

## **CSP4 Treaty Implementation: Thematic discussion on diversion**

Mr President

The UK supports the statement made on behalf of the European Union and its Member States and offers a few comments in a national capacity. Grateful for the opportunity for this thematic discussion on such an important topic.

As we've heard a number of times already, achieving a globally well regulated, legal trade in arms will make a significant contribution towards reducing their diversion to the illicit market.

In the UK, licence applications are reviewed by experts across Government. Our decision making process is supported by local information from our global network of diplomatic missions, underpinned by information from a range of sources and assessed on a case-by-case basis against the Consolidated EU and National Arms Export Licensing Criteria. As part of this robust and holistic process (which I'd just note can take some time), the risk of diversion is clearly considered.

However, even with such rigorous pre-licensing checks, we must accept that once an item has left the UK, it is out of our control.

**Post shipment verification** will always be limited, for a number of reasons: resource constraints, access, legal jurisdiction...

Changing circumstances in destination countries, in some cases several decades after the transfer, can make past assessments and decisions look wrong. In addition, end-user undertakings and government assurances, while important for making assessments, have no legal status and are therefore unenforceable.

Therefore, we need to manage expectations about the practical and resource limitations of setting up durable systems of extraterritorial checks post-licensing.

The **most effective and proportionate methodology is to make a rigorous assessment of any proposed export at the time of application**, rather than rely on some form of verification afterwards. Robust risk assessments are vital for early identification of potential for diversion.

Let me reassure you, however, the UK does take measures where and when we can: we take breaches of trade controls very seriously, and remain committed to deterring illegal arms brokering. Extant licenses can be revoked or suspended in light of new information and enforcement action is taken.

A word on **transit**. International cooperation and information sharing is crucial to preventing diversion in transit. We need to do

more to strengthen engagement with transit states, including those who do not participate in the ATT, and with the private sector to raise awareness and identify ways to mitigate the risk of diversion.

Another risk we need to address together is physical security and stockpile management. Mitigating and tackling deficiencies in importing countries can help to reduce the risk of diversion through theft and losses. That is why the UK continues to assist partners to improve stockpile management and destroy surpluses.

We look forward to engaging with the various proposals being developed by the sub Working Group.