

# Reaching for the Big Picture:

## AN UPDATE ON SMALL ARMS TRANSFERS



Visitors look at Pakistani-made infantry weapons at a 2002 defence exhibition in Karachi. Pakistan is a medium-sized producer that does not report on small arms exports.

This chapter provides an annual update of the authorized trade in small arms and light weapons. It looks in detail at the major reported exporters and importers, their trading partners, and the types of small arms exchanged.

The understanding of the authorized trade remains partial, for several reasons. Data on exports and imports is still limited for some countries and certain types of small arms; data is not always easy to interpret; and there is a time lag in reporting (many calculations in this chapter rely on data for 2002). The Small Arms Trade Transparency Barometer, introduced in the *Small Arms Survey 2004*, is therefore an important tool for assessing and promoting transparency. This chapter contains an update of the Barometer, taking into account the evolution of national small arms export reporting in 2004.

The chapter also undertakes a more systematic analysis of the illicit international small arms trade in Europe and elsewhere, based on newly collected data on customs seizures of illicit guns. While some preliminary conclusions can be drawn from the data, the main finding is that most states make very little information on customs seizures of illicit small arms publicly available. This reluctance to share data persists despite the fact that international illicit trafficking remains at the heart of inter-governmental discussions on small arms.

### The main findings of the chapter include the following:

#### *SMALL ARMS EXPORTS AND IMPORTS*

- According to available data and estimates, the top small arms exporters (exporting at least USD 100 million of small arms, including parts and ammunition, annually) in 2002—the latest year for which data is available—are the United States, Italy, Brazil, Germany, Belgium, the Russian Federation, and China. These are the same countries as in 2001.
- The top reported small arms importers by value in 2002 were the United States, Cyprus, Saudi Arabia, and South Korea. Here as well, the top positions remained relatively stable between 2001 and 2002.

- As in previous years, Cyprus is among the top importers. This recurrent peculiarity is a consequence of an opaque transit trade. A lack of transparency characterizes Cypriot reporting on the trade: many arms were imported from 'unspecified' countries.
- The estimate of the total value of the authorized trade in small arms remains at USD 4 billion a year.
- General trading patterns have remained stable from 2001 to 2002. Few states have radically shifted suppliers, and a number of them export to and/or import from the same countries in 2002 as in 2001. Western countries trade between themselves to a large extent, although there are some noteworthy exceptions to this pattern.
- The small arms ammunition trade amounts to a sizeable part of the total trade in small arms and light weapons.

### SMALL ARMS TRADE TRANSPARENCY



A government soldier fires a mortar in Morazan Province, El Salvador. Now that the UN Register has been extended to include artillery pieces equal to or greater than 75 mm, governments should report on their trade in the common 81 and 82 mm mortars.

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- In 2004, states reported for the first time under the newly expanded information exchange of the UN Register of Conventional Arms (now including some types of light weapons, i.e. artillery pieces equal to or above 75mm as well as MANPADS). As of early 2005, 115 states had submitted their reports for 2003 to the UN Register of Conventional Arms. Of those states, fewer than one-fifth reported on light artillery or MANPADS.

- The Small Arms Trade Transparency Barometer is a tool for comparing states based on transparency. It assesses the transparency of the major reported small arms exporting states on a 20-point scale on the basis of the information states publish on their small arms exports in national arms export reports and in customs data as reported to UN Comtrade. The Small Arms Trade Transparency Barometer indicates that among the major exporters of small arms and light weapons, the most transparent are the United States, Germany, and the United Kingdom. The least transparent is Israel.
- Two of the three top global producers of small arms, the Russian Federation and China, lack transparency in their small arms exports, which is particularly problematic given their presumed importance in the total small arms trade. Pakistan and North Korea's arms exports also remain shrouded in mystery.
- Improved transparency is particularly needed with respect to end users of exported small arms and government-to-government transactions. Moreover, state reporting should more clearly distinguish small arms and light weapons (and their ammunition) from other types of weapons, and reporting should be timelier.
- Discrepancies in reporting formats should be reduced and eventually eliminated to allow for a better understanding of the small arms trade.
- While data on quantities of weapons shipped is rarely available, it is more concrete and simpler to analyze than corresponding monetary values.

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### THE INTERNATIONAL ILLICIT TRADE IN SMALL ARMS: THE CASES OF EUROPE, AUSTRALIA, AND CANADA

- Customs seizures in European and other industrialized countries in 1999–2003 indicate that the most significant small arms trafficking takes the form of small-scale transfers.
- Border seizures of small arms were low overall in countries under review (Australia, Canada, Germany, Poland, Romania, Sweden, and the United Kingdom) in 1999–2003.
- Handguns are the type of small arm most commonly smuggled to and from these countries: about 60 per cent of all reported seizures of firearms were handguns.

**Table 4.3 Small Arms Trade Transparency Barometer, covering major exporters, based on latest arms export report made publicly available and/or on 2002 customs data from UN Comtrade**

Country and source(s) available (E = export report with year of reporting, C = customs data)	Total points (20 points max)	Access (2 points max)	Clarity (4 points max)	Comprehensiveness (4 points max)	Information on deliveries (4 points max)	Information on licences granted (4 points max)	Information on licences refused (2 points max)
Austria C	6.5	1.5	2	1	2	0	0
Belgium <sup>19</sup> C	6.5	1.5	2	1	2	0	0
Brazil C	7.5	1.5	2	2	2	0	0
Canada <sup>20</sup> E (02) C	12	2	3	3	4	0	0
China <sup>21</sup> C	8.5	1.5	2	1	4	0	0
Czech Republic E (03) C	12.5	2	2.5	3	3	2	0
Finland E (03) C	11	2	2.5	2.5	2	2	0
France <sup>22</sup> E (02-03) C	12.5	2	3.5	3	4	0	0
Germany <sup>23</sup> E (03) C	15.5	2	3	4	2	4	0.5
Israel C	0	0	0	0	0	0	0
Italy E (03) C	12.5	2	3	2.5	3	2	0
Japan C	7.5	1.5	2	2	2	0	0
Netherlands <sup>24</sup> E (03) C	13	2	2.5	3.5	4	1	0
Norway E (03) C	10.5	2	2.5	4	2	0	0
Portugal E (02) C	8	2	2	2	2	0	0
Romania E (02)	5	1.5	1.5	1	1	0	0
Russian Federation C	6.5	1.5	2	1	2	0	0
South Africa E (02)	5	2	1	0	2	0	0
South Korea C	7.5	1.5	2	2	2	0	0
Spain <sup>25</sup> E (03) C	11.5	2	3	3	2.5	1	0
Sweden E (03) C	10.5	2	2	4	2	0.5	0
Switzerland E (04) C	9	2	2.5	2	2	0	0.5
Turkey C	7.5	1.5	2	2	2	0	0
United Kingdom <sup>26</sup> E (03) C	15	2	3	4	4	2	0
United States <sup>27</sup> E (03) C	16	2	3	3	4	4	0

Sources: UN Comtrade DESA/UNSD, download date: 16 March 2005. Customs reporting tabulations from NISAT (2005); Canada (2004); Czech Republic (2004); Finland (2004); France (2005); Germany (2004); Italy (2004); Netherlands (2004); Norway (2004); Portugal (2003); Romania (2004), South Africa (2003); Spain (2004); Sweden (2004); Switzerland (2005); UK (2004); US (2004).

#### Scoring system

- (a) Access (2 points total):** Information is: available on Internet (half point); available in a UN language (1 point); free of charge (half point);
- (b) Clarity (4 points total):** The reporting includes source information (1 point); small arms and light weapons distinguishable from other types of weapons (1 point); small arms and light weapons ammunition distinguishable from other types of ammunition (1 point); reporting includes information on types of end-users (military, police, other security forces, civilians, civilian retailers) (1 point).
- (c) Comprehensiveness (4 points total):** The reporting covers: government-sourced as well as industry-sourced transactions (1 point); civilian as well as military small arms and light weapons (1 point); information on small arms and light weapons parts (1 point); summaries of export laws and regulations as well as international commitments (1 point).
- (d) Information on deliveries (4 points total):** Data disaggregated by weapons type (value of weapons shipped (1 point), quantity of weapons shipped (1 point)), and by country and weapons type (value of weapons shipped 1 point, quantity of weapons shipped 1 point).
- (e) Information on licences granted (4 points total):** Data disaggregated by weapons type (value of weapons licensed (1 point), quantity of weapons licensed (1 point)), and by country and weapons type (value of weapons licensed 1 point, quantity of weapons licensed 1 point).
- (f) Information on licences refused (2 points total):** Data disaggregated by weapons type (value of licence refused 0.5 points, quantity of weapons under refused licence 0.5 points), and by country and weapons type (value of licence refused 0.5 points, quantity of weapons under refused licence 0.5 points).

**NB1:** Half the score is granted for a partly fulfilled criterion.

**NB2:** Under (d), (e), and (f), no points are granted for number of deliveries or number of licences granted or denied, as such figures give little information about the magnitude of the trade.

**NB3:** Under (d), (e), and (f): 'weapons type' means broader weapons categories (that is, 'small arms' as opposed to 'armoured vehicles' or 'air-to-air missiles'), not specific small arms and light weapons types ('assault rifles' as opposed to 'hunting rifles'). The data is disaggregated by weapons type if the share of arms exports of different categories of weapons (small arms and light weapons as opposed to military aircraft, missiles, electronics, and so on) is delineated. The data is disaggregated both by country and by weapon type if the report includes numbers on the quantity or value of weapons of each category transferred to individual recipients (such as, in 2003, X amount of small arms was delivered to country Y).

**NB4:** The fact that the Barometer is based on two sources—customs data (as reported to UN Comtrade) and national arms export reports—works to the advantage of states that publish data in both forms, since what they do not provide in one form of reporting they might provide in the other. Points achieved from each source of the two sources are added up. However, points are obviously not counted twice (for example, if a country provides both customs data

and export reports in a UN language, it gets 1 point for this under access, not more).

**NB5:** The scores of the 2004 and 2005 Barometers are not directly comparable, due to differences in the application of criteria between the two years.