

## IV. The financial value of states' arms exports

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Official data on the financial value of states' arms exports in the years 2011–20 is presented in table 9.7. The data is taken from reports by—or direct quotes from—national governments. The stated data coverage reflects the language used by the original source. National practices in this area vary, but the term 'arms exports' generally refers to the financial value of the arms actually delivered; 'arms export licences' generally refers to the financial value of the licences for arms exports issued by the national export licensing authority; and 'arms export agreements' or 'arms export orders' refers to the financial value of contracts or other agreements signed for arms exports.

The arms export data for the states in table 9.7 is based on national definitions and methodologies and is thus not necessarily comparable across countries. There is no internationally agreed definition of what constitutes 'arms' and governments use different lists when collecting and reporting data on the financial value of their arms exports. In addition, there is no standardized methodology concerning the collection and reporting of such data, with some states reporting on export licences issued or used and other states using data collected from customs agencies.

According to SIPRI's statistics on arms transfers, states that produce official data on the financial value of their arms exports accounted for over 90 per cent of the total volume of deliveries of major arms. By adding together the data in table 9.7 it is therefore possible to attain a rough estimate of the financial value of the total global arms trade. However, there are significant limitations in using this data to make such an estimate. First, as noted above, the data sets used are based on different definitions and methodologies and are not directly comparable. Second, several states (e.g. the United States and the United Kingdom) do not release data on arms exports but only on arms export agreements and licences, while other states (e.g. China) do not release any data on arms exports, licences, agreements or orders. Nonetheless, by adding together the data that states have made available on the financial value of their arms exports as well as estimates for those that only provide data on arms export licences, agreements or orders it is possible to roughly estimate the total value of the global arms trade. The estimate of the financial value of the global international arms trade for 2020—the latest year for which relevant data is available—was at least US\$112 billion.<sup>1</sup> However, the true figure is likely to be higher.

It is difficult to assess the trend in the value of the global arms trade over time because countries do not always report consistently on their arms

<sup>1</sup> For a full description of the methodology used to calculate this figure see the SIPRI website.

export figures each year. This means that comparisons of the value of the global arms trade in different years provide only a very rough indication of trends over time. Nevertheless, the available data suggests a significant real-terms increase over time in the value of the global arms trade from at least \$87 billion in 2011 (in constant 2020 US dollars) to at least \$112 billion in 2020. Despite this increase, the estimated value of the global arms trade for 2020 is about 0.5 per cent of the value of the total global trade of all products and services in 2020.<sup>2</sup>

<sup>2</sup> The value of the total global trade in all products and services in 2020 was US\$22 trillion. World Trade Organization (WTO), *World Trade Statistical Review 2021* (WTO: Geneva, 2021), p. 11.

**Table 9.7.** The financial value of states' arms exports according to national government and industry sources, 2011–20

Figures are in constant (2020) US\$ m. Conversion to constant US dollars is made using the market exchange rates of the reporting year and the US consumer price index (CPI). Years are calendar years unless otherwise stated.

State	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Explanation of data
Australia <sup>d</sup>	..	..	1 200	1 606	3 451	897	1 287	3 778	3 734	1 852	Arms export licences
Austria	688	659	776	778	407	762	452	363	385	485	Arms exports
	2 610	2 251	3 502	1 310	1 313	4 748	2 388	1 843	1 958	1 582	Arms export licences
Belgium	1 336	1 403	904	6 546	1 350	1 489	882	1 416	3 247	3 389	Arms export licences
Bosnia and Herzegovina	66	59	58	97	127	124	124	144	..	..	Arms exports
	91	67	165	187	279	364	352	283	..	..	Arms export licences
Bulgaria	369	317	347	585	1 698	1 210	1 451	931	696	745	Arms exports
	357	505	724	1 201	774	1 501	1 653	1 275	971	1 239	Arms export licences
Canada <sup>b</sup>	737	1 176	735	788	577	584	838	1 645	2 866	1 466	Arms exports
Croatia	56	74	127	103	47	88	81	119	49	81	Arms exports
	245	345	1 050	699	463	452	539	465	607	551	Arms export licences
Czechia	293	397	425	620	682	822	682	664	702	767	Arms exports
	553	384	484	726	899	410	606	474	627	339	Arms export licences
Denmark	..	..	34	65	93	134	108	100	187	219	Arms exports
	379	322	1 154	213	162	242	244	324	177	166	Arms export licences
Estonia	560	4	4	6	17	11	76	45	12	80	Arms export licences
Finland	155	84	329	323	119	157	125	156	128	91	Arms exports
	294	171	507	329	438	117	233	214	119	349	Arms export licences
France	6 051	5 472	4 984	5 867	7 511	8 492	8 012	8 474	11 250	4 911	Arms exports
	5 833	4 843	5 724	5 579	7 339	8 326	7 907	8 371	11 720	4 838	Arms exports
	10 424	6 977	10 140	11 920	20 492	16 628	8 262	11 092	9 432	5 543	Arms export licences
Germany	2 055	1 370	1 376	2 644	1 883	2 984	3 157	938	934	1 570	Arms exports <sup>c</sup>
	8 659	6 813	8 622	5 764	9 517	8 167	7 430	5 869	9 084	6 641	Arms export licences
	8 607	6 043	3 680	3 691	6 007	70	387	18	576	458	Arms export licences <sup>d</sup>

Hungary	29	39	47	48	56	23	52	45	60	55	Arms exports
	250	391	757	627	1 554	702	695	482	646	584	Arms export licences
India <sup>e</sup>	..	97	130	178	351	244	758	1 254	1 311	114	Arms exports
Ireland	43	68	91	125	52	75	30	40	48	55	Arms export licences
Israel	6 696	..	7 266	6 188	6 224	7 009	9 714	7 730	7 289	8 300	Arms export agreements
Italy	1 636	4 360	4 089	4 829	3 892	3 405	3 428	2 989	2 707	3 075	Arms exports
	8 418	6 025	3 170	3 845	9 546	17 456	11 324	5 814	4 631	4 479	Arms export licences
Korea, South	2 741	2 652	3 795	3 949	3 867	2 758	3 294	..	..	..	Arms exports
Latvia	<1	<1	<1	4	1	<1	106	13	15	3	Arms exports
Lithuania	77	28	24	27	33	49	85	116	59	76	Arms exports
	82	29	32	22	71	110	71	55	56	55	Arms export licences
Montenegro	..	4	4	13	5	1	7	10	..	..	Arms exports
	6	7	9	16	13	10	11	22	..	55	Arms export licences
Netherlands	1 235	1 191	373	363	717	675	792	696	505	761	Arms exports
	665	1 363	1 421	2 996	1 057	1 689	958	782	1 046	800	Arms export licences
Norway <sup>f</sup>	734	751	624	511	442	460	684	611	525	658	Arms exports
Pakistan <sup>g</sup>	12	15	14	19	66	33	61	..	..	..	Arms exports
	28	32	24	61	103	73	25	..	..	..	Arms export agreements
Poland	..	..	496	574	510	457	562	592	443	446	Arms exports
	1 358	917	1 266	1 334	1 537	1 463	1 287	1 894	2 179	1 613	Arms export licences
Portugal	40	45	260	227	231	712	193	255	444	203	Arms exports
	50	75	215	369	82	291	70	209	197	120	Arms export licences
Romania	210	120	261	231	195	216	230	237	163	132	Arms exports
	294	259	437	361	266	287	314	248	175	200	Arms export licences
Russia	15 763	17 134	17 442	17 055	15 833	16 175	>15 000	16 491	>15 000	>15 000	Arms exports
Serbia	200	211	193	342	423	485	292	505	..	..	Arms exports
	456	505	903	876	885	997	865	803	..	..	Arms export licences
Slovakia	16	36	46	53	69	72	82	113	77	105	Arms exports
	48	106	180	389	343	248	273	230	213	303	Arms export licences

State	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Explanation of data
Slovenia	14	6	4	7	13	18	29	14	17	21	Arms exports
	19	13	13	4	38	51	61	79	57	325	Arms export licences
South Africa	1 455	1 456	363	300	234	305	272	368	285	189	Arms export licences
Spain	3 888	2 829	5 765	4 646	4 505	4 832	5 174	4 527	4 581	4 131	Arms exports
	4 592	11 145	6 374	5 317	12 930	6 619	25 096	13 873	11 436	30 276	Arms export licences
Sweden	2 465	1 624	2 037	1 268	966	1 383	1 387	1 348	1 742	1 773	Arms exports
	1 931	1 320	1 676	714	641	7 790	1 003	1 004	1 446	1 623	Arms export licences
Switzerland	1 131	842	553	673	507	451	479	538	741	960	Arms exports
Turkey	940	1 353	1 544	1 801	1 807	1 809	1 836	2 097	2 775	2 279	Arms exports
UK	9 955	15 661	17 021	15 301	12 846	8 584	12 186	19 249	14 204	10 128	Arms export orders <sup>h</sup>
	11 201	3 858	7 718	3 750	9 711	4 712	8 985	3 845	6 592	4 487	Arms export licences
Ukraine	1 155	1 154	1 111	..	622	830	..	790	919	981	Arms exports
USA <sup>i</sup>	22 484	19 781	22 584	21 235	23 126	22 765	32 270	..	..	..	Arms exports <sup>j</sup>
	29 730	70 696	26 088	34 306	49 008	53 745	54 459	65 378	55 741	59 577	Arms export licences <sup>k</sup>
	29 730	70 696	26 088	34 306	49 008	29 672	52 129	..	..	..	Arms export agreements <sup>l</sup>
	..	..	..	..	..	36 264	44 265	57 366	56 069	50 782	Arms export agreements <sup>m</sup>

.. = data not available.

Notes: The countries included in this table are those that provide official data on the financial value of either 'arms exports', 'contracts signed for arms exports', 'arms export orders placed' or 'licences for arms exports' for at least 6 of the 10 years covered and where the annual average of the values given in at least one of the data sets for each state exceeds \$10 million. The arms export data for the different states in this table is not necessarily comparable and may be based on significantly different definitions and methodologies.

<sup>a</sup> Figures for Australia cover the period 1 July–30 June (e.g. the 2020 figure covers the period 1 July 2020–30 June 2021).

<sup>b</sup> Figures for Canada exclude exports to the USA.

<sup>c</sup> These figures only include exports of 'war weapons' as defined under German legislation.

<sup>d</sup> These figures include arms export licences for international collaborative projects.

<sup>e</sup> Figures for India cover the period 1 Apr.–31 Mar. (e.g. the figure for 2020 covers the period 1 Apr. 2020–31 Mar. 2021).

<sup>f</sup> Figures for Norway exclude dual-use goods and defence-related services.

<sup>g</sup> Figures for Pakistan for 2009–17 cover the period 1 Apr.–31 Mar. (e.g. the figure for 2017 covers the period 1 Apr. 2017–31 Mar. 2018).

<sup>h</sup> Figures cover defence equipment and additional aerospace equipment and services.

<sup>i</sup> Figures for the USA are for the period 1 Oct.–30 Sep. (e.g. the figure for 2020 covers the period 1 Oct. 2019–30 Sep. 2020).

<sup>j</sup> Figures include items sold under the government-to-government Foreign Military Sales programme as well as direct commercial sales by US companies to foreign governments.

<sup>k</sup> Figures only include items sold as direct commercial sales; they do not include sales under the government-to-government Foreign Military Sales programme. <sup>l</sup> Figures were calculated by the reporting authority using an old methodology. Arms export agreements are counted as such if the US government and recipient government signed a Letter of Agreement. Figures only include items sold under the government-to-government Foreign Military Sales programme; they do not include direct commercial sales by US companies to foreign governments.

<sup>m</sup> Figures were calculated using a new methodology that the reporting authority adopted starting in 2020. Arms export agreements are counted as such if the US government and recipient government signed a Letter of Agreement and an initial payment was made. Figures only include items sold under the government-to-government Foreign Military Sales programme; they do not include direct commercial sales by US companies to foreign governments.

*Sources:* Reports by—or direct quotes from—national governments. For a full list of sources and all available financial data on arms exports see the ‘Financial value of the global arms trade’ page of the SIPRI website.