

# ARMS TRANSFERS TO EUROPE AND CENTRAL ASIA

PAUL HOLTOM

## I. Introduction

United Nations member states are currently discussing the feasibility of an arms trade treaty (ATT), which would seek to create better controls on international arms transfers. To support this process, the European Union (EU) is funding a series of six regional seminars, organized by the United Nations Institute for Disarmament Research (UNIDIR), to increase the awareness of an ATT among UN member states, regional organizations, civil society and industry, and to promote international discussions about the proposed treaty.

This paper is part of a series of region-specific Background Papers produced by SIPRI to inform discussions during these meetings. Specifically, this paper provides background information for the regional meeting on Europe and Central Asia.<sup>1</sup> It gives a general overview of international arms transfers to, from and within Europe and Central Asia in recent years (section II) followed by an assessment of the transparency of these transactions (section III). Section IV includes brief conclusions.

## II. Arms transfers to and from states in Europe and Central Asia

### Military expenditure and arms imports

European military expenditure in 2008 totalled \$413 billion (see table 1). Between 1999 and 2008 European military expenditure increased by 14 per cent in real terms, with growth of 174 per cent in Eastern Europe and 5 per cent in Western and Central Europe.<sup>2</sup> Five European states ranked among the 10 states with the highest military expenditure in 2008—France (third), the United Kingdom (fourth), Russia (fifth), Germany (sixth) and Italy

<sup>1</sup> For the purpose of this paper Europe and Central Asia includes the countries of the following subregions: *Western Europe*: Austria, Belgium, Cyprus, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Luxembourg, Malta, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Turkey and the UK; *Central Europe*: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Former Yugoslav Republic of Macedonia (FYROM), Montenegro, Poland, Romania, Serbia, Slovakia and Slovenia; *Eastern Europe*: Armenia, Azerbaijan, Belarus, Georgia, Moldova, Russia and Ukraine; *Central Asia*: Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan.

<sup>2</sup> Perlo-Freeman, S. et al., 'Military expenditure', *SIPRI Yearbook 2009: Armaments, Disarmament and International Security* (Oxford University Press: Oxford, 2009), pp. 190–91.

## SUMMARY

● United Nation member states are currently discussing the feasibility of an arms trade treaty (ATT) which would seek to create better controls on international arms transfers. This Background Paper is one of a series produced by SIPRI to inform these discussions.

Military expenditure and arms imports in Europe and Central Asia have increased during the past decade. Military reform and modernization have been offered as justifications for the significant increase in military spending and arms procurement in Eastern Europe, but other factors such as unresolved border disputes, territorial claims and separatism also play a role.

Russia, Germany, France and the UK are among the world's largest arms exporters. European and Central Asian states have contributed to the proliferation of small arms and light weapons (SALW) via transfers and licensed production. They have also developed national legislation and systems for controlling arms transfers and have made commitments at the regional level to prevent diversions or destabilizing build-ups of SALW.

The norm of transparency in arms transfers is well developed in Europe and Central Asia. Every state has submitted information to the UN Register of Conventional Arms (UNROCA) on at least one occasion since 1999, and a number of European states have published national reports on arms exports.

**Table 1.** Military expenditure in Europe and Central Asia, 1999–2008

Figures are in US \$m. at constant (2005) prices and exchange rates for 1999–2008 and in the right-most column (marked \*) in current US\$ m. for 2008. Figures are for calendar years.

| Country                               | 1999     | 2000     | 2001     | 2002     | 2003     | 2004     | 2005     | 2006     | 2007     | 2008     | 2008*    |
|---------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| <i>Central Asia</i>                   |          |          |          |          |          |          |          |          |          |          |          |
| Kazakhstan                            | 206      | 215      | 317      | 347      | 411      | 470      | 592      | 693      | 1 043    | [855]    | [1 323]  |
| Kyrgyzstan                            | 44.8     | 55.5     | 48.3     | 56.0     | 63.8     | 68.4     | 75.6     | 83.3     | 90.9     | [79.3]   | [123]    |
| Tajikistan                            | 16.6     | 14.4     | 14.3     | 30.4     | 39.3     | 46.1     | ..       | ..       | ..       | ..       | ..       |
| Turkmenistan                          | 182      | ..       | ..       | ..       | ..       | ..       | ..       | ..       | ..       | ..       | ..       |
| Uzbekistan                            | 78.3     | ..       | 58.0     | ..       | 52.7     | ..       | ..       | ..       | ..       | ..       | ..       |
| <i>Eastern Europe</i>                 |          |          |          |          |          |          |          |          |          |          |          |
| Armenia <sup>†</sup>                  | 93.0     | 94.3     | 91.5     | 90.5     | 104      | 115      | 141      | 166      | 195      | [217]    | [381]    |
| Azerbaijan                            | [133]    | [141]    | [160]    | [172]    | [215]    | [260]    | 305      | 625      | 680      | 697      | 1 241    |
| Belarus                               | [198]    | [220]    | 274      | 284      | 287      | 348      | 453      | 588      | 642      | 616      | 831      |
| Georgia                               | [39.8]   | [27.2]   | [34.5]   | 49.3     | 57.7     | 80.6     | 214      | 363      | 720      | 651      | 1 038    |
| Moldova <sup>† ¶</sup>                | 10.7     | 8.2      | 9.0      | 10.6     | 11.5     | 10.3     | 12.0     | 15.2     | 17.3     | 15.5     | 26.9     |
| Russia                                | [14 000] | [19 100] | [21 200] | [23 600] | [25 100] | [26 100] | [28 500] | [31 200] | [34 800] | [38 200] | [58 600] |
| Ukraine <sup>§</sup>                  | 1 430    | 1 772    | 1 497    | 1 592    | 1 839    | 1 985    | 2 405    | 2 697    | 3 278    | 3 206    | 4 811    |
| <i>Central Europe</i>                 |          |          |          |          |          |          |          |          |          |          |          |
| Albania <sup>§ ¶</sup>                | 69.0     | 76.3     | 86.7     | 86.6     | 97.3     | 106      | 110      | 135      | 167      | 199      | 258      |
| Bosnia and Herzegovina <sup>† ¶</sup> | ..       | ..       | ..       | 333      | 231      | 208      | 173      | 167      | 166      | 188      | 259      |
| Bulgaria <sup>†</sup>                 | [596]    | [614]    | [680]    | [687]    | [700]    | 684      | 699      | 694      | 806      | 713      | 1 092    |
| Croatia                               | [1 475]  | [1 039]  | [963]    | [1 042]  | [843]    | 738      | 727      | 793      | 813      | 929      | 1 261    |
| Czech Republic                        | 2 019    | 2 083    | 2 003    | 2 140    | 2 325    | 2 231    | 2 439    | 2 253    | 2 032    | 2 024    | 3 191    |
| Estonia                               | 107      | 126      | 147      | 175      | 203      | 214      | 266      | 299      | 375      | 365      | 526      |
| Hungary                               | 1 401    | 1 507    | 1 662    | 1 621    | 1 742    | 1 612    | 1 596    | 1 431    | 1 458    | 1 355    | 1 868    |
| Latvia                                | 73.3     | 91.6     | 115      | 188      | 217      | 234      | 272      | 342      | 378      | 400      | 634      |
| Lithuania                             | 175      | 299      | 319      | 336      | 403      | 421      | [415]    | [449]    | [498]    | [518]    | [739]    |
| Macedonia, FYR                        | 89.7     | 103      | 327      | 142      | 129      | 136      | 127      | 121      | 138      | 144      | 185      |
| Montenegro                            | ..       | ..       | ..       | ..       | ..       | ..       | ..       | 51.6     | 45.5     | 53.3     | 71.2     |
| Poland                                | 4 989    | 4 874    | 4 990    | 5 074    | 5 311    | 5 615    | 5 880    | 6 101    | 6 797    | 7 418    | 10 741   |
| Romania                               | 1 714    | 1 632    | 1 712    | 1 702    | 1 756    | 1 888    | 1 976    | 2 059    | 1 974    | 2 184    | 2 995    |
| Serbia                                | 728      | 1 053    | 839      | 928      | 813      | 751      | 630      | 635      | 716      | 715      | 1 142    |
| Slovakia <sup>†</sup>                 | 650      | 676      | 761      | 771      | 818      | 760      | 823      | 835      | 845      | 907      | 1 473    |
| Slovenia                              | 369      | 336      | 412      | 457      | 476      | 505      | 514      | 589      | 583      | 674      | 891      |

(eighth)—and these states accounted for 20 per cent of the world total. However, since these countries are significant arms manufacturers, they import relatively small volumes of weapons (see figure 1). For the period 2004–2008, the UK was the 19th largest arms importer globally, Italy the 20th, Germany the 29th, France the 57th and Russia the 80th.<sup>3</sup>

European Union member states accounted for 19 per cent of the volume of global arms imports (including transfers between EU member states) during the period 2004–2008, up from 17 per cent over the period 1999–2003.<sup>4</sup>

<sup>3</sup> Unless otherwise specified, information on arms transfers is taken from the SIPRI Arms Transfers Database, <<http://www.sipri.org/databases/armstransfers/>>.

<sup>4</sup> The members of the EU are Austria, Belgium, Bulgaria (2007–), Cyprus (2004–), Czech Republic (2004–), Denmark, Estonia (2004–), Finland, France, Germany, Greece, Hungary (2004–), Ireland, Italy, Latvia (2004–), Lithuania (2004–), Luxembourg, Malta (2004–), Netherlands,

**Table 1 continued.**

| Country                  | 1999    | 2000    | 2001    | 2002   | 2003    | 2004    | 2005    | 2006     | 2007     | 2008     | 2008*    |
|--------------------------|---------|---------|---------|--------|---------|---------|---------|----------|----------|----------|----------|
| <i>Western Europe</i>    |         |         |         |        |         |         |         |          |          |          |          |
| Austria                  | [2 807] | [2 875] | [2 678] | 2 631  | 2 740   | 2 745   | 2 686   | 2 580    | 3 079    | 2 811    | 3 551    |
| Belgium                  | 4 783   | 4 783   | 4 573   | 4 434  | 4 482   | 4 389   | 4 229   | 4 196    | 4 528    | 4 336    | 5 530    |
| Cyprus <sup>†</sup>      | [399]   | [426]   | [503]   | [344]  | [333]   | 346     | 376     | 369      | 350      | 415      | 535      |
| Denmark                  | 3 675   | 3 555   | 3 776   | 3 730  | 3 619   | 3 640   | 3 468   | 3 792    | 3 657    | 3 541    | 4 461    |
| Finland                  | 2 120   | 2 234   | 2 129   | 2 171  | 2 521   | 2 673   | 2 744   | 2 793    | 2 632    | 2 782    | 3 543    |
| France                   | 50 787  | 50 205  | 50 036  | 51 063 | 52 615  | 54 059  | 52 917  | 53 198   | 53 403   | 52 565   | 65 675   |
| Germany                  | 41 822  | 41 147  | 40 474  | 40 604 | 40 044  | 38 816  | 38 060  | 37 133   | 37 233   | 37 233   | 46 759   |
| Greece                   | 8 246   | 8 701   | 8 508   | 8 350  | [7 097] | [7 765] | [8 480] | [8 824]  | [8 780]  | [9 706]  | [12 627] |
| Iceland                  | ..      | ..      | ..      | ..     | ..      | ..      | ..      | ..       | ..       | ..       | ..       |
| Ireland                  | [1 086] | [1 115] | 1 210   | 1 162  | 1 113   | 1 131   | 1 145   | 1 135    | 1 144    | 1 182    | 1 580    |
| Italy                    | 31 969  | 34 102  | 33 543  | 34 459 | 34 739  | 34 853  | 33 531  | 32 445   | 32 988   | [32 103] | [40 587] |
| Luxembourg               | 190     | 194     | 243     | 256    | 267     | [271]   | [296]   | [319]    | [317]    | ..       | ..       |
| Malta <sup>†</sup>       | 37.4    | 36.3    | 38.8    | 38.3   | 39.5    | 41.7    | 42.6    | 42.7     | 42.7     | 39.1     | 49.7     |
| Netherlands              | 9 513   | 9 119   | 9 355   | 9 347  | 9 482   | 9 552   | 9 568   | 10 017   | 10 152   | 9 866    | 12 228   |
| Norway                   | 4 504   | 4 356   | 4 383   | 5 267  | 5 064   | 5 192   | 4 885   | 4 875    | 5 186    | 4 821    | 5 869    |
| Portugal                 | 3 377   | 3 478   | 3 617   | 3 719  | 3 588   | 3 811   | 4 039   | 3 924    | 3 756    | 3 766    | 4 812    |
| Spain                    | 10 690  | 11 073  | 11 214  | 11 483 | 11 374  | 11 740  | 11 824  | 13 823   | 14 281   | 14 721   | 19 196   |
| Sweden                   | 6 175   | 6 408   | 5 990   | 5 831  | 5 788   | 5 448   | 5 518   | 5 432    | 5 575    | 5 205    | 6 317    |
| Switzerland <sup>‡</sup> | 3 757   | 3 772   | 3 713   | 3 677  | 3 634   | 3 560   | 3 489   | 3 156    | 3 250    | 3 381    | 4 052    |
| Turkey                   | 16 413  | 15 885  | 14 562  | 15 494 | 13 984  | 12 762  | 12 055  | [13 016] | [11 155] | [11 663] | [15 810] |
| United Kingdom           | 47 542  | 47 778  | 49 417  | 52 423 | 55 347  | 55 112  | 55 152  | 55 043   | 55 746   | 57 392   | 65 265   |

.. = data not available; [] = SIPRI estimate; <sup>†</sup> = all figures exclude military pensions; <sup>§</sup> = all figures are for the adopted budget, rather than actual expenditure; <sup>¶</sup> = all figures exclude spending on paramilitary forces.

Source: SIPRI Military Expenditure Database, <<http://www.sipri.org/databases/milex/>>.

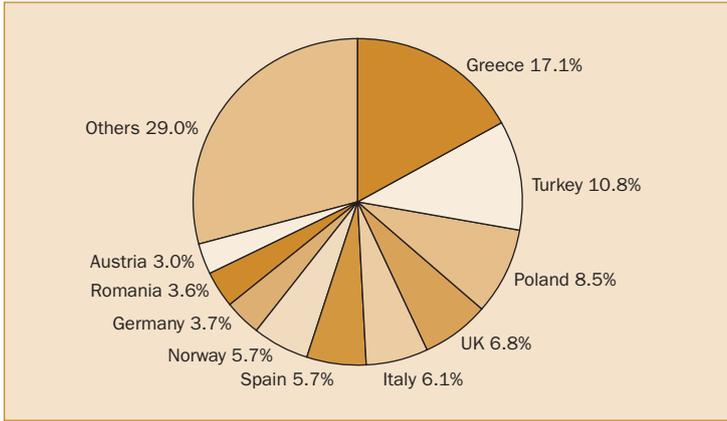
Greece has been the EU's largest importer of major conventional weapons since 1999. However, its imports in 2004–2008 were 5 per cent lower than in 1999–2003, causing it to drop from being the world's third largest recipient to fifth place. Poland's imports over the period 2004–2008 were 160 per cent higher than in 1999–2003, due primarily to the import of 48 F-16 combat aircraft from the United States. It was the second largest importer of major conventional arms in the EU and 15th largest in the world.

Although East European countries accounted for only 1 per cent of global arms imports for the period 2004–2008, their volume of imports for this period was almost five times higher than for 1999–2003. This increase was accompanied by rapid growth in military expenditure, with 87 per cent of this growth accounted for by Russia.<sup>5</sup> In the decade preceding the August 2008 Georgia–Russia conflict in South Ossetia, military expenditure in Armenia, Azerbaijan and Georgia increased by more than 500 per cent in real terms.<sup>6</sup> Military reform and modernization have been offered as justifications for increased military spending and arms procurement in Armenia,

Poland (2004–), Portugal, Romania (2007–), Slovakia (2004–), Slovenia (2004–), Spain, Sweden and the UK.

<sup>5</sup> Perlo-Freeman (note 2), p. 181.

<sup>6</sup> Stålenheim, P., Perdomo, C. and Sköns, E., 'Military expenditure', *SIPRI Yearbook 2008: Armaments, Disarmament and International Security* (Oxford: Oxford University Press, 2008), p. 185.



**Figure 1.** The recipients of major conventional weapons in Europe and Central Asia, 2004–2008

Figures are shares of the total volume of transfers to Europe and Central Asia.

Source: SIPRI Arms Transfers Database, <<http://www.sipri.org/data/bases/armstransfers/>>.

Azerbaijan, Georgia and Russia, but unresolved border disputes, territorial claims and separatism remain among the main national security threats facing these countries.<sup>7</sup>

Of the five Central Asian states, military expenditure data for all of the years 1999–2007 is only publicly available for Kazakhstan and Kyrgyzstan (see table 1). Over the period 1997–2007 Kazakhstan’s military spending increased by 406 per cent and Kyrgyzstan’s by 102 per cent. However, the volume of major conventional weapons imported by Central Asian states was 40 per cent lower in 2004–2008 than in 1999–2003. In 2009 Kazakhstan signed a contract for 10 S-300 surface-to-air missile (SAM) air defence systems and the Kazakh Defence Minister announced that Kazakhstan will receive second-hand Su-27, MiG-27 and MiG-23UB combat aircraft from Russia.<sup>8</sup> Turkmenistan also reportedly placed orders in 2009 with Russia for T-90S tanks, Smerch multiple-launch rocket systems (MLRS) and fast attack patrol craft armed with missiles.<sup>9</sup>

### Arms exports

Many of the world’s largest arms-producing companies are based in Europe: the SIPRI Top 100 arms-producing companies in the world (excluding China) for 2007 includes 10 British companies (accounting for 13.1 per cent of Top 100’s arms sales), 6 French companies (6.7 per cent), 4 Italian companies (3.4 per cent), 7 Russian companies (2.4 per cent), 5 German companies (2.1 per cent) and 1 trans-European company (3.8 per cent).<sup>10</sup> It is therefore unsurprising that, after the USA, the next nine largest exporters of major conventional weapons for the period 2004–2008 were European. These nine European states together accounted for 59 per cent of the volume of global arms exports, with four of them—Russia, Germany, France and the UK—accounting for almost half of global exports.<sup>11</sup>

<sup>7</sup> Some of the driving factors for increased military spending in the South Caucasus in recent years have been elaborated in the following security and defence white papers. ‘Republic of Armenia National Security Strategy’, 26 Jan. 2007, <<http://www.mil.am/eng/?page=49>>; ‘National Security Concept of the Republic of Azerbaijan’, 23 May 2007, <[http://www.azembassy.ro/eng/news/press\\_releases/consept.pdf](http://www.azembassy.ro/eng/news/press_releases/consept.pdf)>; and ‘National Security Concept of Georgia’, 2005, <<http://www.mod.gov.ge/?page=-10&Id=3&lang=1>>; ‘National Military Strategy of Georgia’, 2005, <<http://www.mod.gov.ge/?page=-10&Id=9&lang=1>>; and Georgian Ministry of Defence, ‘Strategic Defence Review’, 2007, <<http://www.mod.gov.ge/?page=-10&Id=17&lang=1>>.

<sup>8</sup> ‘Kazakhstan, Russia sign contract on S-300 air defense systems’, RIA-Novosti, 4 Mar. 2009, <<http://en.rian.ru/world/20090304/120410095.html>>; and Sharip, F., ‘Kazakhstan balances NATO and pro-Russian alliances’, *Eurasia Daily Monitor*, 14 May 2009.

<sup>9</sup> Abdullaev, N., ‘Russia ups cooperation with Central Asian allies’, *Defense News*, 20 July 2009; Kir’yanov, O., [Ashgabat will buy ships with missiles], *Rossiiskaya gazeta*, 1 Sep. 2009; and Myasnikov, V., [Anti-crisis exhibition in Nizhny Tagil], *Nezavisimoe voennoe obozrenie*, 24 July 2009.

<sup>10</sup> Perlo-Freeman, S., ‘Arms production’, *SIPRI Yearbook 2009* (note 2), p. 262.

<sup>11</sup> These 9 states are Russia (25% of global arms exports), Germany (10%), France (8%), UK (4%), Netherlands (3%), Italy (2%), Spain (2%), Ukraine (2%) and Sweden (2%). The USA accounted for 31% of global arms exports.



The global share of the combined arms exports of EU member states (including intra-EU transfers) grew from 25 per cent for 1999–2003 to 34 per cent for 2004–2008. While this was partly due to an increase in the number of member states from 15 to 27, there was also an increase in the volume of arms exported by West European suppliers. For example, the volume of arms exports from Germany was 70 per cent higher in 2004–2008 than in 1999–2003, and its share of the global market rose from 7 per cent to 10 per cent. Much of this increase was due to exports to European destinations, which increased by 123 per cent. The volume of arms exports from France increased by 43 per cent, with its share of global arms exports also increasing slightly, from 7 to 8 per cent. For the period 2004–2008, 40 per cent of French arms exports went to the Middle East.

Arms exports from Russia were 14 per cent higher in 2004–2008 than in 1999–2003, although its overall share of the global market remained roughly the same. In 2004–2008, 71 per cent of Russian arms exports went to Asia, including 42 per cent to China and 20 per cent to India. Africa received 14 per cent of Russian arms exports followed by the Americas with 7 per cent, the Middle East with 5 per cent and Europe 3 per cent. The volume of deliveries to Africa was 200 per cent higher than in 1999–2003, largely due to deliveries to Algeria, which accounted for 8 per cent of all Russian arms exports. Deliveries to Latin America increased by approximately 900 per cent, also largely due to deliveries to just one country: Venezuela accounted for 7 per cent of all Russian exports. The volume of major conventional weapons exported by Ukraine and Belarus declined in the period 2004–2008 in comparison with 1999–2003. Almost three-quarters of Belarus's arms exports in 2004–2008 went to African states. Sudan was Belarus's largest recipient, accounting for 40 per cent of all Belarusian exports. Almost 34 per cent of Ukrainian exports of major conventional weapons were delivered to Eastern Europe, 27 per cent to Asian recipients (more than half of this volume to China) and 17 per cent to 12 African states. Some other East European states, such as Azerbaijan, hope to develop arms production capabilities both to meet domestic needs and for export.<sup>12</sup>

*Many of the world's largest arms arms-producing companies are based in Europe*

There was a decline in the volume of major conventional weapons exported from Central Asia in 2004–2008 in comparison with 1999–2003, most notably by Kazakhstan and Uzbekistan. In 2004–2008 the only recorded exports from Kazakhstan were of anti-tank missiles to Georgia and of two Mi-17 helicopters to Kyrgyzstan. In contrast, in 1999–2003 Kazakhstan supplied surplus artillery systems to Angola, Republic of the Congo and Ethiopia; Mi-17 military transport helicopters to Nepal; and an estimated 34 MiG-21 combat aircraft to North Korea. In March 1999 six disassembled MiG-21 combat aircraft en route from Kazakhstan were detained in Azerbaijan on their way to North Korea via the Czech Republic.<sup>13</sup> An investigation into the incident revealed that senior Kazakh officials had illegally concluded a deal to supply 40 MiG-21 combat aircraft to North Korea. As a result, several high-ranking Kazakh officials were prosecuted and the Kazakh Govern-

<sup>12</sup> 'Azerbaijan to export military hardware of its make in 2–3 years', Itar-Tass, 20 Nov. 2007.

<sup>13</sup> 'Azerbaijan detains Russian plane transporting MiGs', Radio Free Europe/Radio Liberty Newline, vol. 3, no. 58 (24 Mar. 1999).



ment pledged to overhaul its export control system.<sup>14</sup> Kazakhstan was involved in another diversion case in 2000, when two Mi-8T military transport helicopters were seized by Russian Customs on their way to Sierra Leone.<sup>15</sup> Kazakhstan had issued a licence for the export of the helicopters to Russia, but Kazakh authorities deemed their re-export to Sierra Leone by a Russian national to be in contravention of Kazakh export controls and therefore illegal.

### International transfers of small arms and light weapons

As participants in the Organization for Security and Co-operation in Europe (OSCE) the states of Europe and Central Asia have endorsed the OSCE Document on Small Arms and Light Weapons of 2000 and so have recognized that ‘the excessive and destabilizing accumulation and uncontrolled spread of

small arms . . . poses a threat and a challenge to peace’.<sup>16</sup> European producers have played significant roles in the international transfer of small arms and light weapons (SALW) and related ammunition. According to an analysis of UN Comtrade data on SALW transfers, 7 of the 10 largest exporters of SALW in 2000–2006 were European, accounting for 24 per cent of global SALW exports (see table 2). However, the data source for these figures underestimates Russia’s share of global SALW exports.

The diversion of transfers of surplus SALW and ammunition from stockpiles in European and Central Asian states has contributed significantly to the illicit market in SALW and ammunition.<sup>17</sup> In particular, transfers of SALW and ammunition from Europe to West Africa in contravention of UN arms embargoes have played an important role in conflict and instability in that region (see box 1). European states have also contributed to the proliferation of SALW via licensed production

arrangements. The history of the licensed production of Kalashnikov AK-47 and Heckler & Koch G3 assault rifles demonstrates the problems that those granting production licences have in controlling the SALW produced.<sup>18</sup> Russia perceives the production of Kalashnikov rifles in a number of countries to be unlicensed and illegal, and it claims that the rifles produced are

**Table 2.** The 10 largest exporters of military small arms and light weapons, 2000–2006

| Exporter       | Share of the global total financial value of exports of small arms and light weapons (%) |
|----------------|--|
| United States  | 54   |
| Belgium        | 6  |
| France         | 5  |
| Germany        | 4  |
| United Kingdom | 3  |
| China          | 2  |
| Norway         | 2  |
| Italy          | 2  |
| Canada         | 2  |
| Switzerland    | 2  |

*Note:* The estimates of the value of exports of military small arms and light weapons are based solely on UN Comtrade data.

*Source:* Dreyfus, P. et al., ‘Sifting the sources: authorized small arms transfers’, *Small Arms Survey 2009: Shadows of War* (Cambridge University Press: Cambridge, 2009), table 1.18, p. 23.

<sup>14</sup> Saradzhyan, S., ‘Kazakhstan targets weapon smugglers’, *Defense News*, 26 June 2000, p. 28.

<sup>15</sup> United Nations, Security Council, Report of the Panel of Experts pursuant to Security Council resolution 1343 (2001), paragraph 19, concerning Liberia, S/2001/1015, 26 Oct. 2001, para. 160.

<sup>16</sup> Organization for Security and Co-operation in Europe, Forum for Security Co-operation, Document on Small Arms and Light Weapons, 24 Nov. 2000, <<http://www.osce.org/fsc/13281.html>>, para. 1, section I.

<sup>17</sup> Fruchart, D. et al., *United Nations Arms Embargoes: Their Impact on Arms Flows and Target Behaviour* (SIPRI/Uppsala University: Stockholm/Uppsala, Nov. 2007), p. 24.

<sup>18</sup> Control Arms, ‘The AK-47: the world’s favourite killing machine’, Briefing Note, 26 June 2006, <[https://www.controlarms.org/find\\_out\\_more/reports/](https://www.controlarms.org/find_out_more/reports/)>.



### Box 1. Diversion of small arms and light weapons

During the summer of 2002, six flights delivered more than 200 tonnes of small arms and light weapons (SALW) and ammunition from the Federal Republic of Yugoslavia to Liberia, which at the time was the target of a UN arms embargo. Yugoslav licensing officials had been presented with an end-user certificate by a Yugoslav arms broker indicating that the arms were destined for the Nigerian Ministry of Defence, but the aircraft carrying the arms and ammunition never reached Nigeria and was instead diverted via Tripoli, Libya, to Monrovia, Liberia. A significant quantity of Serbian surplus SALW and ammunition was thus diverted to the embargoed Liberian Government of President Charles Taylor using forged documents and falsified flight plans.

Source: United Nations, Security Council, Report of the Panel of Experts appointed pursuant to Security Council resolution 1408 (2002), paragraph 16, UN Doc. S/2002/1115, 25 Oct. 2002, paras 64–82.

‘usually trafficked illegally’.<sup>19</sup> At the same time, Russia continues to grant production licences to countries that are suspected of being the source of arms diverted to undesirable end-users—for example, Venezuela is regarded as a point of diversion of arms for the Revolutionary Armed Forces of Colombia (Fuerzas Armadas Revolucionarias de Colombia, FARC).<sup>20</sup>

### III. Transparency in arms transfers

The norm of transparency in arms transfers is well developed among European and Central Asian states. All of the states have submitted information to the UN Register of Conventional Arms (UNROCA) on at least one occasion since 1999, with 34 states reporting every year (see table 3).<sup>21</sup> In addition, 37 of the states have submitted background information on their imports or exports of SALW on at least one occasion for 2003–2008.<sup>22</sup> EU members states are required to provide data on the financial value of their export licence approvals and actual exports of military equipment, along with information on their denials of arms export licences, to the EU’s annual report under the Common Position defining Common Rules governing control of exports of military technology and equipment.<sup>23</sup> The Common Position provide eight criteria relating to the prevention of arms embargo violations, conflict, violations of human rights and negative impacts on eco-

<sup>19</sup> United Nations, General Assembly, ‘Towards an arms trade treaty: establishing common international standards for the import, export and transfer of conventional arms’, Report of the Secretary-General, A/62/278 (Part II), 17 Aug. 2007, p. 182.

<sup>20</sup> Chivers, C. J., ‘Russia selling new sniper rifles to Venezuela’, *International Herald Tribune*, 15 Aug. 2007; and Associated Press, ‘Rebels obtained arms sold to Venezuela, Colombia says’, *New York Times*, 27 July 2009.

<sup>21</sup> UNROCA was established in Dec. 1991 ‘to prevent the excessive and destabilizing accumulation of arms . . . in order to promote stability and strengthen regional or international peace and security’ and to ‘enhance confidence, promote stability, help States to exercise restraint, ease tensions and strengthen regional and international peace and security’. Each year states are requested to submit to UNROCA information on their imports and exports of certain categories of major conventional weapons. UN General Assembly Resolution A/RES/46/36L, 6 Dec. 1991.

<sup>22</sup> On the reporting of SALW transfers to UNROCA see Holtom, P., *Transparency in Transfers of Small Arms and Light Weapons: Reports to the United Nations Register of Conventional Arms, 2003–2006*, SIPRI Policy Paper no. 22 (SIPRI: Stockholm, July 2008).

<sup>23</sup> The EU Common Rules were adopted in Dec. 2008, replacing the 1998 EU Code of Conduct on Arms Exports. Council Common Position 2008/944/CFSP of 8 Dec. 2008 defining common rules governing control of exports of military technology and equipment, *Official Journal of the European Union*, L335, 13 Dec. 2008. A report must be issued each year according to Article 8(2) of Common Position 2008/944/CFSP. On the impact of the code over its first 10 years see Bromley, M., *The Impact on Domestic Policy of the EU Code of Conduct on Arms Exports: The Czech Republic, the Netherlands and Spain*, SIPRI Policy Paper no. 21 (SIPRI: Stockholm, Apr. 2008).



**Table 3 continued.**

| Country                          | 1999       | 2000       | 2001       | 2002       | 2003       | 2004       | 2005       | 2006       | 2007      | 2008 <sup>a</sup> |
|----------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|-----------|-------------------|
| United Kingdom                   | x          | x          | x          | x          | x*         | x*         | x*         | x*         | x*        | x*                |
| Uzbekistan                       |            |            | x          | x          | x          |            | x          |            |           |                   |
| <b>Regional total</b>            | <b>42</b>  | <b>45</b>  | <b>45</b>  | <b>46</b>  | <b>46</b>  | <b>46</b>  | <b>48</b>  | <b>46</b>  | <b>46</b> | <b>40</b>         |
| <b>World total</b>               | <b>100</b> | <b>118</b> | <b>126</b> | <b>123</b> | <b>115</b> | <b>117</b> | <b>118</b> | <b>113</b> | <b>91</b> | <b>80</b>         |
| <i>Reports on SALW transfers</i> |            |            |            |            |            |            |            |            |           |                   |
| <b>Regional total</b>            | ..         | ..         | ..         | ..         | 4          | 5          | 5          | 20         | 31        | 30                |
| <b>World total</b>               | ..         | ..         | ..         | ..         | 5          | 5          | 5          | 36         | 48        | 47                |

x = report submitted; \* = report includes background information on small arms imports and exports.

<sup>a</sup> Figures for 2008 include reports received up to 10 Jan. 2010.

<sup>b</sup> Until 2006 (when Montenegro became an independent state) figures for Serbia are for the State Union of Serbia and Montenegro (known as the Federal Republic of Yugoslavia until 2003).

Source: UNROCA online database, <[http://disarmament.un.org/UN\\_REGISTER.nsf](http://disarmament.un.org/UN_REGISTER.nsf)>.

conomic development which are to be used when assessing export licence applications, as well as obligations for reporting, information exchange and consultations between EU member states. All of the EU's 27 member states provided data for the 11th EU annual report, with 19 states making full submissions, covering activities undertaken in 2008.<sup>24</sup>

In addition to these international reporting mechanisms, 26 European states have published at least one national report on arms exports since 2006.<sup>25</sup> These reports vary enormously in terms of detail. While some states produce reports that include descriptions of all equipment licensed for export, all exported equipment and instances where an export licence was denied, other states publish only financial data on either export licences granted or actual exports per destination, with little information on the type of equipment involved. Several states in the region (e.g. Russia) also announce the total financial value of their arms exports. The official figures contained in national arms export reports and statements suggest that the financial value of Russian arms exports in 2007 was \$7.4 billion, of French exports was \$6.2 billion and of British exports was \$4.1 billion.<sup>26</sup> However, these states use different methodologies and definitions for calculating the financial value of their arms exports and caution is therefore required when using this data to assess the relative size of each state's arms exports.

#### IV. Conclusions

The states of Europe and Central Asia are among the world's highest military spenders, biggest arms producers and largest exporters of arms. Although only a few European states rank among the largest arms importing states,

<sup>24</sup> Council of the European Union, 'Eleventh annual report according to Article 8(2) of the Council Common Position 2008/944/CFSP defining common rules governing control of exports of military technology and equipment', *Official Journal of the European Union*, C265, 6 Nov. 2009.

<sup>25</sup> For a full list of states publishing national arms export control reports see Bromley, M. and Kelly, N., 'Transparency in arms transfers', *SIPRI Yearbook 2009* (note 2), pp. 341–44.

<sup>26</sup> Bromley, M., 'The financial value of the arms trade', *SIPRI Yearbook 2009* (note 2), pp. 334–35. These 3 states along with the USA (with exports worth \$12.8 billion) and Israel (\$4.3 billion) were the 5 largest arms exporters in financial terms. The financial value of arms exports should not be confused with the volume of arms exports, as discussed in section II above.



the volume of arms imports by several Central and East European states increased dramatically in 2004–2008 in comparison with 1999–2003. At the same time, the states of Europe and Central Asia have developed their legislation and arms transfer control systems to tackle some of the problems that have been raised in discussions on an arms trade treaty. EU member states and a number of neighbouring countries have committed themselves to ensuring that their arms exports are carried out in accordance with the EU Common Rules.<sup>27</sup> OSCE member states have also committed themselves to preventing diversions or destabilizing build-ups of SALW as well as exchanging information among themselves on SALW transfers.<sup>28</sup>

***There is considerable support in Europe and Central Asia for discussions on an arms trade treaty***

Based on the voting on UN General Assembly resolutions in 2006, 2008 and 2009, there is considerable support in Europe and Central Asia for discussions on an ATT—46 states from Europe and Central Asia voted in favour in 2006, 45 in 2008 and 44 in 2009.<sup>29</sup> However, two significant arms exporters in the region—Belarus and Russia—abstained from voting on all three occasions. Turkmenistan and Uzbekistan did not participate in the 2006 vote; Tajikistan, Turkmenistan and Uzbekistan were absent from the 2008 vote; and Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan were absent from the 2009 vote. Forty-two states from Europe and Central Asia submitted national views on an ATT in response to the request for views contained in the 2006 resolution.<sup>30</sup> Russia's submission stressed the difficulty of agreeing 'on global rules for legal transfers of all types of conventional weapons without jeopardizing legal trade and the right of States to self-defence'.<sup>31</sup> Russia called for more attention to be paid to the issue of illegal trafficking but at the same time stated that 'experience has shown that the existence of agreed multilateral arms supply mechanisms does not prevent arms from being illegally trafficked and falling into the hands of terrorists and extremists'.

<sup>27</sup> Council Common Position 2008/944/CFSP (note 23).

<sup>28</sup> Organization for Security and Co-operation in Europe (note 16).

<sup>29</sup> UN General Assembly resolutions A/RES/61/89, 6 Dec. 2006; A/RES/63/39, 17 Oct. 2008; and A/RES/64/48, 2 Dec. 2009.

<sup>30</sup> United Nations (note 19), p. 182.

<sup>31</sup> United Nations (note 19), p. 181.



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# ARMS TRANSFERS TO EUROPE AND CENTRAL ASIA

PAUL HOLTOM

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## ABOUT THE AUTHOR

**Dr Paul Holtom** (United Kingdom) is Director of the SIPRI Arms Transfers Programme. Previously, he was a Research Fellow with the University of Glamorgan Centre for Border Studies. He has also been an International Expert for the Council of Europe's Transfrontier Cooperation Programme on the Kaliningrad oblast and Lead Researcher on small arms and light weapons projects in north- and south-eastern Europe for Saferworld. His most recent publications include *Small Arms Production in Russia* (Saferworld, 2007), *United Nations Arms Embargoes: Their Impact on Arms Flows and Target Behaviour* (SIPRI/Uppsala University, 2007, lead author) and *Transparency in Transfers of Small Arms and Light Weapons: Reports to the United Nations Register of Conventional Arms, 2003–2006*, SIPRI Policy Paper no. 22 (2008).



**STOCKHOLM INTERNATIONAL  
PEACE RESEARCH INSTITUTE**

Signalistgatan 9  
SE-169 70 Solna, Sweden  
Telephone: +46 8 655 97 00  
Fax: +46 8 655 97 33  
Email: sipri@sipri.org  
Internet: www.sipri.org