

# Appendix 8C. The reporting of military expenditure data

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## I. Introduction

The United Nations (UN) 2004 report on the relationship between disarmament and development states that ‘reliable data on military expenditure, arms production, arms imports and arms exports and on the means to verify them are scarce’ and defines lack of transparency as one of the main obstacles to understanding the magnitude and consequences of military expenditure and levels of armament.<sup>1</sup> As one of its recommendations, the report calls for measures to promote security through openness, transparency and confidence.<sup>2</sup>

Obtaining primary and comparable data on official military expenditure has been a key project for both SIPRI and the UN Department of Disarmament Affairs (DDA). SIPRI has collected and published official data on military expenditure since 1969 and since 1993 has sent out requests to governments to report their data by filling in a standardized form.<sup>3</sup> Annually since 1981 the UN has requested that its member states (now 191) report their military expenditure using the UN’s ‘Standardized Instrument for Reporting Military Expenditures’.<sup>4</sup> This appendix presents the response rates by governments in these two systems of reporting in 2004 (see section II). It also presents data on the number of responses over the four-year period 2001–2004 and describes efforts made by the UN to improve reporting of military expenditure (see section III).

<sup>1</sup> United Nations, ‘The relationship between disarmament and development in the current international context’, Report of the Group of Government Experts on the relationship between disarmament and development, UN document A/59/119, 23 June 2004, URL <<http://www.un.org/ga/59/documentation/list1.html>>, paragraph 43, p. 16. This report is an updated version of the 1987 Final Document of the International Conference on the Relationship between Disarmament and Development from 1987 and dwells on issues such as the role of security, the costs and consequences of military expenditure, conversion, the release of resources for development, and the role of the UN and other international organizations in dealing with these issues.

<sup>2</sup> United Nations (note 1), paragraphs 95–97, pp. 25–26. The report urges the international community to strengthen its knowledge of the disarmament–development relationship and to build up a more secure international situation by promoting transparency and encouraging further research by UN bodies and non-governmental organizations.

<sup>3</sup> At first, data requests were sent only to countries for which data was most difficult to get. However, since 2002 requests have been sent to the governments of all countries included in the SIPRI military expenditure database, currently 159.

<sup>4</sup> For a description of the UN and SIPRI reporting systems, including two tables reproducing their respective standardized forms for reporting of military expenditure, see Sköns, E. and Nazet, N., ‘The reporting of military expenditure data’, *SIPRI Yearbook 2004: Armaments, Disarmament and International Security* (Oxford University Press: Oxford, 2004), pp. 376–77.

**Table 8C.1.** Reporting of military expenditure data to SIPRI and the United Nations, by region, 2004

Figures are numbers of countries.

Region/ sub-region	SIPRI coverage (1)	SIPRI reports (2) <sup>a</sup>	UN coverage (3)	UN data reports (4) <sup>b</sup>	UN nil reports (5) <sup>c</sup>	Total UN reports (6)	SIPRI + UN reports (7) <sup>d</sup>
Africa	50	3	52	3	(1)	4	4
America, North	2	2	2	2	(0)	2	2
America, Central	8	4	13	3	(1)	4	5
America, South	11	6	12	3	(0)	3	7
Asia, Central	5	0	5	3	(0)	3	3
Asia, East	16	5	16	6	(0)	6	7
Asia, South	6	2	6	1	(0)	1	3
Oceania	4	2	6	2	(0)	2	3
Europe, West	21	17	21	20	(1)	21	21
Europe, CEE <sup>e</sup>	15	15	16	15	(0)	15	16
Europe, CIS	7	2	7	5	(0)	5	5
Middle East	14	3	15	3	(0)	3	3
Small states <sup>f</sup>	–	–	20	2	(8)	10	2
<b>Total</b>	<b>159</b>	<b>61</b>	<b>191</b>	<b>68</b>	<b>(11)</b>	<b>79</b>	<b>81</b>

CEE = Central and Eastern Europe; CIS = Commonwealth of Independent States.

<sup>a</sup> The countries reporting to SIPRI were: Albania, Argentina, Austria, Belarus, Bosnia and Herzegovina, Brazil, Bulgaria, Cambodia, Canada, Colombia, Croatia, Cyprus, Czech Republic, Denmark, Ecuador, Estonia, Fiji, Finland, Georgia, Germany, Greece, Guatemala, Honduras, Hungary, India, Indonesia, Israel, Italy, Japan, Jordan, South Korea, Latvia, Lebanon, Lithuania, Luxembourg, Macedonia (Former Yugoslav Republic of, FYROM), Malta, Mauritius, Mexico, Netherlands, New Zealand, Nicaragua, Norway, Pakistan, Paraguay, Poland, Portugal, Romania, Serbia and Montenegro, Seychelles, Slovakia, Slovenia, South Africa, Spain, Sweden, Switzerland, Taiwan, Turkey, UK, Uruguay and USA.

<sup>b</sup> The countries reporting data to the UN were: Albania, Australia, Austria, Belarus, Belgium, Bosnia and Herzegovina, Brazil, Bulgaria, Cambodia, Canada, Chile, Croatia, Cyprus, Czech Republic, Denmark, Ecuador, El Salvador, Estonia, Finland, France, Germany, Georgia, Greece, Guatemala, Hungary, Indonesia, Ireland, Israel, Italy, Jamaica, Japan, Jordan, Kazakhstan, South Korea, Kyrgyzstan, Latvia, Lebanon, Lithuania, Luxembourg, Macedonia (Former Yugoslav Republic of, FYROM), Malaysia, Malta, Mauritius, Mexico, Moldova, Nepal, Netherlands, New Zealand, Norway, Philippines, Poland, Portugal, Romania, Russia, Senegal, Serbia and Montenegro, Seychelles, Slovakia, Slovenia, Spain, Sweden, Switzerland, Trinidad and Tobago, Turkey, Ukraine, UK, USA and Uzbekistan.

<sup>c</sup> The UN member states submitting nil reports were: Andorra, Costa Rica, Holy See, Iceland, Kiribati, Liechtenstein, Marshall Islands, Salomon Islands, Samoa, San Marino and Zambia.

<sup>d</sup> Column 7 shows the total number of countries that submitted reports with military expenditure data (excluding the nil reports). Totals may be smaller than the sums of columns 2 and 4 because the same country may appear in both columns.

<sup>e</sup> The row for Central and Eastern Europe excludes members of the Commonwealth of Independent States (CIS), since these are shown separately.

<sup>f</sup> These are very small UN member states with no or only minimal defence forces.

*Sources:* Submitted filled-in SIPRI questionnaires; and United Nations, 'Objective information on military matters, including transparency of military expenditures', Report of the UN Secretary-General, UN document A/59/192, 30 July 2004, URL <<http://www.un.org/ga/59/documentation/list1.html>>; and United Nations, 'Objective information on military matters, including transparency on military expenditures', Report of the UN Secretary-General, UN document A/59/192/Add. 1, 21 Dec. 2004, URL <<http://disarmament2.un.org/cab/milex.html>>.

## II. Reporting of military expenditure data in 2004

In 2004 a total of 81 countries reported data on military expenditure either to the UN or to SIPRI (see table 8C.1, column 7). In addition, 11 countries submitted reports with no data (nil reports) to the UN (table 8C.1, column 5) giving a total of 92 countries who submitted reports in response to a request for military expenditure data from the UN or SIPRI in 2004. The account below focuses on the countries that actually reported data and neglects the nil reports, which, with the single exception of Zambia, were submitted by countries that have no defence forces.

The rates of response to the UN and SIPRI were almost the same. SIPRI received 61 reports with data (table 8C.1, column 2)—38 per cent of the 159 countries covered in by the SIPRI database. The UN received 68 reports with data (table 8C.1, column 4)—36 per cent of the 191 member states—and, including nil reports, a total of 79 reports (table 8C.1, column 6).

In comparison with the response rate in 2003, when a total of 83 countries reported data to either SIPRI or the UN,<sup>5</sup> the 81 countries reporting in 2004 represent a slight decline. The number of countries reporting to SIPRI decreased from 62 in 2003 to 61 in 2004. The number of countries reporting data to the UN increased from 64 in 2003 to 68 in 2004. Including the nil reports, the total number of reports to the UN increased from 76 in 2003 to 79 in 2004 (table 8C.2).

On a regional basis, table 8C.1 shows the following. In *Africa*, three countries—Mauritius, the Seychelles and South Africa—reported to SIPRI.<sup>6</sup> The UN received data reports from three countries—Mauritius, Senegal and the Seychelles. In *North America* both Canada and the USA reported to SIPRI and the UN. Four of the eight *Central American* countries reported to SIPRI—Guatemala, Honduras, Mexico and Nicaragua—while three—El Salvador, Guatemala and Mexico—reported data to the UN. In *South America* six out of the 11 countries covered reported to SIPRI—Argentina, Brazil, Colombia, Ecuador, Paraguay and Uruguay. Only Brazil, Chile and Ecuador reported data to the UN.

None of the five states of *Central Asia* reported to SIPRI, while three countries reported data to the UN—Kazakhstan, Kyrgyzstan and Uzbekistan. Five out of 16 countries in *East Asia* reported to SIPRI—Cambodia, Indonesia, Japan, South Korea and Taiwan. Six East Asian countries reported data to the UN—Cambodia, Indonesia, Japan, Malaysia, the Philippines and South Korea. In *South Asia* two countries—India and Pakistan—reported to SIPRI and one country—Nepal—to the UN. In *Oceania* Fiji and New Zealand reported to SIPRI and Australia and New Zealand reported to the UN.

<sup>5</sup> Sköns and Nazet (note 4), pp. 375–80.

<sup>6</sup> A study of the availability and quality of military expenditure data in 6 African countries is presented in Omitoogun, W., *Military Expenditure Data in Africa: A Survey of Cameroon, Ethiopia, Ghana, Kenya, Nigeria and Uganda*, SIPRI Research Report no. 17 (Oxford University Press: Oxford, 2003).

**Table 8C.2.** Number of countries reporting their military expenditure to the United Nation, 1981–2004<sup>a</sup>

Figures are numbers of countries.

	1981–98	1999	2000	2001	2002	2003	2004
Standardized reports (incl. nil reports)	≤36	35	32	61	82	66	65
Simplified reports	0	0	0	0	0	10	14
<b>Total reports (incl. nil reports)</b>	<b>≤36</b>	<b>35</b>	<b>32</b>	<b>61</b>	<b>82</b>	<b>76</b>	<b>79</b>

<sup>a</sup> The data for 1999–2003 include late submissions of data to the UN and are therefore slightly higher than those presented in previous editions of the SIPRI Yearbooks. The data for 2004 include a first batch of late submissions but, should more countries report after 31 Dec. 2004, the figures for 2004 may be revised slightly upwards.

*Sources:* United Nations, Department of Disarmament Affairs, Report of the Secretary-General on objective information on military matters, including transparency of military expenditures, various years, and other data available at URL <<http://disarmament2.un.org/cab/milex.html>>; **Data for the simplified reports:** United Nations, ‘Objective information on military matters, including transparency of military expenditures’, Report of the UN Secretary-General, UN document A/58/202, 1 Aug. 2003, URL <<http://www.un.org/ga/58/documentation/list2.html>>; and United Nations, ‘Objective information on military matters, including transparency of military expenditures’, Report of the UN Secretary-General, UN documents A/59/192, 30 July 2004, and A/59/192/Add.1, 21 Dec. 2004, URL <<http://www.un.org/ga/59/documentation/list1.html>>.

Most, although not all, governments in Europe submitted data. In *Western Europe* 17 out of 21 countries reported to SIPRI and 15 reported to the UN. In *Central and Eastern Europe* all 15 countries in the SIPRI database reported to SIPRI and 15 out of the 16 UN member states to the UN. Of the seven European member states of the Commonwealth of Independent States, two reported to SIPRI—Belarus and Georgia—and five to the UN—Belarus, Georgia, Moldova, Russia and Ukraine.

In the *Middle East* the response rate is still very low. Three countries—Israel, Jordan and Lebanon—reported to both SIPRI and the UN. However, several Middle Eastern governments have begun to provide defence budget data on their government websites.

### III. Trends in reporting of military expenditure to the United Nations, 1999–2004

The response rates to the UN request for information was very low during the first two decades of the existence on the UN Reporting Instrument. During the period 1981–98 the annual number of country reports was 36 or lower (see table 8C.2). The number began to increase in 2001, but respondents still represented a minority of UN member states. In order to improve the reporting rates, the UN Department of Disarmament Affairs has since 2001 been engaged in efforts to encourage and facilitate reporting by member states. In particular, it has facilitated the holding of regional and sub-regional workshops to increase familiarity with the reporting instrument and to raise awareness regarding the transparency building process. In

May 2004, the fourth such workshop<sup>7</sup> was held in Nairobi, Kenya, with representatives from all countries adhering to the Nairobi Declaration, from some development assistance donor countries, from the regional offices of the UN Development Programme (UNDP) and the DDA Centre for Peace and Disarmament in Africa.<sup>8</sup> One particular objective of this workshop was to motivate the countries of the Great Lakes region and the Horn of Africa to participate in the UN military expenditure reporting system.

Another method of improving the response rate was the introduction of a simplified form for reporting. The standardized reporting instrument has the format of a complex matrix for reporting data in great detail. Based on the belief that this was an obstacle for many countries, in 2003 the DDA introduced an alternative, simplified reporting form with only a few cells for data entry.<sup>9</sup>

Judging from the trend in table 8C.2, it appears that, despite the DDA's efforts to enhance participation in the UN Standardized Instrument for Reporting Military Expenditures, there has been no significant increase in participation in recent years. The number of countries reporting to the UN was lower in 2004 (79 countries) than in 2002 (82 countries; see table 8C.2). The intended result of the introduction of the simplified reporting form seems not to have been achieved by the end of 2004. An examination of countries that have used the simplified form shows that those that had previously reported have moved from using the complex matrix to the simplified form. Thus, in order to provide increased motivation for countries to report their military expenditure to the UN, it appears that additional initiatives will be required by UN member states to support the DDA in its efforts to enhance participation.

<sup>7</sup> Previous workshops were held in Accra, Ghana (May 2002), Windhoek, Namibia (June 2002), and Lima, Peru (Nov. 2002).

<sup>8</sup> UN Information Centre in Nairobi, 'Disarmament workshop calls for international co-operation', *UN Gazeti*, no. 84 (12 May 2004), URL <[http://www.uniconairobi.org/display.asp?section\\_id=30&storynr=85](http://www.uniconairobi.org/display.asp?section_id=30&storynr=85)>; and United Nations, 'Disarmament workshops address issues of transparency, small arms in "Nairobi Declaration" countries', Press release no. AFR/941:DC/2924, 21 May 2004, URL <<http://disarmament2.un.org/press.htm>>. The Nairobi Declaration on the Problem of the Proliferation of Illicit Small Arms and Light Weapons in the Great Lakes Region and the Horn of Africa was signed in Nairobi on 15 Mar. 2000. The adhering countries are: Burundi, the Democratic Republic of the Congo, Djibouti, Eritrea, Ethiopia, Kenya, Rwanda, Sudan, Uganda and Tanzania.

<sup>9</sup> This simplified reporting form is reproduced in Sköns and Nazet (note 4).

