

Appendix 10D. The reporting of military expenditure data

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I. Introduction

In order to obtain primary and comparable data on military expenditure SIPRI sends out an annual request to governments asking them to report their military expenditure by use of a standardized questionnaire. The United Nations also asks its member states to submit data on military expenditure and has developed a complex standardized reporting instrument for this purpose. Since 2002 the UN has been engaged in efforts to encourage countries to report because the level of reporting by member states has been low. To facilitate reporting, in 2003 the UN introduced a simplified version of its reporting instrument. This appendix provides information about the level of reporting to SIPRI and the UN in 2003 (section IV). Sections II and III describe the two reporting systems and give a brief account of the recent efforts of the UN to improve the rate of response to its reporting instrument.

II. The United Nations reporting system

The UN has been requesting data on military expenditure from its member states (currently 191 states) since 1981.¹ The request is made by the UN Secretary-General at the beginning of each calendar year, and the reporting system is operated by the UN Department for Disarmament Affairs (DDA). Countries are requested to report, by 30 April, on their military expenditure for the most recent fiscal year for which data are available, using preferably and to the extent possible the reporting instrument developed for this purpose, officially called the UN Standardized Instrument for Reporting Military Expenditures.

Reports are made on a voluntary basis. Since the rate of submissions has been disappointingly low, the DDA has since 2002 taken a number of initiatives to improve the response rate. First, informal consultations and seminars have been organized at UN Headquarters. Second, with the assistance of interested governments, the DDA has facilitated the holding of regional and sub-regional workshops to increase familiarity with the reporting instrument and to encourage greater participation by member states in the reporting system. Such workshops have been held in Accra, Ghana, for the member states of the Economic Community of West African States (ECOWAS); in Windhoek, Namibia, for the member states of the South African Development Community (SADC); and in Peru, Lima, for countries in Latin America and the Caribbean. Further workshops for other sub-regions are being planned. Third, the standardized reporting instrument has the format of a complex matrix for reporting data according to a standard definition and in great detail. Although governments are free to refrain from filling in detailed data and may submit the form with only aggre-

¹ See UN General Assembly Resolution 35/142 B, 12 Dec. 1980, 'Reduction of military budgets', available at URL <<http://www.un.org/documents/ga/res/35/ares35.htm>>.

Table 10D.1. The UN Simplified Reporting Form

Country: _____

National currency: _____

Fiscal year: _____

	Land Forces	Naval Forces	Air Forces	Total
Personnel				
Operations				
Procurement				
Total				

Source: United Nations, Department for Disarmament Affairs, *Transparency in Armaments: United Nations Instrument for Reporting Military Expenditure, Global and Regional Participation 1981–2002* (UN: New York, 2003), annex B, available at URL <<http://disarmament.un.org:8080/cab/milex.html>>.

gate data or even the lump sum of total military expenditure, the low level of reporting has sometimes been attributed to the fact that governments have found it difficult to submit data in this matrix. In 2003, therefore, the UN introduced an alternative, simplified reporting form (table 10D.1) ‘which is intended to facilitate participation by Governments that may not be able to provide all the data sought in the standardized format’.²

III. The SIPRI reporting system

SIPRI sends out a request for data each year in the month of March to the governments of the countries that are included in the SIPRI military expenditure database (currently 158 states). This process has been conducted in a systematic manner since 1993. The request is sent to the relevant ministries and government agencies or to their embassies in Stockholm or in the closest location. Countries that do not respond are reminded by mail or email in early September, and in some cases they are approached again by SIPRI if they still have not reported. Countries are requested to provide data for the five most recent years. The reason for asking for data for an extended period is to allow comparison with previously submitted data and thus ensure consistency over time.

Countries are requested to submit their reports by completing the SIPRI questionnaire (table 10D.2). It is based on the UN reporting instrument, but is somewhat different from the UN Simplified Reporting Form. SIPRI requests disaggregated data in six categories: (a) military and civilian personnel, including retirement pensions and military personnel and social services for personnel; (b) operations and maintenance; (c) procurement; (d) military construction; (e) military research and development (R&D); and (f) paramilitary forces. Countries are also asked to report on their total

² United Nations, Department of Disarmament Affairs, *Transparency in Armaments: United Nations Instrument for Reporting Military Expenditure, Global and Regional Participation 1981–2002* (UN: New York, 2003), p. 3, available at URL <<http://disarmament.un.org:8080/cab/milex.html>>.

Table 10D.2. The SIPRI questionnaire

Fiscal/ calen- dar year (a)	Military expenditure							CGE (8)
	(1) Per- sonnel (b)	(2) O&M	(3) Procure- ment (c)	(4) Military constr.	(5) Military R&D	(6) Paramil. forces (d)	(7) Total mil. exp. (e)	
2000								
2001								
2002								
2003								
2004								

O&M = operations and maintenance. CGE = central government expenditure.

(a) Please specify the beginning of the fiscal year.

(b) Personnel: Is expenditure for military pensions included? If not, please provide an estimate of expenditure for military pensions, if possible.

(c) Procurement: Is expenditure for arms imports included? If not, please provide an estimate of expenditure for arms imports, if possible.

(d) Paramilitary forces: Is expenditure for paramilitary forces (border guards, gendarmérie, etc.) included in total military expenditure? If not, please provide an estimate of expenditure for paramilitary forces, if possible.

(e) Total military expenditure = 1 + 2 + 3 + 4 + 5 + 6. According to the SIPRI definition, military expenditure should include military pensions, arms imports and paramilitary forces, and exclude civil defence. Is expenditure for civil defence included in the military expenditure figures? If so, please provide separate data for civil defence expenditure, if possible.

central government expenditure (CGE). Realizing that countries are not prepared to recalculate their military spending data according to the SIPRI definition of military expenditure (see appendix 10C), SIPRI asks for information on whether the data submitted include or exclude the following four items: military pensions, arms imports, para-military forces and civil defence.

IV. Reporting of military expenditure data in 2003

In 2003 a total of 83 countries reported data on military expenditure either to the UN or to SIPRI (table 10D.3, column 6). In addition, 12 countries submitted reports with no data (nil reports) to the UN. Thus, a total of 95 countries submitted reports in 2003. The account below focuses on the number of countries that actually reported data and neglects the nil reports, which with one exception (Zambia) were submitted by countries that do not have any defence forces.

The rates of response were almost the same for the SIPRI and the UN instruments. SIPRI received 62 reports with data (column 2)—39 per cent of the 158 countries covered in the SIPRI database. The UN received 64 reports with data (column 4)—34 per cent of all the 191 member states, and a total of 76 reports, including the 12 nil reports (column 5).

Table 10D.3. Reporting of military expenditure data to SIPRI and the UN, by region, 2003

Figures are numbers of countries.

Region/subregion	SIPRI coverage	SIPRI reports	UN coverage	UN reports		Total reports	
	(1)	(2) ^a	(3)	Data (4) ^b	Nil (5) ^c	Data (6) ^d	All (7) ^e
Africa	50	4	52	3	(1)	6	7
America, North	2	2	2	2	(0)	2	2
America, Central	8	3	13	3	(1)	5	6
America, South	11	4	12	5	(0)	7	7
Asia, Central	5	0	5	2	(0)	2	2
Asia, East	16	4	16	7	(0)	9	9
Asia, South	6	2	6	2	(0)	4	4
Oceania	4	2	6	2	(0)	2	2
Europe, West	21	19	21	16	(1)	20	21
Europe, Central & East ^f	15	15	16	12	(0)	15	15
Europe, CIS	7	5	7	5	(0)	6	6
Middle East	13	2	15	2	(0)	2	2
Small states ^g	—	—	20	3	(9)	3	12
Total	158	62	191	64	(12)	83	95

^a The countries reporting to SIPRI were: Albania, Angola, Argentina, Armenia, Australia, Austria, Belarus, Bosnia and Herzegovina, Bulgaria, Canada, Chile, China, Croatia, Cyprus, Czech Republic, Denmark, El Salvador, Ecuador, Estonia, Finland, France, Georgia, Germany, Greece, Guatemala, Honduras, Hungary, India, Ireland, Italy, Japan, Jordan, Latvia, Lebanon, Lithuania, Luxembourg, Macedonia (Former Yugoslav Rep. of, FYROM), Malta, Mauritius, Moldova, Netherlands, New Zealand, Norway, Paraguay, Philippines, Poland, Portugal, Romania, Serbia and Montenegro, Seychelles, Slovakia, Slovenia, South Africa, Spain, Sri Lanka, Sweden, Switzerland, Taiwan, Turkey, UK, Ukraine and USA.

^b The countries reporting data to the UN were: Armenia, Australia, Bangladesh, Belarus, Belgium, Brazil, Bulgaria, Cambodia, Canada, Croatia, Cyprus, Czech Republic, Denmark, Ecuador, Estonia, Finland, France, Georgia, Germany, Ghana, Guatemala, Hungary, Indonesia, Italy, Jamaica, Japan, Jordan, Kazakhstan, Laos, Latvia, Lebanon, Lithuania, Luxembourg, Malaysia, Malta, Mauritius, Mexico, Moldova, Nepal, Netherlands, New Zealand, Nicaragua, Norway, Paraguay, Peru, Philippines, Poland, Portugal, Romania, Russia, Serbia and Montenegro, Slovakia, Slovenia, Spain, Sweden, Switzerland, Thailand, Timor-Leste, Trinidad and Tobago, UK, Uruguay, USA, Uzbekistan and Zimbabwe.

^c The countries submitting nil reports were: Andorra, the Cook Islands, Costa Rica, Grenada, Iceland, Liechtenstein, Marshall Islands, Monaco, Nauru, Saint Lucia, San Marino and Zambia.

^d Column 6 shows the total number of countries that submitted reports with military expenditure data (excluding the nil reports). Totals may be smaller than the sums of columns 2 and 4 because the same country may appear in both columns.

^e Column 7 shows the total number of report, including the nil reports to the UN.

^f The row for Central and Eastern Europe excludes the Commonwealth of Independent States (CIS) member states.

^g At least 20 UN member states are too small to have a defence force.

Sources: Submitted SIPRI questionnaires; and United Nations, Report of the Secretary-General on objective information on military matters, including transparency on military expenditure, UN documents A/58/202, 1 Aug. 2003, and A/58/202/Add. 1, 6 Nov. 2003,

available on the DDA's Internet site under 'Reporting of military expenditures', URL <<http://disarmament.un.org/cab>>.

In comparison with the rate of response in 2002, when a total of 79 countries reported data,³ four more countries provided data in 2003. The number of countries reporting to SIPRI increased from 59 in 2002 to 62 in 2003. The number of countries reporting data to the UN decreased from 67 in 2002 to 64 in 2003. Ten countries reported to the UN by using the simplified reporting form, but only one of these, Bangladesh, was a country that had not reported in 2002. Thus, the introduction of the simplified reporting form did not have a strong impact on reporting in 2003. Including the nil reports, the total number of reports to the UN also decreased, from 81 in 2002⁴ to 76 in 2003. However, compared to the entire time period of the UN reporting system (1981-now), current levels of reporting are high. Until 1998 the annual level of participation stayed below 35 reports. Beginning in 1999 the level of reporting has increased and in 2001 and 2002 increased significantly.⁵

On a regional basis, table 10D.3 shows the following: In *Africa*, four countries—Angola, Mauritius, the Seychelles and South Africa—reported to SIPRI.⁶ The UN received data reports from three countries—Ghana, Mauritius and Zimbabwe. Libya, which has not released data on its military expenditure for at least a decade, in 2003 for the first time made military expenditure data available on its government Internet site.

In *Central America*, three out of eight countries reported to SIPRI—El Salvador, Guatemala and Honduras, while Guatemala, Mexico and Nicaragua reported data to the UN. In *South America*, four out of 11 countries reported to SIPRI—Argentina (reported for the first time), Chile, Ecuador and Paraguay. Five countries—Brazil, Ecuador, Paraguay and Peru and Uruguay—reported data to the UN.

None of the five states of *Central Asia* reported to SIPRI, while two countries reported data to the UN—Kazakhstan and Uzbekistan. Four out of 16 countries in *East Asia* reported to SIPRI—China (reporting for the first time), Japan, the Philippines and Taiwan. North Korea, which does not release information on its military expenditure, responded to SIPRI's request for data, as conveyed by the Swedish embassy in Pyongyang, by stating that it would be pleased to provide data if and when its security concerns were allayed.⁷ Seven East Asian countries reported data to the UN—Cambodia, Indonesia, Japan, Laos, Malaysia, the Philippines and Thailand. In *South Asia*, two countries—India and Sri Lanka—reported to SIPRI and two other

³ Sköns, E. and Stålenheim, P., 'Sources and methods for military expenditure data', *SIPRI Yearbook 2003: Armaments, Disarmament and International Security* (Oxford University Press: Oxford, 2003), pp. 369–70.

⁴ United Nations (note 2).

⁵ Statistics on reporting ('participation' in UN language) to the UN are provided in United Nations (note 2).

⁶ A study of the availability and quality of military expenditure data in 6 African countries is presented in Omitoogun, W., *Military Expenditure of Africa: A Survey of Cameroon, Ethiopia, Ghana, Kenya, Nigeria and Uganda*, SIPRI Research Report no. 17 (Oxford University Press: Oxford, 2003).

⁷ At a meeting with a senior contact at the Ministry of Foreign Affairs of the Democratic People's Republic of Korea (DPRK), the Swedish Ambassador urged North Korea to participate in SIPRI's information-gathering exercise. The senior official expressed his appreciation of SIPRI's work but declared that 'in the present situation, with North Korea under grave threat from "hostile foreign powers", it was not possible to provide the requested information. If and when North Korea's security concerns were allayed, the government would be pleased to contribute this type of information to what was seen as a valuable compilation that contributed to international confidence-building'. Beijer, P., Swedish Ambassador to North Korea, Email, Pyongyang, 10 Oct. 2003.

countries—Bangladesh and Nepal—to the UN. In *Oceania*, Australia and New Zealand reported to both SIPRI and the UN.

Most, although not all, governments in Europe submitted data. In *Western Europe* 19 out of 21 countries reported to SIPRI and 17 reported to the UN. In *Central and Eastern Europe* all 15 countries in the SIPRI database reported to SIPRI and 12 out of 16 UN member states to the UN. Of the seven European member states of the Commonwealth of Independent States (CIS), five reported to SIPRI and five to the UN: Armenia, Belarus, Georgia and Moldova reported to both, while Ukraine reported to SIPRI but not to the UN, and Russia reported to the UN but not to SIPRI.

In the *Middle East*, the response rate is still very low: two countries—Jordan and Lebanon—reported to both SIPRI and the UN. However, several Middle Eastern countries have begun to provide defence budget data on their government websites.