

Business Secretary Rt Hon Vince Cable has told the House of Commons of a change of policy on the licensing of exports of, and trade by British persons (trafficking and brokering) in, controlled goods and technology to military end users in Argentina. Previous policy dating from 1998 required the refusal of licences for exports and trade which would enhance Argentine military capabilities but to permit licences for goods which maintained existing capability. In practice this has meant the authorisation of the export and trade of components for maintenance purposes.

The UK Government has reviewed this policy in the light of recent actions by the Argentine Government aimed at harming the economic interests of the Falkland Islanders. It is determined to ensure that no British licensable exports or trade have the potential to be used by Argentina to impose an economic blockade on the Falkland Islanders or inhibit their legitimate rights to develop their own economy.

New restrictions on the export and trade of licensable goods with the Argentine military will now be introduced with immediate effect. In future no licences shall be granted for any military or dual use goods and technology being supplied to military end users in Argentina, except in exceptional circumstances. Extant licences for military goods to the Argentine armed forces will be reviewed with a view to revoking any that are not consistent with the revised policy. This decision will not affect licences for items intended for end users other than the Argentine military.