

CRS Report for Congress

U.S. Arms Sales: Agreements with and Deliveries to Major Clients, 1998-2005

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Summary

This report provides background data on United States arms sales agreements with and deliveries to its major purchasers during *calendar years* 1998-2005. In a series of data tables, it lists the total dollar values of U.S. arms sales *agreements* with its top five purchasers in five specific regions of the world for three specific periods: 1998-2001, 2002-2005, and 2005 alone, and the total dollar values of U.S. arms *deliveries* to its top five purchasers in those same regions for the periods 1998-2001, 2002-2005, and for 2005 alone. In addition, the report provides data tables listing the total dollar values of U.S. arms *agreements* with and *deliveries* to its top 10 purchasers *worldwide* for the periods 1998-2001, 2002-2005, and for 2005 alone.

This report is prepared in conjunction with the annual CRS report for Congress entitled: *Conventional Arms Transfers to Developing Nations, 1998-2005* (CRS Report RL33696), by Richard Grimmett. That report details both U.S. and foreign arms transfer activities globally, and provides analysis of arms trade trends. The intent here is to complement that elaborate *worldwide* treatment of the international arms trade by providing only the dollar values of United States arms sales agreements with and delivery values to its leading customers, by geographic region, for the calendar years 1998-2001, 2002-2005, and 2005. Unlike CRS Report RL33696, this report focuses exclusively on U.S. arms sales, provides the specific names of the major U.S. arms customers, by region, together with the total dollar values of their arms purchases or deliveries. This report will not be updated.

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U.S. Arms Sales: Agreements with and Deliveries to Major Clients, 1998-2005

This report provides background data on United States arms sales agreements with and deliveries to its major purchasers during calendar years 1998-2005. It provides the total dollar values of U.S. arms *agreements* with its top five purchasers in five specific regions of the world for the periods 1998-2001, 2002-2005, and for 2005, and the total dollar values of U.S. arms *deliveries* to its top five purchasers in five specific regions for those same years. In addition, the report provides a listing of the total dollar values of U.S. arms agreements with and deliveries to its top ten purchasers for the periods 1998-2001, 2002-2005, and for 2005. The data are official, unclassified, United States Defense Department figures compiled by the Defense Security Cooperation Agency (DSCA), unless otherwise indicated. The data have been restructured for this report by DSCA from a *fiscal year* format to a *calendar year* format. Thus a year in this report covers the period from January 1-December 31, and *not* the fiscal year period from October 1-September 30.¹

U.S. Agreements with Leading Purchasers, 1998-2005

The following five regional tables provide the total dollar values of all U.S. defense articles and defense services *sold* to the top five purchasers in each region indicated for the *calendar year(s)* noted. These values represent the total value of all government-to-government *agreements actually concluded* between the United States and the foreign purchaser under the Foreign Military Sales (FMS) program during the calendar year(s) indicated.² In a separate table, the total dollar values of all U.S. defense articles and defense services *sold* to the top ten purchasers *worldwide* is provided for *calendar year* period noted. All totals are expressed as *current* U.S. dollars.

¹ The Defense Security Cooperation Agency (DSCA) publishes an annual volume providing these data in a *fiscal year* format. This publication is titled *Foreign Military Sales, Foreign Military Construction Sales, and Military Assistance Facts*. It provides detailed U.S. annual transactions with countries and international organizations for the most recent ten *fiscal* years, as of the date of publication, as well as aggregate data for these transactions since FY1950. See DSCA website for this data under DSCA Facts Book at [<http://www.dsca.osd.mil/>]. For detailed *worldwide* arms transfer data for U.S. and foreign suppliers and recipients, see CRS Report RL33696, *Conventional Arms Transfers to Developing Nations, 1998-2005*, by Richard F. Grimmett.

² Current U.S. law and regulations do not require U.S. companies to provide, routinely and systematically, data on arms sales *agreements actually concluded* with foreign purchasers resulting from *commercial licenses authorized* by the U.S. State Department. Thus, with one very notable exception relating to the United Arab Emirates (U.A.E.) in 2000, the *agreement* data in the following tables *do not* include the values of U.S. licensed commercial sales.

| LEADING PURCHASERS OF U.S. DEFENSE ARTICLES & SERVICES TOTAL VALUES OF AGREEMENTS CONCLUDED (In current U.S. dollars, rounded to nearest million) | | |
|---|--|---|
| AFRICA AGREEMENTS 1998-2001 | AFRICA AGREEMENTS 2002-2005 | AFRICA AGREEMENTS 2005 |
| 1 Nigeria \$12 million | 1 Kenya \$24 million | 1 Djibouti \$10 million |
| 2 Kenya \$11 million | 2 Djibouti \$23 million | 2 Botswana \$1 million |
| 3 Ghana \$5 million | 3 Nigeria \$21 million | 3 Senegal \$1 million |
| 4 Chad \$3 million | 4 South Africa \$15 million | 4 Congo \$1 million |
| 5 Guinea \$3 million | 5 Uganda \$7 million | 5 Nigeria \$1 million |
| AMERICAN REPUBLICS AGREEMENTS 1998-2001 | AMERICAN REPUBLICS AGREEMENTS 2002-2005 | AMERICAN REPUBLICS AGREEMENTS 2005 |
| 1 Canada \$402 million | 1 Canada \$892 million | 1 Canada \$355 million |
| 2 Colombia \$277 million* | 2 Chile \$566 million | 2 Colombia \$183 million* |
| 3 Brazil \$109 million | 3 Columbia \$405 million* | 3 Brazil \$20 million |
| 4 Venezuela \$64 million | 4 Brazil \$182 million | 4 Argentina \$19 million |
| 5 Argentina \$42 million | 5 Venezuela \$38 million | 5 Chile \$16 million |
| * Includes FMS sales related to international narcotics interdiction programs. | | |
| LEADING PURCHASERS OF U.S. DEFENSE ARTICLES & SERVICES TOTAL VALUES OF AGREEMENTS CONCLUDED (In current U.S. dollars, rounded to nearest 10 million or 10th of a billion) | | |
| ASIA AGREEMENTS 1998-2001 | ASIA AGREEMENTS 2002-2005 | ASIA AGREEMENTS 2005 |
| 1 Taiwan \$3.9 billion | 1 Taiwan \$4.9 billion | 1 Japan \$850 million |
| 2 South Korea \$2.1 billion | 2 Japan \$3.4 billion | 2 Australia \$520 million |
| 3 Singapore \$1.5 billion | 3 South Korea \$3.1 billion | 3 South Korea \$340 million |
| 4 Japan \$1.4 billion | 4 Australia \$1.5 billion | 4 Taiwan \$210 million |
| 5 Australia \$1.2 billion | 5 Singapore \$540 million | 5 Singapore \$50 million |

| LEADING PURCHASERS OF U.S. DEFENSE ARTICLES & SERVICES TOTAL VALUES OF AGREEMENTS CONCLUDED (In current U.S. dollars, rounded to nearest 10 million or 10th of a billion) | | |
|---|---|--|
| NEAR EAST AGREEMENTS 1998-2001 | NEAR EAST AGREEMENTS 2002-2005 | NEAR EAST AGREEMENTS 2005 |
| 1 U.A.E. \$7.0 billion* | 1 Egypt \$5.2 billion | 1 Egypt 1.0 billion |
| 2 Israel \$6.6 billion | 2 Saudi Arabia \$4.2 billion | 2 U.A.E. \$800 million |
| 3 Egypt \$6.4 billion | 3 Israel \$2.5 billion | 3 Saudi Arabia \$700 million |
| 4 Saudi Arabia \$4.4 billion | 4 Kuwait \$2.0 billion | 4 Israel \$500 million |
| 5 Bahrain \$700 million | 5 U.A.E. \$1.3 billion | 5 Kuwait \$500 million |
| * Includes a \$6.432 billion licensed commercial agreement concluded in 2000 for 80 F-16 fighter aircraft. | | |
| EUROPE AGREEMENTS 1998-2001 | EUROPE AGREEMENTS 2002-2005 | EUROPE AGREEMENTS 2005 |
| 1 Greece \$3.7 billion | 1 Poland \$3.8 billion | 1 Greece \$2.1 billion |
| 2 U. K. \$1.4 billion | 2 Greece \$2.6 billion | 2 Turkey \$1.5 billion |
| 3 Italy \$1.1 billion | 3 Turkey \$2.3 billion | 3 Germany \$300 million |
| 4 Turkey \$1.0 billion | 4 U.K. \$1.5 billion | 4 Netherlands \$250 million |
| 5 Germany \$970 million | 5 Netherlands \$960 million | 5 Denmark \$130 million |

| LEADING PURCHASERS OF U.S. DEFENSE ARTICLES & SERVICES TOTAL VALUES OF AGREEMENTS CONCLUDED (In current U.S. dollars, rounded to nearest 10 million or 10 th of a billion) | | |
|---|---|--|
| WORLDWIDE AGREEMENTS 1998-2001 | WORLDWIDE AGREEMENTS 2002-2005 | WORLDWIDE AGREEMENTS 2005 |
| 1 U.A.E. \$7.0 billion* | 1 Egypt \$5.2 billion | 1 Greece \$2.1 billion |
| 2 Israel \$6.6 billion | 2 Taiwan \$4.9 billion | 2 Turkey \$1.5 billion |
| 3 Egypt \$6.4 billion | 3 Saudi Arabia \$4.2 billion | 3 Egypt \$1.0 billion |
| 4 Saudi Arabia \$4.4 billion | 4 Poland \$3.8 billion | 4 Japan \$850 million |
| 5 Taiwan \$3.9 billion | 5 Japan \$3.4 billion. | 5 U.A.E. \$790 million |
| 6 Greece \$3.7 billion | 6 South Korea \$3.1 billion | 6 Saudi Arabia \$710 million |
| 7 South Korea \$2.1 billion | 7 Greece \$2.6 billion | 7 Israel \$530 million |
| 8 Singapore \$1.5 billion | 8 Israel \$2.5 billion | 8 Australia \$520 million |
| 9 U.K. \$1.4 billion | 9 Turkey \$2.3 billion | 9 Kuwait \$510 million |
| 10 Japan \$1.4 billion | 10 Kuwait \$2.0 billion | 10 South Korea \$340 million |
| * Includes a \$6.432 billion licensed commercial agreement in 2000 for 80 F-16 fighter aircraft. | | |

U.S. Deliveries to Leading Purchasers, 1998-2005

The following five regional tables provide the total dollar values of all U.S. defense articles and defense services *delivered* to the top five purchasers in each region indicated for the *calendar year(s)* noted for all deliveries under the U.S. Foreign Military Sales (FMS) program. These values represent the total value of all government-to-government *deliveries actually concluded* between the United States and the foreign purchaser under the FMS program during the *calendar year(s)* indicated.

In a separate table (below), the total dollar values of all U.S. defense articles and defense services *actually delivered* to the top ten purchasers *worldwide* is provided. The *delivery* totals combine FMS deliveries concluded for the *calendar year(s)* noted, and commercially licensed *deliveries concluded* for the pertinent *fiscal year(s)*.

| LEADING PURCHASERS OF U.S. DEFENSE ARTICLES & SERVICES TOTAL VALUES OF DELIVERIES CONCLUDED (In current U.S. dollars, rounded to nearest million) | | |
|--|---|---|
| AFRICA DELIVERIES 1998-2001 | AFRICA DELIVERIES 2002-2005 | AFRICA DELIVERIES 2005 |
| 1 Kenya \$9 million | 1 Nigeria \$17 million | 1 Kenya \$8 million |
| 2 Ethiopia \$8 million | 2 Kenya \$16 million | 2 Nigeria \$6 million |
| 3 Senegal \$5 million | 3 South Africa \$8 million | 3 Djibouti \$5 million |
| 4 Nigeria \$5 million | 4 Ethiopia \$7 million | 4 Ethiopia \$3 million |
| 5 Uganda \$3 million | 5 Djibouti \$7 million | 5 Uganda \$3 million |
| AMERICAN REPUBLICS DELIVERIES 1998-2001 | AMERICAN REPUBLICS DELIVERIES 2002-2005 | AMERICAN REPUBLICS DELIVERIES 2005 |
| 1 Canada \$392 million | 1 Canada \$555 million | 1 Chile \$192 million |
| 2 Colombia \$296 million* | 2 Chile \$210 million | 2 Canada \$163 million |
| 3 Brazil \$194 million | 3 Colombia \$117 million* | 3 Colombia \$50 million* |
| 4 Venezuela \$95 million | 4 Brazil \$57 million | 4 Brazil \$11 million |
| 5 Argentina \$53 million | 5 Venezuela \$49 million | 5 Venezuela \$10 million |
| * Includes deliveries of defense articles and services previously sold that are related to international narcotics programs. | | |

| LEADING PURCHASERS OF U.S. DEFENSE ARTICLES & SERVICES TOTAL VALUES OF DELIVERIES CONCLUDED (In current U.S. dollars, rounded to nearest 10 million or 10th of a billion) | | |
|---|---|--|
| ASIA DELIVERIES 1998-2001 | ASIA DELIVERIES 2002-2005 | ASIA DELIVERIES 2005 |
| 1 Taiwan \$6 billion | 1 Taiwan \$4.1 billion | 1 Taiwan \$1.3 billion |
| 2 South Korea \$3.6 billion | 2 South Korea \$2.2 billion | 2 South Korea \$600 million |
| 3 Japan \$1.8 billion | 3 Japan \$1.8 billion | 3 Australia \$480 million |
| 4 Singapore \$1.2 billion | 4 Australia \$1.1 billion | 4 Japan \$460 million |
| 5 Australia \$1.1 billion | 5 Singapore \$1.0 billion | 5 Singapore \$190 million |
| NEAR EAST DELIVERIES 1998-2001 | NEAR EAST DELIVERIES 2002-2005 | NEAR EAST DELIVERIES 2005 |
| 1 Saudi Arabia \$12.6 billion | 1 Egypt \$5.8 billion | 1 Israel \$1.7 billion |
| 2 Israel \$3.7 billion | 2 Israel \$4.4 billion | 2 Egypt \$1.3 billion |
| 3 Egypt \$3.3 billion | 3 Saudi Arabia \$4.4 billion | 3 Saudi Arabia \$990 million |
| 4 Kuwait \$1.4 billion | 4 Kuwait \$770 million | 4 Afghanistan \$410 million |
| 5 Bahrain \$500 million | 5 Afghanistan \$740 million | 5 Oman \$270 million |
| EUROPE DELIVERIES 1998-2001 | EUROPE DELIVERIES 2002-2005 | EUROPE DELIVERIES 2005 |
| 1 Turkey \$2.0 billion | 1 Greece \$3.2 billion | 1 U.K. \$390 million |
| 2 Finland \$1.9 billion | 2 U.K. \$1.6 billion | 2 Greece \$270 million |
| 3 U.K. \$1.7 billion | 3 Turkey \$1.0 billion | 3 Germany \$200 million |
| 4 Greece \$1.6 billion | 4 Spain \$1.0 billion | 4 Netherlands \$200 million |
| 5 Switzerland \$1.3 billion | 5 Germany \$920 million | 5 Turkey \$190 million |

| LEADING PURCHASERS OF U.S. DEFENSE ARTICLES & SERVICES TOTAL VALUES OF DELIVERIES CONCLUDED (In current U.S. dollars, rounded to nearest 10 million or 10th of a billion) | | |
|---|---|--|
| WORLDWIDE DELIVERIES 1998-2001 | WORLDWIDE DELIVERIES 2002-2005 | WORLDWIDE DELIVERIES 2005 |
| 1 Saudi Arabia \$12.6 billion | 1 Egypt \$5.8 billion | 1 Israel \$1.7 billion |
| 2 Taiwan \$6.0 billion | 2 Israel \$4.4 billion | 2 Egypt \$1.3 billion |
| 3 Israel \$3.7 billion | 3 Saudi Arabia \$4.4 billion | 3 Taiwan \$1.3 billion |
| 4 South Korea \$3.6 billion | 4 Taiwan \$4.1 billion | 4 Saudi Arabia \$990 million |
| 5 Egypt \$3.3 billion | 5 Greece \$3.2 billion | 5 South Korea \$610 million |
| 6 Turkey \$2.0 billion | 6 South Korea \$2.2 billion | 6 Australia \$480 million |
| 7 Finland \$1.9 billion | 7 Japan \$1.8 billion | 7 Japan \$460 million |
| 8 Japan \$1.8 billion | 8 U.K. \$1.6 billion | 8 Afghanistan \$410 million |
| 9 U.K. \$1.7 billion | 9 Australia \$1.1 billion | 9 U.K. \$390 million |
| 10 Greece \$1.6 billion | 10 Turkey \$1.0 billion | 10 Greece \$270 million |