

Arms Trade Treaty

Third Meeting of the Working Group on Transparency and Reporting

Geneva, 30 May 2017

Information exchange mechanism to prevent diversion of conventional arms to the illicit market

Revised version of the working paper introduced on April 6, 2017

It is of the utmost importance to develop structured processes and mechanisms to enhance transparency for building compliance confidence between SP.

Taking into account successful regional mechanisms to share information on export policies between like-minded countries, it is necessary to establish recurrent and substantive dialogue particularly between export and import countries to reach common understanding on ways and means to prevent and combat diversion of conventional arms to the illicit market.

The comprehensive view of the transfer cycle would provide SP with the basis for adopting national measures to address diversion challenges and for the joint development of relevant actions to prevent diversion or of mitigation measures to tackle diversion. The dialogue could also provide grounds for the formulation of recommendations to SP on strengthening national control systems and their risk analysis process with a focus on prevention of diversion.

The starting point for a long-term strategy for exchange of practical information by SP committed to supporting the regime could be dialogue between SP involved in cases generating concern that would deserve specific attention, with the flexibility to work expeditiously to find solutions and to guarantee the confidentiality of the information provided.

Concerning the aforementioned, the following proposals –which take into account views expressed in previous meetings, consultations and received written comments - are submitted for discussion:

- Development of an Information Exchange Portal containing a database of SP points of contact for purposes of information exchange. SP would designate a national PoC, the Secretariat would collect information and would make it available for all SP (location of the database –either on the public or restricted section of the ATT website- to be discussed).
- Voluntary Exchange of Information Mechanism, with the purpose of tracking progress with respect to exchange of information as mandated by the Treaty. Particularly, information related to obligations on diversion prevention (Article 11.1, 11.2), mitigation of the risks of diversion (Article 11.3), response to cases of diversion when detected (Article 11.4), information sharing on measures to tackle diversion (Article 11.5) and reporting to the Secretariat on measures taken to address diversion (Articles 11.6, 13.2).

While this exchange of information currently occurs informally to some extent, a formalization of the process would help to enhance the Treaty's regime. Bringing to light the dialogue between SP could contribute to promote observance accountability concerning main provision of the Treaty and encourage SP, which have not been able to take actions for exchange of information on preventing diversion, to voluntarily engage with others in good faith.

To give structure to the dialogue and align it with the ATT, SP seeking to engage in a process to identify means of collaboration to prevent and combat diversion of conventional arms to the illicit market would take into account the Template for Voluntary Exchange of Information Mechanism and the ToR. SP would inform to the CSP, individually or jointly, on the exchange of information carried out and/or on any issue related to it.

- Annual Meeting of National PoC to exchange information on implementation of Article 11. The meeting would provide an opportunity for networking among national authorities, to discuss ways to improve cooperation for effective implementation of Article 11 and to build on recommendations for the consideration of CSP (the Meeting could take place one day before CSP).

Annex 1

DRAFT Template for Voluntary Exchange of Information Mechanism

Purpose of the template

The template is intended to serve as a tool for SP seeking a Voluntary Exchange of Information Mechanism to prevent diversion of conventional arms to the illicit market, or as a basis to launch consultations or to engage in a process to identify means of collaboration on the issue.

I. Summary of the request

Short summary of your request:

State/States involved

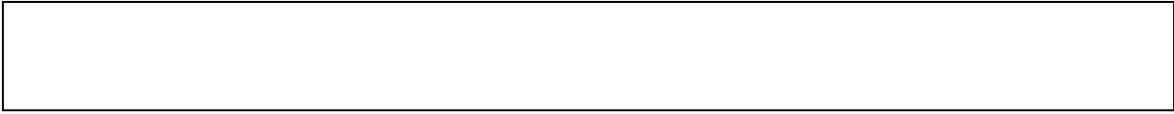
Stage of transfer of conventional arms requiring subsequent action by SP regarding preventing diversion:

- Pre-authorization stage, during the risk analysis, when there is a need for assessment elements or mitigations measures
- During the transfer, once diversion is detected or an early warning is issued
- When the transfer has reached the end user
- Other

Information on the transfer

Category of arms	
Description of items (number, value)	
State of origin	
Final importing State	
Final end user	

Any additional information:



Annex 2

MODEL ToR

Involved SP in a Voluntary Exchange of Information Mechanism should exchange relevant information to contribute to the implementation of the provisions of Article 11 of the Treaty, especially Articles 11.2 and 11.5.

Any information received by a SP shall be deemed and treated as confidential. Said information shall be subject to each Party's information protection regulations and policies. Information received may be disclosed, prior written consent of the concerned Party, only to authorities (including courts and administrative bodies) in relation with enforcement or prosecution to prevent and combat diversion of conventional arms to the illicit market.

The commitment to exchange information under Article 11 should be interpreted broadly and based on reciprocity. However, the information should bear relevance to the prevention and mitigation of diversion.

The exchange information should be –essentially- open-ended and depend on the circumstances of the transfer and the end user, such as:

- Information needed to complete the file of the end user, brokers, shipping company, official address of an individual or company, or records in national databases;
- Information on price, cost, commission, taxes, routes of a transfer to investigate in situations involving risk of diversion;
- Information on the common procedures by which particular transactions or activities are customarily conducted;
- Information which may be useful to a State as a check on the effectiveness of its activities, such as, date and time, volume of transfers acknowledged by the receiving country.

SP should decide on the means of communication –e.g., meetings in capitals and/or designation of a focal point of one State to receive/provide information from/to the competent authority and discuss it-.