT and in its reporting requirements. Further, legal limitation on offset transfers of defence technologies which stimulate cheap and fast proliferation could be imposed through an international agreement. Third, Mr. Kozyulin noted that re-transfer of technologies to third parties could be prohibited or controlled through the future Treaty, and gradual restrictions could be imposed on transfers of the most destabilizing technologies, such as those of SALW. More research should be conducted in the sphere of military know-how on transfers and "good/best practice" guidelines. Finally, Mr. Kozyulin said that incentives should be established so that those who do not procure defence technologies refrain from doing so in the future.

The third presentation, scheduled for the side event, about Africa and the future ATT, had to be cancelled unfortunately, as the presenter from the African Union (AU) was unable to participate. Despite this setback, African priorities for an Arms Trade Treaty and the AU Common Position were actively discussed during the question and answer session.

Discussion

The presentations were followed by an active question-and-answer session, where many points raised by the speakers were further highlighted by comments from the floor. Despite the inability of the AU representative to be present at the seminar, regional views from Africa were prominent in the remarks. As an introductory statement about Africa and the future ATT, Mr. Ivor Fung from the United Nations Regional Centre in Africa briefly recalled the meeting that the African Union held in Lomé, Togo, at the end of September to negotiate an African Common Position on the ATT. He noted that the meeting was a follow-on to the regional positions recently adopted within the Economic Community of West African States (ECOWAS) and the Economic Community of Central African States (ECCAS). According to Mr. Fung, the meeting proved very successful and the draft Common Position, adopted by the participants, is currently being fine-tuned. It will be submitted for ministerial-level approval in early 2012, well in advance of the July negotiations. It is hoped that the Common Position will help African states to prepare for the ATT conference and also send a strong message from Africa regarding the continent's priorities for the future Treaty. Several speakers commented on Mr. Fung's remarks and also aired some differing opinions about the status of the Common Position. While most AU member states seem to strongly support the common views, there are also states who consider the status of the process currently being more about the exchange of views than agreeing on a joint document.

Many speakers also asked detailed questions about the possible inclusion of ammunition and what the decision regarding the future Treaty's coverage would mean. Some remarks were also made about drones and technology transfers, and for example about whether assistance provided to help states upgrade their defence capacities under an ATT would be regarded as a form of technology transfers. Questions were also posed about the possible effect on an ATT on states' right to self-defence as a principle.

Closing remarks

The seminar's closing remarks were delivered by Mr. Fabio Della Piazza from the European External Action Service. He noted that as a staunch supporter of the ATT process the EU continues to believe that the establishment of a legally binding and robust ATT regulating the global trade in conventional arms will tangibly contribute to the enhancement of international peace and security. The EU has actively contributed to the preparatory process leading to the 2012 United Nations Conference, and will continue to do so throughout the complete negotiating process, supporting Ambassador Moritán in his efforts. In particular, Mr. Della Piazza noted that the EU appreciates the approach of Ambassador Moritán to use a draft paper, edited by him under his own responsibility, as a reference for consultations and to incrementally update it as discussions have developed. In the EU's view this has arguably allowed discussion to be as focused and substantial as possible, and has greatly contributed to a better understanding of the issues involved.

The EU is convinced that only an ATT that is negotiated and developed through a genuine participatory process can meet the expectations and the ambitious objectives that the international community has been asking for. This is also one of the reasons why in 2010, EU member states decided to develop a new project supporting the ATT initiative. As Mr. Della Piazza noted, the side event marked a half-way point in the project, which following the holding of the first four workshops, we will now turn to organizing three more outreach events for the Middle East,

Southern and Eastern Africa, and Wider Europe. A final event will then be organized to mark the conclusions of the project on the eve of the 2012 Diplomatic Conference.

As Mr. Della Piazza pointed out, the coming months will be full of challenges: recent consultations within the United Nations framework have shown that despite significant convergence of views there are still significant issues to be tackled and to be discussed. Many of the most complex issues, such as the exact definition of the scope of the future Treaty and the implication that this could have on the reporting and transparency mechanisms of a Treaty, need further consideration and analysis. Other issues, such as the details of the implementation mechanism, the types of specific controls to be applied to different types of transfers, have also attracted much discussion and delegations are still holding differing views. According to the EU, finding common ground for outstanding issues and different national approaches should remain our ultimate goal to which appropriate technical and political resources should be devoted. Hence the EU looks forward to engaging in substantial negotiations at next session of the Preparatory Committee in February 2012 and, ultimately, at the 2012 Diplomatic Conference.

Conclusion

The seminar held in the margins of the United Nations General Assembly's First Committee was very well attended and received active and encouraging feedback from the participants. Presentations made at the event were generally noted to be of importance and interest in the ATT process, and participants welcomed the materials distributed during the event. The discussion that followed the expert interventions brought up additional aspects related to the possible inclusion of ammunition and technology transfers in the future ATT, and also touched upon the current state of discussions regarding a Common Position on an ATT in the AU. Transparency and reporting requirements, as well as the overall implementation framework of the future Treaty were prominent in both the presentations and the following discussion, and the participants identified many areas where further work and exchange of views is needed in the lead-up to the July 2012 ATT Conference.

As the next steps in the EU–UNIDIR project, UNIDIR is embarking on organizing the three remaining regional seminars, to be held for states in the Middle East, Eastern and Southern Africa, and Wider Europe. Simultaneously with these remaining activities, the commissioned research will be updated and completed, and information about all project activities will be continuously posted on UNIDIR website, at www.unidir.org/att.



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(Sandwich lunch will be served in the Polish Glass Lounge at 12:45 pm)

AGENDA

Chair's welcoming remarks and introduction

Dr. Christiane Agboton-Johnson, Deputy Director, UNIDIR

Including ammunition in the scope of an Arms Trade Treaty

Roy Isbister, Saferworld

Technology transfers and an ATT—problems and possibilities

Vadim Kozyulin, PIR Centre

Discussion

Concluding remarks

Fabio Della Piazza, European External Action Service