
**ATT WORKING GROUP ON TRANSPARENCY AND REPORTING
CO-CHAIRS' DRAFT REPORT TO CSP4**

Introduction

1. This report by the co-chairs of the Working Group on Transparency and Reporting (WGTR) to the Fourth Conference of States Parties (CSP4) to the Arms Trade Treaty (ATT) reflects the work of the co-chairs in the period between CSP3 and CSP4, submissions by WGTR participants and the discussions in the WGTR meetings of 8 March and 31 May 2018. It includes references to the documents that were discussed, presentations that were given and an overview of the outcomes of these meetings. Giving effect to these outcomes the report subsequently provides the recommendations that the WGTR puts forward for adoption by CSP4.

2. One of these recommendations concerns a document – “Outreach strategy on reporting” – of which the WGTR proposes that CSP4 recommends it for consideration by States Parties. This document is attached to this report as Annex A. Another recommendation concerns the proposed mandate of the WGTR for the period between CSP4 and CSP5. This document is attached to this report as Annex B.

8 March WGTR meeting

3. On 8 March 2018, the Working Group on Transparency and Reporting (WGTR) held its first of two meetings of the preparatory process towards the Fourth Conference of States Parties (CSP4) to the Arms Trade Treaty (ATT). The first meeting was attended by representatives of 62 States, 3 international organisations and 7 civil society organisations.

4. The WGTR adopted the [draft agenda for the meeting](#), and considered the [initial work plan](#) as well as additional documents submitted by the co-chairs in order to allow WGTR participants to prepare efficiently for this meeting, and to ensure a structured and effective discussion.

5. An [introductory paper](#) gave an overview of past proposals and discussions relating to each part of the mandate of the WGTR, set out elements for discussion and put a number of proposals for consideration to WGTR participants.

6. The introductory paper was complemented by a [list of guiding questions](#) that WGTR participants were encouraged to use for potential interventions during the meeting and/or for written answers that they wanted to provide to the co-chairs ahead of the meeting (no such answers were received).

7. The purpose of the first meeting was to have a focused exchange of experiences concerning reporting and to identify potential deliverables supporting or facilitating reporting and transparency that could form the basis for one or more recommendations to the CSP and on which further work could be done throughout the preparatory process of CSP4.

8. As means to support States Parties in submitting timely and accurate initial and annual reports, the following ideas were raised: 1) giving the ATT Secretariat a reporting assistance mandate; 2) listing existing guidance documents and tools; 3) drawing up a roster of reporting experts that States Parties having reporting difficulties can turn to for tailor-made assistance; 4) providing WGTR co-chairs with an outreach role on issues related to reporting; and 5) provide a forum within the ATT IT platform for intersessional exchanges on reporting.

9. For the intersessional period leading up to the second WGTR meeting, the co-chairs called on all participants to submit concrete proposals and to process the aforementioned ideas into working papers that could be recommended for consideration by CSP4. The co-chairs themselves proposed a short paper on outreach about the Treaty's reporting obligations. To enhance awareness of the obligation to update the initial reports that States Parties submit, where necessary and appropriate, the co-chairs asked the ATT Secretariat to include a reminder of this obligation in the reminders they send to States Parties about the annual reporting obligation.

10. Concerning substantive reporting issues, two concrete initiatives were taken in the intersessional period leading up to the second WGTR meeting. On record-keeping, The Netherlands drafted a short questionnaire on how States Parties gather information to compile their annual reports. Depending on the response to the questionnaire, a good practice document could be drafted for consideration by the WGTR. On customs codes, the ATT Secretariat, on behalf of the co-chairs, invited a WCO representative to the second meeting of the WGTR, with a view to give a presentation about the Harmonized System, its review process and the classification of conventional arms within the Harmonized System. On the issue of categorizing items in the correct categories of conventional arms co-chairs welcomed any proposal. As for future meetings of the WGTR, the co-chairs decided to integrate this topic into the agenda-item about the 'FAQ'-type guidance document on the annual reporting obligation.

11. Concerning organizational means for information exchange, the co-chairs very much welcomed the proposal of Japan for the development of an information exchange portal and invited Japan to submit their proposal as soon as possible to have an in-depth discussion on this during the second meeting of the WGTR and potentially prepare the proposal as a deliverable for CSP4.

12. Specifically concerning exchanging information on diversion and anti-diversion measures, following the discussion, the co-chairs did not see merit in further discussing, for the time being, the Argentinian proposal of a template as a format for States Parties to report on their anti-diversion measures on the "policy level". However, given the importance of this topic, the co-chairs did urge participants to think about alternative proposals about how States Parties can efficiently and effectively communicate their effective anti-diversion measures and lessons learnt to other States Parties.

13. As to structured mechanisms to exchange diversion information on the operational level a significant number of participants regarded the database of national points of contact that the ATT Secretariat is currently developing as the only formal mechanism within the ATT framework that is required at this point (also more guidance was deemed unnecessary). Other participants did see merit in developing structured mechanisms and therefore the co-chairs decided to keep this topic on the

agenda. Ideas could include exploring whether the ATT IT platform can be used to have operational exchanges or whether some guidance can be included in the guidance document for national points of contact that the ATT Secretariat is mandated to prepare. On this matter, as well as on the matter how States Parties could efficiently and effectively communicate their effective anti-diversion measures and lessons learnt to other States Parties, the co-chairs would coordinate with the facilitator of the sub-group on article 11 of the WGETI.

14. Concerning follow-up mechanisms on the initial and annual reports that States Parties submit, very few comments were made, but participants were invited to submit concrete proposals on any type of effective and efficient follow-up mechanism. If no proposals would be received before the second meeting of the WGTR, the co-chairs suggested pushing this topic to 2019.

15. Concerning harnessing information generated by mandatory reporting, there was an overwhelming consensus among participants that the information generated in, especially, the annual reports, should be available in a searchable database that allows for queries and extracting data, and that the reporting functionality in the ATT IT platform should be developed with this purpose in mind. A consolidated annual report with all the import and export data was mostly found not necessary, nor desirable. As to how the work of civil society on harnessing information included in, especially, initial reports should feed into the discussions in the WGETI, the co-chairs welcomed any proposal.

16. Concerning the ATT IT platform and the reporting functionality, it was agreed that to allow sufficient time for testing the functionality the 2018 annual reporting exercise would still happen according to the 2017 procedure, i.e. States Parties providing their reports to the ATT-Secretariat via e-mail. It was also agreed that to support the ATT Secretariat in developing the IT platform, a consultative group of WGTR participants would be established, coordinated by the co-chairs in cooperation with the ATT Secretariat. Interested participants were invited to make their interest known to the co-chairs. As to livestreaming open ATT meetings on the ATT website, the co-chairs suggested to the Japanese presidency to consider the proposal for CSP4 itself.

17. Concerning the mandate of the WGTR, the co-chairs would provide a first draft of a mandate with tasks to be carried out by the WGTR in the period between CSP4 and CSP5 for the second meeting.

31 May WGTR meeting

18. On 31 May 2018, the Working Group on Transparency and Reporting (WGTR) held its second and last meeting of the preparatory process towards the Fourth Conference of States Parties (CSP4) of the Arms Trade Treaty (ATT). This second meeting was attended by representatives of X States, X international organisations and X civil society organisations.

19. The WGTR adopted the draft report of the first WGTR meeting of 8 March 2018 and the [draft annotated agenda for the 31 May meeting](#).

20. The WGTR also considered the following documents submitted by and to the co-chairs:

- 1) [a paper by the co-chairs on "The need for an outreach strategy on reporting"](#);
- 2) [a questionnaire by the Netherlands on "Gathering information to compile annual reports"](#);

- 3) [a working paper by Japan on “Facilitating Information Exchange and Treaty Implementation via the ATT Website”](#); and
- 4) [a proposal by the co-chairs on a “Proposed WGTR Mandate for Period between CSP4 to CSP5”](#).

21. The purpose of the meeting was to follow-up on the discussions and outcomes of the 8 March WGTR meeting and to agree on recommendations to CSP4 under the different agenda-items.

22. As to the regular **presentation by the ATT Secretariat on the status of reporting**, the co-chairs will ask the ATT Secretariat to: 1) publish the **statistics on the** status of reporting on the public part of the ATT website and keep the information regularly updated; and 2) reflect in future presentations the progress that has been made in comparison to the previous presentation on the status.

23. As a **means to support States Parties in submitting timely and accurate initial and annual reports**, the co-chairs felt support for the WGTR to recommend that CSP4 adopts their **“Outreach strategy on reporting”**. The co-chairs will distribute a slightly amended version of the document to reflect the comments that were made during the discussion. The co-chairs will also propose that CP4 calls on relevant stakeholders, including international assistance providers, and interested States Parties to discuss the possible organization of regional information sessions on reporting.

24. Concerning a **possible “reporting assistance mandate” of the ATT Secretariat**, most participants and the co-chairs agreed that its current role is exactly what they would expect from the Secretariat (receiving, making available and distributing reports; basic analysis; answering basic questions; raising challenges; and maintaining the overview of annual reports). There is no need to describe the role of the Secretariat in terms of a “mandate”.

25. Concerning a **possible a roster of reporting experts** that States Parties having reporting difficulties can turn to, participants noted the potential strain on the Secretariat in maintaining the roster, stressed the need for the voluntary nature of such a system and proposed to just highlight the reporting focal points of States Parties in the database of States Parties’ national points of contact. The co-chairs will work with the Secretariat to investigate the willingness of States Parties to offer basic support to other States Parties and consider options for announcing those willing to offer such support, including through an indication in the database of States Parties’ national points of contact, using the information exchange portal for this, or having a list of willing reporting focal points on the reporting webpage. The co-chairs will include this in their draft recommendations of the WGTR to CSP4.

26. Concerning a **forum within the ATT IT platform for intersessional exchanges on reporting**, participants emphasized the need for a holistic approach to the information exchange portal that is under development. The co-chairs will reflect this in a general recommendation on the information exchange portal of the WGTR to CSP4.

27. Concerning a **possible list of existing guidance documents and tools** there was no discussion except for a reference by the Control Arms Coalition to those that its members developed. Mindful to avoid recommending too many documents, and taking into account the two specific guidance documents that originated from the WGTR itself, the co-chairs consider it unnecessary to recommend a separate “WGTR list of guidance documents” to CSP4.

28. Concerning **the FAQ'-type guidance document on the annual reporting obligation**, in the absence of any proposals, the co-chairs decided that for future WGTR meetings the 'FAQ'-type guidance document should no longer be a stand-alone agenda-item and be integrated in the standing agenda-item on "Challenges concerning reporting".
29. Concerning **substantive reporting issues**, in view of the limited response to the **Netherlands' questionnaire on gathering information to compile annual reports**, the co-chairs concluded that there currently is no need to further pursue this topic as a specific substantial reporting issue, nor as the subject of a WGTR good practice document. The co-chairs did call on States Parties that have difficulties with gathering information to compile their annual report to explain their problem during future WGTR meetings under the standing agenda-item on "Challenges concerning reporting".
30. In view of the well-received **presentation by a representative of the World Customs Organisation on the Harmonized System, its review process and the classification of conventional arms**, the co-chairs indicated that further exploring the issue will be part of the proposed mandate for WGTR for the period between CSP4 and CSP5. The co-chairs also called on interested States Parties to discuss the issue with their national customs administrations and within the framework of (regional) organizations of which they are a member that deal with conventional arms control lists.
31. Concerning **organizational means for information exchange**, building on the **Japanese proposal** for the development of an information exchange portal and participants' comments, and keeping in mind the discussions in the WGETI sub-group on diversion, the co-chairs proposed a **three-tier approach** to sharing information on diversion: 1) policy-level exchanges on diversion in the WGETI sub-group; 2) Intersessional exchange of policy-related and operational information via the information exchange portal that is under development; and 3) an informal meeting among interested States Parties (and possibly signatory States) to discuss concrete cases of detected or suspected diversion that they are dealing or have dealt with. The co-chairs will propose the three-tier approach in their draft recommendations of the WGTR to CSP4.
32. Concerning **harnessing information generated by mandatory reporting**, participants and the co-chairs agreed that "National Transfer Controls database" of the ATT Baseline Assessment Project (ATT-BAP) could be used to identify issues that are worthy of discussion in the WGETI. The co-chairs would propose to communicate this finding to the Chair of the WGETI.
33. Concerning the **ATT IT platform and the reporting functionality**, the co-chairs requested the ATT Secretariat to keep the WGTR and the CSP updated on the progress with the IT platform and decided to create an informal consultative group of WGTR participants to consider and propose future changes and improvements to the IT platform, including the web-based reporting functionality and the information exchange portal. The co-chairs will also include this in their draft recommendations of the WGTR to CSP4.
34. Concerning the **mandate of the WGTR**, the co-chairs will update their proposal with a view to reflecting the discussions during the meetings and will distribute an amended version in preparation for CSP4.

35. Participants agreed to a standing agenda of the WGTR with the following standing items: a) State of play of compliance with reporting obligations; b) Challenges concerning reporting; c) Substantive reporting and transparency issues; d) Organizational means for information exchange; e) Harnessing information generated by mandatory reporting; f) ATT IT platform: reporting and transparency functionalities; and g) WGTR mandate in the period between CSP4 and CSP5.

WGTR Recommendations to CSP4

36. On the basis of WGTR mandate issued by CSP3 and on the strength of the work of the co-chairs in the period between CSP3 and CSP4, submissions by WGTR participants and the discussions in the during the two meetings held on 8 March and 31 May 2018, the WGTR recommends that CSP4:

- a. adopts the co-chair's document "Outreach strategy on reporting" (Annex A).
- b. calls on relevant stakeholders, including international assistance providers, and interested States Parties to discuss the possible organization of regional information sessions on reporting.
- c. requests the WGTR co-chairs and the ATT Secretariat to investigate the willingness of States Parties to offer basic support to other States Parties on reporting and consider options for announcing those willing to offer such support, including through an indication in the database of States Parties' national points of contact, using the information exchange portal for this, or having a list of willing reporting focal points on the reporting webpage.
- d. welcomes the development of the information exchange portal on the ATT IT platform in order to facilitate exchanges between States Parties and emphasizes the need for a holistic approach to future changes and improvements, in order to allow exchanges on all relevant topics.
- e. endorses a three-tier approach to sharing information on diversion: 1) policy-level exchanges on diversion in the WGETI sub-group; 2) intersessional exchange of policy-related and operational information via the information exchange portal that is under development; and 3) an informal meeting among interested States Parties (and possibly signatory States) to discuss concrete cases of detected or suspected diversion that they are dealing or have dealt with.
- f. supports the creation of an informal consultative group of WGTR participants to consider and propose future changes and improvements to the IT platform, including the web-based reporting functionality and the information exchange portal, and requests the ATT Secretariat to involve the consultative group in the future work on relevant aspects of the IT platform.
- g. endorses the standing agenda-items and the recurring and specific tasks for the WGTR in the period between CSP4 and CSP5, as included in Annex B of the co-chairs' report.

ANNEX A**OUTREACH STRATEGY ON REPORTING**

As of March 2018, only 67% of States Parties to the Arms Trade Treaty (ATT) had submitted Initial Reports as mandated by article (13.1) and 65% of States Parties under an obligation to do so, had submitted their annual report for the year 2016 (obligation contained in article 13.3).

This demonstrates that the level of compliance with the mandatory reporting remains too low, particularly if we consider that reporting is amongst the primary obligations contained in the Treaty with regard to transparency, but also considering the fact that promoting transparency in the international trade in conventional arms is one of the main purposes of the Treaty.

The relevance of reporting and transparency for an adequate functioning of the arms transfer regime put in place by the ATT has led the Conference of States Parties to establish the Working Group on Transparency and Reporting, with the purpose of exploring means of improving compliance with the mandatory reporting obligations, as well as developing broader proposals to enhance transparency and strengthen reporting capabilities at the national level.

Among the first concrete efforts undertaken by the WGTR during the preparatory process of CSP3 were the adoption of a FAQ-type document aimed at providing guidance to States Parties in the preparation of the mandatory annual report on authorized or actual exports and imports, and a document with measures to strengthen reporting capabilities at the national level. Current efforts to support States Parties include the opportunity for States Parties to exchange best practices and challenges with a view to addressing those and the development of a reporting functionality in the ATT IT platform for the purpose of facilitate reporting. Other initiatives could include reviewing the current reporting templates, with the purpose of making them clearer; more user-friendly and more effective.

However, it has become evident that the efforts carried out within the WGTR need to be accompanied by outreach with a clear focus on reporting. While recognizing the role of civil society in building national capacity in the area of reporting through different projects, it is therefore relevant for the WGTR and the CSP, to adopt a formal outreach strategy with actions for those involved in the ATT framework, in order to highlight to States Parties the importance of reporting, explain the reporting obligations and recommend the aforementioned documents, gather first-hand information on challenges or best practices and to respond to specific questions national authorities involved in reporting may have.

As elements of this outreach strategy, the WGTR recommends the CSP to:

- Encourage the participation of the President, members of the Bureau, Co-chairs and the ATT Secretariat in ATT-related events, and to reserve specific time to provide information on reporting.
- Call on States Parties to consider the possibility of organizing, together with civil society and/or regional organizations, informative sessions at the regional level, addressed to national authorities responsible for reporting.
- Invite States Parties to promote the ATT, through bilateral dialogue, with particular references to the importance of timely reporting. Eventually, this could lead to the identification of challenges and technical assistance opportunities.
- Request the CSP President and/or ATT Secretariat to proactively reach out to States Parties that have not fulfilled their reporting obligations and identify, where possible, the reasons or difficulties to elaborate and submit the reports.

ANNEX B

PROPOSED MANDATE FOR THE WGTR FOR THE PERIOD SEPTEMBER 2018-AUGUST 2019

In accordance with its Terms of Reference and Rule 42(2) of the ATT Rules of Procedure, the Working Group on Transparency and Reporting would like to propose for consideration by CSP4, the following tasks for further work in the period between CSP4 and CSP5:

1. The WGTR shall continue to conduct exchanges concerning the fulfilment of the reporting obligations in article 13 of the ATT and the broader issue of transparency in the international trade in conventional arms. In its meetings, the WGTR shall, as a minimum, deal with the following standing agenda items and the recurrent and specific tasks outlined below:

- a. State of play of compliance with reporting obligations;
- b. Challenges concerning reporting;
- c. Substantive reporting and transparency issues;
- d. Organizational means for information exchange;
- e. Harnessing information generated by mandatory reporting;
- f. IT platform: reporting and transparency functionalities;
- g. WGTR mandate in the period between CSP4 and CSP5.

2. With respect to the **state of play of compliance with reporting obligations**, the WGTR will review the status of reporting, focusing on the 2018 and 2019 annual reporting exercise.

3. With respect to **challenges concerning reporting**, the WGTR will as a minimum:

- a. discuss challenges to submitting timely and accurate initial and annual reports and discuss means to support States Parties in addressing those challenges, with a view to providing recommendations to CSP5;
- b. discuss submitted proposals for alterations or additional questions and answers for the 'FAQ'-type guidance document on the annual reporting obligation, including on the issue of categorizing items in the correct categories of conventional arms;
- c. review the effectiveness and clarity of the templates to submit initial and annual reports.

4. With respect to **substantive reporting and transparency issues**, the WGTR will as a minimum:

- a. discuss substantive issues about the reporting obligations that could benefit from consideration by the WGTR;
- b. further explore the issue of classification of conventional arms according to the "Harmonized System" (HS) of the World Customs Organisation (WCO).

5. With respect to **organizational means for information exchange**, the WGTR will as a minimum:

- a. discuss structured mechanisms, processes or formats facilitating the information exchanges that are required or encouraged by the Treaty, both on the policy level, as well as on the operational level;
- b. further consider the potential merit of follow-up mechanisms on the initial and annual reports that States Parties submit within the WGTR (or the WGETI), in order to support States Parties in the implementation of the Treaty.

6. With respect to **harnessing information generated by mandatory reporting**, the WGTR will discuss approaches to how to do this with a view to allow analysis. The WGTR will thereby further focus on the use of IT platform for this purpose.

7. With respect to the **reporting and transparency functionalities of the IT platform**, the WGTR will further discuss the use of the IT platform to enhance transparency and facilitate the implementation of the reporting obligations of the Treaty. The consultative group of WGTR participants to support the ATT Secretariat on the development and enhancement of the IT platform will continue its work and report back to the WGTR in order to feed these discussions.

8. With respect to the **WGTR mandate in the period between CSP4 and CSP5**, the WGTR will prepare a proposal for consideration by CSP5, which will include as a minimum the standing agenda items and the recurrent tasks outlined above.

PROPOSED MANDATE FOR THE WGTR FOR THE PERIOD SEPTEMBER 2018-AUGUST 2019	
1. State of play of compliance with reporting obligations	
<i>Recurring tasks</i>	The WGTR will review the status of reporting, focusing on the 2018 and 2019 annual reporting exercise.
<i>CSP4 to CSP5</i>	-
2. Challenges concerning reporting	
<i>Recurring tasks</i>	The WGTR will discuss challenges to submitting timely and accurate initial and annual reports and discuss means to support States Parties in addressing those challenges, with a view to providing recommendations to CSP5.
	The WGTR will discuss submitted proposals for alterations or additional questions and answers for the 'FAQ'-type guidance document on the annual reporting obligation, including on the issue of categorizing items in the correct categories of conventional arms.
<i>CSP4 to CSP5</i>	The WGTR will review the effectiveness and clarity of the templates to submit initial and annual reports.
3. Substantive reporting and transparency issues	
<i>Recurring tasks</i>	The WGTR will discuss substantive issues about the reporting obligations that could benefit from consideration by the WGTR.
<i>CSP4 to CSP5</i>	The WGTR will further explore the issue of classification of conventional arms according to the "Harmonized System" (HS) of the World Customs Organisation (WCO).
4. Organizational means for information exchange	
<i>Recurring tasks</i>	The WGTR will discuss structured mechanisms, processes or formats facilitating the information exchanges that are required or encouraged by the Treaty, both on the policy level, as well as on the operational level.
<i>CSP4 to CSP5</i>	The WGTR will further consider the potential merit of follow-up mechanisms on the initial and annual reports that States Parties submit within the WGTR (or the WGETI), in order to support States Parties in the implementation of the Treaty.
5. Harnessing information generated by mandatory reporting	
<i>Recurring tasks</i>	The WGTR will discuss approaches to how to do this with a view to allow analysis. The WGTR will thereby further focus on the use of IT platform for this purpose.
<i>CSP4 to CSP5</i>	-
6. IT platform: reporting and transparency functionalities	
<i>Recurring tasks</i>	The WGTR will further discuss the use of the IT platform to enhance transparency and facilitate the implementation of the reporting obligations of the Treaty.
	The consultative group of WGTR participants to support the ATT Secretariat on the development and enhancement of the IT platform will continue its work and report back to the WGTR in order to feed these discussions.
<i>CSP4 to CSP5</i>	-
7. WGTR mandate in the period between CSP4 and CSP5	
<i>Recurring tasks</i>	The WGTR will prepare a proposal for consideration by CSP5, which will include as a minimum the standing agenda items and the recurrent tasks outlined above.
<i>CSP4 to CSP5</i>	-