

## CHAPTER 3: ATT REPORTING UPDATES AND INSIGHTS FROM 2021

### 3.1 – PRELIMINARY REVIEW OF 2021 ANNUAL REPORTS

#### INTRODUCTION

States Parties are required under Article 13.3 of the Treaty to submit annual reports to the ATT Secretariat on their authorized or actual arms exports and imports that occurred during the previous calendar year. These annual reports are invaluable tools for enhancing understandings of global weapons flows and building confidence among states involved in the international arms trade.

The ATT requires each State Party to submit a first annual report following the first full calendar year after the Treaty enters into force for it and to continue reporting every year thereafter. Under the terms of the Treaty, annual reports are due to the ATT Secretariat by 31 May each year. The Secretariat grants States Parties a seven-day grace period, creating a de facto deadline of 7 June each year. Of the 110 States Parties required to have submitted at least one annual report since 2015, only 78 – just over two-thirds – have done so. Annual reporting compliance has declined since the first reports were submitted in 2016.

This chapter provides a preliminary analysis of the 2021 annual reports and of the overdue annual reports that were submitted since the publication of last year's ATT Monitor Annual Report as of 7 June 2022.

#### PREVIEW OF 2021 ANNUAL REPORTS

Of the ATT's 111 States Parties, 110 were required to submit an annual report covering the 2021 calendar year. The Philippines – the newest State Party – is not yet required to submit an annual report. By 7 June 2022, the following 44 States Parties had submitted an annual report for 2021:

- Antigua and Barbuda, Australia, Barbados, Belgium, Bosnia and Herzegovina, Burkina Faso, Canada, Chile, Croatia, Czech Republic, El Salvador, Germany, Greece, Guatemala, Hungary, Ireland, Italy, Japan, Latvia, Liechtenstein, Madagascar, Maldives, Malta, Mauritius, Montenegro, Netherlands, New Zealand, Niger, People's Republic of China, Peru, Poland, Portugal, Republic of Korea, Romania, Serbia, Sierra Leone, Slovakia, Slovenia, South Africa, Spain, State of Palestine, Sweden, Switzerland and United Kingdom

Just 40 per cent of the States Parties due to submit an annual report for 2021 did so by the Secretariat's de facto deadline. This was the second-lowest rate of on-time compliance in the seven years of annual reporting under the Treaty, higher only than that for the first year of the COVID-19 pandemic. It also represents a decrease from the previous year, when 44 per cent of States Parties due to submit 2020 annual reports did so on time. The extremely low rate of on-time ATT annual reporting poses a critical challenge to the continued utility and value of the Treaty, which has transparency at its core. States Parties urgently need to fulfil their compliance with the ATT's reporting requirements or the Treaty and its commitment to promoting arms-trade transparency will be at risk.

TABLE 3.1 - ATT ANNUAL REPORTS ON-TIME REPORTING RATES

Reporting Year	Number of On-Time Reports Submitted <sup>1</sup>	On-Time Completion Rate (as a per cent of reports due)
2015	30	49%
2016	31	41%
2017	37	42%
2018	46	50%
2019	37	38%
2020	46	44%
2021	44	40%

States Parties often face significant challenges to annual reporting – including time or resource constraints, coordination and information-sharing issues, and competing government priorities – and many of these have been exacerbated by the COVID-19 pandemic.<sup>2</sup> However, it is not clear why such a high number of States Parties failed to submit their 2021 annual reports on time, particularly as the effects of the pandemic have somewhat abated. With ATT annual reporting now in its seventh year, the challenges to preparing annual reports are

1 The number of on-time annual reports for 2015–2020 is based on data provided in ATT Secretariat, 'Arms Trade Treaty: Status of Reporting', Second Meeting of the Working Group on Transparency and Reporting, 28 April 2022. <https://bit.ly/3nxiv02>. The number of on-time 2021 annual reports is based on information on the Secretariat's website as of 7 June 2022: ATT Secretariat, 'Annual Reports', <https://thearmstradetreaty.org/annual-reports.html?templateId=209826>.

2 Stimson Center Arms Trade Treaty-Baseline Assessment Project, 'Taking Stock of ATT Reporting Trends and Challenges', April 2022. <http://www.armstrade.info/wp-content/uploads/2014/10/Taking-Stock-of-ATT-Reporting-Trends-and-Challenges.pdf>

well known, and it is critically important that States Parties take steps to address them.

Fourteen of the States Parties that reported on time this year (nearly 32 per cent) made their 2021 annual reports confidential; that is, available only to the ATT Secretariat and other States Parties. This represents an increase from the 28 per cent of on-time 2020 reports and 17 per cent of on-time 2019 reports that were kept confidential.

The trend of increasing confidential reporting has been driven not only by first-time reporters electing to do so but also by States Parties shifting from public to confidential reporting. Of the 14 States Parties that submitted confidential 2021 annual reports, three had never submitted an annual report before (Guatemala, Niger and People's Republic of China), four had submitted public annual reports for six years before reporting confidentially for the first time this year (Croatia, Latvia, Portugal and Spain), three had previously submitted one or more public reports before switching to confidential reporting in recent years (El Salvador, Greece and Mauritius), and four had always submitted confidential annual reports (Antigua and Barbuda, Barbados, Madagascar and State of Palestine).

The steady increase in confidential annual reporting raises several concerns. Restricting access to reports limits insights into global weapons flows; undermines efforts to identify problematic sales, dangerous accumulations and reporting irregularities; and prevents accurate assessments of whether States Parties are complying with their ATT obligations and whether the Treaty is fulfilling its object and purpose.

## REPORTING UPDATES

Five States Parties were required to submit their first ATT annual reports this year (Afghanistan, Namibia, Niue, People's Republic of China and São Tomé and Príncipe). As of 7 June 2022, only one of them (People's Republic of China) had done so. The lack of reporting by the other four is yet another marker of faltering compliance with the ATT's annual reporting requirement. By this deadline last year, three of the eight States Parties due to submit their first annual reports to the ATT Secretariat had done so.

With annual reporting at a near record low, the number of States Parties that have consistently fulfilled this obligation has fallen. As of 7 June 2022, 39 States Parties (not including those required to report for the first time this year) had submitted all of their required annual reports.<sup>3</sup> At the same point last year, 41 had done so.

By comparison, 28 States Parties (not including the four non-reporting due to report for the first time this year) have not submitted any of their required annual reports.<sup>4</sup> This represents a slight increase from the 26 States Parties that were consistently non-compliant with their annual reporting obligations over the previous two years.

Despite the disappointing number of submissions, over the past year, several States Parties with overdue reports have made laudable progress toward fulfilling the Treaty's annual reporting requirements. Since the publication of last year's ATT Monitor, Guatemala and Niger submitted annual reports for the first time after years of non-compliance. Guatemala was first required to report in 2018 and Niger was first required to do so in 2017. Additionally, several States Parties submitted overdue annual reports. This includes 17 States Parties that submitted their 2020 annual reports after the reporting deadline, and so had not been included in the analysis of 2020 annual reports in last year's ATT Monitor.<sup>5</sup> It also includes five States Parties that submitted annual reports that were due in previous years (Barbados, Cameroon, El Salvador, Madagascar and South Africa). Of these, four submitted overdue 2019 reports (Barbados, Cameroon, Madagascar and South Africa), two submitted overdue 2018 reports (Barbados and El Salvador), and one submitted overdue 2017 and 2016 reports (Barbados).

Barbados's recent annual report submissions are particularly notable. Having submitted its first annual report last year after four years of non-compliance, it submitted its 2021 annual report on time. With the submission of its overdue 2016 through 2019 annual reports over the last year, Barbados has now submitted all six of its required annual reports. While States Parties are obliged to submit their reports on time, there is still tremendous value in submitting even long-overdue ones. Non-reporting States Parties should be encouraged to follow the example of Barbados and the other State Parties that submitted overdue reports over the last year.

3 Antigua and Barbuda, Australia, Barbados, Belgium, Bosnia and Herzegovina, Canada, Chile, Croatia, Czech Republic, El Salvador, Germany, Greece, Hungary, Ireland, Italy, Japan, Latvia, Liechtenstein, Madagascar, Maldives, Mauritius, Montenegro, Netherlands, New Zealand, Peru, Poland, Portugal, Republic of Korea, Romania, Serbia, Sierra Leone, Slovakia, Slovenia, South Africa, Spain, State of Palestine, Sweden, Switzerland and United Kingdom.

4 Bahamas, Belize, Botswana, Brazil, Cabo Verde, Central African Republic, Chad, Côte d'Ivoire, Dominica, Ghana, Grenada, Guinea, Guinea Bissau, Guyana, Iceland, Lebanon, Lesotho, Mauritania, Mozambique, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, San Marino, Seychelles, Suriname, Togo, Trinidad and Tobago and Zambia.

5 Australia, Austria, Bulgaria, Cameroon, Chile, Cyprus, Estonia, Hungary, Luxembourg, Madagascar, Malta, Monaco, Nigeria, Norway, Panama, South Africa and United Kingdom.

## INITIAL ASSESSMENT

Several observations can be made based on an initial review of the contents of the 30 publicly available 2021 annual reports submitted by 7 June 2022:

Eight of the States Parties (27 per cent) that submitted publicly available 2021 annual reports used the online reporting tool, with six of them also using the online tool to submit their 2020 annual reports.<sup>6</sup> By comparison, eight of the 32 States Parties (25 per cent) that submitted public 2020 reports by this time last year used the online tool.<sup>7</sup>

Nineteen States Parties (63 per cent) used a version of the recommended reporting template to submit their 2021 annual reports.<sup>8</sup> In an example of good practice, 12 of them used the most recently revised version of the template endorsed by the Seventh Conference of States Parties in 2021.<sup>9</sup> Three States Parties (10 per cent) used their 2021 report to the United Nations Register of Conventional Arms or a modified version of it.<sup>10</sup>

Three States Parties submitted 'nil' reports for arms exports (Maldives, Peru and Sierra Leone). An additional two (Burkina Faso and Chile) did not report any arms exports but also did not indicate that they submitted 'nil' reports. Two States Parties submitted 'nil' reports for arms imports (Maldives and Sierra Leone). One additional State Party (United Kingdom) did not report any arms imports but also did not indicate that it submitted a 'nil' report.

Nine States Parties (30 per cent) indicated withholding some commercially sensitive and/or national security-related information from their 2021 reports.<sup>11</sup> Two of them (Australia and Sweden) indicated withholding the number items transferred under certain weapons categories and one (Burkina Faso) explained that it withheld data relating to the value of goods. This is an increase from last year when approximately 19 per cent of States Parties that

submitted public 2020 reports indicated that they withheld some commercially sensitive and/or national security-related information.

Four States Parties indicated that their 2021 report included information on national definitions and categories of conventional arms, compared to five doing so in their 2020 reports.<sup>12</sup>

## EXPORTS

Nineteen States Parties reported exports of major conventional weapons.<sup>13</sup> Six reported authorized major weapons exports<sup>14</sup> and 11 reported actual major weapons exports.<sup>15</sup> This includes two States Parties (Czech Republic and South Africa) that did not indicate in all instances whether they were reporting authorized or actual exports, which can complicate analysis. Moreover, an additional two States Parties (Bosnia and Herzegovina and Ireland) did not indicate whether any of their reported major weapons exports were actual or authorized transfers.

Twenty-five States Parties reported exports of small arms and light weapons (SALW).<sup>16</sup> Eleven of them reported authorized SALW exports,<sup>17</sup> 11 reported actual exports<sup>18</sup> and one (Montenegro) indicated that all of its reported SALW exports were both authorized and actual transfers. However, four of these States Parties (Ireland, Italy, Serbia and Sweden) did not indicate in all instances whether they were reporting actual or authorized SALW exports. An additional two States Parties (Bosnia and Herzegovina and Czech Republic) did not indicate whether any of their reported SALW exports were actual or authorized transfers.

Several States Parties reported differently on exports of major conventional weapons and of SALW. Germany reported actual exports of major conventional weapons and authorizations of SALW exports. The Czech Republic indicated whether

6 Belgium, Chile, Czech Republic, Italy, Poland, Romania, Sweden and Switzerland. With the exception of Belgium and Poland, all of these States Parties also used the online tool to submit their 2020 annual reports.

7 Argentina, Czech Republic, Finland, Italy, Japan, Romania, Sweden and Switzerland.

8 Australia, Bosnia and Herzegovina, Burkina Faso, Germany, Hungary, Ireland, Japan, Liechtenstein, Maldives, Malta, Montenegro, New Zealand, Peru, Republic of Korea, Serbia, Sierra Leone, Slovakia, Slovenia and South Africa.

9 Australia, Burkina Faso, Germany, Japan, Liechtenstein, Maldives, Malta, New Zealand, Peru, Republic of Korea, Sierra Leone and Slovakia.

10 Canada, Netherlands and United Kingdom.

11 Australia, Bosnia and Herzegovina, Burkina Faso, Hungary, Ireland, Montenegro, Republic of Korea, South Africa and Sweden.

12 Belgium, New Zealand, South Africa and Switzerland.

13 Australia, Belgium, Bosnia and Herzegovina, Canada, Czech Republic, Germany, Hungary, Ireland, Italy, Netherlands, Poland, Republic of Korea, Serbia, Slovakia, Slovenia, South Africa, Sweden, Switzerland and United Kingdom.

14 Australia, Belgium, Italy, Republic of Korea, South Africa and United Kingdom.

15 Canada, Czech Republic, Germany, Hungary, Netherlands, Poland, Serbia, Slovakia, Slovenia, Sweden and Switzerland.

16 Australia, Belgium, Bosnia and Herzegovina, Canada, Czech Republic, Germany, Hungary, Ireland, Italy, Japan, Liechtenstein, Malta, Montenegro, Netherlands, New Zealand, Poland, Republic of Korea, Romania, Serbia, Slovakia, Slovenia, South Africa, Sweden, Switzerland and United Kingdom.

17 Australia, Belgium, Germany, Ireland, Italy, Malta, New Zealand, Republic of Korea, South Africa, Switzerland and United Kingdom.

18 Canada, Hungary, Japan, Liechtenstein, Netherlands, Poland, Romania, Serbia, Slovakia, Slovenia and Sweden.

its reported exports of major conventional weapons were authorized or actual transfers but did not indicate whether any its reported SALW exports were actual or authorized. Conversely, Ireland indicated whether its reported SALW exports were authorized or actual transfers but did not indicate whether any of its reported exports of major conventional weapons were actual or authorized transfers.

Seventeen States Parties reported only the number of items exported.<sup>19</sup> One (Sweden) reported only the value of items exported, except for some transfers for which it provided neither the number nor value of its exports. Seven States Parties reported both the number and value for the items exported,<sup>20</sup> though for certain transfers one of them (Belgium) reported only the value while another (Ireland) reported only the number.

## IMPORTS

Fifteen States Parties reported imports of major conventional weapons.<sup>21</sup> Two of them (Belgium and Chile) reported authorized major conventional weapons imports, ten reported actual imports,<sup>22</sup> one (Peru) reported a combination of the two and one (Burkina Faso) indicated that all of its reported major weapons imports were both actual and authorized transfers. One State Party (Czech Republic) did not indicate whether it reported actual or authorized major conventional weapons imports.

Twenty-six States Parties reported imports of SALW.<sup>23</sup> Nine of them reported authorized imports,<sup>24</sup> 11 reported actual imports,<sup>25</sup> one (Peru) reported a combination of the two and two (Burkina Faso and Montenegro) indicated that all of their reported imports were both actual and authorized transfers. However, four of these States Parties (Australia, Belgium,



19 Canada, Czech Republic, Germany, Hungary, Italy, Liechtenstein, Montenegro, Netherlands, New Zealand, Poland, Republic of Korea, Romania, Serbia, Slovakia, South Africa, Switzerland and United Kingdom.

20 Australia, Belgium, Bosnia and Herzegovina, Ireland, Japan, Malta and Slovenia.

21 Australia, Belgium, Burkina Faso, Chile, Czech Republic, Germany, Japan, Netherlands, Peru, Poland, Romania, Serbia, Slovakia, Slovenia and Switzerland.

22 Australia, Germany, Japan, Netherlands, Poland, Romania, Serbia, Slovakia, Slovenia and Switzerland.

23 Australia, Belgium, Bosnia and Herzegovina, Burkina Faso, Canada, Czech Republic, Germany, Hungary, Ireland, Italy, Japan, Liechtenstein, Malta, Montenegro, Netherlands, New Zealand, Peru, Poland, Republic of Korea, Romania, Serbia, Slovakia, Slovenia, South Africa, Sweden and Switzerland.

24 Belgium, Germany, Italy, Liechtenstein, Malta, New Zealand, Republic of Korea, South Africa and Switzerland.

25 Australia, Canada, Hungary, Japan, Netherlands, Poland, Romania, Serbia, Slovakia, Slovenia and Sweden.

Hungary and Romania) did not indicate in all instances whether they were reporting actual or authorized SALW imports, and an additional three (Bosnia and Herzegovina, Czech Republic and Ireland) did not indicate whether any of their reported SALW imports were authorized or actual transfers.

Two States Parties reported differently on imports of major conventional weapons and of SALW. Germany and Switzerland both reported actual imports of major conventional weapons and authorizations of SALW imports.

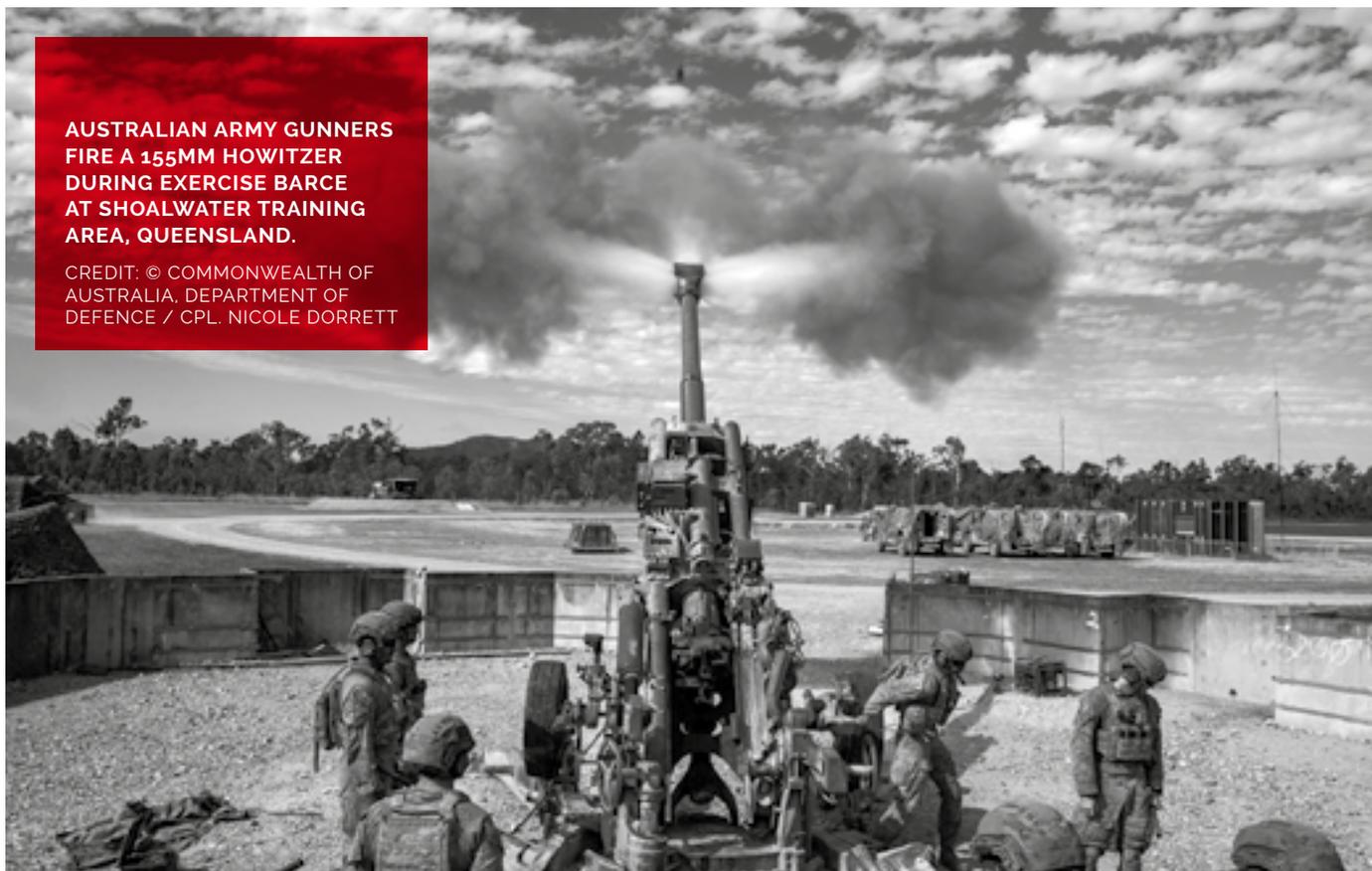
Twenty-two States Parties reported only the number of items imported,<sup>26</sup> one (Belgium) reported either the number or the value and four (Bosnia and Herzegovina, Japan, Peru and Slovenia) reported both the number and value for the items exported, though for certain transfers one of them (Japan) reported only the number.

## CONCLUSION

The States Parties that submitted publicly available annual reports on time this year as well as those that submitted overdue ones should be commended for their efforts to fulfil their Treaty obligations and contribute to a fuller understanding of global weapons flows. However, it is deeply troubling that the seventh year of ATT annual reporting has seen a continuation of the negative transparency trends that characterized the previous six years, including widespread non-reporting and a steadily increasing rate of confidential reporting. While the COVID-19 pandemic undoubtedly continues to impact government processes involved in reporting, it cannot explain why annual reporting practices have continued to deteriorate even as much of the world has rebounded from the worst days of the pandemic. To reverse these negative trends and meaningfully advance the ATT's transparency aims, more needs to be done to assist States Parties in overcoming the obstacles they face to reporting in a consistent, timely and transparent fashion.

**AUSTRALIAN ARMY GUNNERS  
FIRE A 155MM HOWITZER  
DURING EXERCISE BARCE  
AT SHOALWATER TRAINING  
AREA, QUEENSLAND.**

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<sup>26</sup> Australia, Burkina Faso, Canada, Chile, Czech Republic, Germany, Hungary, Ireland, Italy, Liechtenstein, Malta, Montenegro, Netherlands, New Zealand, Poland, Republic of Korea, Romania, Serbia, Slovakia, South Africa, Sweden and Switzerland.

**SOLDIERS CONDUCT SAFETY CHECKS  
AND PREPARE A UH-60 BLACK HAWK  
FOR AIR ASSAULT TRAINING AT MIHAIL  
KOGALNICEANU AIR BASE, ROMANIA.**

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