

IV. The financial value of states' arms exports

MARK BROMLEY AND MAAIKE VERBRUGGEN

Table 10.9 presents official data on the financial value of states' arms exports in the years 2004–13. The countries included in the table are those that provide data on the financial value of 'arms exports', 'arms export licences' or 'arms export agreements' and for which the average of the values given exceeds \$10 million. The data is taken from reports by, direct quotes from or direct communication with governments or official industry bodies. The stated data coverage reflects the language used by the original source. National practices in this area vary, but the term arms exports generally refers to arms actually delivered; arms export licences generally refers to licences for arms exports issued by the national export licensing authority; and arms export agreements refers to contracts or other agreements signed for arms exports. The arms export data for the states in table 10.9 is based on national definitions and methodologies, and is thus not necessarily comparable.¹ Conversion to constant (2013) US dollars is made using the market exchange rates of the reporting year and the US consumer price index (CPI).

According to the SIPRI Arms Transfers Database, the countries that produce official data on the financial value of their arms exports account for over 90 per cent of the total volume of deliveries of major conventional weapons. By adding together the data in table 10.9 it is therefore possible to arrive at a rough estimate of the financial value of the global arms trade. However, there are significant limitations in using the data presented in this way. First, as noted above, the datasets used are based on different definitions and methodologies and are not directly comparable. Second, several states (such as the United Kingdom) do not release data on arms exports, while others (such as China) do not release any data on arms exports, arms export licences or arms export agreements. However, by adding together the data that states have made available on the financial value of their arms exports it is possible to estimate that the total value of the global arms trade in 2013 was at least \$76 billion.² However, the true figure is likely to be higher.

¹ There is no internationally agreed definition of what constitutes 'arms' and governments use different lists when collecting and reporting data on the financial value of their arms exports. In addition, there is no standardized methodology concerning how to collect and report such data, with some states reporting on export licences issued or used and other states using data collected from customs agencies.

² Where figures for arms exports are available, these are used. Where figures for arms exports are not available, figures for arms export licences have been used. Where figures for arms export licences are not available, figures for arms export orders have been used.

Table 10.9. The financial value of states' arms exports according to national government and industry sources, 2004–13

Figures are in constant (2013) US\$ m. Conversion is made using the market exchange rates of the reporting year and the US consumer price index (CPI). Years are calendar years, unless otherwise stated.

State	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Explanation of data
Austria	6	168	210	191	333	525	528	619	593	699	Arms exports
	25	380	444	2 121	1 499	3 394	2 502	2 350	2 027	3 153	Arms export licences
Belgium	833	380	1 274	1 384	2 116	1 662	1 419	1 202	1 264	814	Arms export licences
Bosnia and Herzegovina	54	95	72	58	92	69	40	82	..	..	Arms export licences
Brazil	352	340	407	180	41	108	..	..	..	..	Arms exports
Bulgaria	..	211	162	228	238	219	365	333	286	312	Arms exports
	..	473	636	581	753	477	419	321	455	652	Arms export licences
Canada ^a	610	317	367	341	566	515	424	665	..	..	Arms exports
Czech Republic	138	131	135	268	301	264	307	263	357	382	Arms exports
	190	179	264	734	336	588	638	498	346	436	Arms export licences
Denmark	155	132	188	301	258	380	532	341	290	1 039	Arms export licences
Estonia	0	1	0	5	10	12	3	504	4	4	Arms export licences
Finland	64	153	77	115	147	131	83	140	76	296	Arms exports
	502	65	125	88	534	282	86	265	154	457	Arms export licences
France	10 646	5 507	5 767	6 948	4 978	5 568	5 241	5 251	4 361	4 926	Arms exports
	5 178	6 103	8 341	8 704	10 435	12 315	7 242	9 382	6 282	9 129	Arms export licences
Germany	1 729	2 418	1 992	2 322	2 262	2 020	2 998	1 850	1 234	1 239	Arms exports ^b
	5 830	6 254	6 073	5 640	9 174	7 607	6 727	7 794	6 135	7 762	Arms export licences
Greece	23	43	128	51	76	342	417	325	443	..	Arms export licences
Hungary	14	18	23	26	24	26	27	26	35	41	Arms exports
	61	47	90	148	189	192	195	225	352	681	Arms export licences
India ^c	87	69	109	93	214	74	..	..	..	79	Arms exports
Ireland	41	45	67	51	49	68	34	39	61	82	Arms export licences
Israel	3 207	3 101	3 467	..	..	7 492	7 692	7 250	7 579	..	Arms exports
	4 563	4 175	5 662	6 292	6 845	8 035	7 799	6 027	..	6 540	Arms export agreements
Italy	735	1 233	1 406	1 948	2 816	3 326	872	1 473	3 926	3 681	Arms exports
	2 282	2 019	3 178	7 295	8 972	10 096	4 600	7 577	5 425	2 854	Arms export licences
Korea, South	516	313	292	949	1 116	1 266	1 269	2 467	2 387	3 416	Arms export agreements

State	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Explanation of data
Lithuania	..	..	6	68	49	66	21	69	25	21	Arms exports
	5	7	12	97	74	119	33	73	26	29	Arms export licences
Montenegro	..	..	3	48	32	12	14	6	7	8	Arms export licences
Netherlands	..	1 012	1 171	1 344	792	855	956	1 111	1 072	336	Arms exports
	956	1 743	1 631	1 103	1 994	1 984	1 292	599	1 227	1 279	Arms export licences
Norway	369	455	526	613	747	778	648	661	676	562	Arms exports
Poland	403	430	399	441	583	2 098	647	1 222	826	1 139	Arms export licences
Portugal	18	10	1	..	113	24	28	36	40	234	Arms exports
	26	18	1	42	120	42	30	45	68	194	Arms export licences
Romania	52	55	116	94	90	106	131	136	84	177	Arms exports
	..	118	127	190	129	179	162	191	182	296	Arms export licences
Russia	7 129	7 308	7 511	8 314	9 035	9 230	10 683	14 188	15 423	15 700	Arms exports
Serbia	..	..	103	143	355	220	273	236	201	..	Arms exports
	..	..	502	461	921	704	1 073	531	600	..	Arms export licences
Slovak Republic	31	31	46	57	60	66	21	14	33	41	Arms exports
	100	74	93	114	113	161	82	43	95	162	Arms export licences
South Africa	522	..	495	638	772	1 001	1 215	1 310	1 311	327	Arms export licences
Spain	622	622	1 225	1 435	1 480	2 032	1 596	3 500	2 547	5 190	Arms exports
	674	1 825	1 879	3 017	4 004	4 817	3 167	4 133	10 388	5 738	Arms export licences
Sweden	1 224	1 377	1 624	1 597	2 085	1 924	2 037	2 219	1 462	1 833	Arms exports
	1 089	2 418	2 355	1 136	1 577	1 575	1 961	1 738	1 189	1 509	Arms export licences
Switzerland	399	247	367	435	721	726	657	1 018	757	497	Arms exports
Turkey	242	402	407	472	623	728	677	846	1 218	1 390	Arms exports
United Kingdom	10 265	8 652	11 752	21 696	8 666	12 266	9 622	8 960	14 098	17 969	Arms export orders ^d
	4 556	4 474	3 456	2 018	3 908	5 222	4 014	10 082	3 474	6 948	Arms export licences
Ukraine	..	..	..	786	866	869	1 022	1 040	1 222	1 790	Arms exports
United States of America ^e	14 055	13 285	13 244	13 943	12 686	17 667	13 969	13 876	14 195	16 524	Arms exports
	16 757	10 407	19 829	18 810	29 816	31 621	22 867	27 010	63 747	23 606	Arms export agreements

Note: The countries included in this table are those that provide official data on the financial value of either 'arms exports', 'contracts signed for arms exports', 'arms export orders placed' or 'licences for arms exports' for at least 6 of the 10 years covered and where the average of the values given exceeds

\$10 million. The arms export data for the different states in this table is not necessarily comparable and may be based on significantly different definitions and methodologies.

^a These figures exclude substantial exports to the USA.

^b These figures cover only exports of 'war weapons' as defined by German national legislation.

^c Figures for India for 2003–2008 and 2013 cover the period 1 Apr. to 31 Mar. (e.g. the figure for 2013 covers the period 1 Apr. 2013 to 31 Mar. 2014). The figure for 2009 covers the period 1 Apr. 2009 to 31 Dec. 2009.

^d These figures cover exports of defence equipment and additional aerospace equipment and services.

^e Figures for the USA are for the period 1 Oct. to 30 Sep. (e.g. the figure for 2013 covers the period 1 Oct. 2013 to 30 Sep. 2013). Figures for the USA only include items sold under the government-to-government Foreign Military Sales (FMS) programme. They do not include sales by US industry direct to foreign governments as direct commercial sales (DCS).

Sources: Published information or direct communication with governments or official industry bodies. For a full list of sources and all available financial data on arms exports see <http://www.sipri.org/research/armaments/transfers/measuring/financial_values>.