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Translation team: Erik Miller, Diana Tullberg,
Elina Needham

ACT ON THE EXPORT AND TRANSIT OF DEFENCE MATERIEL
(242/1990; amendments up to 900/2002 included)

Section 1 (900/2002)

- (1) In addition to the provisions of this Act, international agreements, commitments and obligations binding on Finland apply to the export of defence materiel and its transport through Finnish territory into a third country (*transit*) and to bringing parties to an agreement into contact in order to agree on export or transfer of defence materiel between third countries (*brokerage*).

- (2) What is provided in this Act on the export and brokerage of defence materiel also applies to the assignment and transfer to a third country of:
 - 1) manufacturing know-how concerning and the right to manufacture defence materiel;
 - 2) machine tools and equipment specially designed for manufacturing defence materiel;
 - and
 - 3) computer software related to the manufacture or use of defence materiel.

- (3) This Act does not apply to temporary removal from Finland of defence materiel which is the property of the Defence Forces or the Frontier Guard, nor to the export from Finland or transit of defence materiel that belongs to the armed forces of a foreign country, provided that said activities are based on an agreement (Finnish Treaty Series 65/1997) made between contracting states of the North Atlantic Treaty or other states in the Partnership for Peace on the status of their defence forces or on other international peacekeeping tasks, or if the activity has been granted a permit under the Territorial Surveillance Act (755/2000).

Section 2 (197/1995)

- (1) The export of defence materiel and its transit is allowed only if authorization (*an export licence*) has been granted.

- (2) Authorization is granted on application by the Government or by the Ministry of Defence. If the materiel concerned belongs to the first or second category of the product categories referred to in section 5 or if the licence application is of significant interest in terms of foreign and security policy, authorization is subject to decision by the Government plenary session.
- (3) The provision in subsection 2 above on decision-making by the Government plenary session is not applied in cases where an export or transit of defence materiel is of minor monetary value or concerns a temporary removal from the country of defence materiel which does not result in the transfer abroad of proprietary rights or control.

Section 2a (900/2002)

- (1) A licence is required to broker defence materiel between third countries within Finnish territory (*brokerage licence*).
- (2) Finnish citizens, Finnish corporations or foreign citizens considered permanent residents of Finland under the Municipality of Residence Act (201/1994) are required to have a brokerage licence to engage in the brokerage of defence materiel between third countries outside Finnish territory.
- (3) Brokerage licences are granted on application by the Ministry of Defence.

Section 3

- (1) A licence to export or broker may not be granted if it jeopardizes Finland's security or contradicts with Finland's foreign policy. (900/2002)
- (2) The Government will establish general guidelines for the export and transit of defence materiel. (197/1995)

Section 4

- (1) Export and brokerage licences must be applied for in writing using a form approved by the Ministry of Defence. The Ministry of Defence may request

applicants to provide any additional information needed in the consideration of applications. (900/2002)

- (2) If the consideration of an export or brokerage licence application so requires, the Ministry of Defence must separately verify with the Ministry for Foreign Affairs that there is no foreign or security policy reason for refusing a grant of licence. (900/2002)
- (3) The authority granting an export or brokerage licence may require applicants to testify to the end-user of the materiel. A certificate issued by the competent authority in the country of final destination (*end-user certificate*) and submitted to the Ministry of Defence will be considered such a testimony. If an item referred to in a licence application is meant for use only as a component in another item, the party using that item to manufacture a product must testify to such use in its capacity of end-user (*certificate on use in own production*). (900/2002)
- (4) Further provisions on application for and consideration of, application for provisional opinions and advance rulings and their consideration, information to be included in licence applications and end-user certificates, testimony to end-use and information required for statistical purposes will be given by Government decree. (385/2002)

Section 5

- (1) Further provisions on the grouping of defence materiel under product categories will be issued by Government decree. Further provisions on what will be considered defence materiel as referred to in this Act and as related technologies and know-how will be issued by Ministry of Defence decree. (385/2002)
- (2) The Ministry of Defence will decide in individual cases whether the export, transit or brokerage of a particular item requires a licence under this Act. (900/2002)

Section 6 (900/2002)

The Government may revoke an export licence and the Ministry of Defence may revoke an export or brokerage licence it has already granted if sufficient cause is deemed to exist.

Section 7 (900/2002)

- (1) Any person who illegally exports defence materiel or who assigns or transfers abroad a licence to manufacture defence materiel or who transports, through Finnish territory, defence materiel to a third country, or brokers defence materiel, or attempts to do so, shall be fined or imprisoned for a maximum period of four years for committing *an export offence*.
- (2) Any person who, for the purpose of obtaining an export or brokerage licence, provides false information or conceals relevant information shall also be punished for committing *an export offence*.
- (3) Any person who in any other manner violates the provisions of this Act or provisions issued under it shall be fined for committing *an export violation*.

Section 8 (repealed by Act 893/2001)

Section 9

The export and transit of defence materiel is supervised by the Customs authorities.

Section 10

Separate provisions have been issued on the export of firearms and ammunition other than those considered defence materiel.

Section 11

More detailed provisions on the implementation of this Act will be issued by decree.



Section 12

- (1) This Act enters into force on April 1, 1990.

- (2) This Act repeals the Act on the Export of War Materiel issued on October 14, 1938 (318/38).