

Emerging from Obscurity

THE GLOBAL AMMUNITION TRADE

This study is the first to examine the trade in ammunition for both small arms and light weapons. While a weapon can remain functional for decades if it is properly maintained, its utility depends on the continuous production and delivery of ammunition. Consequently, international transfers of ammunition for small arms and light weapons are as sensitive as those of the arms themselves, but, to date, they have received far less attention from policy-makers and in crucial areas the provision of public information on the trade is almost non-existent. This study puts forward estimates of the annual USD value of transfers—both documented and undocumented—of small arms and light weapons ammunition. The chapter also presents an update of the Small Arms Survey's Transparency Barometer, which measures the extent to which states report on their arms transfers.

This study is part of the Small Arms Survey's ongoing, multi-year reassessment of the value of authorized international transfers of small arms and light weapons, their parts, accessories, and ammunition. The reassessment unpacks the previous estimate of the total trade of USD 4 billion (Small Arms Survey, 2006, pp. 66–67) one element of the trade at a time. This chapter focuses on the ammunition component and significantly improves upon previous estimates. It supplements figures derived from trade data with additional research methods and data sources—particularly public procurement data—and it estimates the annual value of the authorized trade in ammunition for small arms and light weapons at USD 4.3 billion. This figure has been disaggregated into ammunition for small arms and for light weapons, and the documented and undocumented trade (see Table 1.3).

The ten-year period from 1998 to 2007 saw an increase in the trade in ammunition for small arms, for both shotgun shells and for small-calibre ammunition for rifles, machine guns, and pistols.

This edition of the Transparency Barometer identifies Switzerland, the United Kingdom, and Germany as the three most transparent major exporters. It assesses 48 countries' reporting practices: the 45 countries covered in the 2009 Barometer plus newcomers India, Montenegro, and the United Arab Emirates—all believed to have exported roughly USD 10 million worth of relevant materiel in 2007 or 2008. The least transparent exporters are Iran and North Korea, both scoring zero. Spain increased its score by 1.5 points and replaced the United States in this year's top ten. The average score rose slightly since last year (from 11.4 to 11.5). Israel's score underwent the greatest increase in both absolute and percentage terms, rising 4 points (or 67 per cent) since last year thanks to better reporting to UN Comtrade.

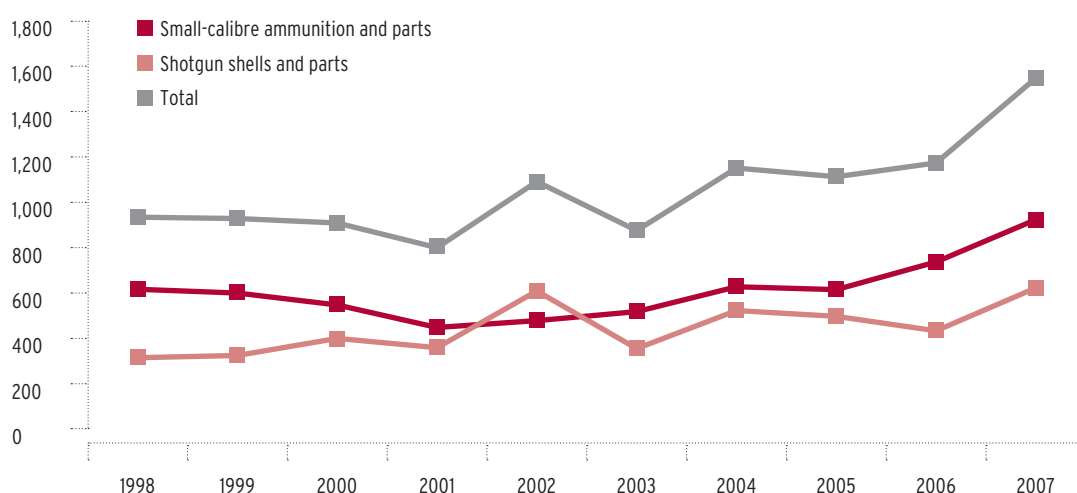
Other major findings of this chapter include:

- The USD 4.3 billion ammunition finding shows that the long-standing estimate of USD 4 billion for the total trade (including weapons, parts, and accessories) considerably undervalues recent activity.
- In 2007, 26 countries had documented exports of small arms ammunition worth more than USD 10 million.
- The trade in propellant chemicals is worth at least tens, and perhaps hundreds, of millions of US dollars each year.
- The global trade in small arms and light weapons ammunition is considerably less transparent than the trade in the weapons themselves. This is true of both national reporting and reporting required or facilitated by international instruments.

Table 1.3 Estimated values of documented and undocumented authorized ammunition transfers (USD millions)

	Small arms ammunition	Light weapons ammunition	Total
Documented	960 (small-calibre cartridges and parts) 641 (shotgun shells and parts)	302	1,903
Undocumented	169	2,194	2,363
Total	1,770	2,496	4,266

Figure 1.2 Value of the trade in small-calibre cartridges and shotgun shells, 2000-07 (USD millions)



Note: The values have been adjusted for inflation and are expressed in constant 2006 US dollars.

Source: NISAT's analysis of UN Comtrade

- Governments procure most of their light weapons ammunition from domestic producers when possible. Therefore, international transfers of light weapons ammunition are probably a small percentage of global public procurement.
- Ammunition imported by Western countries is overwhelmingly sourced from Western companies. Public procurement data from seven Western states indicates that in recent years they have received less than four per cent of their light weapons ammunition (by value) from non-Western firms.
- In 2007 the top exporters of all small arms and light weapons (those with annual exports of at least USD 100 million), according to available customs data, were (in descending order) the United States, Italy, Germany, Brazil, Austria, Belgium, the United Kingdom, China, Switzerland, Canada, Turkey, and the Russian Federation. The top importers of all small arms and light weapons for 2007 (those with annual imports of at least USD 100 million), according to available customs data, were (in descending order) the United States, the United Kingdom, Canada, France, Germany, and Spain.

The Survey's multi-year project to comprehensively reassess the entire global trade in small arms and light weapons, including their parts, accessories, and ammunition, will conclude with a revised estimate for the total value of this trade; recent analysis indicates that this value will be significantly higher than previous estimates. Equally important, the Small Arms Survey is identifying gaps in the available information on the trade and will use these findings to call for greater governmental transparency. ■

Transparency Barometer notes

Scoring system

The scoring system for the 2010 Barometer remains the same as in 2009, providing comprehensive, nuanced, and consistent thresholds for the various categories. The Barometer's seven categories assess: timeliness, access, and consistency in reporting (categories i-ii), clarity and comprehensiveness (iii-iv), and the level of detail provided on actual deliveries, licences granted, and licences denied (v-vii). For more detailed information on the scoring guidelines, see the Small Arms Survey website.

Explanatory notes

Note A: The Barometer is based on each country's most recent arms export report, made publicly available between 1 January 2008 and 31 December 2009.

Note B: The Barometer takes into account national reporting to the UN Register from 1 January 2008 to 12 January 2010 as well as information states have submitted to UN Comtrade for their 2008 exports up until 12 January 2010.

Note C: The fact that the Barometer is based on three sources—national arms export reports, reporting to the UN Register, and UN customs data—works to the advantage of states that publish data in all three outlets. Points achieved from each of the three sources are added up. The same information is not credited twice, however.

Country-specific notes

1) Germany published a national arms export report in 2009 that was limited to data from 2007.

2) Serbia published a national arms export report in 2009 that was limited to data from 2007. The country, separated from Montenegro as of 3 June 2006, is evaluated on a 24-point scale as it cannot earn all the points potentially available under 'Access and consistency', which includes two criteria that are based on three consecutive years of reporting.

3) The US report is divided into several documents. For the purposes of the Barometer, the 'US annual report' refers to the State Department report pursuant to section 655 on direct commercial sales, as well as the report on foreign military sales that is prepared by the Department of Defense.

4) The Belgian regional government in Wallonia did not publish a national arms export report for 2008 by the cut-off date. Belgium is therefore evaluated on the basis of its national report for 2007.

- 5) Finland issued two national reports in 2009, one for its 2007 activities and another for its 2008 activities. Only the report for 2008 was evaluated.
- 6) Montenegro, separated from Serbia as of 3 June 2006, is evaluated on a 24-point scale as it cannot earn all the points potentially available under 'Access and consistency', which includes two criteria that are based on three consecutive years of reporting.
- 7) Poland is one of three EU member states under review that do not produce a national report; however, it does contribute information to the EU Annual Report.
- 8) Portugal did not issue a national report for its arms export activities in 2007 or 2008 by the cut-off date. Portugal is therefore evaluated on the basis of its national report for 2006.
- 9) Bosnia and Herzegovina made available a national arms export report in 2009 that was limited to data for 2007.
- 10) Canada published a national arms export report in 2009 that was limited to data for 2006.
- 11) Austria did not publish a national arms export report for 2008 by the cut-off date. Austria is therefore evaluated on the basis of its national report for 2007.
- 12) Bulgaria did not publish a national arms export report for 2008 by the cut-off date. Bulgaria is therefore evaluated on the basis of its national report for 2007.
- 13) Hungary is one of three EU member states under review that do not produce a national report; however, it does contribute information to the EU Annual Report.
- 14) Cyprus is one of three EU member states under review that do not produce a national report; however, it does contribute information to the EU Annual Report.
- 15) Saudi Arabia did not submit data to UN Comtrade for its 2008 activities. It is therefore evaluated on the basis of its submission for 2007.
- 16) Taiwan's score has been evaluated on the basis of data it submits to UN Comtrade, as published by the International Trade Centre (ITC) in its TradeMap database.
- 17) South Africa does not define the abbreviations it uses in its national report for military categories 'A', 'B', 'C', and 'D'. Efforts to obtain clarification of these categories from the South African authorities were unsuccessful.

Table 1.2 Small Arms Trade Transparency Barometer 2010, covering major exporters*

	Total (25 max)	Export report (year covered)**/EU Annual Report***	UN Comtrade**	UN Register**	Timeliness (1-5 max)	Access and consistency (2 max)	Clarity (5 max)	Comprehensiveness (6-5 max)	Deliveries (4 max)	Licences granted (4 max)	Licences refused (2 max)
Switzerland	21.00	x (08)	x	x	1.50	1.50	4.00	5.25	3.00	4.00	1.75
United Kingdom	18.50	x (08)/EU Report	x	x	1.50	2.00	4.00	4.75	3.00	2.50	0.75
Germany	17.75	x (07)/EU Report	x	x	1.50	1.50	3.25	3.50	3.00	3.00	2.00
Netherlands	17.00	x (08)/EU Report	x	x	1.50	2.00	3.00	4.50	3.00	2.00	1.00
Serbia ¹	17.00	x (07)	x	x (07)	1.50	1.00	3.25	3.25	3.50	2.50	2.00
Denmark	16.50	x (07/08)/EU Report	x	x	1.50	1.50	3.25	4.25	3.00	2.00	1.00
Norway	16.50	x (08/09)	x	x	1.50	1.50	4.00	4.00	3.00	2.50	0.00
Romania	16.50	x (08)/EU Report	-	x	1.50	1.50	2.50	3.00	3.00	3.00	2.00
Spain	16.50	x (08)/EU Report	x	x	1.50	1.50	2.50	3.75	4.00	2.00	1.25
Sweden	16.50	x (08/09) / EU Report	x	x	1.50	2.00	3.50	4.25	3.00	2.00	0.25
United States ¹	16.25	x (07/08)	x	x	1.50	1.50	2.75	4.50	3.00	3.00	0.00
Italy	15.75	x (08)/EU Report	x	x	1.50	1.50	3.50	4.50	3.00	1.50	0.25
Belgium ¹	14.75	x (07)/EU Report	x	x	1.50	2.00	2.50	3.50	3.00	2.00	0.25
France	14.50	x (08)/EU Report	x	x	1.50	1.50	4.00	2.75	3.00	1.50	0.25
Finland ¹	14.25	x (08)/EU Report	x	x	1.50	1.50	3.00	3.25	3.00	2.00	0.00
Poland ¹	14.00	EU Report	x	x	1.50	1.00	2.00	3.75	4.00	1.50	0.25
Czech Republic	13.50	x (08)/EU Report	x	x	1.50	1.50	2.25	3.50	3.00	1.50	0.25
Montenegro ¹	13.25	x (08)	-	x	1.50	1.00	2.75	3.50	1.50	3.00	0.00
Portugal ¹	13.25	x (06)/EU Report	x	x	1.50	1.50	2.75	2.25	3.00	2.00	0.25
Bosnia and Herzegovina ¹	13.00	x (07)	x (07)	x	1.50	0.50	2.50	2.50	3.00	1.50	1.50
Slovakia	12.50	x (08)/EU Report	x	x	1.50	1.50	2.00	2.25	2.00	2.00	1.25
Canada ¹	12.25	x (06)	x	x	1.50	1.50	2.25	4.00	3.00	0.00	0.00

