

# 10. International arms transfers and arms production

## Overview

*The volume of international transfers of major weapons grew by 16 per cent between 2005–2009 and 2010–14 (see section I). The five largest suppliers in 2010–14—the United States, Russia, China, Germany and France—accounted for 74 per cent of the total global volume of exports. The USA and Russia (or the Soviet Union before 1992) have been consistently by far the largest suppliers since 1950. They have dominated the top 10 list of suppliers together with Western European suppliers, and there is no sign of any major change in the near future. However, China has now firmly established itself as one of the top five suppliers: in 2010–14 it was the third largest supplier, narrowly surpassing Germany and France.*

*The flow of arms to Africa and Asia increased in the five-year period 2010–14 compared to 2005–2009. Flows to Europe decreased notably. States in Asia and Oceania received 48 per cent of all imports of major weapons in 2010–14. Of the five largest recipients of major weapons, three were located in Asia and Oceania: India, China and Pakistan. There was also a marked increase in imports by states in the Middle East, two of which were among the five largest importers in 2010–14: Saudi Arabia and the United Arab Emirates. The significant growth in Saudi Arabia's imports and its rise to the position of second largest importer in 2010–14 were especially noteworthy. Saudi Arabia and several other Arab states of the Gulf have placed substantial orders in recent years. Deliveries of those orders have only just started and thus further growth in the region's imports is expected.*

*Tensions and conflicts were ongoing in large parts of the world in 2014, and these often had direct links to arms acquisitions from abroad. Section II of this chapter focuses on how arms imports by North East Asian countries are linked to different tensions in that region. These imports, along with acquisitions from growing national arms industries in the region, may well serve to increase such tensions.*

*Similar to 2012 and 2013, 2014 also proved to be another disappointing year for transparency in arms transfers (see section III). The number of states reporting their arms imports and exports to the United Nations Register of Conventional Arms (UNROCA) decreased in 2014. Only just over a quarter of all UN member states answered the Secretary-General's request to report basic data on imports and exports. In the period 2009–13, the five most recent*

*reporting years, several of the top 10 suppliers of major arms, as recorded by SIPRI, did not report to the UNROCA every year and a number of the largest importers were absent for all five years. Participation in some regions, particularly Africa and the Middle East, has been consistently low in recent years. Developments in national and regional reporting on arms transfers were mixed, with advances in some areas and declines in others.*

*While SIPRI data on arms transfers does not represent their financial value, many arms exporting states do publish figures on the financial value of their arms exports. These figures are presented in section IV. Based on such data SIPRI estimates the total value of the global arms trade in 2013 to be at least \$76 billion. However, the true figure is likely to be higher.*

*Arms transfers and related issues of control are dealt with in several chapters of this volume. Arms supplies to countries involved in armed conflict and to non-state forces became a key issue in 2014. Suppliers had to make decisions on transfers to Iraq and other states involved in the war against Islamic State, including supplies to militias not fully under the control of the central Iraqi Government. These challenges are examined in chapter 2 of this volume. The conflict in Ukraine also led to discussions among Western countries on the issues surrounding the supply of arms to the Ukrainian Government. At the same time, Russia continued to supply arms to rebel forces in Ukraine. The conflict in Ukraine and its impact on arms transfers are described in chapter 3 of this volume. Arms embargoes and reported breaches of them are described in chapter 15, as is arguably the most important event in 2014 related to arms transfers—the entry into force of the Arms Trade Treaty in December 2014.*

*This chapter also contains a section on the arms industry. Section V provides data on the Top 100 arms-producing companies in 2013 and describes developments in the main arms-producing countries. National arms industries are often partly dependent on arms exports. One consequence of the global financial and economic crisis has been increased pressure to seek new export markets. Several major supplier states have adopted, or announced plans to introduce, mechanisms and legislation to promote or support arms exports.*

SIEMON T. WEZEMAN