



PERMANENT MISSION OF THE REPUBLIC OF HUNGARY  
TO THE UNITED NATIONS

DDA CONVENTIONAL ARMS BRANCH RECEIVED
APR 01 2008
LOG No. 2/4

27 March 2008

No.: 50/2008

The Permanent Mission of the Republic of Hungary to the United Nations presents its compliments to the Office for Disarmament Affairs and with reference to its document ODA/02-2008/SALW-BMS of 28 January 2008 has the honour to provide the following information on the implementation of the Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects:

### *REPORT*

## **on Implementation of the International Tracing Instrument and of the United Nations Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects**

The Republic of Hungary has adequate legislation and appropriate administrative measures to exercise effective controls over the production, possession, marking, destruction of and trade in small arms and light weapons (SALW) since 1991. Government Decrees and ministerial regulations issued by the Minister of Defence, the Minister of Interior and the Minister of Economy and Transport ensure that a coherent structure of legislative measures is in place and enable close co-ordination among authorities at the national, regional and international level. A strict marking system enables national authorities to identify and trace weapons at any time in a reliable way. These measures prevent that unmarked or inadequately marked weapons be manufactured, stockpiled, transferred or possessed on the territory of Hungary.

Office for Disarmament Affairs  
United Nations  
New York

**I. Implementation of the International Tracing Instrument**  
**Legal efforts in 2007 and in the recent years**

*1. Co-operation, co-ordination and exchange of information between administrative and law enforcement agencies, etc.*

- a) The Government Decree 16/2004 entered into force on 1 May 2004. This GD covers licensing of the export, import, transfer and transit of military equipment and technical assistance and also covers the arms brokering activities in the customs area of the Republic of Hungary. The national licensing authority is the Hungarian Trade Licensing Office (HTLO). The licenses are issued by the HTLO on the basis of recommendations formed by the Foreign Trade Licensing Committee on Military Goods. This Committee holds its sessions every month. Members of the Committee are (According to Article 4):

“a person designated by the minister of the following ministries:

- the Ministry of the Interior,
- the Ministry of Defence,
- the Ministry of Economy and Transport,
- the Ministry of Foreign Affairs,
- the Ministry of Finance.”

The chairman of the Committee is the Director of the HTLO. The Minister of Economy and Transport appoints the secretary of the Committee.

The Inter-ministerial Committee on Foreign Trade in Military Equipment (hereinafter referred to as “the ICTME”) sets policy related to licensing of international trade in military equipment and technical assistance. The members of the ICTME are (according to Article 3):

“a person designated by the minister heading the Prime Minister’s Office and the political state secretaries of the following ministries:

- the Ministry of the Interior,
- the Ministry of Defence,
- the Ministry of Economy and Transport,
- the Ministry of Foreign Affairs.”

The Prime Minister appoints the chairman of the ICTME from the members of the ICTME. The Minister of Economy and Transport appoints the secretary of the ICTME.

- b) The Government Decree 301/2005 on the implementation of Act no. CIX/2005 on Licensing of Producing Military Equipment and Providing Technical Assistance entered into force on 23 December 2005. This GD covers the regulation of producing military equipment and providing technical assistance on the territory of the Republic of Hungary. The Hungarian licensing authority is the HTLO. The licenses are issued on the basis of expert assessments given by the Industrial Committee on Military Goods. Members of the Committee are (according to Article 1):

“The members of the ICMT are (with right to vote):

- the Chairman of the Committee is the Director of the Hungarian Trade Licensing Office;
- a person designated by the minister of the following ministries:
  - a) the Ministry of the Interior,
  - b) the Ministry of Economy and Transport,
  - c) the Ministry of Defence,
  - d) the National Secret Services.”

Other members (without right to vote): the Hungarian Defence Industry Association.

## *2. Newly enacted legislation, reviews of the practical functioning of existing legislation*

In order to present a comprehensive picture on the Hungarian legislation see below the list of recently enacted and already existing legislation in three blocks: *civilian use and possession of SALW; military equipment and stockpiles; procedures on licensing of production, export-import, tracing and brokering activities*

### *1. Civilian use and possession of SALW*

- a) Firearms and Ammunition Act No. XXIV/2004 (entry into force: 1 May 2004): Its purpose is to fully align the Hungarian legislation with

the EU acquis concerning the categorization, manufacture, acquisition and possession of arms and ammunition. The Firearms and Ammunition Act is based on previous legislation (Gov. Decree 115/1991) and takes over its basic elements.

The authors of the Firearms and Ammunition Act took into account principal EC regulations concerning arms and ammunition, including Council Directive 91/477/EEC on the control of the acquisition and possession of weapons. The authors took into account the guidelines of the OSCE Best Practice Guide, as well.

- b) Government Decree on Firearms and Ammunition No. 253/2004. (VIII. 31.) preparing the implementation of Act No. CX/2005. on Licensing of Military Equipment Production and Providing Technical Assistance.
- c) Decree issued by the Ministry of Interior No. 49/2004. (VIII. 31.) on shooting-ranges, stockpiling of firearms and ammunition by the authorities, theoretical and practical requirements of possession of firearms.
- d) Decree with legal force (1973) on the announcement of the Convention of 1 July 1969 on the Reciprocal Recognition of Proof-marks on Small Arms.

## *2. Military equipment and stockpiles*

- a) Government Decree on the regulation of the property management of military equipment and stockpiles 304/2001. (XII. 27.)

## *3. Procedures on licensing of production, export-import tracing and brokering activities*

In the recent period Hungary made a considerable step forward on the field of legislation on arms production. A new law entered into force at the end of 2005 (2005. CIX) which was followed by a Governmental Decree on its implementation (301/2005. of 23 December 2005) that entered into force on 15 January 2006. Furthermore, the Ministry of Industry and Trade issued a decree on marking and tracing of military products, including SALW (32/2007) on 19 March 2007. See below the summary of legislative acts concerned:

- a) Licensing of military equipment production and providing technical assistance Act No. CIX/2005
- b) Government Decree 301/2005 on regulation of licensing of military equipment production and providing technical assistance
- b) Government Decree 50/2004 on licensing of the export, import of dual-use goods and technologies.
- c) Government Decree 16/2004 on licensing of the export, import, transfer and transit of military equipment and technical assistance and also covers the arms brokering activities in the customs area of the Republic of Hungary. This GD explicitly defines the notion of “broker” and “brokering activities”.
- d) Ministry of Industry and Trade Decree 32/2007 on marking and tracing of military products and registry of military equipments and related services

The decree obliges all manufacturers and importers to mark and register all SALW that were produced or imported. It also obliges government and security forces to mark SALW in their possession and lacking the required markings. This marking and registering practice allows the authorities to trace SALW in a timely and reliable manner. According to the decree markings should be placed and installed in a way that removing them would damage the weapon so severely that it prevents further use.

During the licensing procedure the following general principles are observed:

1. The transaction shall not violate any provision of the Constitution and any obligation of the Republic of Hungary under international treaties and shall not be contrary to the foreign policy, national defence and national security interests of the country.
2. UNSC, EU and OSCE embargoes and other limitations of international regimes, the principles of the EU Code of Conduct should be observed during licensing.
3. Only professional registered dealers are considered as partners, i.e. political movements, organisations or private persons are excluded.

The scope of the Annex of the above Government Decree covers a wider range of equipment and technology compared to the Wassenaar Arrangement list by controlling a number of additional items (i.e. listing *Specially Designed Secret-service Devices*).

## II. Implementation of the Programme of Action in 2007 and in the recent years

### *– Bilateral co-operation with other states*

#### Hungary and United States Agreement on Destruction of Man-Portable Air Defence Systems (MANPADS)

In 2005 Hungary decided to reduce 1.540 pieces of Strela 2-type Man-Portable Air Defence Systems (MANPADS), commonly referred to as shoulder-fired anti-aircraft missiles, which were no longer needed for the defence of the country. Hungary and the US signed an agreement on US financial support to this project.

The joint MANPADS reduction project was completed in February 2006.

### *– Participation in or organization of international seminars and conferences*

- a) SALW BMS in New York in July 2006
- b) SALW symposia in Geilenkirchen, Germany in January 2006 and in Bern, Switzerland in October 2006
- c) Multinational Small Arms Group (MSAG) sessions in Madrid, Spain in June 2007 and in Oslo, Norway in November 2007
- d) International Expert Meeting on SALW in Geneva, Switzerland in August 2007
- e) SALW training course of the NATO School in Oberammergau, Germany in October 2007

### *– Participation in the work of international organisations and regional arrangements in the field of conventional arms, especially small arms and light weapons*

- a) UN: SALW BMS, New York, July 2006
- c) UNGA: In recent years Hungary voted in favour or supported the following resolutions concerning this issue:

A/RES/61/77	Transparency in armaments
A/RES/62/58	Strengthening of security and cooperation in the Mediterranean region
A/RES/61/79	Information on confidence-building measures in the field of conventional arms
A/RES/62/47	The illicit trade in small arms and light weapons in all its aspects
A/RES/62/40	Prevention of the illicit transfer and unauthorized access to and use of man-portable air defence systems
A/RES/62/44	Conventional arms control at the regional and subregional levels
A/RES/61/72	Problems arising from the accumulation of conventional ammunition stockpiles in surplus
A/RES/62/22	Assistance to States for curbing the illicit traffic in small arms and light weapons and collecting them
A/RES/62/26	National legislation on transfer of arms, military equipment and dual-use goods and technology
A/RES/60/68	Addressing the negative humanitarian and development impact of the illicit manufacture, transfer and circulation of small arms and light weapons and their excessive accumulation

- c) OSCE: Within the framework of the Organization for Security and Cooperation in Europe Hungary has undertaken a number of politically binding commitments in relation to SALW.
- d) NATO: Hungary has taken an active part in activities carried out in the framework of the NATO's Partnership for Peace.
- e) ECOWAS: The Hungarian licensing policy strictly observes the moratorium undertaken by ECOWAS.
- f) Wassenaar Arrangement: Hungary chaired the Expert Group of the WA in 2005 and 2006. In earlier years (2004 and 2005) Hungary promoted Croatian accession to the WA.
- g) RACVIAC: Hungary supports the work of the Regional Arms Control Verification and Implementation Assistance Centre. In 2006 Hungary hosted a RACVIAC seminar on different CSBM activities.
- h) SEESAC: Hungary supports the work of the South Eastern Europe Clearinghouse for the Control of Small Arms and Light Weapons.

### III. National points of contact

The desk officer responsible for SALW related issues at the Department for Security Policy and Non-Proliferation of the Ministry of Foreign Affairs acts as national point of contact to liaise with other states and international organisations on matters relating to the implementation of the UN Programme of Action.

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The Permanent Mission of the Republic of Hungary to the United Nations avails itself of this opportunity to renew to the Office for Disarmament Affairs the assurances of its highest consideration.

