

**LAW ON FOREIGN TRADE IN
WEAPONS, MILITARY EQUIPMENT AND DUAL-USE GOODS**

(S&M Official Gazette No.7/05.)

I. BASIC PROVISIONS

Article 1.

This Law stipulates methods and conditions under which it is possible to do foreign trade, transport and transit of weapons, military equipment and dual-use goods (hereinafter referred to as “controlled goods”), defines their definitions, establishes the authority in charge of issuing licenses for export, import, transport, transit, brokering and services in

Article 11.

Foreign trade in controlled goods may be conducted by a natural and legal person

Article 18.

The Minister for International Economic Relations defines the unique form of license application, license form and other forms of documents that follow foreign trade of controlled goods.

Article 19.

A license for foreign trade in controlled goods contains the following data:

- 1) name, parent number and address of exporter or importer,
- 2) name, description, tariff number, category and identification number from the List and quantity of controlled goods,
- 3) total value of controlled goods that are subject of export or import,
- 4) name and address of manufacturer/owner and end user of controlled goods,
- 5) manner of payment, charging
- 6) validity of license,
- 7) number, date, stamp and signature of authorized person.

The license validity is limited up to one-year period.

Article 20.

Prior to deciding upon an application for issuing license for practicing of foreign trade of controlled goods in the sense of regulations of this Law, the Competent Ministry will obtain consent from ministries of Serbia and Montenegro in charge of foreign affairs and defense, as well as opinion from ministry in charge of internal affairs of member state on which territory the head office of person mentioned in Article 11. is situated.

The ministries in charge of foreign affairs and defense of Serbia and Montenegro have the right of veto on license issuing in a decision-making process regarding trade in weapons and military equipment.

In the case of veto from both ministries from paragraph 2 of this Article, the Competent Ministry cannot issue a license, but in the case of veto from one ministry the final decision provides the Council of Ministers.

Article 21.

In a decision-making process of giving consent for foreign trade in controlled goods, the Ministry of Foreign Affairs of Serbia and Montenegro considers the following:

- 1) sanctions of the United Nations Security Council and recommendations of the

Article 22.

In a decision-making process of giving consent to foreign trade in controlled goods, the

1. the license has been issued on the basis of false data or the issuing conditions have been changed significantly,
2. the person or the foreign trade activity has violated the interests of foreign policy, national security or the economy of Serbia and Montenegro,
3. the person do not comply anymore with the conditions for issuing license or the conditions stipulated in the license have not been obeyed.

For cases listed in items 1 to 3 of this Article

Article 30.

Continental and waterway transit of weapons and military equipment will be performed in the prescribed manner and upon the approval given by the ministries in charge of internal affairs of member states, and with consent of the ministries in charge of foreign affairs and defense of Serbia and Montenegro.

Air transit of weapons and military equipment is performed in the prescribed manner and with the approval by the authority in charge of Air Traffic, and with consent of the ministries in charge of foreign affairs and defense of Serbia and Montenegro.

Article 31.

The necessary security measures are to be taken during the transport and transit of weapons and military equipment.

Continental and waterway transport and transit of weapons and military equipment on the territory of Serbia and Montenegro is to be conducted with an armed escort.

Article 32.

Terms and methods of transport and transit of weapons and military equipment, security measures and supervision of this transport and transit across the territory of Serbia and Montenegro are prescribed by special regulations of member states.

IV. SUPERVISION AND CONTROL

Article 33.

The Competent Ministry, in cooperation with other authorities (the ministry in charge of defense, the ministries of member states in charge of internal affairs, customs offices of member states, security and intelligence agencies and other), conducts supervision and control in accordance to this Law.

Customs authorities, security-intelligence and inspection services of member states are obliged to perform permanent control within the authorization given by the law of which they inform the Competent Ministry.

Article 34.

Person practicing foreign trade of controlled goods (importer, exporter, broker, owner or other user) is obliged to keep documentation on traffic of controlled goods for a period of at least 10 (ten) years once the activity being completed; to allow control and supervision and to fully assist in the process of control and supervision as well as to respect conditions stipulated in the license for foreign trade of controlled goods.

Article 35.

Person engaged in foreign trade, transport or transit of controlled goods must enable to the authorities from Article 33 of this Law an insight in all phases of trade, transport, transit and storage in order to contribute to the process of supervision and control.

Article 36.

Person engaged in foreign trade, transport or transit of controlled goods, or procurement and storage of controlled goods, is obligated to undertake all necessary protection and safety measures.

Person is obligated to inform the Competent Ministry on missing or damaged controlled goods within 24 hours after the incident.

Article 37.

If there are grounds for suspicions that person intends to procure controlled goods for purposes not specified in the license for practicing foreign trade of controlled goods, the Competent Ministry will request from other authorities from Article 33 of this Law to perform pre-control.

Other authorities make protocol on results of performed pre-control from paragraph 1 of this Article of which they inform in writing the Competent Ministry within 15 days from the day of its execution.

Controlled person has the right to be informed on protocol's content, to get a copy of the protocol and to submit their opinion regarding results of control to the Competent Ministry within a seven days deadline.

Article 38.

During customs control of controlled goods that are subject of foreign trade, customs authorities can, within their competencies, limit, stop, seize or suspend transport of controlled goods of which they will inform the Competent Ministry immediately.

Article 39.

Ministries in charge of finance of member states will specify obligations of their respective customs services regarding the implementation of this Law.

Ministries of Internal Affairs of member states will define and prescribe obligations of the authorities in charge of internal affairs on the territory of Serbia and Montenegro regarding the implementation of this Law.

Article 40.

Customs authorities quarterly inform the Competent Ministry on realization of issued licenses in accordance with their authorizations.

Article 44.

Regulations for implementation of this Law will be defined within three months from its coming into force.

Article 45.

On the date of this Law's entering into force, the provisions of the Law on Production and Trade of Weapons and Military Equipment ("Official Gazette of the FRY", No. 41/96), related to the Foreign Trade of Weapons and Military Equipment cease to be valid.

Article 46.

This Law enters into force on the eighth day from the date of its publishing in the "Official Gazette of Serbia and Montenegro" and will be implemented from 31st March 2005.

LIST OF GOODS SUBJECT TO LICENSING REGIME BASED ON