

CHAPTER 2: ARMS EXPORTS AND IMPORTS – ASSESSING 2018 ANNUAL REPORTS

2.1 – ANNUAL REPORTS ANALYSIS

Transparency in arms transfers is a central component of the Arms Trade Treaty (ATT) and fundamental to achieving its goals and objectives. In order to achieve that aim, Article 13 includes obligations for all States Parties to submit an annual report on their arms exports and imports. Transparency is not just an end in itself. Timely, comprehensive and accurate reporting also facilitates confidence building, responsibility and cooperation by allowing States Parties and civil society to be certain that Treaty commitments have been respected. Information contained in States Parties' annual reports can also help to inform licensing decisions and may be used to identify diversion.¹

Analysis of 2018 annual reports presented in this chapter shows that, despite a slight increase in the overall reporting rate, progress on effective reporting is slow in terms of both the quality and quantity of reports submitted. Of particular concern is the degree to which information has been withheld by States Parties, including a marked increase in reports kept confidential on the ATT Secretariat website. While a group of States Parties has displayed commitments to comprehensive, public reporting, the lack of effective reporting by many that is described in this chapter is a matter of concern as reporting has a vital role to play in the implementation of the Treaty.

QUANTITY OF REPORTS

The rate of reporting improved slightly with 2018 annual reports compared to the previous year,² marking a slight departure from the downward trend in reporting compliance observed in the previous four years. However, the number of reports submitted that were made publicly available decreased significantly with 2018 reports, continuing a steady decline in public reporting.

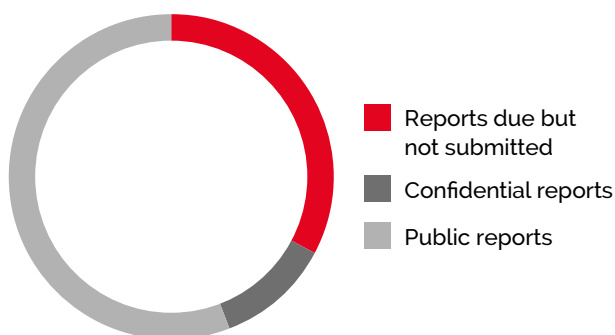
REPORTING COMPLIANCE RATES

Ninety-two States Parties had a legal obligation to submit by 31 May 2019 a report on their arms imports and exports during 2018.³ By the ATT Monitor's cut-off date for analysis,⁴ 62 States Parties had submitted reports, of which 52 were made publicly available.⁵

One State Party (Chile) submitted a report even though it was not yet obliged to do so, as its first annual report was not due until 2020. In the analysis below, States Parties that submitted reports but were not yet obliged to do so were not included in the determination of compliance rates in order to reflect accurate numbers and percentages only of states that met their reporting obligations.

Of the 92 States Parties due to submit 2018 annual reports, only 61 (66 per cent) submitted a report, and only 51 (55 per cent) made their reports publicly available (see Figure 2.1).

Figure 2.1 Confidential and publicly available annual reports as a percentage of total reports due



1 See Control Arms Secretariat (2017). 'ATT Monitor 2017'. 11 September 2017. <https://attmonitor.org/en/the-2017-report/>. Chapter 1; Control Arms Secretariat (2019). 'ATT Monitor 2019'. 26 August 2019. <https://attmonitor.org/en/the-2019-report/>. Chapter 2.

2 Burkina Faso, Jamaica, Monaco and Samoa submitted 2017 annual reports after the cut-off date for analysis in the 2019 ATT Monitor Annual Report. Reporting rates in this year's edition include these reports and, therefore, will be different than last year's edition of the ATT Monitor. Readers should note that the analysis presented in this edition of the ATT Monitor is not directly comparable to the previous edition due to late reporting by some States Parties, and analysis may not be comparable to previous editions of the ATT Monitor as methodology has evolved.

3 States Parties are granted a seven-day grace period by the ATT Secretariat to submit their reports, creating a de facto deadline of 7 June each year.

4 The ATT Monitor establishes 1 February 2020 as the cut-off date for annual reports to be included in analysis to ensure adequate time for in-depth analysis.

5 The 52 publicly available reports were submitted by: Albania, Argentina, Australia, Austria, Belgium, Benin, Bosnia and Herzegovina, Bulgaria, Chile, Costa Rica, the Czech Republic, Denmark, the Dominican Republic, Estonia, Finland, France, Germany, Hungary, Ireland, Italy, Jamaica, Japan, Latvia, Liechtenstein, Luxembourg, Mexico, Monaco, Montenegro, the Netherlands, New Zealand, Norway, Panama, Paraguay, Peru, Poland, Portugal, the Republic of Korea, the Republic of Moldova, the Republic of North Macedonia, Romania, Samoa, Serbia, Sierra Leone, Slovakia, Slovenia, South Africa, Spain, Sweden, Switzerland, Tuvalu, the United Kingdom and Uruguay.

The 66 per cent compliance rate for 2018 annual reporting marks a slight increase from the previous year's rate of 65 per cent. However, it is significantly below the level seen in the first round of ATT reporting (80 per cent), which was the highest compliance rate of any reporting year. Similarly, the rate of public reporting has dropped to only 55 per cent of States Parties obliged to submit a report, compared to 79 per cent in the first year of reporting.

The reporting rates over time, including rates of public reporting, are summarized in Tables 2.1 and 2.2.



FROM 2015 TO 2018, THE SHARE OF ANNUAL REPORTS THAT ARE KEPT CONFIDENTIAL INCREASED FROM 2 PER CENT TO 11 PER CENT, WITH THE LARGEST INCREASE OCCURRING BETWEEN 2017 TO 2018 REPORTS.

Table 2.1 Annual reports by number of due reports submitted

Annual report	2018	2017	2016	2015
Total reports due from States Parties	92	89	75	61
Submitted and made public	51	54	50	48
Submitted and confidential	10	4	3	1
Total submitted	61	58	53	49
States Parties that did not submit a report	31	31	22	12

Table 2.2 Annual reports by percentage of total due to submit

Annual report	2018	2017	2016	2015
Submitted reports per cent of total due	66%	65%	71%	80%
Public reports per cent of total due	55%	61%	67%	79%
Confidential reports per cent of total due	11%	4%	4%	2%
Reports not submitted per cent of total due	34%	35%	29%	20%

Thirty-one States Parties with an obligation to do so did not submit a 2018 annual report.⁶

Twenty-seven States Parties submitted neither a 2017 nor a 2018 annual report.⁷ The majority of these are from two regions – Africa and the Americas (specifically the sub-regions of Western Africa and the Caribbean). Table 2.3 provides a breakdown of these States Parties by region.

Three new States Parties (Benin, Chile and the Republic of Korea) submitted a report for the first time, and two (Paraguay and Uruguay) submitted 2018 annual reports after having not submitted for 2017.

Four States Parties did not submit 2018 annual reports though they had done so in the previous year.⁸

PUBLICLY AVAILABLE AND CONFIDENTIAL REPORTING

The increased number of States Parties that submit reports to the ATT Secretariat but request that these are kept confidential is a worrying trend. Despite widespread support for public reporting by 81 per cent of States Parties and Signatories to the ATT when it entered into force in 2014,⁹ the rate has consistently declined each year. From 2015 to 2018, the share of annual reports that are kept confidential increased from 2 per cent to 11 per cent, with the largest increase occurring between 2017 to 2018 reports. Between these two reporting years, the number kept confidential more than doubled, and thus the percentage of confidential reports increased dramatically compared to that in previous years.

The ATT Monitor has identified two trends that have contributed to this decrease in public reporting:

- A year-on-year increase in the number of States Parties obliged to submit reports has not been matched by a comparable increase in the number of annual reports submitted to the ATT Secretariat.¹⁰ In general, States Parties that acceded to the Treaty after 2015 have a much lower rate of reporting compared to those that were States Parties when it came into force.¹¹

Table 2.3 – States Parties that did not submit 2017 and 2018 annual reports by region

Region	States Parties that did not submit 2017 and 2018 reports	Percentage of total
Africa	13	48%
Americas	12	45%
Asia	0	0%
Europe	2	7%
Oceania	0	0%

- There has been an increase in the number of annual reports that were submitted to the ATT Secretariat with a request that the report be kept confidential. Only one State Party (2 per cent of all submitted reports) submitted a confidential 2015 annual report, a number that increased to ten for 2018 annual reports (16 per cent of all reports submitted).¹²

Of the ten States Parties that submitted confidential 2018 annual reports:

- Two did not submit 2017 annual reports (Nigeria and Liberia)
- Three submitted confidential 2017 annual reports (Cyprus, Greece and Madagascar)
- Four submitted publicly available 2017 annual reports (Georgia, Lithuania, Mauritius and Senegal)
- One had not been required to report in the previous year, and its first report was kept confidential (Honduras)

Only one State Party (Argentina) improved its level of transparency by making its 2018 annual report publicly available after it had previously submitted a confidential report.

6 The 31 States Parties that did not submit a 2018 annual report are: Antigua and Barbuda, Bahamas, Barbados, Belize, Burkina Faso, Cabo Verde, the Central African Republic, Chad, Côte D'Ivoire, Croatia, Dominica, El Salvador, Ghana, Grenada, Guatemala, Guinea, Guyana, Iceland, Lesotho, Mali, Malta, Mauritania, Niger, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, San Marino, Seychelles, Togo, Trinidad and Tobago and Zambia.

7 The 27 States Parties that did not submit a 2017 or 2018 annual report are: Antigua and Barbuda, Bahamas, Barbados, Belize, Cabo Verde, the Central African Republic, Chad, Côte D'Ivoire, Dominica, Ghana, Grenada, Guatemala, Guinea, Guyana, Iceland, Lesotho, Mali, Mauritania, Niger, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, San Marino, Seychelles, Togo, Trinidad and Tobago and Zambia.

8 The four States Parties that did not submit a 2018 report despite doing so the previous year are: Burkina Faso, Croatia, El Salvador and Malta.

9 Of the 130 ATT States Parties or Signatories at this time, 105 had explicitly called for public reporting. See Karim A. and Marsh, N. (2015). 'State positions and practices concerning reporting and the Arms Trade Treaty'. Control Arms. <https://controlarms.org/wp-content/uploads/2018/03/States-Practices-PT1.pdf>, p. 1.

10 For more information, see Control Arms Secretariat (2019). 'ATT Monitor 2019'. 26 August 2019. <https://attmonitor.org/en/the-2019-report/>, Chapter 2.

11 Control Arms Secretariat (2019). 'ATT Monitor 2019'. 26 August 2019. <https://attmonitor.org/en/the-2019-report/>, p. 38.

12 The ten States Parties that submitted confidential 2018 annual reports are: Cyprus, Georgia, Greece, Honduras, Liberia, Lithuania, Madagascar, Mauritius, Nigeria and Senegal.

LATE REPORTS

ATT States Parties have a legal obligation to submit annual reports detailing their arms imports and exports for the preceding calendar year by 31 May. For 2018 transfers, only 45 reports (49 per cent of submitted reports) were submitted within a week of this deadline.¹³ Seventeen states submitted their report late.¹⁴ Four states that submitted late reports in the previous year improved and submitted 2018 reports on time.¹⁵

ATT REPORTING TEMPLATES

For the first time, States Parties could submit their 2018 annual reports using the ATT Secretariat's online reporting tool. Of the 52 States Parties that made their reports publicly available on the ATT Secretariat website, 11 used the ATT online reporting tool (21 per cent). This number includes Sweden, which submitted reports using both the ATT template and the online tool. The remaining States Parties submitted using the ATT reporting template, with the exception of France and the United Kingdom, who submitted using their UN Register of Conventional Arms (UNROCA) reports.

QUALITY OF REPORTS

To provide the minimum necessary information needed in order to meaningfully assess a State Party's arms transfers, a publicly available report must, for each transfer:

- Specify weapon type
- Provide the number of units or financial value (or both) for each weapon type
- Clearly name the final exporting/importing country¹⁶

Among the 92 States Parties that had an obligation to submit a 2018 annual report, 36 (39 per cent) submitted a publicly available report that contained the minimum necessary information needed to assess their exports and imports.¹⁷ Among the 56 (61 per cent) that did not meet that threshold, 15 (16 per cent) submitted a report that did not include the minimum necessary information,¹⁸ and 41 (45 per cent) either did not submit a report or submitted one that was kept confidential.

The remainder of this analysis focuses on two other means by which reports fall short of the minimum necessary threshold: some States Parties make it difficult or impossible to meaningfully assess arms transfers by not providing information on imports and by aggregating data.¹⁹

IMPORTS

The Treaty obliges States Parties to report each year on their authorized or actual imports and exports.²⁰ Providing information on both imports and exports is crucial for States Parties to demonstrate commitment to transparency and consistency between arms-trade policies and ATT obligations. For example, control and monitoring of imports is a key part of a State Party's arms-transfer control system, and reporting on imports can be a vital component of efforts to identify diversion and other weaknesses in national control systems. Furthermore, reporting on imports helps to build confidence that all States Parties are meeting their Treaty commitments and helps promote accountability.

In 2018 annual reports, several States Parties reported no or very little information on their imports, or submitted 'nil' import reports.²¹ However, analysis of exports reported by other States Parties suggests that some states did import arms but, for one reason or another, did not submit import data in their reports.

13 States Parties that submitted their reports within one week of the 31 May deadline are: Albania, Argentina, Australia, Belgium, Benin, Bosnia and Herzegovina, Bulgaria, the Czech Republic, the Dominican Republic, Finland, Germany, Honduras, Ireland, Italy, Japan, Latvia, Liberia, Liechtenstein, Lithuania, Madagascar, Mauritius, Monaco, Montenegro, the Netherlands, New Zealand, Norway, Panama, Peru, Poland, Portugal, the Republic of Korea, the Republic of Moldova, the Republic of North Macedonia, Samoa, Senegal, Serbia, Sierra Leone, Slovakia, Slovenia, Spain, Sweden, Switzerland, the United Kingdom and Uruguay. Chile also submitted a report on time even though it was not obliged to do so in 2019.

14 States Parties that submitted their reports late are: Austria, Costa Rica, Cyprus, Denmark, Estonia, France, Georgia, Greece, Hungary, Jamaica, Luxembourg, Mexico, Nigeria, Paraguay, Romania, South Africa and Tuvalu.

15 States Parties that had previously submitted late reports but submitted their 2018 annual reports on time are: Australia, the Dominican Republic, the Netherlands and Poland.

16 This methodology was adopted by the ATT Monitor in its ATT Monitor 2019 Annual Report. See Control Arms Secretariat (2019). 'ATT Monitor 2019'. 26 August 2019. <https://attmonitor.org/en/the-2019-report/>, p. 39.

17 The States Parties that submitted a publicly available report containing the minimum necessary information needed to assess their exports and imports are: Albania, Argentina, Benin, Bosnia and Herzegovina, Bulgaria, Costa Rica, the Czech Republic, the Dominican Republic, France, Germany, Hungary, Japan, Latvia, Liechtenstein, Luxembourg, Mexico, Montenegro, Netherlands, New Zealand, Norway, Panama, Peru, Poland, Portugal, the Republic of Korea, Romania, Samoa, Serbia, Sierra Leone, Slovakia, Slovenia, South Africa, Spain, Switzerland, Tuvalu and Uruguay.

18 The States Parties that submitted publicly available reports that did not meet the minimum necessary threshold are: Australia, Austria, Belgium, Denmark, Estonia, Finland, Ireland, Italy, Jamaica, Monaco, Paraguay, the Republic of Moldova, the Republic of North Macedonia, Sweden and the United Kingdom.

19 Previous editions of the ATT Monitor Annual Report provide in-depth analysis on other ways in which States Parties provide information that is not comprehensive or transparent. For example, see Control Arms Secretariat (2019). 'ATT Monitor 2019'. 26 August 2019. <https://attmonitor.org/en/the-2019-report/>, p. 38.

20 See Arms Trade Treaty, Article 13.3 (adopted 2 April 2013, entered into force 24 December 2014), UNTS (ATT) Art 13(3).

21 A 'nil' report is a declaration that a State Party did not import or export any arms during the reporting period.

In some cases, States Parties indicated that sensitive data was withheld from their reports, which may include import data in the case that a State Party did not make it known where exactly and why such data was withheld. For other States Parties, it may be the case that their national control systems lack the control and monitoring systems necessary to be able to report on their imports of all weapons within the scope of the ATT.

The three most prevalent ways in which import data is missing from 2018 annual reports are described below, along with relevant examples of each.

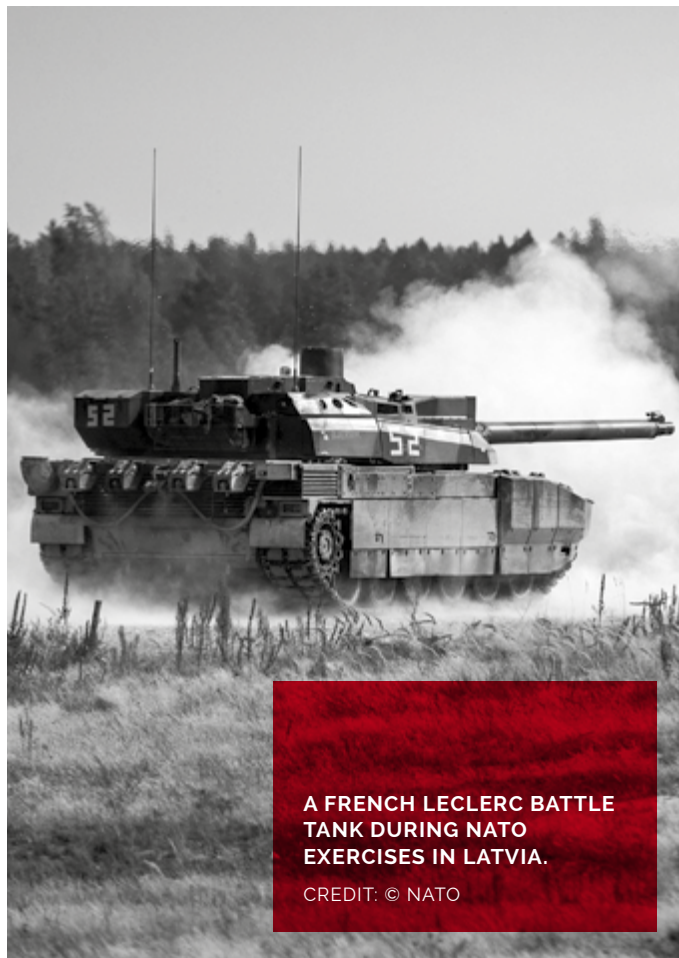
MISSING IMPORT REPORTS

United Kingdom

As in all previous reporting years, the United Kingdom did not provide information on imports of major conventional weapons or SALW, nor did they submit a 'nil' report. However, other States Parties reported exports to the United Kingdom.

Ten States Parties reported actual arms exports to the United Kingdom in 2018,²² including 106 items of major conventional weapons, and 3,032 items of small arms. Examples of these reported transfers are presented in Tables 2.3 and 2.4.

The United Kingdom provided a possible explanation for its missing imports data in its initial report, which states that it does "not maintain comprehensive records of arms imports." If this remains accurate, then the United Kingdom has not been able to develop the administrative capacity needed to fulfil its Article 13 reporting obligations, seven years since the negotiation of the ATT.



A FRENCH LECLERC BATTLE TANK DURING NATO EXERCISES IN LATVIA.

CREDIT: © NATO

Table 2.3 Examples of reported actual exports of major conventional weapons not reported as imports by the United Kingdom

Exporter	Importer	Type	Number of units
Czech Republic	United Kingdom	Battle tanks	1
Czech Republic	United Kingdom	Armoured combat vehicles	1
France	United Kingdom	Large-calibre artillery systems	104

Table 2.4 Examples of reported actual exports of SALW not reported as imports by the United Kingdom

Exporter	Importer	Type	Number of units
France	United Kingdom	Revolvers and self-loading pistols	1,603
Austria	United Kingdom	Small arms (aggregated)	670
Norway	United Kingdom	Rifles and carbines	622
Netherlands	United Kingdom	Sub-machine guns	30
Netherlands	United Kingdom	Light machine guns	37

²² Actual exports to the United Kingdom were reported by: Austria, the Czech Republic, Finland, France, the Netherlands, Norway, Romania, Slovakia, South Africa and Sweden.

Austria

As in all previous reporting years, Austria also did not provide information on imports of major conventional weapons or SALW, nor did they submit a 'nil' report. However, other States Parties reported exports to Austria.

Ten States Parties reported actual arms exports to Austria in 2018,²³ including 15 items of major conventional weapons, and 5,683 items of small arms. Sweden also reported small arms to Austria under voluntary national categories. Examples of these reported transfers are presented in Tables 2.5 and 2.6.

Austria stated in its initial report that its national control system allowed for the provision of information needed to fulfil its Article 13 reporting obligations but it has not provided an explanation as to why it does not submit information detailing imports.

Table 2.5 Examples of reported actual exports of major conventional weapons not reported as imports by Austria

Exporter	Importer	Type	Number of units
Czech Republic	Austria	Armoured combat vehicles	1
Sweden	Austria	Armoured combat vehicles	14

Table 2.6 Examples of reported actual exports of SALW not reported as imports by Austria

Exporter	Importer	Type	Number of units
Montenegro	Austria	Revolvers and self-loading pistols	3,000
Serbia	Austria	Rifles and carbines	892
Czech Republic	Austria	Sub-machine guns	705
Czech Republic	Austria	Assault rifles	90
Slovenia	Austria	Revolvers and self-loading pistols	399



A BRAZILIAN GRIPEN E FIGHTER AIRCRAFT DURING A FLIGHT TEST.

CREDIT: © SAAB AB / LINUS SVENSSON

²³ Actual exports to Austria were reported by: Bulgaria, the Czech Republic, Liechtenstein, Montenegro, the Netherlands, Romania, Serbia, Slovakia, Slovenia and Sweden.

LACKING IMPORT DATA

Finland

In its 2018 annual report, Finland reported the actual import of two major conventional weapons items and no SALW items. However, a number of States Parties reported actual exports of both to Finland, including 28 major conventional weapons items and 313 SALW items. Examples of these reported transfers are provided in Tables 2.7 and 2.8.

Sweden also reported an export of SEK880,096 (US\$101,242)²⁴ worth of small arms to Finland under voluntary national categories.

In its initial report, Finland stated that its national control system allowed for the provision of information needed to fulfil its Article 13 reporting obligations. However, elsewhere in its report, Finland stated that individual police departments granted or revoked permits to import small arms. It is possible that information on imports of these weapons provided in its annual report does not include information collected from individual police departments, and Finland may not have the capacity to aggregate such local level data. Finland also stated in its annual report that sensitive data had been withheld in accordance with Article 13.3 of the Treaty, so it is possible that the above transfers could have been excluded for that reason.

Table 2.7 Examples of reported actual exports of major conventional weapons not reported as imports by Finland

Exporter	Importer	Type	Number of units
Austria	Finland	Armoured combat vehicles	6
Germany	Finland	Battle tanks	20
Norway	Finland	Missiles and missile launchers (air defence systems)	2

Table 2.8 Examples of reported actual exports of SALW not reported as imports by Finland

Exporter	Importer	Type	Number of units
Czech Republic	Finland	Sub-machine guns	100
Netherlands	Finland	Light machine guns	4
Netherlands	Finland	Light machine guns	22
Netherlands	Finland	Light machine guns	2
Netherlands	Finland	Light machine guns	20



²⁴ Currency conversion via OECD Data, reflecting 2018 annual conversion rate. <https://data.oecd.org/conversion/exchange-rates.htm>.

Norway

In its 2018 annual report, Norway reported the actual import of 291 small arms items. However, States Parties reported actual exports of 13,987 small arms items to Norway. Examples of these reported transfers are provided in Table 2.9.

Sweden also reported exports of small arms worth SEK569,681 (US\$65,533)²⁵ to Norway under voluntary national categories, even though Norway did not report any imports of small arms from Sweden.

Comments provided by States Parties in their annual reports detailing the context of these transfers may provide a possible explanation for the discrepancies in information. Norway explained that all the small arms imports it reported were for police procurement. Alternatively, Finland and Japan described their exports as being for sporting purposes, which means they were likely purchased by civilians for recreation. In this case, Norway may not have included weapons transferred for this purpose in its annual report. It is important to note, however, that the ATT does not provide for an exemption for any type of small arm and so all States Parties should report on transfers of arms imported for civilian end-users.

Norway also indicated in its annual report that sensitive commercial or national security data had been withheld in accordance with Article 13.3 of the Treaty, so these transfers may have been withheld for either of these reasons. However, it seems unlikely that such sensitivities would concern imports of sporting guns. In its initial report, Norway stated that its national control system allowed for the provision of information required by the Treaty.

Table 2.9 Examples of reported actual exports of SALW not reported as imports by Norway

Exporter	Importer	Type	Number of units
Finland	Norway	Rifles and carbines	12,636
Japan	Norway	Small Arms and Light Weapons (aggregated)	215
Japan	Norway	Small Arms and Light Weapons (aggregated)	1,097

Spain

Spain did not report any imports of major weapons, or of small arms in 2018. However, a number of States Parties reported actual exports of both to Spain, including 14 major conventional weapons items and 10 SALW items. Examples of these reported transfers are provided in Tables 2.10 and 2.11.

As Spain did not indicate that it had withheld sensitive data, one explanation for the discrepancy concerning the missile systems could be found in comments by Slovenia, which stated that the missile systems were "Used in testing purposes." This could mean that the systems were temporarily exported to Spain and returned once the tests were over. In their reports, both countries define an export and import as the physical transfer of items across a national border, transfer of title and transfer of control. However, it is possible that, in practice, Spain and Slovenia used different definitions of a transfer.

Table 2.10 Examples of reported actual exports of major conventional weapons not reported as imports by Spain

Exporter	Importer	Type	Number of units
Austria	Spain	Armoured combat vehicles	14
Slovenia	Spain	Missiles and missile launchers (missiles)	10

Table 2.11 Examples of reported actual exports of SALW not reported as imports by Spain

Exporter	Importer	Type	Number of units
Czech Republic	Spain	Heavy machine gun	1
Finland	Spain	Rifles and carbines	9

²⁵ Ibid.

Sweden

In its 2018 annual report, Sweden's only reported imports were a classified quantity of Meteor missiles from the United Kingdom. However, a number of States Parties reported actual exports of major conventional weapons and SALW to Sweden, including four major conventional weapons items and 309 SALW items. Examples of these reported transfers are provided in Tables 2.12 and 2.13.

Sweden has indicated that some sensitive data had been withheld from its report in accordance with the Treaty. It is possible that data on the transfers in Tables 2.12 and 2.13 had been withheld.



PROVIDING INFORMATION ON BOTH IMPORTS AND EXPORTS IS CRUCIAL FOR STATES PARTIES TO DEMONSTRATE COMMITMENT TO TRANSPARENCY AND CONSISTENCY BETWEEN ARMS-TRADE POLICIES AND ATT OBLIGATIONS.

Table 2.12 Examples of reported actual exports of major conventional weapons not reported as imports by Sweden

Exporter	Importer	Type	Number of units
Finland	Sweden	Armoured combat vehicles	3
Poland	Sweden	Large-calibre artillery systems	1

Table 2.13 Examples of reported actual exports of SALW not reported as imports by Sweden

Exporter	Importer	Type	Number of units
Poland	Sweden	Portable anti-tank missile launchers and rocket systems	1
Norway	Sweden	Rifles and carbines	256
Serbia	Sweden	Light machine guns	9



US MARINES DURING NATO EXERCISES IN ESTONIA.

CREDIT: © NATO

REPORTS OF 'NIL' IMPORTS

States Parties can submit a 'nil' report if they did not import or export any arms in the previous year. The Dominican Republic submitted a 'nil' import report, but the Czech Republic reported that it had exported 80 revolvers or pistols and ten sub-machine guns to the Dominican Republic in the same year. A 'nil' import report was submitted by Uruguay, though it reported imports of sniper rifles from Austria.²⁶ Additionally, Argentina reported the export of 300 revolvers or pistols to Uruguay, and Finland reported the export of 400 rifles or carbines – none of which were reported as imports by Uruguay.

When both the Dominican Republic and Uruguay submitted a 'nil' report for both imports and exports, they also stated that they had withheld some commercially sensitive or national security-related data in accordance with the Treaty. It is therefore possible that the above transfers of small arms were excluded from their annual report. In their initial reports, both stated that their national control systems allowed for the provision of information required by the Treaty.

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...[C]ONTROL AND MONITORING OF IMPORTS IS A KEY PART OF A STATE PARTY'S ARMS-TRANSFER CONTROL SYSTEM, AND REPORTING ON IMPORTS CAN BE A VITAL COMPONENT OF EFFORTS TO IDENTIFY DIVERSION AND OTHER WEAKNESSES IN NATIONAL CONTROL SYSTEMS.

LIKELY ADDITIONAL IMPORTS

The above examples very likely underestimate the true quantity of each State Party's imports. Exports from non-members and Signatories of the ATT – including the United States, China and Russia, three of the world's largest arms exporters – have not been included in the above analysis. In addition, the examples only highlight actual exports, and data on export authorizations was not included in the above analysis as it is possible that the transfer did not take place during 2018.

In terms of export authorizations, the ATT Monitor found other examples where authorized exports reported by one State Party were not reported as imports by other States Parties. This is the case, for example, with Belgium reporting the authorized export of approximately €8.4 million (US\$9.9 million)²⁷ of small arms to the United Kingdom, reported under the EU Common Military List's criteria ML1.²⁸ Further examples are given in Table 2.14.

Table 2.14 Examples of reported exports not reported by importing States Parties

Exporter	Importer	Type	Number of units
Albania	Austria	Rifles and carbines	53,100
Austria	Norway	Small arms and light weapons (aggregated)	60,872
Germany	Sweden	Sub-machine guns	606
Germany	Finland	Assault rifles	90
Portugal	Spain	Rifles and carbines	2,378

26 For discussion on why this may have occurred see the Control Arms Secretariat (2017). 'ATT Monitor 2017'. 11 September 2017. <https://attmonitor.org/en/the-2017-report/>, pp. 35-36.

27 Currency conversion via OECD Data, reflecting 2018 annual conversion rate. <https://data.oecd.org/conversion/exchange-rates.htm>.

28 Criterion ML1 includes smooth-bore weapons with a calibre of less than 20mm, other arms and automatic weapons with a calibre of 12.7mm (calibre 0.50 inches) or less, and accessories and specially designed components.

EXCESSIVE AGGREGATION

As mentioned above, reporting must be accurate and comprehensive in order for States Parties to fulfil the aims and objectives of the ATT. Excessively aggregated data in annual reports makes it difficult or impossible to determine if a State Party is abiding by its Treaty obligations.

In 2018 annual reports, some States Parties continued to provide excessively aggregated data, which means information was aggregated to the extent that it was either difficult or impossible to discern the quantity or type of weapons that were transferred to or from a particular state.²⁹

Overall, 14 States Parties used excessive aggregation in their 2018 annual reports.³⁰ In comparison to the previous year, four improved the quality of their reports and stopped using excessive aggregation (Bosnia and Herzegovina, Montenegro, Norway and Panama),³¹ and two started using excessive aggregation (Finland and the Republic of North Macedonia). Unfortunately, three States that had previously used excessive aggregation in their 2017 annual reports either submitted a confidential report (Mauritius) or did not submit a report at all (Croatia and Malta) for 2018.

With the exception of Italy and the Republic of Moldova, excessive aggregation exclusively concerned imports and exports of small arms and light weapons. This is likely to be for two reasons:

- Many States Parties transfer little or no major conventional weapons in a particular year, so they do not have the opportunity to aggregate (whereas almost all import or export small arms).
- Some types of small arms are acquired by civilians (such as pistols or rifles).

In general, major conventional weapons are acquired by national armed forces, exported by them or exported by a small number of arms companies. The existence of a civilian market in small arms complicates monitoring and data collection by governments as there is usually a much wider range of parties involved in transfers of small arms (for example, purchases

by law-enforcement agencies, dealers or private individuals) compared with transfers of major conventional weapons. Aggregation may reflect challenges faced by national authorities in monitoring arms flowing into and out of their borders, even when States Parties also state in their initial reports that their national control systems allow for the provision of information as required by the Treaty (as with Finland and Denmark below).

Finland's 2018 annual report is of note because, despite including excessive aggregation, it is arguably more transparent than the reports it submitted in previous years (which contained little information on light weapons imports). The report includes information on imports of 21,135 items of 'light weapons aggregated' and some information on the states exporting them to Finland. If, as is likely the case with small arms (see below), Finland had previously not reported on its imports of such weapons, then the provision of some data, albeit in an aggregated format, is a step forward.

Denmark's 2018 annual report included excessive aggregation in the sections concerning its imports and exports of small arms and light weapons. For almost all these categories, Denmark just stated the total quantity of arms exported and imported without stating to whom or from where they had been transferred. In addition, it also reported the import of 6,495 small arms, describing them as 'other' and not stating where they had come from.

Italy's 2018 annual report also provides examples of excessive aggregation. Italy reported the total export of 123 battle tanks, 493 armoured combat vehicles and 29 large-calibre artillery systems, among other major conventional weapons, without providing any information on where those weapons were exported. As noted above, the minimum information required to meaningfully assess a report includes the destination of arms exports.

Austria's 2018 annual report included information on the quantity and financial value of exports to each recipient country, but all small arms and light weapons were combined – making it impossible to know whether an export concerned, for example, revolvers and self-loading pistols, sub-machine guns or portable anti-tank guns.

²⁹ For more information on the methodology used by the ATT Monitor in determining which States Parties used excessive aggregation, see Control Arms Secretariat (2019). 'ATT Monitor Report 2019'. 26 August 2019. <https://attmonitor.org/en/the-2019-report/>, p. 103.

³⁰ The 14 States Parties that used excessive aggregation in some or all of their reports are: Australia, Austria, Belgium, Denmark, Estonia, Finland, Ireland, Italy, Jamaica, Monaco, Paraguay, the Republic of Moldova, the Republic of North Macedonia and Sweden.

³¹ While Panama used less aggregation in its 2018 annual report, the data it reported was still aggregated to such an extent that it could not be determined the number of weapons imported from which country.

Withheld information

In addition to the ten States Parties that submitted confidential reports (see above), 13 others in their public reports indicated, via ticking the relevant box in the ATT reporting template, that some commercially sensitive or national security-related information had been withheld in accordance with Article 13.3 of the Treaty.³² Those 13 reports represent 25 per cent of all the publicly available 2018 reports, a marked increase over the four reports (7 per cent) that indicated in the previous year that data had been withheld (all four by States Parties that did so again in 2018 annual reports).³³ In addition, in their 2018 reports a further seven States Parties did not indicate whether or not information had been withheld, either because they left blank the relevant part of the template,³⁴ or because they did not use the template.³⁵ Therefore the actual level of information being withheld could be much higher.

REPORTING GOOD PRACTICE

The reporting template and other formats allow States Parties to provide more than the minimum necessary information on arms exported and imported. In keeping with previous editions of the ATT Monitor, here we highlight four practices that promote a higher level of transparency.

No single report included all these examples of best practice. Generally speaking, however, Slovenia and Montenegro provided particularly transparent reports. Both included three of the four best practices mentioned below, submitted reports on time, and provided detailed and comprehensive information.

Comments and descriptions

Descriptions of the types of arms transferred can provide important information on what is being transferred. For example, instead of only using the basic template category of 'Large-Calibre artillery system', Bosnia and Herzegovina reported the models it had exported, which included a 120mm Mortar.

Thirty-one states similarly included descriptions of all or many of their arms exports and imports.³⁶

Including a description of the context of each transfer can help explain its circumstances and allay concerns. For example, the United Kingdom explained that exports to Canada of a battle tank and a mortar and anti-aircraft gun, were respectively for a historical vehicle collection and the film and TV industry. Nineteen reports included additional descriptions of the context of all or many of their transfers.³⁷

Additional weapons types

Reports that include data on all types of arms included in the Treaty deserve praise. In particular, the templates do not include a specific row for shotguns despite that type of small arm being covered by the Treaty. Fifteen states used the template to report on transfers of shotguns.³⁸

Clarifying blank spaces in reporting templates

Many reports are submitted with blank spaces in the template. This is likely because the State Party in question did not export or import a specific category of arms. However, as outlined in last year's ATT Monitor, a blank space is ambiguous, and it is often unclear whether no transfers were made or data has been withheld. Some countries have definitively stated that no arms of specific categories had been exported or imported. For example, Estonia wrote '0' while Montenegro used a dash. Overall, ten States Parties used those or similar methods.³⁹ In addition, the Republic of Korea deleted rows in its report, which presumably did not contain any data.

³² States Parties that indicated that some commercially sensitive or national security-related information had been withheld are: Argentina, Australia, Bulgaria, the Dominican Republic, Finland, Ireland, Italy, Mexico, Norway, the Republic of Korea, South Africa, Sweden and Uruguay.

³³ The States Parties that ticked the box in their 2018 and 2017 reports are: Norway, South Africa, Sweden and Uruguay.

³⁴ States Parties that left the relevant part of the template blank are: Monaco, Poland, Samoa and Spain.

³⁵ States Parties that did not use the reporting template are: Austria, France and the United Kingdom.

³⁶ States Parties that provided descriptions of many or all of their arms exports and imports are: Albania, Argentina, Belgium, Benin, Bosnia and Herzegovina, Bulgaria, Denmark, Finland, France, Hungary, Ireland, Latvia, Liechtenstein, Luxembourg, Mexico, Montenegro, the Netherlands, Norway, Panama, Paraguay, Peru, Poland, the Republic of Korea, the Republic of Moldova, Romania, Slovakia, Slovenia, Sweden, Switzerland, the United Kingdom and Uruguay.

³⁷ States Parties that provided descriptions of the context around their arms transfers are: Albania, Argentina, Belgium, Bosnia and Herzegovina, Bulgaria, Germany, Hungary, Ireland, Jamaica, Liechtenstein, Mexico, Montenegro, Norway, Panama, Paraguay, Romania, Slovenia, Switzerland and the United Kingdom.

³⁸ States Parties that included data on imports or exports of shotguns were: Albania, Argentina, Belgium, Costa Rica, Hungary, Ireland, Jamaica, Japan, Mexico, Netherlands, New Zealand, Peru, the Republic of Korea, Romania, United Kingdom.

³⁹ States Parties that definitively stated that no arms of specific categories were exported or imported are: Belgium, Estonia, France, Ireland, Italy, Monaco, Montenegro, New Zealand, Slovenia and Sweden.

CONCLUSION

Analysis of 2018 annual reports shows that despite a group of States Parties consistently displaying a commitment to detailed, comprehensive and timely reporting, overall progress on effective reporting continues to be disappointing. Though the reporting rate increased slightly for 2018 annual reports, the rate of confidential reporting is also increasing. This increase is particularly worrisome, as annual reports are one of the key tools for transparency at the disposal of States Parties, as they help build confidence between states, enable States Parties to demonstrate that their arms-trade policies are consistent with ATT obligations and contribute to transparency in the international arms trade. In order for annual reports to fulfil this role, data must be comprehensive and accurate, as well as publicly available.

The Working Group on Transparency and Reporting has worked diligently to support States Parties in identifying barriers to effective reporting and has provided multiple avenues through which they can seek assistance in meeting reporting obligations.

The remainder of this chapter takes an in-depth look at the reporting practices of States Parties in their 2018 annual reports and provides recommendations to all ATT stakeholders to further support States Parties in fulfilling their commitment to transparency in the ATT.

AN M2A2 BRADLEY INFANTRY FIGHTING VEHICLE IN TRANSIT ON THE US VEHICLE CARRIER ENDURANCE IN GERMANY.

CREDIT: © NATO



**HMAS PARRAMATTA DURING
A REFIT IN SYDNEY, AUSTRALIA.**

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