

COURTESY TRANSLATION

LAW No. 185 of 9 July 1990⁽¹⁾.

New provisions on controlling the export, import and transit of military goods⁽²⁾.

(1) Published on the Official Gazette No. 163 of 14 July 1990.

(2) For the new implementing regulation for this law, see [Ministerial Decree No. 19 of 7 January 2013](#).

Chapter I – General Provisions

01. Definitions.

1. For the purposes of this law, the following definitions shall apply:

a) «defence-related products»: the goods listed in the annex to [Directive 2009/43/EC](#) and subsequent amendments;

b) «military goods»: the goods considered under Article 2, including defence-related products;

c) «intra-Community transfer»: any transmission or movement of a defence-related product from a supplier to a recipient in another European Union Member State;

d) «passage through»: both the internal transit, namely the circulation of military goods originating from a EU Member Country within the customs zone of the European Community by passing through the territory of a third non-EU member State without any change to its customs status, and the external transit, namely the circulation of military goods not originating from a EU Member Country within the customs zone of the European Community towards a Member State other than the receiving Member State, or to be exported to Third Countries;

e) «transfer»: any movement (loading/unloading) of military goods from one means of transport to another within the territory of the EC;

f) «import»: the handling of military goods from suppliers located outside the customs zone of the European Community towards recipients located in the national territory. This type of operation falls within the scope of the following customs regimes, as defined by the Community Customs Code:

g) simultaneous release for free circulation and home use of goods; customs warehousing; inward processing; processing under customs control; temporary importation; reimportation;

h) «export»: the handling of military goods from a supplier located in the national territory towards one or more recipients located outside the customs zone of the European Community. This type of operation falls within the scope of the following customs regimes, as defined by the Community Customs Code: permanent export; outward processing; re-exportation; temporary exportation;

i) «intangible transfer» of military goods: the transmission of software or technology by electronic means, telefax, telephone, e-mail or any other means, including making said software or technology available outside the national territory in digital format;

j) «supplier»: the legal or natural person established within the Community who is legally responsible of a transfer;

l) «recipient»: the legal or natural person established within the Community who is legally responsible of the receipt of a transfer;

m) «intra-Community transfer licence»: the licence issued by a national authority of a European Union Member State pursuant to [Directive 2009/43/EC](#) for suppliers to transfer military goods to a recipient in another Member State;

n) «export licence»: the licence issued by a national authority of a European Union Member State pursuant to [Directive 2009/43/EC](#) to supply military goods to a legal or natural person established in any non-EU Member country;

o) «intra-Community passage»: the transport of military goods through one or more Member States other than the originating and receiving Member States;

p) «brokering activities»: activities exclusively performed by people registered with the national trade register who, pursuant to Article 3 of this Law:

1) Negotiate or manage transactions that may entail the transfer of goods included in the common list of military goods from one Member Country or Third State to any other State;

2) Purchase, sell or arrange for the transfer of said goods in their possession from one Member Country or Third State to any other Member Country or Third State;

q) «delocalisation of production»: the transfer by a national company of production processes or processing phases relative to military goods to the territory of Third Countries ⁽³⁾.

(3) Article added by letter a) of Paragraph 1 of Art. 1, *Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions made under Paragraph 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

(comment on the jurisprudence)

1. State Control.

1. The export, import, transit, intra-Community transfer and brokering in military goods, as well as the transfer of the relative production licences and the delocalisation of production must be in line with Italy's foreign and defence policies. Said operations are regulated by the Government pursuant to the principles laid down in the Republican Constitution that reject war as a means of settling international disputes ⁽⁴⁾.

2. The export, import, transit, intra-Community transfer and brokering in military goods considered under Article 2, as well as the transfer of the relative production licences and the delocalisation of production, must be authorised and controlled by the State ⁽⁵⁾.

3. The Government drafts measures capable of supporting the gradual differentiation of production and the conversion of defence industries to civilian use.

4. Export, transit and intermediation operations are allowed only if they are carried out with foreign Governments or with companies authorised by the Government of the receiving Country. Intra-Community transfer operations are allowed in the ways laid down in Chapter IV, Section I ⁽⁶⁾.

5. The export, transit, intra-Community transfer and intermediation in military goods, as well as the transfer of the relative production licences and the delocalisation of production are prohibited if they in contrast with the Constitution, Italy's international commitments, non-proliferation agreements and the fundamental security interests of the State, the struggle against terrorism and maintaining good relationships with other Countries and in case there are no adequate guarantees on the final destination of the military goods ⁽⁷⁾.

6. The prohibition also concerns the export, transit, intra-Community transfer and brokering of military goods ⁽⁸⁾:

a) To Countries engaged in armed conflict, in violation of the principles laid down in Article 51 of the United Nations Charter, except for Italy's international obligations or any other decision of the Council of Ministers, to be adopted after hearing the opinion of the Chambers of Parliament;

b) To Countries whose policies are in contrast with the principles laid down in Article 11 of the Constitution;

c) To Countries against which the United Nations, the European Union (EU) or the Organisation for Security and Cooperation in Europe (OSCE) have called a total or partial embargo on the supply of military items ⁽⁹⁾;

d) To Countries whose governments are responsible of serious violations of international conventions on human rights, verified by competent organisations of the United Nations, the EU or the Council of Europe ⁽¹⁰⁾;

e) To Countries that, after receiving aid from Italy pursuant to *Law No. 49 of 26 February 1987*, allocate the resources in excess of their Country's defence spending needs to their military budget; pursuant to the same law, these Countries will have the financial aid suspended, except if the aid is for the population in case of natural disasters or catastrophes.

7. The law prohibits the manufacturing, import, export, transit, intra-Community transfer and brokering of anti-personnel landmines and of cluster munition, as laid down in Article *3, Para. 1, of Law No. 95 of 14 June 2011*, of biological, chemical and nuclear weapons and any research preliminary to their production or the sale of technology relative thereto. The prohibition also applies to instruments and technologies specifically designed for the construction of the above-listed weapons and to those designed to manipulate humans and the biosphere for military ends ⁽¹¹⁾.

7-bis. The issue of production licences abroad and the delocalisation of the production of military items by companies listed with the trade register referred to in Article 3 is prohibited if these concern States subjected to a ban under Paragraph 6 and, in any case, lacking adequate guarantees as to the final destination of the items produced in the Third Country and also when these concern classified information, except if regulated by specific State-to-State agreements ⁽¹²⁾.

8. The final or temporary import of military goods is prohibited except for the following:

a) Imports carried out directly by or on behalf of the State Administration in order to implement weapons and equipment programmes for the Armed and Police forces that can be directly authorised by the customs authority;

b) Imports carried out by entities listed with the national trade register referred to in Article 3, after receiving the licence set out in Article 13;

c) Temporary imports carried out by entities enlisted with the national trade register referred to in Article 3, to upgrade the military items previously exported;

d) Imports carried out by public entities, in the performance of their respective competences, in relation to the exercise of activities of a historic or cultural nature, after receiving the police authorisations provided for in [article 8 of Law No. 110 of 18 April 1975](#);

e) Temporary imports carried out by foreign companies with a view to participating in trade fairs, exhibitions and demos, after receiving a licence from the Ministry of the Interior following a clearing from the Ministry of Defence.

9. The present law does not regulate the following:

a) Temporary exports carried out directly by or on behalf of the State Administration in order to implement its own armaments and equipment programmes for the Armed and Police forces;

b) Exports or direct licences and State-to-State intra-Community transfers for the purpose of providing military assistance pursuant to international agreements ⁽¹³⁾;

c) The transit of military goods and equipment needed by allied Countries, according to the definition of the NATO Status of Forces Agreement, as long as no reference is made, for whatever reason, to the exceptions under articles VI, XI, XII, XIII and XIV of the Agreement between the Parties to the North Atlantic Treaty, ratified with [Law No. 1335 of 30 November 1955](#).

10. The temporary exports considered under Paragraph 9, letter a), are for all purposes prohibited towards the Countries set forth in Paragraph 6 of this article.

11. The present law also does not apply to sporting or hunting weapons and the relative munition; to cartridges for industrial use and flares and smoke canisters; to ordinary firearms and munition listed in [Article 2 of Law No. 110 of 18 April 1975](#), nor to handguns, as long as not automatic; reproductions of antique weapons and explosives other than those destined for military use. The provisions made under this paragraph do not apply if intra-Community transfers and the export of the aforesaid items are destined to Government entities or Armed or Police Forces ⁽¹⁴⁾.

11-*bis*. The operations considered in this article are carried out pursuant to the common positions 2003/468/PESC of the Council of 23 June 2003, and 2008/944/PESC of the Council of 8 December 2008 ⁽¹⁵⁾.

11-*ter*. The present law shall apply to exports and intra-Community transfers also when performed through intangible transfers ⁽¹⁶⁾.

11-*quater*. In the presence of classified information, the Presidency of the Council of Ministers – Department of security intelligence, shall:

a) express a binding opinion on the issue of the licences considered in Articles 9, 10-*quater*, 10-*quinquies* and 13;

b) authorise the operations and activities envisaged in Articles 16 and 21 ⁽¹⁷⁾.

(4) Paragraph thus amended by the number 1) of letter *b*) of Paragraph 1 of Art. 1, [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

(5) Paragraph thus amended by the number 2) of letter *b*) of Para. 1 of Art. 1, [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

(6) Paragraph thus amended by the number 3) of letter *b*) of Para. 1 of Art. 1, [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

(7) Paragraph thus replaced by the number 4) of letter *b*) Para. 1 of Art. 1, [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

(8) Paragraph thus amended by the number 5) of letter *b*) Para. 1 of Art. 1, [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

(9) The first letter is replaced by Art. 3, [Law No. 148 of 17 June 2003](#), and later amended by number 5) of letter *b*) of Para. 1 of Art. 1, [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

(10) Letter thus replaced by Art. 3, [Law No. 148 of 17 June 2003](#).

(11) Paragraph thus amended by the number 6) of letter *b*) of Para. 1 of Art. 1, [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

(12) Paragraph inserted under number 7) of letter *b*) of Para. 1 of Art. 1, [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

(13) Letter thus amended by number 8) of letter *b*) of Para. 1 of *Art. 1, Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

(14) Paragraph thus amended by number 9) of letter *b*) of Para. 1 of *Art. 1, Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

(15) Paragraph added under number 10) of letter *b*) of Para. 1 of *Art. 1, Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

(16) Paragraph added under number 10) of letter *b*) of Para. 1 of *Art. 1, Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

(17) Paragraph added under number 10) of letter *b*) of Para. 1 of *Art. 1, Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

(comment on the jurisprudence)

2. Military goods.

1. For the purposes of this law, military goods are intended to be items that, in the light of their technical, manufacturing and design requirements or characteristics, are considered to be prevalently manufactured for military use or for use by Armed or Police forces.

2. The military goods considered in Paragraph 1 are classified into the following categories:

- a) nuclear, biological and chemical weapons;
- b) automatic firearms and their ammunition;
- c) medium and large calibre arms and weapons and their ammunition as specified in the list in Paragraph 3;
- d) bombs, naval mines, land mines, rockets, missiles and torpedoes;
- e) tanks and vehicles specially built for military use;
- f) ships and relative equipment specially built for military use;

- g) aircrafts and helicopters and their equipment specially built for military use;
- h) gunpowder, explosives, propellants, except those destined for the weapons listed under Paragraph 11 of Article 1;
- i) electronic, electro-optical and photographic systems or equipment specially built for military use;
- l) special armoured material built specifically for military use;
- m) specific material for military training;
- n) machines, apparatus and equipment built for the manufacturing, testing and control of arms and ammunition;
- o) special equipment specially built for military use ⁽¹⁸⁾.

3. The list of military goods falling under the categories listed in Paragraph 2 also applies to the defence-related products listed in the annex to [Directive 2009/43/EC](#), and subsequent amendments. New categories and the updates of the list of military goods, whenever this is made necessary by Community provisions, are established by decree of the Ministry of Defence in agreement with the Ministries of Foreign Affairs, of the Interior, of the Economy and Finance and of Economic Development, in consideration of the developments in industrial production and technology, in addition to the international agreements to which Italy adheres ⁽¹⁹⁾.

4. For the purposes of this law, the following items are considered to be military goods:

a) For the sole purpose of exporting and transferring them to other European Union States, spare parts and those specific components of materials envisaged in Paragraph 2 and identified in the list contained in Paragraph 3 ⁽²⁰⁾;

b) Limitedly to the export and transfer to and transit in other European Union States, the designs, diagrams and any other type of documentation and information necessary to build, use and maintain the material listed in Paragraph 2 ⁽²¹⁾.

5. This law also applies to the issue of licences for the manufacture outside the national territory of the materials envisaged in Paragraph 2 and letter a) of Paragraph 4.

6. The provision of training and maintenance services, in Italy or abroad, if not already authorised concomitantly to the transfer of the military goods, is solely subject to clearance by the Ministry of Defence, after hearing the opinion of the Ministries of Foreign Affairs and of the Interior, within thirty days from the date of the application, as long as it constitutes the continuation of a legitimately

authorised relationship ⁽²²⁾ ⁽²³⁾.

7. The conversion or adaptation of means and materials built for civilian use supplied by our Country or belonging to the customer, whether in Italy or abroad, entailing operational variations to the means or material for military ends through the intervention of Italian companies, is authorised pursuant to the provisions contained herein.

(18) *Ministerial Decree (D.M.) of 23 September 1991* (GURI No. 237 of 9 October 1991) approved the list of military goods falling under the categories provided under Paragraph of the foregoing Art. 2. New lists were subsequently approved through *D.M. of 28 October 1993* (GURI No. 276 of 24 November 1993, Ordinary Supplement), *D.M. of 1 September 1995* (GURI No. 221 of 21 September 1995, Ordinary Supplement), *D.M. 13 June 2003* (GURI No. 171 of 25 July 2003, Ordinary Supplement), *D.M. 11 April 2012* (GURI No. 98 of 27 April 2012, Ordinary Supplement), *D.M. 26 June 2013* (GURI No. 154 of 3 July 2013), *D.M. 7 May 2014* (GURI No. 108 of 12 May 2014) and *D.M. 17 March 2015* (GURI No. 66 of 20 March 2015).

(19) Paragraph thus replaced by the number 1) of letter c) of Para. 1 of *Art. 1, Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

(20) Letter thus amended by the number 2) of letter c) Para. 1 of *Art. 1, Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

(21) Letter thus amended by the number 2) of letter c) Para. 1 of *Art. 1, Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

(22) Paragraph thus amended by the number 3) of letter c) Para. 1 of *Art. 1, Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

(23) With the *Ministerial Directive of 11 May 1991* (Official Journal No. 131 of 2 June 1991) the Ministry of Defence regulated the issue of clearance for the provision of training and maintenance services for military goods.

3. National Trade Register ⁽²⁴⁾.

1. The National Trade Register is regulated under Article 44 of the Armed Forces Code in [legislative decree No. 66 of 15 March 2010](#) ⁽²⁵⁾.

(24) Article repealed by Art. 2268, Paragraph 1, No. 871), [Legislative Decree No. 66 of 15 March 2010](#) and thus replaced by the letter a) of Paragraph 1 of Art. 2120 of the same [Legislative Decree No. 66/2010](#), as of 9 October 2010, pursuant to the provisions made in Art. 2272 of the same [Legislative Decree No. 66 of 15 March 2010](#).

(25) Paragraph thus amended by the letter d) of Para. 1 of Art. 1, [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

4. Registering with the National Trade Register ⁽²⁶⁾.

1. The ways of registering with the National Trade Register and the functioning of the Management Commission thereof are regulated by Articles from 123 to 130 of the consolidated law on the armed forces regulatory provisions contained in the [Presidential Decree No. 90 of 15 March 2010](#) ⁽²⁷⁾.

(26) Article repealed by Art. 2268, Paragraph 1, No. 871), of [Legislative Decree No. 66 of 15 March 2010](#) and thus replaced by the letter b) of Paragraph 1 of Art. 2120 of the same [Legislative Decree No. 66/2010](#), as of 9 October 2010, pursuant to the provisions made in Art. 2272 of the same [Legislative Decree No. 66 of 15 March 2010](#).

(27) Paragraph thus amended by the letter e) of Para. 1 of Art. 1, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

5. Reporting to Parliament.

1. The President of the Council of Ministers transmits a report to Parliament by 31 March of every year on the operations authorised and performed within 31 December of the preceding year, also including operations performed within the framework of intergovernmental programmes or following the issue of a global project licence, a global transfer licence and a general licence or in relation thereto, notwithstanding the Government's obligation to give an analytical report to the Parliamentary Commissions on the contents of the report within 30 days from its transmission ⁽²⁸⁾.

2. The Ministers of Foreign Affairs, of the Interior, of Defence, of Finance, of Industry, Commerce and Artisanry, of State Holdings and Foreign Trade, each one for their respective competences, deliver an annual report on the activities considered in this law to the President of the Council of Ministers, who attaches said reports to the report to the Parliament referred to in Paragraph 1.

3. The report provided for under Paragraph 1 shall have to contain analytical indications – by types, quantities and monetary value – of the items referred to in the contractual transactions, indicating the annual state of progress of the export, import and transit of military goods and of the export of services falling under the controls and licences provided for under this law. The report shall also have to contain the list of Countries indicated in the final licences, the list of the revocations of licence following a violation of the final destination clause and of the prohibitions envisaged under Articles 1 and 15, as well as the list of registrations, suspensions or cancellations from the National Trade Register referred to in Art. 3. Lastly, the report shall contain the list of the programmes subjected to a global project licence, indicating the Countries and the Italian companies participating therein, as well as the licences issued by partner Countries relatively to programmes in which Italy participates and that are subjected to a global project licence⁽²⁹⁾.

3-bis. The holders of global project licences and global and general transfer licences shall provide the Ministry of Foreign Affairs with an annual analytical report on the activities performed on the basis of the licence obtained, complete with the data relative to all the operations carried out. Said documentation shall form an integral part of the report provided for under Paragraph 1 ⁽³⁰⁾.

(28) Paragraph first amended by *art. 4, Law No. 148 of 17 June 2003*, and subsequently thus replaced by the number 1) of letter *f*) of Para. 1 of *Art. 1*, of *Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

(29) Paragraph thus amended by *art. 4, Law No. 148 of 17 June 2003*.

(30) Paragraph added by *art. 4, Law No. 148 of 17 June 2003*, and subsequently thus replaced by the number 1) of letter *f*) of Para. 1 of *Art. 1*, of *Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

Chapter II – Coordinating and Supervising Organisations and the competent National Authority ⁽³¹⁾

6. *Inter-ministerial Committee for the exchange of defence-related military goods.*

1. The Inter-ministerial Committee for the exchange of defence-related military goods (*Comitato interministeriale per gli scambi di materiali di armamento per la difesa* - CISD) is hereby established at the Presidency of the Council of Ministers ⁽³²⁾.

2. The Committee is presided over by the President of the Council of Ministers and comprises the Ministers of Foreign Affairs, of the Interior, of Finance, of the Treasury, of Defence, of Industry, Commerce and Artisanry, of State Holdings and of Foreign Trade. Other Ministers concerned may be invited to attend the Committee meetings.

3. Pursuant to the principles laid down in Art. 1, as well as in the treaties and international agreements in which Italy is a party, and implementing the State's foreign affairs and defence policies, having evaluated the need for technological and industrial development in connection with the defence and weapons production policy, the CISD outlines the general orientations for the exchange policies in the defence sector and sets forth general directives for the export, import and transit of military goods and, in the cases envisaged in this law, supervises the activities carried out by the organisations in charge of implementing this law. ⁽³³⁾.

4. The orientations and directives formulated by the Committee shall be notified to the Parliament.

5. The CISD shall also be in charge of indicating the Countries to be subjected to the prohibitions set forth in Article 1, Para. 6.

6. The CISD shall receive information on the respect of human rights also from the organisations recognised by the UNO and the EEC and from non-governmental organisations recognised under *Article 28 of Law No. 49 of 26 February 1987* ⁽³⁴⁾.

⁽³¹⁾ Title thus amended by letter *a*) of Para. 1 of Art. 2, of *Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*. The CISD was eliminated by Art. 1, of *Law No. 537 of 24 December 1993*.

⁽³²⁾ For the assignment of the functions considered in this paragraph to the Ministry of Foreign Affairs in agreement with the Ministries of Defence, Industry, Commerce and Artisanry, Foreign Trade and with the competent office of the Prime Minister's Office, see Art. 10, of *the CIPE of 6 August 1999*.

(33) The CISD was eliminated by *Art. 1, of Law No. 537 of 24 December 1993*.

7. Advisory Committee.

1. An Advisory Committee is set up at the Ministry of Foreign Affairs in relation to the export, import and transit, as well as on the issue of production licences and the brokering of military goods and on the delocalisation of the production thereof. The aforesaid Committee expresses an opinion to the Minister of Foreign Affairs on the granting of licence referred to in Article 13 below ⁽³⁵⁾.

2. The Committee is appointed by a decree issued by the Minister of Foreign Affairs and consists of a representative of the Ministry of Foreign Affairs, of a rank not lower than minister plenipotentiary who chairs it, two representatives of the Ministries of the Interior, of Defence and of Foreign Trade, and by one representative of the Ministries of Finance, of Industry, Commerce and Artisanry, of State Holdings and of the Environment. The same decree shall also appoint the substitutes for all the acting members. The function of Secretary shall be performed by a diplomatic service officer of the Ministry of Foreign Affairs ⁽³⁶⁾.

3. The Committee relies on the technical advice of two experts appointed by the Ministry of Foreign Affairs in conjunction with the Ministers of Industry, Commerce and Artisanry and of State Holdings, and can also avail itself of the technical advice of other experts appointed on a case-by-case basis by the Chair of the Committee, after hearing the opinion of the members thereof.

4. The Committee is validly established with the presence of two-thirds of its members.

5. The Committee is renewed every three years and its members can only be confirmed once.

(34) Paragraph thus amended by the number 1) of letter *b*) of Para. 1 of *Art. 2*, of *Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

(35) Paragraph thus amended by the number 2) of letter *b*) of Para. 1 of *Art. 1*, of *Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

7-bis. *Ministry of Foreign Affairs – Military Goods Licence Unit (Unità per le autorizzazioni dei materiali d'armamento - UAMA).*

1. The Military Goods Licence Unit (UAMA) of the Ministry of Foreign Affairs is identified as the national authority competent for issuing the licence to trade in military goods and for issuing the certification for the companies and on their compliance with the obligations in the matters considered in this law. The UAMA is directed by a diplomatic service officer appointed by the Minister of Foreign Affairs, of a rank not lower than minister plenipotentiary. The UAMA also avails itself of the staff of other Administrations, especially of the military personnel of the Ministry of Defence seconded to the Ministry of Foreign Affairs as provided for in Article 30.

1-bis. The emoluments of the military personnel assigned to the National Authority – UAMA for their fixed and continuous duties shall be paid by the Ministry of the Defence and for their ancillary services by the Ministry of Foreign Affairs ⁽³⁷⁾.

2. It is understood that the National Trade Register considered in Article 3 shall fall under the competence of the Ministry of Defence ⁽³⁸⁾.

(36) Paragraph added by Paragraph 3 of *Art. 7*, of *Decree-Law No. 114 of 10 October 2013*, as amended by *Enactment Law No. 135 of 9 December 2013*.

(37) Article inserted by the letter c) of Para. 1 of *Art. 2*, of *Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

7-ter. *General Orientations and Guidelines.*

1. The Ministry of Foreign Affairs, in agreement with the Ministries of Defence and of Economic Development and with the competent office of the Presidency of the Council of Ministers, shall define the trade policy orientations in the defence sector and the general guidelines for the export and import of military goods, as laid down in this law ⁽³⁹⁾.

(38) Article inserted by the letter c) of Para. 1 of *Art. 2*, of *Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

8. Office coordinating the production of military goods.

1. Within 120 days from the coming into force of this law, an Office shall be established at the Presidency of the Council of Ministers with the task of providing the CISD with opinions, information and proposals – within the framework of the general trade policy orientations in the defence sector adopted by the Parliament and the Government – on the national production of military goods, and on the problems and prospects of this production sector in relation to the developments in international agreements.

2. The Office contributes to studying and outlining industrial conversion options for companies. More specifically, it identifies the options for the non-military use of materials derived from the goods considered in Art. 2 in the field of the environmental and civil protection, health care, agriculture, science and research, energy and other civil applications.

3. The Office is established through a decree by the President of the Council of Ministers, issued pursuant to *Article 17 of Law No. 400 of 23 August 1988*. It shall rely on the contribution of the experts indicated by trade union organisations and employers' associations.

Chapter III – Authorisation to conduct negotiations

9. Rules applicable to contractual negotiations.

1. The entities enlisted in the register referred to in Art. 3 must notify the Minister of Foreign Affairs and the Minister of Defence the beginning of contractual negotiations for the export, import, transit and brokering of military goods, and of any of the operations described in Art. 2, Para. 5 ⁽⁴⁰⁾.

2. Within 60 days, the Minister of Foreign Affairs, in conjunction with the Minister of Defence, can prohibit the continuation of negotiations.

3. The Minister may also apply conditions or limitations to the aforesaid activities, in consideration of the principles of this law and the orientations laid down in Art. 1, and also for reasons of national interest.

4. The beginning of contractual negotiations aimed at performing the operations from and to NATO and EU Countries considered in Paragraph 1, and the operations envisaged in ad hoc intergovernmental agreements must be notified to the Ministry of Defence which, within 30 days from receiving said notification, has the faculty of applying conditions or limitations to sealing the aforesaid negotiations ⁽⁴¹⁾.

5. The import and export of the products listed below is simply subject to clearance by the Minister of Defence:

a) Spare parts, components and services for maintaining and repairing materials forming the subject matter of previously authorised contracts but whose specific provisions were either lacking or had expired;

b) Materials already lawfully exported and which need to be re-imported or temporarily re-exported for repair or maintenance, also to other Countries;

c) Materials that have been imported and exported where relevant, and have to be returned to the manufacturers because of defects, unsuitability or similar reasons;

d) Equipment intended to be temporarily exported or imported for the purpose of installing, commissioning or testing materials already authorised for import or export, but for which the relative documents did not make specific provisions;

e) Military goods intended only for exhibitions, shows and technical demonstrations; their manuals and technical descriptions, and any other material required for their presentation, as well as samples to be used for bids and tenders and evaluation trials.

6. The Foreign Affairs and Defence Ministers can resort to the Committee described in Art. 7 to carry out the activities contained herein.

7. The possible failure to release a licence and the possible application of conditions or limitations shall have to be motivated and notified to the company concerned.

7-bis. The provisions made under this Article do not apply to operations carried out within the framework of joint intergovernmental programmes described in Art. 13, Para. 1⁽⁴²⁾.

(39) Paragraph thus amended by the number 1) of letter a) of Para. 1 of Art. 3, of *Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

(40) Paragraph thus amended first by the number 1) of letter b) of Para. 1 of Art. 2, of *Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

(41) Paragraph thus amended by art. 5, *Law No. 148 of 17 June 2003*, and subsequently by the number 2) of letter a) of Para. 1 of Art. 3, of *Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

(42) Paragraph added by art. 5, *Law No. 148 of 17 June 2003*.

10. *Effects and duration of the authorisation to conduct negotiations.*

1. The authorisation to begin contractual negotiations referred to in Art. 9 does not entitle the company to obtain the subsequent authorisations provided for in Art. 13 and cannot be subjected to limitations or conditions. It has a duration of three years and can be renewed depending on the progress made in the negotiations.

2. The authorisation is subject to being suspended or revoked in accordance with Art. 15 below.

Chapter IV

Authorisation of operations relative to military goods ⁽⁴³⁾

Section I ⁽⁴⁴⁾

Intra-community transfers

10-bis. *Intra-community transfer licences.*

1. The transfer of military goods, including components and spare parts, to recipients established in the Community, may only be carried out by entities enlisted in the register referred to in Article 3 and is subject to prior authorisation. No further authorisation is required for military goods, whose transfer has already been authorised by another member Country, and that are intended to enter and pass through the territory of the State except that they shall be subject to the provisions necessary to guarantee public security and public order.

2. Suppliers carrying out intra-Community transfers of military goods use general, global or individual transfer licences. Their subsequent export to recipients located in Third Countries may be subject to prohibitions, restrictions or conditions, and guarantees may be requested as to the use made of the materials, including a final use certification.

3. Except for the case in which their transfer can constitute a serious prejudice to national security, the export of components and spare parts cannot be subject to restrictions or prohibitions if the recipient delivers a declaration of use attesting to the fact that the materials are or will be integrated into their own products and therefore cannot be subsequently transferred or exported as such except for the purpose of maintenance or repairs.

4. Prior authorisation is also required for intra-Community brokering, meaning thereby negotiating or organising transactions to purchase, sell or supply military goods by entities enlisted in the register referred to in Article 3.

5. It is herein understood that the provisions regulating the transfer of classified military goods continue to apply.

6. The implementing rules for this law define the requirements and conditions for the usability of the licences considered in this section. The aforesaid rules establish the procedures whereby to keep the record of the transfers considered under Art. 10-*septies* and to verify them, and also defines the reporting obligations connected to the use of transfer licences ⁽⁴⁵⁾.

(43) Title thus replaced by the letter *a*) of Para. 1 of Art. 4, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

(44) Section I, which includes Articles 10-*bis* to 10-*octies*, was inserted by the letter *b*) of Para. 1 of Art. 4, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

(45) Article inserted by the letter *b*) of Para. 1 of Art. 4, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

10-ter. *General transfer licence.*

1. The Minister of Foreign Affairs approves, through a decree, the general transfer licences between European Union member States that directly authorise the suppliers established in their national territories complying with the terms and conditions indicated in the same licences, to perform the transfer of military goods specified therein to one or more categories of recipients located in another member State.

2. The entities enlisted in the register referred to in Art. 3 must notify the Ministry of Foreign Affairs and the Ministry of Defence of the intention to use a general licence for the first time at least thirty days prior to the effective use thereof.

3. General licences are published whenever:

a) The recipient is part of the Armed Forces of a member State or a contracting authority in the defence sector making purchases for the exclusive use of the Armed Forces of a member State ⁽⁴⁶⁾;

b) The recipient is a certified company as outlined in Article 10-*sexies* ⁽⁴⁷⁾;

c) The transfer is carried out for the purpose of demonstrations, evaluations and exhibitions;

d) The transfer is carried out for the purpose of maintenance and repair, if the recipient is the original supplier of military goods.

4. General licences may be published whenever:

a) The transfer is carried out to other Member States or to authorised companies participating in intergovernmental cooperation programmes for the development, production or use of one or more military goods, when the transfer is necessary for their implementation;

b) Operations concern the provision of logistic support, maintenance, spare parts and technical assistance to the Armed Forces of a Member State.

5. General licences cannot be used for classified materials or classified categories of military goods ⁽⁴⁸⁾.

(46) Also see the [Communiqué of 27 September 2014](#).

(47) Also see the [Communiqué of 27 September 2014](#).

(48) Article inserted by the letter b) of Para. 1 of Art. 4, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

10-quater. *Global transfer licence.*

1. The Ministry of Foreign Affairs issues a global transfer licence at the request of the single supplier for the transfer of specific military goods, without restrictions in terms of quantity and value, to authorised recipients located in one or more Member Countries.

2. The global licence may also be issued to enable transfers connected to programmes to supply equipment to national Armed or Police Forces.

3. The global transfer licence is issued for a period of three years, which can be renewed.

4. Companies certified pursuant to Article 10-*sexies* are not obliged to provide

the documentation envisaged in Article 20, Para. 1, letter *b*).

5. Certified companies use global licences at the conditions set forth in Article 20 ⁽⁴⁹⁾.

(49) Article inserted by the letter *b*) of Para. 1 of Art. 4, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

10-quinquies. *Individual transfer licence.*

1. The Minister of Foreign Affairs issues an individual transfer licence at the request of a single supplier for the transfer of a specific quantity and for a specific worth of given military goods to a specific recipient in one or more shipments, whenever:

a) The licence request is limited to a single transfer; this is necessary to protect the crucial interests of security and public order;

b) It is necessary to meet international obligations and commitments;

c) There are serious reasons to believe that the supplier will not be capable to fulfil all the terms and conditions necessary for the release of a global transfer licence.

2. Companies certified pursuant to Article 10-*sexies* are not obliged to provide the documentation envisaged in Article 20, Para. 1, letter *b*).

3. The companies not certified shall use individual licences at the conditions set forth in Article 20 ⁽⁵⁰⁾.

(50) Article inserted by the letter *b*) of Para. 1 of Art. 4, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

10-sexies. *Certification of companies.*

1. The certification attests to the reliability of the applicant company, especially with respect to its capacity to comply with the export restrictions of military goods received from another Member State on the basis of a general transfer licence.

2. Reliability must be evaluated on the basis of the following criteria:

a) Proven experience in activities inherent to the defence sector, especially taking into consideration the company's level of compliance with export restrictions, possible court decisions on the matter, the licence to produce or market military goods and the use of expert managing staff;

b) An industrial activity relevant to the military goods sector performed within the Community, and especially the capacity of integrating systems and subsystems;

c) Appointing a high-level manager as the person exclusively and personally responsible for the transfers and exports;

d) The company's written commitment, underwritten by the manager defined in letter c), to adopt all the necessary measures to perform and enforce all the special conditions relative to the end use and export of each one of the component parts of the products received;

e) The company's written commitment, underwritten by the manager defined in letter c), to provide with due diligence to the certifying entity, at its request, detailed information on the final users and the end use of all the products exported, transferred or received by the above company on the basis of a transfer licence from another Member State;

f) The description, countersigned by the manager defined in letter c), of the inhouse compliance programme or of the transfer and export management system put in place by the company. This description specifies the organisational resources, both human and technical, allocated to managing transfers and exports, the company's chain of command structure, internal control procedures, personnel awareness training measures, physical and technical safety provisions, the keeping of registers and the traceability of transfers and exports.

3. Companies enlisted in the register referred to in Article 3 apply for the certification from the Ministry of Foreign Affairs which issues it through the UAMA, in agreement with the Ministry of Defence, within thirty days from receiving the application.

4. The certificate contains the following information:

a) The competent authority releasing the certificate;

b) The name and address of the applicant;

c) A declaration of compliance by the applicant to the criteria laid down in Paragraph 2;

d) The date of issue and validity of the certificate.

5. The certificate has a validity of 3 years.

6. In the cases considered under Art. 10-*quater*, the Companies enlisted in the register referred to in Article 3 apply for the certification from the Ministry of Foreign Affairs which issues it through the UAMA, in agreement with the Ministry of Defence, within thirty days from receiving the application in accordance with the criteria laid down in Para. 2 of this Article.

7. The Ministry of Foreign Affairs can adopt the required measures, which may also consist of revoking the certificate, in agreement with the Ministry of Defence, in case it finds out that the company which has been awarded a certificate no longer meets the criteria laid down in Para. 2 and the conditions required for the certificate. In case the certificate is revoked, the Ministry of Foreign Affairs informs the European Commission and the other Member States of its decision.

8. The certificate issued by another Member State is recognised to be valid.

9. The Ministry of Foreign Affairs publishes and regularly updates the list of certified national companies and notifies it to the European Commission, the European Parliament and the other Member States ⁽⁵¹⁾.

(51) Article inserted by the letter *b*) of Para. 1 of Art. 4, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

10-septies. *Obligations of the suppliers.*

1. The suppliers of military goods are obliged to inform the recipients of the terms and conditions contained in the transfer licences, if relevant, including the restrictions on the end use of the products or their export.

2. Suppliers are obliged to keep a detailed and complete register of the transfers, together with the commercial documents, which must contain the following information:

a) A description of the military goods and its reference pursuant to the list provided for in Article 2, Para. 3;

b) The quantity and value of the military goods;

c) The dates of the transfer;

d) The name and address of the supplier and of the recipient;

e) The end use and final user of the military goods, if known;

f) Proof that the relevant recipient of the military goods has been informed of the export restrictions to which the transfer licence is subjected.

3. The supplier must keep the register described in Para. 2 for a period of at least five years from the date of the last entry on the register. It must be made available, upon request, to the competent authorities of the Member State from whose territory the goods were transferred ⁽⁵²⁾.

(52) Article inserted by the letter *b*) of Para. 1 of Art. 4, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

10-octies. Customs Procedures.

1. The exporter, in fulfilling the required formalities for the export of military goods at the office of the Customs Agency competent for the processing of the export declaration, must prove to have obtained the required export licences.

2. With no prejudice to the provisions made in [Regulation \(EEC\) No. 2913/92](#), which establishes a Community customs code, the office of the competent Customs Agency may even suspend, for a period not exceeding 30 working days, the export operation from a national territory of military goods received from another Member State on the basis of a transfer licence and incorporated in another defence-related product or, if necessary, stop them from leaving the territory of the Community in some other way, in case it deems that:

a) The relevant information was not taken into consideration at the time the export licence was released;

b) The circumstances have substantially changed since the release of the export licence⁽⁵³⁾.

(53) Article inserted by the letter *b*) of Para. 1 of Art. 4, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

Section II ⁽⁵⁴⁾

Operation for Countries not belonging to the European Union

11. Applying for the licence.

1. For the materials subject to the provisions of this law, the application for licences for the export, import, brokering, the transfer of production and production delocalisation, intangible software or technology transfers and transit, must be filed with the Ministry of Foreign Affairs, which notifies the Ministry of Defence and the Ministry of Foreign Trade. Said application shall have to be signed by the legal representative or by the designated proxy thereof⁽⁵⁵⁾.

2. The application must indicate:

a) The type and quantity of military goods which are the object of the operation. In case of spare parts, the application shall have to indicate the type of materials identified and the category of materials to which they belong ⁽⁵⁶⁾;

b) The amount of the contract and the final term of delivery, also if in split consignments, established in the contract as well as the conditions for the ready availability of spare parts, and for the provision of maintenance services or other types of assistance;

c) The amount of brokerage fees, if relevant, and the declaration envisaged in [Articles 12 and 20 of the Presidential Decree No. 454 of 29 September 1987](#);

d) The final destination Country of the material or other intermediate or final destination Countries, entities, companies and persons as defined in Para. 3, letter c);

e) The identification of the recipient (Government authority, public agency or authorised company);

f) Any relevant economic obligations with the State for property or patent rights or the like;

g) Any possible offset commitments;

h) Any possible assignments from the State for the performance of the operation agreed.

3. The application for the export licence must include the following attachments:

a) Copy of the authorisation to negotiate or of the clearance, where required;

b) Copy of the supply, purchase or transport contract or subcontract for the part concerning the commercial and financial conditions of the operation; if the contract is written in a foreign language, the copy must be provided with a translation into Italian;

c) 1) an export certificate released by the Government authorities of the recipient Country for those Countries that, together with Italy, are parties to reciprocal control agreements on the export of military goods; 2) for all the other Countries, an «End-Use Certificate» released by the Government authorities of the recipient Country, attesting that the material is being imported for its own use and that it will not be re-exported without prior authorisation from the Italian authorities established for that purpose.

4. The End-Use Certificate must be authenticated by the Italian diplomatic or consular authorities accredited in the Country that released it.

5. The documentation considered herein is not required for the operations envisaged under Article 9, Paragraphs 4 and 5.

5-*bis*. The application for a global project licence considered in Art. 13, Para. 1, must have attached a copy of the authorisation to negotiate, except for the programmes envisaged in Article 9, Para. 7-*bis*, indicating:

a) a description of the joint programme, indicating the type of military goods that are planned to be produced;

b) the companies of the Countries of destination or of origin of the military goods, if already identified in the joint programme. Should these companies not have been identified yet, their subsequent identification must be notified to the Ministry of Foreign Affairs within ninety days from their identification;

c) the recipients identified (government authorities, public agencies or authorised private entities) in the joint programme. This identification is not required for the operations contained in Article 9, Paragraphs 4 and 5 ⁽⁵⁷⁾.

5-*ter*. In the cases in which the application for an export licence concerns products received from another European Union Member Country under a transfer licence which are subjected to export restrictions, the applicant must declare to have complied with said restrictions and to have obtained the assent of the State of origin, if so required ⁽⁵⁸⁾.

(54) Section II, along with the relative title, was added consequently to the insertion of Section I by letter c) of Para. 1 of Art. 4, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

(55) Paragraph thus amended by the number 1) of letter *d*) of Para. 1 of Art. 4, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

(56) Letter thus amended by the number 2) of letter *d*) of Para. 1 of Art. 4, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

(57) Paragraph added by Art. 6, [Law No. 148 of 17 June 2003](#).

(58) Paragraph added by the number 3) of letter *d*) of Para. 1 of Art. 4, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

12. Vetting process.

1. The Ministry of Foreign Affairs carries out a vetting process before releasing a licence pursuant to Article 13. To this aim, it verifies that the documentation filed is complete and transmits it to the Committee set out in Article 7, except for the cases envisaged in Article 9, Paragraphs 4 and 5.
2. The Committee, having verified the compliance of the operation's declared aims with the provisions set out in this law and with the guidelines formulated by the CISD pursuant to Article 6, expresses its opinion to the Ministry of Foreign Affairs.
3. The Minister of Foreign Affairs can request the CISD to carry out a further examination of operations that it deems to have particular political relevance.

(comment of jurisprudence)

13. Authorisation.

1. The Minister of Foreign Affairs, after consulting with the Committee set out in Article 7, authorises, through an individual licence issued within sixty days from the filing of the application for a licence as laid down in Article 11, the brokering, delocalisation of production and intangible software and technology transfers and, in conjunction with the Minister of Finance, the export and import, permanent or temporary, and the transit of military goods as well as the transfer abroad of the licence to industrially produce the material and its re-exportation by importing Countries. The possible refusal of authorisation must be motivated. The authorisation can also be configured as a global project licence released to the single dealer when it concerns the export, import or transit of military goods to be performed within the framework of joint intergovernmental programmes or joint industrial programmes for the research, development, or production of military goods, performed together

with companies of EU and NATO Member Countries with which Italy has underwritten specific agreements that, on the matter of the transfer and export of military goods, assure control over the operations according to the principles that inspire this law. These agreements must also include provisions similar to the ones laid down in Article 13 of the Framework Agreement between the French Republic, the Federal Republic of Germany, the Italian Republic, the Kingdom of Spain, the Kingdom of Sweden and the United Kingdom of Great Britain and Northern Ireland concerning Measures to Facilitate the Restructuring and Operation of the European Defence Industry, signed in Farnborough on 27 July 2000. Moreover, the same global project licence may also authorise the supply of military goods, developed or produced under joint programmes, to the above-listed Countries for the purpose of their national military use ⁽⁵⁹⁾.

2. The authorisation set forth in Paragraph 1 is issued by the Minister of Foreign Affairs without the prior opinion of the Committee considered in Para. 7 for the operations:

a) Envisaged in Article 9, Para. 4;

b) That were given clearance to conduct the contractual negotiations considered in Article 9, Para. 5.

3. The issue of authorisation must be reported to the Administrations concerned.

4. [After 60 days have elapsed from the date of filing the application for the licence described in Art. 11 without the applicant having been issued the relevant licence or notified of any decision thereon, the company concerned will be able to turn to the CISD, which will proceed to pass the final decision thereon] ⁽⁶⁰⁾.

5. The authorisation cannot be issued in case of applications that are incomplete or lack the documentation set out in Article 11, Paragraphs 2 and 3. To this end, the Ministry of Foreign Affairs shall ask the person concerned for the elements or the documentation that is deemed to be lacking or incomplete in respect of the provisions made in this law.

6. In order to obtain the authorisation for export operations of specific components and spare parts of military goods, it is necessary to present the import certificate released to a national company by the Government authorities of the Country of the first importer, except for the faculty to request an End-User Certificate or an equivalent document from those Countries that do not issue import certificates.

(59) Paragraph thus amended first by *art. 7, Law No. 148 of 17 June 2003*, and subsequently by the numbers 1) and 2) of letter e) of Para. 1 of *Art. 4, of Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to

the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

(60) Paragraph repealed by [Art. 13, D.P.R. No. 373 of 20 April 1994](#).

14. Terms of operations.

1. The operations envisaged in this law must be performed within the terms indicated in the relative licences. The terms may be extended for periods no longer than 24 months, upon a motivated request by the Minister of Foreign Affairs to be presented by and no later than the date of expiry, after having consulted the Committee pursuant to Art. 7 and excepting the cases envisaged in Article 9, Paragraphs 4 and 5, or in case of a global project licence ⁽⁶¹⁾.

2. Copy of the licences and of the extension must be immediately sent to the Administrations represented in the Committee pursuant to Article 7.

3. The period of validity of the licence, except for the case of a global project licence which is released with a maximum period of validity of three years and can be extended, cannot be less than the deadline provided for the performance of the contract, and is extendable according to the effective state of progress of deliveries and of the remaining contractual operations to be performed. In case the contract does not set a deadline for its performance, the licence shall have a validity of at least 18 months, with the possibility of extending it ⁽⁶²⁾.

(61) Paragraph thus amended by [Art. 8, Law No. 148 of 17 June 2003](#).

(62) Paragraph thus amended by [Art. 8, Law No. 148 of 17 June 2003](#).

Section III ⁽⁶³⁾

Common Provisions

15. Suspension or revocation of licence.

1. The licences referred to in Articles 9, 10-*bis* and 13 are subject to being suspended or revoked the moment the conditions prescribed for their release cease to exist ⁽⁶⁴⁾.

1-*bis*. The Ministry of Foreign Affairs, after consulting with the Member State, can temporarily suspend the effects of the general licence released to a recipient located in another Member State failing to comply with the conditions attached to the general licence, also for the purpose of protecting fundamental

national security interests, for the purpose of public order or public security, informing the other Member States and the Commission of the reason for the protection measure adopted. The suspension may be lifted at the moment the reasons that determined it cease to exist ⁽⁶⁵⁾.

2. The suspension or revocation of the licences envisaged in Article 9 is provided for through a decree by the Minister of Defence in agreement with the Minister of Foreign Affairs.

3. The suspension or revocation of the licences pursuant to Articles 10-*bis* and 13 is provided for through a decree by the Minister of Foreign Affairs, having heard the opinion of the CISD ⁽⁶⁶⁾.

4. The decisions pursuant to the preceding Paragraphs 2 and 3 are notified to the Advisory Committee set out in Article 7.

5. The insurance coverage provided for by [Law No. 227 of 24 May 1977](#) is extended to the cases of licence revocation, suspension or non-extension pursuant to Articles 10-*bis* and 13 which cannot be blamed on the will of the dealer ⁽⁶⁷⁾.

6. The revocation or suspension of the licences pursuant to Articles 10-*bis* and 13, and the failure to renew or extend them during the execution of a contract, in accordance with Article 14, number 6, of [Law No. 227 of 24 May 1977](#), must not be understood as causes arising from the contractual non-performance of the national dealer in respect of enforcing surety or of the failure or delay in paying back security, deposits or loans granted or established for the reasons indicated in letter *m*) of Article 15 of the aforesaid law ⁽⁶⁸⁾.

7. In exceptional cases, the CISD may temporarily also prohibit the export of the arms contained in Art. 1, Para. 11, towards those Countries in respect of which it could have deemed fitting to adopt conservative measures, a list of which will be released to the Ministry of Foreign Affairs.

8. The prohibition will be lifted by the same CISD only when the causes that determined it will have come to cease.

(63) Section III, along with the relative title, was added consequently to the insertion of Section I by letter *f*) of Para. 1 of Art. 4, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

(64) Paragraph thus amended by the number 1) of letter *g*) of Para. 1 of Art. 4, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

(65) Paragraph inserted by the number 2) of letter g) of Para. 1 of Art. 4, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

(66) Paragraph thus amended by the number 3) of letter g) of Para. 1 of Art. 4, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

(67) Paragraph thus amended by the number 4) of letter g) of Para. 1 of Art. 4, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

(68) Paragraph thus amended by the number 5) of letter g) of Para. 1 of Art. 4, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

16. Transit and introduction into the territory of the State of military goods subject to public security provisions.

1. The provisions of this law do not apply to the cases of passage through the territory of the State of the military goods envisaged in Art. 2, being the object of commercial transactions abroad by persons residing in Third States ⁽⁶⁹⁾.

2. In these cases, as in any other case in which the military goods envisaged in Para. 1 are introduced into the territory of the State, which are prohibited from crossing the customs borderline for any reason whatsoever and which are destined to other countries, provided however that these materials are listed in the goods manifest, the only provisions that apply are those set out in Paragraphs 3 and 4 of Article 28 of the Consolidated Law on Public Security approved with [Royal Decree No. 773 of 18 June 1931](#), and in Article 40 of the relative implementing regulation, approved with [Royal Decree No. 635 of 6 May 1940](#).

2-bis. Operations requiring passing through the national territory military goods that are the object of transactions between companies of other Member States, are subject to the public security provisions laid down in Paragraphs 3 and 4 of Article 28 of the Consolidated Law on Public Security approved with [Royal Decree No. 773 of 18 June 1931](#), and in Article 40 of the relative implementing regulation, approved with [Royal Decree No. 635 of 6 May 1940](#)⁽⁷⁰⁾.

3. The aforesaid provisions, excluding the cited Art. 40 of the regulation, also apply to the arms that form part of the on-board equipment listed in official documents.

4. The prefect can deny authorisation to introduce into the territory of the State the materials and arms listed above for reasons of public order or of public security by promptly notifying thereof the Ministry of Foreign Affairs and the Ministry of Defence or, after consulting with the aforesaid Ministries, for reasons inherent to the national security of the State.

(69) Paragraph thus amended by the number 1) of letter *h*) of Para. 1 of Art. 4, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

(70) Paragraph inserted by the number 2) of letter *h*) of Para. 1 of Art. 4, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

Chapter V – Obligations of companies

17. Contribution for enlisting in the national register.

1. The contribution for enlisting in the national register is regulated by the Armed Forces Code ⁽⁷¹⁾ ⁽⁷²⁾.

(71) Article repealed by Art. 2268, Para. 1, n. 871), of [Legislative Decree No. 66 of 15 March 2010](#), and thus replaced by letter *c*) of Para. 1 of Art. 2120 of the same [Legislative Decree No. 66/2010](#), as of 9 October 2010, pursuant to the provisions of Art. 2272 of the same [Legislative Decree No. 66 of 15 March](#).

(72) The [Ministerial Decree of 8 March 1991](#) (GURI No. 70 of 23 March 1991) set the annual contribution for companies and consortia of companies to be enlisted in the national register at Lire 500,000 for the year 1991. The above contribution was set at the same amount for the year 1992 by [Ministerial Decree of 31 October 1991](#) (GURI No. 258 of 4 November 1991); for the year 1993 by [Ministerial Decree of 31 October 1992](#) (GURI No. 292 of 12 December 1992); for year 1994 by [Ministerial Decree of 29 November 1993](#) (GURI No. 296 of 18 December 1993); for year 1995 by [Ministerial Decree of 20 December 1994](#) (GURI No. 26 of 1 February 1995); for year 1996 by [Ministerial Decree of 14 September 1995](#) (GURI No. 254 of 30 October 1995); for year 1997 by [Ministerial Decree of 22 October 1996](#) (GURI No. 291 of 12

December 1996); for year 1998 by [Ministerial Decree of 19 September 1997](#) (GURI No. 275 of 25 November 1997); for year 1999 by [Ministerial Decree of 8 October 1998](#) (GURI No. 257 of 3 November 1998, and GURI No. 70 of 25 March 1999); for the year 2000 by [Ministerial Decree of 28 September 1999](#) (GURI No. 10 of 14 January 2000); for year 2001 by [Ministerial Decree of 30 November 2000](#) (GURI No. 66 of 20 March 2001, and GURI No. 101 of 3 May 2001); for year 2002 by [Ministerial Decree of 4 October 2001](#) (GURI No. 3 of 3 January 2002). Later, the amount of the contribution was set at 258.23 euros, for the year 2003, by [Ministerial Decree of 31 October 2002](#) (GURI No. 46 of 25 February 2003) and the same amount was confirmed for the year 2004, by [Ministerial Decree of 9 March 2004](#) (GURI No. 110 of 12 May 2004), for the year 2005, by [Ministerial Decree of 14 September 2004](#) (GURI No. 298 of 21 December 2004), for the year 2006, by [Ministerial Decree of 3 February 2006](#) (GURI No. 85 of 11 April 2006), for the year 2007, by [Ministerial Decree of 29 December 2006](#) (GURI No. 161 of 13 July 2007), for the year 2008, by [Ministerial Decree of 19 November 2007](#) (GURI No. 25 of 30 January 2008) and, for the year 2009, by [Ministerial Decree of 29 October 2008](#) (GURI No. 296 of 19 December 2008). For year 2010, the amount of the contribution was established to be 260.00 euros by [Ministerial Decree of 18 December 2009](#) (GURI No. 35 of 12 February 2010) and the same amount was confirmed for the year 2011 by [Ministerial Decree of 9 August 2010](#) (GURI No. 257 of 3 November 2010). For the amount of the contribution established for the following years, see the note to Para. 13 of Art. 44, [Legislative Decree No. 66 of 15 March 2010](#).

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17-bis. *Costs to be borne by the persons concerned.*

For the purpose of enforcing the provisions contained herein, the costs relative to the authorisation for supplies and to the certifications and controls to be performed are to be borne by the persons concerned, according to the fees determined on the basis of the effective cost of the service, whenever this is not in contrast with Community regulations.

The fees contained in this Article are determined through a decree by the Minister of Foreign Affairs, in conjunction with the Minister of Economy and Finance. The income deriving from the payment of the fees determined in this Article are first paid into the State Budget and are subsequently reallocated, within the limits established in applicable legislation, to the competent national authority issuing the authorisations and certifications and to the administration involved in matters of certification and controls, depending on the activity performed ⁽⁷³⁾.

(73) Article inserted by the letter *a*) of Para. 1 of Art. 5, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

18. List of materials.

1. Export companies performing intra-Community transfer operations to other Member Countries of the military goods indicated in this law, within 120 days from the coming into force of the decree referred to in Art. 2, Para. 3, are obliged to transmit to the Committee envisaged in Art. 4 the list of military goods exported or the object of intra-Community transfers to other Member States according to the procedures set out in the implementing regulation, indicating, for each one of the materials, the secrecy classification previously attributed to each one by the Ministry of Defence, if any. Any update in the list must also be notified to the aforesaid Ministry, by applying the same criteria and procedures ⁽⁷⁴⁾.

(74) Paragraph thus replaced by the letter *b*) of Para. 1 of Art. 5, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

19. Notifications relative to carriers and shipping agents.

1. For operations requiring that the exporter be in charge of the shipment and of the delivery to destination of the military goods, exporters are obliged to acquire from carriers and shippers every useful indication on the means of transport and the relative itinerary, as well as on any modification that might have occurred during the transport. The relative documents will have to be kept in the exporter's records for a period of ten years.

2. For operations requiring the delivery to be «ex works» or «ex point of departure», exporters are obliged to simultaneously notify the administrations of the Ministries of Foreign Affairs, of Defence, of the Interior and of Finance, the date and the modes of delivery, providing every useful information on the shipper or carrier in charge of carrying out the operation ⁽⁷⁵⁾.

3. This notification shall have to be made by the legal representative or his designated proxy prior to, and in any case no later than 3 days before the date of receipt of the relative notice of collection by the recipient or by the carrier designated thereby.

4. The provisions made in this Article do not apply to exports made on behalf of the Administrations of the State.

(75) Paragraph thus amended by *Art. 9, Law No. 148 of 17 June 2003*.

20. Use of authorisations.

1. The company with authorisation to export, broker, transfer production licences, delocalise production, make intangible software and technology transfers or for the transit of military goods, except in the case of operations performed on behalf of the State or under a global project licence, is obliged to ⁽⁷⁶⁾:

a) Promptly notify the Ministry of Foreign Affairs of the conclusion, albeit partial, of the operations authorised;

b) Send to the Ministry of Foreign Affairs within 180 days from the conclusion of the export and transit operations: the check list, or the intra-Community transfer and transit declaration (DTTI), or the customs bill of entry into the Country of final destination, or the statement of acceptance of delivery by the importing agency, or an equivalent document issued by a local governmental authority ⁽⁷⁷⁾.

1-*bis*. Companies using global and individual licences that have not obtained the certification provided for under Article 10-*sexies*, are subject to the regulations set out in Para. 1 ⁽⁷⁸⁾.

2. The Ministry of Foreign Affairs may grant an extension of 90 days after hearing the opinion of the Advisory Committee set out in Art. 7, upon a motivated and documented request by the dealer, to be filed at least 30 days prior to the original date of expiry.

3. In case the Italian exporter declares the impossibility, for justified reasons, to obtain from the foreign authorities the documentation required under Para. 1, letter *b*) above, the Committee set out in Article 7 expresses an opinion on the justifications put forward. No extension to the authorisation shall be granted until the Committee set out in Article 7 expresses an opinion on the justifications put forward.

4. In case of delays in filing the documentation referred to in Para. 1 and as long as the delay persists, except for the case of justifications described in Para. 3, it will not be possible to extend the authorisations referred to the Committee.

4-*bis*. In case of a shipment made under a global project licence, the company is obliged to keep the documentation relative to the materials supplied for a period of five years, which will be useful to attest the arrival of said materials to their destination. For the purposes of this law, this documentation shall have to be disclosed to the Ministry of Foreign Affairs at its request ⁽⁷⁹⁾.

4-ter. In case of a shipment made under a general, global and individual licence to transfer, broker, transfer the production licence, make the intangible transfer of software and technology and to delocalise production, the company is obliged to keep the documentation relative to the materials supplied for a period of five years, which will be useful to attest the arrival of said materials to their destination. For the purposes of this law, this documentation shall have to be disclosed to the Ministry of Foreign Affairs at its request. Companies holding a general and global transfer licence shall report the information on the operations carried out every six months ⁽⁸⁰⁾.

(76) Paragraph thus amended first by *art. 10, Law No. 148 of 17 June 2003*, and subsequently by the number 1) of letter c) of Para. 1 of *Art. 5, of Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

(77) Letter thus amended by the number 1) of letter c) of Para. 1 of *Art. 5, of Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

(78) Paragraph added by the number 2) of letter c) of Para. 1 of *Art. 5, of Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

(79) Paragraph added by *art. 10, Law No. 148 of 17 June 2003*.

(80) Paragraph added by the number 3) of letter c) of Para. 1 of *Art. 5, of Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

20-bis. Control Activities.

1. The control activity on the phases prior to and following the export of military goods, also performed through checks and inspections, as well as on the certification process, is carried out by the Ministry of Foreign Affairs, except for the tasks and competences assigned to the bodies in charge of enforcing public order and security and customs, tax and currency controls, which shall nonetheless report directly to the Ministry of Foreign Affairs any news that might be relevant to the effects of this law.

2. The Ministry of Foreign Affairs performs control activities in conjunction with the Ministry of Defence and, for the aspects concerned with the handling of classified information, with the Presidency of the Council of Ministers –

Department of Security Intelligence.

3. In the performance of control activities, the Ministry of Foreign Affairs can rely on the cooperation of the designated bodies referred to in Para. 1, according to the procedures to be defined in the implementing regulation.

4. The Ministry of Foreign Affairs, through its acts of orientation, regulates the modes of implementation of control activities, in agreement with the Administrations concerned ⁽⁸¹⁾.

(81) Article inserted by the letter *d*) of Para. 1 of Art. 5, of *Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

20-ter. Supervisory Powers.

1. The Ministry of Foreign Affairs, for the purpose of verifying compliance with the legislative prohibitions and administrative regulations, as well as compliance with the conditions indicated in the certificate and with the criteria laid down in Article 10-*sexies*, performs inspection visits at the premises of the companies enlisted in the register referred to in Article 3, sending the designated inspectors, who will be empowered to:

a) Access all relevant premises;

b) Examine and acquire copies of registers, data, rules of procedure and other material concerning the products exported, transferred or received under a transfer licence of another Member State ⁽⁸²⁾.

(82) Article inserted by the letter *d*) of Para. 1 of Art. 5, of *Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

21. Seminars, study periods and visits.

1. The Presidency of the Council of Ministers, after consultations with the Minister of Defence, at the request of the company concerned, may authorise Italian and foreign citizens to attend seminars, study periods and visits in Italy on matters relative to products classified as secret.

22. Prohibition on appointments.

1. Public employees, civilian or military, designated in any capacity to exercise administrative functions connected to the enforcement of this law during the two years prior to the termination of their public employment contract, over a three-year period following the termination of their employment relationship, for whatever reason, cannot be appointed member of the board of directors or president, vice president, chief executive officer, managing director, sole administrator and general manager, nor take on consulting assignments in companies operating in the armaments sector except for those specifically associated with the technical and operational aspects of project designing and testing.

2. The companies violating the provisions of Para. 1 are suspended for two years from the national register set out in Article 3.

Chapter VI - Sanctions

23. Untruthful information in the documentation.

1. Anyone who, in compliance with this law, wilfully provides documentation containing untruthful information inherent to the issue of the licence envisaged in Articles 10-*bis* and 13 and to the renewal thereof, in case of obtaining the licence, is punished with a term in prison of between 2 and 6 years or with a fine of between one tenth and ten tenths of the value of the contract ⁽⁸³⁾.

2. In case the untruthful information is decisive in obtaining the enlistment in the national register referred to in Article 3 or the clearance envisaged in Art. 9, Para. 5, and unless it constitutes a more serious offence, the sanction applied shall be a fine of between euro 25,822 and euro 154,937 ⁽⁸⁴⁾.

⁽⁸³⁾ Paragraph corrected with notice published on the Official Gazette No. 251 of 26 October 1990, and later amended as thus by the letter a) of Para. 1 of Art. 6, of *Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*. The sanction is excluded from decriminalisation pursuant to Art. 32, Para. 2 of Law No. 689 of 24 November 1981.

⁽⁸⁴⁾ The minimum amount of the fine was raised by Art. 15, of Law No. 222 of 27 February 1992. The sanction is excluded from decriminalisation pursuant to Art. 32, Para. 2 of Law No. 689 of 24 November 1981.

24. Noncompliance with administrative regulations.

1. Anybody who performs the export, intra-Community transfer, transit, brokering, the transfer of production licences, delocalises the production of military goods and makes intangible software and technology transfers, in violation of the conditions of delivery to the destination indicated in the application for licence set out in Article 13, or of the conditions or restrictions applied to the licences referred to in Article 10-*bis*, unless the fact constitutes an even more serious offence, shall be punished with a term in prison of up to five years, or with a fine of between two and five tenths of the value of the contracts ⁽⁸⁵⁾ ⁽⁸⁶⁾.

(85) Paragraph thus amended by the number 1) of letter *b*) of Para. 1 of Art. 6, of *Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

(86) Article 15, of *Law No. 222 of 27 February 1992*, set the minimum amount of the fine at euro 25,822, which is excluded from decriminalisation pursuant to Art. 32, Para. 2 of *Law No. 689 of 24 November 1981*.

(comment on the jurisprudence)

25. Lack of authorization.

1. Unless the fact constitutes an even more serious offence, anybody who, without the licence envisaged in Articles 10-*bis* and 13, performs the export, import, intra-Community transfer, transit, brokering, transfers production licences, delocalises the production of military goods and makes intangible software and technology transfers, as contained in the decrees referred to in Article 2, Para. 3, shall be punished with a term in prison of between 3 and 12 years, or with a fine of between euro 25,822 and euro 258,228 ⁽⁸⁷⁾ ⁽⁸⁸⁾.

2. Anyone entering into negotiations in violation of the provisions made in Art. 9 shall be punished with a term in in prison of up to four years, or with a fine of between euro 25,822 and euro 258,228 ⁽⁸⁹⁾.

3. The military goods found by the designated organisations to be destined for export or for intra-Community transfer to other Member States, not accompanied by the required licences, shall be confiscated ⁽⁹⁰⁾.

(87) Paragraph thus amended by the number 1) of letter *c*) of Para. 1 of Art. 5, of *Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

(88) The minimum amount of the fine was thus raised by *Art. 15, of Law No. 222 of 27 February 1992*. The sanction is excluded from decriminalisation pursuant to *Art. 32, Para. 2 of Law No. 689 of 24 November 1981*.

(89) The minimum amount of the fine was thus raised by *Art. 15, of Law No. 222 of 27 February 1992*. The sanction is excluded from decriminalisation pursuant to *Art. 32, Para. 2 of Law No. 689 of 24 November 1981*.

(90) Paragraph thus amended by the number 2) of letter c) of Para. 1 of *Art. 6, of Legislative Decree No. 105 of 22 June 2012*, as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same *Legislative Decree No. 105/2012*.

25-bis. Administrative Sanctions.

1. Unless the fact constitutes an even more serious offence, the supplier who omits to notify the information laid down in Article 10-*septies*, Para. 1 to the recipients shall be punished with an administrative fine of between 5,000 and 20,000 euros.

2. Unless the fact constitutes an even more serious offence, an administrative fine of between 5,000 and 20,000 euros shall be applied in case of the failure to record or irregularities in keeping the register of transfers set out in 10-*septies*, Para. 2. The same fine shall apply in case of the failure to perform the obligations set out in Art. 10-*septies*, Para. 3.

3. In case the supplier repeats the violations set out in Paragraphs 1 and 2, he/she shall also be subject to the administrative sanction providing for a two-year suspension from the register referred to in Art. 3.

4. Unless the fact constitutes a criminal offence, the person enlisted in the register referred to in Art. 3 who fails to send to the Ministry of Foreign Affairs the documentation envisaged in Art. 20 within 180 days from the finalisation of operations, according to the procedures outlined in the regulation, except for the justifying causes set out in Art. 20, Para. 3, shall be punished with an administrative fine of between 150 and 1,500 euros.

5. The Ministry of Foreign Affairs, in conjunction with the Ministry of Defence, after hearing the opinion of the other administrations involved in the activities of the Advisory Committee envisaged in Art. 7, provides to enforce the sanctions outlined in Paragraphs 1, 2 and 4. The sanction provided for in Paragraph 3 shall be enforced through a decree of the Minister of Defence, according to the procedures laid down in *Article 44, Para. 8, of Legislative Decree No. 66 of 15 March 2010*. The provisions made in the foregoing article shall be subject to the provisions made in *Law No. 689 of 24 November 1981*, as subsequently amended ⁽⁹¹⁾.

(91) Article inserted by the letter *d*) of Para. 1 of Art. 6, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

26. Notification obligation by judicial authority.

1. The judicial authority prosecuting the offences pursuant to in Articles 23, 24 and 25 shall immediately notify the Ministry of Foreign Affairs and the Ministry of Defence so as to enable them to adopt the provisions falling under their respective competence.

27. Provisions on banking activities.

1. All banking transactions concerning operations regulated by this law must be notified to the Ministry of Economy and Finance within 30 days from their date of execution.

2. Unless the fact constitutes a criminal offence, the violation of the provisions contained in Paragraph 1 shall be punished with the payment of an administrative fine of between 5,000 and 25,000 euros.

3. For the purpose of verifying the violations and enforcing the sanctions, the provisions to be applied are those contained in Title II, Chapters I and II, of the consolidated law on currency matters approved by [Presidential Decree No. 148 of 31 March 1988](#), and subsequent amendments, except for the provisions made in Article 30 thereof. The provisions to enforce the sanctions considered herein are issued without the need to hear the opinion of the Advisory Committee, as set out by Article 32 of the aforesaid consolidated law on currency matters.

4. The report delivered to Parliament pursuant to Article 5 must contain a chapter on the activity of the credit institutions operating on Italy's national territory concerning operations regulated by this law; to this end, the Ministry of Economy and Finance transfers to the Ministry of Foreign Affairs the data arising from the notifications collected in compliance with the provisions made in Para. 1 ⁽⁹²⁾.

(92) Article thus replaced by the letter *e*) of Para. 1 of Art. 6, of [Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

27-bis. Financing activities.

1. In order to combat the financing of international terrorism and the activities of States that threaten international peace and security on the basis of United Nations resolutions or European Union decisions, credit institutes and financial brokers are obliged to notify the Ministry of Economy and Finance, within 30 days, of any financial activity, including foreign-to-foreign bank transfers, connected to the operations envisaged in this law.

2. The Ministry of Economy and Finance examines the notifications received and carries out the necessary investigations, also relying on the cooperation of the Special Currency Police Unit (Nucleo speciale di polizia valutaria) of the Guardia di Finanza.

3. The Ministry of Economy and Finance notifies the activities set out in Article 2 to the Financial Security Committee, as established in [Article 3 of legislative Decree No. 109 of 22 June 2007](#).

4. Unless the fact constitutes a criminal offence, the violation of the provisions contained in Paragraph 1 shall be punished with the payment of an administrative fine of between 10,000 and 100,000 euros.

5. For the purpose of verifying the violations and enforcing the sanctions, the provisions to be applied are those contained in Title II, Chapters I and II, of the consolidated law on currency matters approved by [Presidential Decree No. 148 of 31 March 1988](#), and subsequent amendments, except for the provisions made in Article 30 thereof. The provisions to enforce the sanctions considered herein are issued without the need to hear the opinion of the Advisory Committee, as set out by Article 32 of the aforesaid consolidated law on currency matters⁽⁹³⁾.

(93) Article inserted by the letter *f*) of Para. 1 of [Art. 6, of Legislative Decree No. 105 of 22 June 2012](#), as of 22 July 2012, pursuant to the provisions of Para. 1 of Art. 10 of the same [Legislative Decree No. 105/2012](#).

Chapter VII – Final and Transitory Provisions

28. Transitory provisions.

1. While awaiting the enactment of the Decree referred to in Paragraph 3 of Article 2, the present provisions shall apply to the military goods listed in the "Export Table" («Tabella esport»).

2. While awaiting the establishment of the national register referred to in Article 3 and of the Advisory Committee considered in Article 7, the provisions

contained in Article 3, Para. 2 shall not apply and the applicable provisions shall be those made under currently existing laws.

3. The licences that are valid at the coming into force of this law shall continue to be effective.

4. With respect to the arms and materials considered in Paragraph 11 of Article 1, the licence by the Chief of Police envisaged in Article 31 of the Consolidated Law on Public Security, approved with [Royal Decree No. 773 of 18 June 1931](#), shall replace the licence issued by the Minister of Foreign Affairs in conjunction with the Minister of Finance. The Minister of Foreign Trade shall issue the relative implementing regulations.

29. *Implementing Regulations.*

1. Within 120 days from the coming into force of this law, the regulation containing the implementing rules thereof shall be issued through a decree of the President of the Council of Ministers in compliance with [Article 17 of Law No. 400 of 23 August 1988](#) ⁽⁹⁴⁾.

(94) For the implementation of the provisions made in this Article, see [Ministerial Decree No. 19 of 7 January 2013](#).

30. *Secondment of staff* ⁽⁹⁵⁾.

1. For the purpose of performing the activities connected to the issue of the licences envisaged in this law, the implementing regulation provided for in Article 29 shall lay down, in compliance with [Article 56 and following articles of Presidential Decree No. 3 of 10 January 1957](#), the provisions for the secondment of the staff from other Administrations to the Ministry of Foreign Affairs.

(95) This article was amended by Para. 3 of Art. 7, [Legislative Decree No. 114 of 10 October 2013](#). The amendment was ratified in [Enactment Law No. 135 of 9 December 2013](#).

31. *Provisions currently in force and abrogated.*

1. The provisions contained in the implementing regulation for the Consolidated Law on Public Security approved with [Royal Decree No. 635 of 6 May 1940](#), and subsequent amendments, in [Law No. 895 of 2 October 1967](#), in [Law No. 497 of 14 October 1974](#), and in [Law No. 110 of 18 April 1975](#), shall remain in force unless incompatible with the provisions contained herein.

2. [In the Annex to the *Royal Decree No. 1161 of 11 July 1941*, in Paragraph 6 (*Equipment, stocks and orders for material for the Armed Forces*) the following words are deleted: «Orders and purchases of military material or in any case concerning the Armed Forces and the Country's military efficiency, both from private industries or from abroad, and the relative contractual information and state of progress and outcome of deliveries. The shipment and transfer of military material abroad, both by military administrations and by private industries»] ⁽⁹⁶⁾.

3. [In the Annex to the *Royal Decree No. 1161 of 11 July 1941*, in Paragraph 8 (*Civilian military materials production plants and civilian electricity production plants*) the following words are deleted: «Supplies and stocks of raw materials and semifinished products, the consumption, import and export of raw materials, semifinished products and the like in any case involved in the production of military material, generally or particularly involving every plant, as well as the orders, contracts, contractual terms, etcetera»] ⁽⁹⁷⁾.

4. All the provisions that are incompatible with this law are repealed.

(96) Paragraph abrogated by Art. 2268, Para. 1, n. 871), *Legislative Decree No. 66 of 15 March 2010*, coming into effect pursuant to Art. 2272, Para. 1 of the same *Legislative Decree No. 66/2010*.

(97) Paragraph abrogated by Art. 2268, Para. 1, n. 871), *Legislative Decree No. 66 of 15 March 2010*, coming into effect pursuant to Art. 2272, Para. 1 of the same *Legislative Decree No. 66/2010*.

In case of conflicting interpretation, the Italian version prevails.