
Criterion 1: International commitments

China

Mainland China remained under EU arms embargo throughout 2003 and into 2004 (Hong Kong and Macau Special Administrative Region being excluded). However, the EC Council Declaration of June 1989, which followed the Tiananmen Square massacre, was cast in extremely vague terms. It called simply for an “embargo on trade in arms with China”,¹ leaving EU Member States to decide for themselves what the exact scope of the embargo should be.

Few EU Member States have set out, in any detail, their interpretation of the arms embargo on China. For its part, however, the UK Government interprets the embargo as covering:

- i) lethal weapons, such as machine guns, large calibre weapons, bombs, torpedoes, rockets and missiles;
- ii) specially designed components for the afore-mentioned and ammunition;
- iii) military aircraft and helicopters, vessels of war, armoured fighting vehicles and other such weapons platforms;
- iv) any equipment which might be used for internal repression.²

Despite this, and as the QSC Report on Strategic Export Controls of May 2004 stated, “the UK does grant licences for the export to China of significant quantities of components for military aircraft and helicopters”.³

During his appearance before the QSC in February 2004, Foreign Secretary Jack Straw stated that the purpose of the embargo was “to prevent China acquiring new systems or equipment”.⁴ It appears, nevertheless, that the Government is willing to authorise the supply of strategic items to China which provide the means to maintain its existing military capacity. Such an interpretation does, however, appear difficult to reconcile with the call in the Declaration for an “embargo on trade in arms”, moreover it ignores the prospect that UK components could be helping China to boost the *scale* of its *extant* capabilities or could be intended for use in new weapons systems that are not necessarily sourced solely from the UK.

¹ Declaration on China by Madrid European Council, 27 June 1989, <http://projects.sipri.se/expcon/euframe/euchidec.htm>.

² *UK Annual Report on Strategic Export Controls 2003*, p. 476.

³ QSC, *Strategic Export Controls Annual Report for 2002, Licensing Policy and Parliamentary Scrutiny*, 18 May 2004, HC390, <http://www.publications.parliament.uk/pa/cm200304/cmselect/cmdefence/390/390.pdf>.

⁴ *Ibid.*, Oral Evidence Taken before the Quadripartite Committee on Wednesday 25 February 2004, Ev 9.

Arms export licences to China	2003	Jan–Mar 2004	Apr–Jun 2004
Value of SIELs granted (£m)	76.5	9.5	28
Number of SIELs granted (refused/revoked)	180 (14)	46 (2)	69 (3)
Number of OIELs granted (refused/revoked) with regard to China	19 (1)	3 (0)	5 (0)
Number of incorporation SIELs granted (refused/revoked)	2 (0)	0 (0)	1 (0)
Number of SITCLs granted with China as destination	n/a	n/a	1
Number of OITCLs granted with China as destination	n/a	n/a	0

The scale of export licensing of controlled goods to China is considerable and increasing. The value of SIELs has gone from £32 m in 2001, to £50 m in 2002, to £76.5 m for 2003, with £37.5 m worth of SIELs approved in the first half of 2004. Over the same period, the number of permanent OIELs granted for which China is a newly included destination have also been significant: 10 in 2001, 24 in 2002, 14 in 2003 and 6 in the first six months of 2004. Included among the items licensed for export since the beginning of 2003 have been **technology for the production of combat aircraft, components for electronic warfare equipment and components for unmanned air vehicles**, all of which could be capable of contributing toward and potentially boosting China's offensive capacity.

Regardless of the nature of the equipment, however, to licence a total of £114 m worth of SIELs and include China in the coverage of 20 OIELs from January 2003 to June 2004 is not consistent with the UK's commitments under criterion 1, and it is unclear how this could be in accord with the political aim of the EU arms embargo to bring pressure to bear on Beijing to improve its human rights record.

Licences of greatest concern under criterion 1

SIELs 2003: Components for electronic warfare equipment, components for ground based radars, components for military aero-engines, components for military utility helicopters, military firing sets, technology for the production of combat aircraft and technology for the use of military aero-engines, components for military utility helicopters, components for unmanned air vehicles, military aero-engines, military utility vehicles, technology for the production of military utility helicopters.

OIELs 2003: Components for radar equipment, components for ground based radars.

SIELs January–March 2004: Castings for military aero-engines

SIELs April–June 2004: Components for combat aircraft, components for firing sets, general military aircraft components, military firing sets, weapon sights.

OIELs April–June 2004: Components for ground based radar, technology for the use of ground based radar.

Iran

Currently a UK arms embargo is in place against Iran that covers all goods and technology on the Military List as well as items entered in category O (Nuclear List) in Annex 1 of EC Regulation 1334 of 28 September 2000. Exceptions to this are: goods essential for the safety of civil aircraft and air traffic control systems; and radioactive material in the form of sources for medical equipment and deuterium-labelled compounds for medical use. Licences are not approved for any equipment where there is knowledge or reason to suspect that it would go to a military end-user or be used for military purposes. Furthermore, the UK prohibits the export, without a licence, of

certain dual-use goods.⁵ Details of these goods are listed in the Dual-Use Items (Export Control) Regulations 2000, as amended.⁶

The arms embargo on Iran has been in place since 1993, when it was established due to concerns over Iran's military build up and in response to the "Arms to Iraq" inquiry.

Arms export licences to Iran	2003	Jan–Mar 2004	Apr–Jun 2004
Value of SIELs granted (£m)	545	1.5	1.5
Number of SIELs granted (refused/revoked)	170 (26)	24 (9)	30 (8)
Number of OIELs granted (refused/revoked) with regard to Iran	3 (0)	2 (0)	1 (0)
Number of incorporation SIELs granted (refused/revoked)	0	0	0
Number of SITCLs granted with Iran as destination	n/a	n/a	0
Number of OITCLs granted with Iran as destination	n/a	n/a	0

For the year 2003 the value of licences for export to Iran was a staggering £545m – up from £11m in 2002. The UK Annual Report for 2003, however, explains that over 90 percent of this value was for two licences for civil aviation goods. Nonetheless, even taking this into account, there remains as much as £54.5m worth of the SIELs granted for other types of strategic goods including **components for marine engines** and **imaging cameras** in 2003. It may be that these other licences also relate to goods that fall outside the scope of the embargo, but without greater detail on the nature of the exports and a description of the end-user it remains difficult to assess whether the UK is in this instance meeting its commitments under criterion 1.

Licences of greatest concern under criterion 1

SIELs 2003: components for marine vessels, components for optical equipment, imaging cameras, lightweight aircraft, optical equipment, software for the use of optical equipment.

SIELs January–March 2004: components for marine engines, electronic components, equipment for the use of imaging cameras, imaging cameras, software for the use of imaging cameras.

OIELs January–March 2004: components for military aero-engines.

⁵ Ministerial Statement, 1 March 1993, Official report cols 237–274.

⁶ Ministerial Statement, 3 July 2000, HC 3W.