

LIMITE

FORWARDING NOTE

to : Delegations

Delegations will find attached a proposal tabled by the Italian delegation which is intended to be complementary and mutually reinforcing vis-à-vis the proposal for an "EU Code of Conduct" presented by the Presidency (doc. 5645/98).

ITALIAN PROPOSAL

The EU Code of Conduct should include the following substantive rules:

1. "Each EU Member State undertakes not to re-export out of the EU equipment originating in another Member State without the latter's prior written agreement. This rule also applies to important components to be assembled in the receiving EU State."
2. "Member States will not allow exports to a country whose government is responsible for serious violations of international human rights instruments, where such violations have been ascertained by the competent bodies of the United Nations (with the concurrence of the EU countries) or of the European Union".
3. "In their decision to issue an export licence in favour of a country recipient of EU or bilateral aid, Member States shall specifically consider whether that country's defence appropriations are proportionate to its legitimate defence and security needs".
4. "Member States will continue to assess jointly within the mechanisms of the CFSP the presence and level of domestic or regional tensions or armed conflicts in countries which may receive arms exports from EU Member States".

Furthermore, the Code should include the following procedural clauses:

1. "Each EU Member State should prepare on agreed guidelines and circulate to the other EU Partners an annual report on its national arms transfers and its own implementation of the Code of Conduct".
 2. "An annual EU meeting held within the framework of the CFSP will allow a common assessment of the national reports, with a view to ensuring the proper application of the Code of Conduct and identifying any improvement to be made to it".
-