Appendix 5B. The reporting of military expenditure data

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I. Introduction

The public availability of information on military expenditure has increased significantly in recent years. This is due in part to the increasing levels of transparency in many countries that is associated with an increase of democratic governance and civilian control of the military as well as with the development of the Internet: increasing numbers of governments make budgetary information—including military budgets—available online. These national systems of reporting vary considerably in terms of both the level of coverage of the data provided (e.g. what items are included in a national defence budget) and the level of disaggregation.

This appendix focuses on international systems of reporting military expenditure data that seek to create a common reporting standard for such information. A number of systems exist at a regional level: the Organization for Security and Co-operation in Europe (OSCE) requires its participating states to annually report their military budgets and expenditure of the previous year, although this information is not publicly available. The North Atlantic Treaty Organization (NATO) also annually reports the military expenditure of its member states according to a common definition.

However, a significant source of official data on military expenditure, and the only official global reporting system, remains the annual government reporting within the framework of the United Nations Standardized Instrument for Reporting Military Expenditures. In addition, governments also have an opportunity to report military expenditure data to SIPRI in response to SIPRI's annual requests. For comparative purposes, this appendix provides information on the reporting of military expenditure data to the UN and SIPRI. The systems of reporting are described in section II. The trends in reporting for the period 2001–2009 are presented in section III and the levels of reporting in 2009 in section IV.

II. The reporting systems

The United Nations reporting system

Each year the UN Secretary-General invites all member states through a *note verbale* to report their military expenditure for the most recent financial year. The basis for this request is a 1980 UN General Assembly resolution.[1] Suc-

[1] UN General Assembly Resolution A/RES/35/142 B, 12 Dec. 1980. The texts of UN General Assembly resolutions are available at <http://www.un.org/documents/resga.htm>.

cessive biennial General Assembly resolutions have called for the continued reporting of military expenditure by member states.[2]

The justification for this request has evolved over the years. The initial purpose was to use the reporting system as a step toward gradual reductions in military budgets.[3] The justification stated in the latest resolution is that the General Assembly is convinced 'that transparency in military matters is an essential element for building a climate of trust and confidence between States worldwide and that a better flow of objective information on military matters can help to relieve international tension and is therefore an important contribution to conflict prevention'.[4]

Countries are requested to report annually (by 30 April) their military expenditure for the most recent financial year for which data is available. Preferably and to the extent possible, they are asked to use the reporting instrument developed for this purpose—the UN Standardized Instrument for Reporting Military Expenditures—but they can use any other format for reporting military expenditure developed by other international or regional organizations, and can submit nil reports, if appropriate.[5] The standardized instrument is in the form of a matrix with fields for the reporting of disaggregated data by function (e.g. personnel, operations and maintenance, procurement, construction, and research and development (R&D), each broken down into subcategories) and by military service (e.g. air force, army and navy) and to give aggregated totals.[6] In the belief that some countries found this matrix too complicated and in order to encourage reporting by more countries, in 2002 the UN introduced an alternative, simplified reporting form that requests only aggregate data by service on personnel, operations and procurement.

The UN Office for Disarmament Affairs (ODA, formerly the Department for Disarmament Affairs) manages the system. The reported data is included in an annual report by the UN Secretary-General to the General Assembly and is published in appropriate UN media.[7] In addition, the ODA periodically publishes documents analysing the reporting trends to the UN.[8]

[2] The most recent such resolution is UN General Assembly Resolution A/RES/64/22, 2 Dec. 2009.

[3] See Omitoogun, W. and Sköns, E., 'Military expenditure data: a 40-year overview', *SIPRI Yearbook 2006*, pp. 276–77, 286, 291.

[4] UN General Assembly Resolution A/RES/64/22 (note 2).

[5] UN General Assembly Resolution A/RES/64/22 (note 2), para. 1.

[6] The standardized instrument is reproduced in United Nations, Department for Disarmament Affairs, *Transparency in Armaments: United Nations Standardized Instrument for Reporting Military Expenditures—Guidelines* (United Nations: New York, [n.d.]), pp. 7–8.

[7] The most recent report is United Nations, General Assembly, 'Objective information on military matters, including transparency of military expenditures', Report of the Secretary-General, A/64/113, 24 June 2009; and addenda A/64/113/Add.1, 14 Sep. 2009, and A/64/113/Add.2, 30 Oct. 2009.

[8] The most recent example is United Nations, Office for Disarmament Affairs, *United Nations Standardized Instrument for Reporting Military Expenditures: Pattern of Global and Regional Participation by States 1996–2007* (United Nations: New York, [n.d.]).

The SIPRI reporting system

SIPRI has sent requests for data on military expenditure to governments via various national government offices and embassies on an annual basis since 1993. Such requests are sent to most of the 174 countries that are included in the SIPRI Military Expenditure Database.[9] The SIPRI questionnaire is a simplified version of the UN instrument, with fields for data on spending on military and civilian personnel, operations and maintenance, procurement, military construction, military R&D, paramilitary forces, and military aid provided and received. Data is requested for the five most recent years in order to ensure consistency over time. The reported data is one source of information used in preparing SIPRI's tables of military expenditure.[10]

III. Trends in reporting military expenditure, 2001–2009

Table 5B.1 presents the number of countries reporting their military spending to the UN and SIPRI for the period 2001–2009. The figures exclude reporting by very small states and the submission of nil reports.[11]

There has been an evident decrease in the reporting in recent years: while 85 countries reported to either the UN or SIPRI in 2006, only 68 did so in 2009.[12] This decrease in total reporting reflects a drop in the response rate to both SIPRI and the UN.

While SIPRI has increased the number of requests sent to countries, the number of responses has been dropping, particularly since 2005. Since 2001 the rate of response to the SIPRI request has varied between a high of 41 per cent (in 2003) and a low of 32 per cent (in 2008).

In total since the introduction of the UN's standardized instrument, over 120 member states have submitted a report at least once.[13] In 2009 the UN response rate decreased significantly, to 27 per cent, the lowest response rate to date. Since 2001 the rate of response to the UN reporting system has never exceeded 37 per cent (in 2002). This low level of reporting limits the effectiveness of the instrument as a means of making consistent international comparisons of global military expenditure.

[9] SIPRI does not send requests to 2 countries in the database: Costa Rica and Somalia. In addition, the database includes data on a number of states that no longer exist, including Czechoslovakia, the German Democratic Republic (East Germany), the Yemen Arab Republic (North Yemen), the People's Democratic Republic of Yemen (South Yemen) and Yugoslavia. The SIPRI Military Expenditure Database is available at <http://www.sipri.org/databases/milex/>.

[10] See appendix 5A.

[11] The UN receives reports with no data (nil reports) usually from countries that do not maintain regular armed forces. These countries are often very small states, with the exception of Costa Rica and Tunisia in 2009; while Costa Rica has no regular military forces, Tunisia does and reports military spending in government publications.

[12] It has not been possible to calculate the total reporting of military expenditure to the UN or SIPRI before 2006.

[13] United Nations (note 8), adjusted for submissions in 2008 and 2009.

Table 5B.1. Number of countries reporting their military expenditure to the United Nations and SIPRI, 2001–2009

	2001	2002	2003	2004	2005	2006	2007	2008	2009
UN reporting system[a]									
Number of UN member states	189	191	191	191	191	192	192	192	192
Number of reports to the UN[b]	56	70	64	68	62	69	66	68	51
Standardized reports	56	70	54	54	55	54	48	53	42
Simplified reports[c]	..	..	10	14	7	15	18	15	9
Nil reports[d]	5	11	11	10	12	11	12	8	6
SIPRI reporting system									
States in the SIPRI Military Expenditure Database[e]	165	167	167	167	167	168	168	168	169
Number of SIPRI requests	158	158	158	159	167	165	165	165	167
Number of reports to SIPRI	63	61	64	62	67	60	55	53	58
Total number of reports to the UN or SIPRI[f]	..	..	..	..	..	**85**	**78**	**78**	**68**

[a] The UN data for 2009 includes late submissions up to 30 Oct. 2009, but some countries may report after this date.

[b] These figures exclude nil reports.

[c] The totals for UN simplified reports exclude one small state (Suriname) that reported with this format for 2006, 2008, and 2009. Countries reporting to the UN with both the standardized and simplified reports are listed as standardized reports to avoid double-counting.

[d] A nil report is a questionnaire returned to the UN with no data entered, usually submitted by a country that does not maintain regular armed forces. Totals include those from states not in the SIPRI Military Expenditure Database.

[e] The SIPRI Military Expenditure Database excludes many small states with populations under 1 million.

[f] Totals may be smaller than the sums of reports to the UN and SIPRI because the same country may report to both organizations. Totals before 2006 are not available because of changes in the way responses to the UN and SIPRI are counted.

Sources: United Nations, 'Objective information on military matters, including transparency of military expenditures', Reports of the Secretary-General, various dates, 2001–2009; and submitted SIPRI questionnaires.

The reasons for the general low level of reporting and for the fall in 2009 are unclear. A comparison of participation in the UN instrument with other sources of data used by SIPRI suggests that a majority of those countries that never or rarely respond to the UN instrument also make only limited or no information on military expenditure available online; however, a significant minority do make detailed information available, raising the question of why they do not also report this information to the UN. In 2010–11, a Group of Governmental Experts (GGE) is due to review the UN instrument. The GGE's report should give further analysis of why responses from states are inconsistent and decreasing over time.

IV. The reporting of military expenditure data in 2009

Reporting by countries to the UN and SIPRI in 2009 is presented in table 5B.2. In order to facilitate comparison between the reporting to the UN and SIPRI, the table excludes reporting by very small states—which are excluded from the SIPRI database—and the submission of nil reports.

A total of 68 countries answered the UN and SIPRI requests for reporting on military expenditure information in 2009. Of the 168 UN member states (other than very small states), 30 per cent submitted standardized or simplified responses to the UN (excluding nil reports). Of the 167 states to which SIPRI sent requests, 35 per cent responded with information.

The region with the highest reporting rate was Europe, with 91 per cent of countries submitting responses to the UN or SIPRI in 2009 (95 per cent in Western and Central Europe and 71 per cent in Eastern Europe). The response rates in the Americas and Asia were both 36 per cent (100 per cent in North America, 45 per cent in South America, and 20 per cent in Central American and the Caribbean; and 41 per cent in East Asia, 40 per cent in Oceania, 17 per cent in South Asia and 0 per cent in Central Asia). The lowest rates of reporting military expenditure were in the Middle East (21 per cent) and Africa (10 per cent).

Table 5B.2. Reporting of military expenditure data to the United Nations and SIPRI, by region, 2009

Figures are numbers of countries. Nil reports to the UN and reports by countries not included in the SIPRI Military Expenditure Database are not included.

Region/ subregion[a]	Reporting to the UN			Reporting to SIPRI			Total SIPRI and UN reports[b]
	Requests	Countries reporting data	Total	Requests	Countries reporting data	Total	
Africa							
North Africa	4	–	0	4	–	0	0
Sub-Saharan Africa	46	Burkina Faso[c]	1	45[d]	Burkina Faso, Mauritius[e], Namibia, Seychelles, South Africa	5	5
Americas							
Central America and the Caribbean	15	Mexico[f]	1	14[g]	Guatemala, Honduras, Mexico	3	3
North America	2	USA	1	2	Canada, USA	2	2
South America	11	Argentina, Brazil, Colombia, Peru	4	11	Brazil, Bolivia	2	5
Asia and Oceania							
Central Asia	5	–	0	5	–	0	0
East Asia[i]	16	China[c], Japan, South Korea[c], Philippines[c], Thailand[c],	5	17[h]	China[e], Indonesia, Japan, South Korea, Philippines, Taiwan	6	7
Oceania	5	Australia, New Zealand	2	5	Australia	1	2
South Asia	6	Nepal[f]	1	6	–	0	1
Europe							
Eastern Europe	7	Armenia[c], Belarus, Moldova, Russia, Ukraine	5	7	Armenia, Belarus, Moldova, Russia, Ukraine	5	5

Western and Central Europe	37	Austria, Belgium, Bosnia and Herzegovina[f], Bulgaria, Croatia[f], Cyprus[f], Czech Republic, Estonia, Finland, France, Germany, Ireland, Italy, Latvia, Lithuania, FYROM, Malta, Montenegro[f], Norway, Poland, Portugal, Romania[f], Serbia[f], Slovakia, Slovenia[c], Spain[f], Sweden, Switzerland, Turkey[f]	29	37	Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, FYROM, Malta, Montenegro, Netherlands, Norway, Poland[e], Portugal, Sweden, Romania, Serbia, Slovakia, Slovenia, Switzerland, Turkey, UK	42	35
Middle East	14	Israel[c], Lebanon[c]	2	14	Jordan[e], Lebanon	2	3
Total	**168**[i]		**51**[j]	**167**		**58**	**68**

FYROM = Former Yugoslav Republic of Macedonia.

[a] Countries are grouped in the geographical regions used in the SIPRI Military Expenditure Database. See appendix 5A.

[b] Totals may be smaller than the sums of reports to the UN and SIPRI because the same country may report to both organizations.

[c] These 9 countries used the simplified form when reporting to the UN.

[d] There are 46 sub-Saharan African countries in the SIPRI Military Expenditure Database, but SIPRI is unable to send requests to Somalia because of a lack of contact details.

[e] These 4 countries did not use the SIPRI questionnaire in their report to SIPRI.

[f] These 10 countries used both the simplified and standardized forms when reporting to the UN.

[g] There are 15 Central American and Caribbean countries in the SIPRI Military Expenditure Database, but SIPRI did not send a request to Costa Rica in 2009.

[h] The SIPRI Military Expenditure Database includes the non-UN member state Taiwan.

[i] In addition, the UN sent requests to 24 states not in the SIPRI Military Expenditure Database.

[j] In addition, 6 UN member states—Andorra, Costa Rica, Monaco, Nauru, Samoa and Tunisia—submitted nil reports to the UN and 1 state that is not included in the SIPRI Military Expenditure Database—Suriname—submitted a simplified report.

Sources: Submitted SIPRI questionnaires; and United Nations, General Assembly, 'Objective information on military matters, including transparency of military expenditures', Report of the Secretary-General, A/64/113, 24 June 2009; and addenda A/64/113/Add.1, 14 Sep. 2009; and A/64/113/Add.2, 30 Oct. 2009.