

## IV. The financial value of states' arms exports

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Table 15.7 presents official data on the financial value of states' arms exports in the years 2005–14. 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' for at least five of the years covered 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 the financial value of the arms actually delivered; 'arms export licences' generally refers to the financial value of the licences for arms exports issued by the national export licensing authority; and 'arms export agreements' refers to the financial value of contracts or other agreements signed for arms exports. The arms export data for the states in table 15.7 is based on national definitions and methodologies, and is thus not necessarily comparable.<sup>1</sup> Conversion to constant (2014) US dollars is made using the market exchange rates of the reporting year and the US consumer price index (CPI).

In some cases, more than one set of data is given for a country's arms exports or arms export licences. In the case of the United States, two sets of data on arms exports are given: (a) one covering Foreign Military Sales, which are the result of export agreements between the US Government and the recipient government, and (b) one covering direct commercial sales, which are the result of agreements between the exporting company in the USA and the recipient, subject to an export licence from the US Government.

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 weapons. By adding together the data in table 15.7 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, only on arms export agreements or licences, while others (such as China) do not release

<sup>1</sup> 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.

any data on arms exports, arms export licences or arms export agreements. Nonetheless, by adding together the data that states have made available on the financial value of their arms exports as well as estimates for those providing data on agreements or licences, it is possible to estimate that the total value of the global arms trade in 2014 was at least \$94.5 billion.<sup>2</sup> However, the actual figure is likely to be higher.

<sup>2</sup> Where figures for arms exports are available, these are used. Where figures for arms exports in 2014 are not available but figures for 2013 are available, the 2013 figures have been used. In the case of Canada, the figure for arms exports in 2013 has been doubled, as the arms export figures for Canada exclude exports to the United States, which the Canadian authorities claim account for more than half of Canada's exports of military technology. Where figures for arms exports are not available in 2013 or 2014, figures for arms export agreements in 2013, where available, have been used. Based on an analysis of past cases in which states have released data on both arms exports and arms export agreements, the full figure for arms export agreements has been used, but with a one-year lag. Where figures for arms export agreements are not available, figures for arms export licences in 2014 have been used. Based on an analysis of states that release data on both arms exports and arms export licences, half the figure for arms export licences, for the current year, has been used. This export licence-based estimate has also been used for Germany, even though it provides figures for arms exports. Germany's arms export figures only include exports of 'weapons of war', a much more limited category of goods and services than is generally covered by export licences, these figures therefore significantly underestimate the total value of German arms exports.

**Table 15.7.** The financial value of states' arms exports according to national government and industry sources, 2005–14

Figures are in constant (2014) US\$m. Years are calendar years, unless otherwise stated.

State	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Explanation of data
Austria	170	214	194	338	533	536	629	603	710	712	Arms exports
	386	451	2 155	1 524	3 449	2 542	2 388	2 060	3 204	1 198	Arms export licences
Belgium	386	1 295	1 406	2 150	1 689	1 442	1 222	1 284	827	5 985	Arms export licences
Bosnia and Herzegovina	..	..	..	45	35	14	60	54	53	..	Arms exports
	96	74	59	93	71	40	83	61	151	..	Arms export licences
Brazil	345	413	183	42	109	..	..	..	..	..	Arms exports
Bulgaria	214	165	231	242	222	371	338	290	317	535	Arms exports
	481	647	591	765	484	426	326	463	663	1 098	Arms export licences
Canada <sup>d</sup>	322	373	347	575	523	431	675	1 075	672	..	Arms exports
Croatia	..	..	..	..	..	78	51	68	116	94	Arms exports
	..	..	..	..	343	640	224	315	961	639	Arms export licences
Czech Republic	133	137	272	306	268	312	268	363	389	567	Arms exports
	182	268	745	341	598	648	506	351	443	664	Arms export licences
Denmark	134	192	306	263	386	541	347	294	1 055	195	Arms export licences
Estonia	<1	<1	5	10	5	<1	4	<1	1	4	Arms exports
	2	<1	5	10	12	3	512	4	4	5	Arms export licences
Finland	155	78	117	150	133	85	142	77	301	296	Arms exports
	66	127	89	543	287	88	269	156	464	301	Arms export licences
France	5 596	5 860	7 060	5 059	5 658	5 326	5 336	4 432	5 237	5 102	Arms exports
	6 202	8 477	8 845	10 605	12 515	7 359	9 535	6 384	9 277	97 211	Arms export licences <sup>b</sup>
Germany	2 027	1 724	2 067	2 090	1 860	2 806	1 786	1 216	1 239	2 418	Arms exports <sup>c</sup>
	9 420	11 321	13 628	13 423	10 790	7 895	15 794	11 764	11 255	8 646	Arms export licences <sup>d</sup>
Greece	44	130	52	77	348	424	331	451	..	..	Arms export licences
Hungary	18	24	27	24	26	27	26	36	42	44	Arms exports
	48	91	150	192	195	198	228	358	692	573	Arms export licences
India <sup>e</sup>	71	111	95	217	76	..	..	89	119	..	Arms exports
Ireland	45	68	52	50	69	35	40	62	84	114	Arms export licences
Israel	3 152	3 523	..	..	7 614	7 817	7 367	7 702	..	..	Arms exports

State	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Explanation of data
Italy	4 243	5 754	6 394	6 956	8 166	7 925	6 125	..	6 646	5 660	Arms export agreements
	1 253	1 429	1 980	2 862	3 380	886	1 497	3 989	3 741	4 416	Arms exports
	2 052	3 229	7 413	9 118	10 260	4 675	7 700	5 513	2 900	3 516	Arms export licences
Korea, South	318	297	965	1 134	1 287	1 290	2 507	2 426	3 471	3 610	Arms export agreements
Lithuania	..	6	69	50	67	22	70	25	22	25	Arms exports
	8	12	98	76	121	33	75	27	30	20	Arms export licences
Montenegro	..	..	..	27	12	9	..	4	4	12	Arms exports
	..	3	48	32	12	14	6	7	8	15	Arms export licences
Netherlands	1 028	1 190	1 366	805	869	972	1 129	1 089	341	332	Arms exports
	1 771	1 657	1 120	2 026	2 016	1 313	609	1 247	1 300	2 739	Arms export licences
Norway	462	534	623	759	790	659	672	687	571	467	Arms exports
Pakistan <sup>f</sup>	8	21	22	57	15	..	11	27	27	..	Arms exports
Poland	437	405	448	593	2 132	657	1 242	839	1 158	1 220	Arms export licences
Portugal	11	1	..	114	25	29	37	41	238	208	Arms exports
	18	1	42	122	43	30	45	69	197	338	Arms export licences
Romania	56	117	96	91	108	134	138	86	180	159	Arms exports
	120	129	193	131	182	165	194	185	301	249	Arms export licences
Russia	7 426	7 633	8 449	9 181	9 380	10 857	14 419	15 673	15 955	15 600	Arms exports
Serbia	..	105	145	361	224	278	240	204	313	..	Arms exports
	..	510	469	936	716	1 090	540	610	1 036	..	Arms export licences
Slovakia	32	47	58	61	67	22	15	33	42	48	Arms exports
	75	94	116	114	164	83	44	97	165	355	Arms export licences
South Africa	..	503	648	785	1 017	1 235	1 331	1 332	332	275	Arms export licences
Spain	632	1 245	1 458	1 504	2 065	1 622	3 557	2 588	5 274	4 248	Arms exports
	1 854	1 909	3 066	4 069	4 895	3 218	4 200	10 556	5 831	4 862	Arms export licences
Sweden	1 400	1 651	1 622	2 118	1 955	2 070	2 255	1 485	1 863	1 160	Arms exports
	2 457	2 393	1 154	1 602	1 601	1 993	1 766	1 208	1 533	653	Arms export licences
Switzerland	251	373	442	733	738	667	1 035	770	505	616	Arms exports
Turkey	409	413	480	633	739	688	860	1 237	1 413	1 650	Arms exports
United Kingdom	8 792	11 942	22 049	8 807	12 465	9 778	9 106	14 326	15 561	14 003	Arms export orders <sup>g</sup>
	4 547	3 512	2 050	3 972	5 307	4 079	10 246	3 531	7 061	3 429	Arms export licences
Ukraine	..	..	799	880	883	1 039	1 057	1 056	..	..	Arms exports

State	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Explanation of data
United States <sup>h</sup>	50 044	50 574	24 237	49 731	23 697	19 816	20 644	18 213	20 765	20 345	Arms exports <sup>i</sup>
	10 575	20 151	19 056	30 123	32 096	23 192	27 417	64 768	23 992	32 051	Arms export agreements <sup>j</sup>
	29 498	23 265	28 009	37 595	39 695	37 005	46 175	34 615	21 134	63 034	Arms export licences <sup>k</sup>

*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.

<sup>a</sup> Figures for Canada exclude exports to the USA.

<sup>b</sup> 2014 figures are not comparable with previous years. France overhauled its export control system in June 2014, creating to a substantial one-off increase in the value of arms export licences issued in 2014.

<sup>c</sup> These figures only include exports of 'war weapons' as defined under German legislation.

<sup>d</sup> These figures include arms export licences for international collaborative projects.

<sup>e</sup> Figures for 2004–2008 and 2010–14 cover the period 1 Apr. to 31 Mar. the following year (e.g. the figure for 2014 covers the period 1 Apr. 2014 to 31 Mar. 2015). The figure for 2009 covers the period 1 Apr. to 31 Mar. the following year (e.g. the figure for 2013 covers the period 1 Apr. 2013 to 31 Mar. 2014).

<sup>f</sup> Figures for Pakistan cover the period 1 Apr. to 31 Mar. the following year (e.g. the figure for 2013 covers the period 1 Apr. 2013 to 31 Mar. 2014).

<sup>g</sup> These figures cover defence equipment and additional aerospace equipment and services.

<sup>h</sup> US figures are for the period 1 Oct. to 30 Sep. the following year (e.g. the figure for 2014 covers the period 1 Oct. 2013 to 30 Sep. 2014).

<sup>i</sup> These figures include items sold under the government-to-government Foreign Military Sales programme and sales by US industry direct to foreign governments as direct commercial sales.

<sup>j</sup> These figures only include items sold under the government-to-government Foreign Military Sales programme.

<sup>k</sup> These figures only include sales by US industry direct to foreign governments as direct commercial sales.

*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 <<https://www.sipri.org/databases/financial-value-global-arms-trade>>.