

Analysis of Dutch arms exports 2010



*The road to Pearl Square in Manama, Bahrain, 17 February 2011
a M113A2 and an YPR-765. Both types have been delivered by the Netherlands.*

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Overview of Dutch arms exports in 2010

- After two consecutive record years, the value of the Dutch arms exports decreased to **1,047 billion euro** in 2010.
- The **United States of America** was the main arms export destination, with exports totaling 318 million euro. F-16 parts incorporated in foreign assignments by manufacturer Lockheed Martin made up a large proportion of these exports, possibly for orders from **Egypt, Morocco and Pakistan**.
- The largest individual export license was worth **99.5 million euro**. It was for F-16s bought by **Chile** from the Dutch Air Force.
- **Other major arms customers in 2010 included:**
 - **Colombia:** fire-control systems for frigates, worth 90 million euro;
 - **Malaysia:** 53 million euro for the refurbishment of two corvettes;
 - **Greece:** radar and other marine equipment for 53 million euro;
 - **Jordan:** surplus guns, armoured vehicles and Defence ammunition valued at 30 million euro;
 - **Taiwan:** 27 million euro for submarine parts, and
 - **Peru:** 4 military Fokker-60 aircraft for 25 million euro.

Other remarkable export destinations:

- **Thailand:** fire-control and anti-aircraft systems worth 19 million euro - despite the border dispute with Cambodia and political instability;
 - **Japan:** fire-control systems for Japanese Navy missiles, for 16 million euro;
 - **Turkey:** over 9 million euro, largely for electronics for warships;
 - **Egypt:** purchased 8 million euros worth of radar fire-control systems and other marine equipment;
 - **Saudi Arabia:** parts for armoured vehicles valued at 2.3 million euros;
 - **Ghana:** armoured 4WDs for the police, for 2 million euro;
 - **Vatican City, Liechtenstein, San Marino and Andorra** each purchased 'military electronics' valued at 240,000 euro.
- **Arms transit through the Netherlands:**
 - **Bahrain** imported 300 Belgian machine guns via the Netherlands, mere months before security forces opened fire on demonstrators;
 - **Kuwait, Oman and Qatar** received large amounts of European munitions;
 - **Bangladesh** bought 5,000 Czech pistols, shipped via the Netherlands;
 - **Uganda** received a cargo of U.S. pepper spray;
 - **South African** electroshock weapons passed through the Netherlands to Germany;
 - The **USA** imported nearly 350 million Russian firearm cartridges, and some 20 million from other European countries. In addition, 22,000 firearms were sent to the USA from Rotterdam. Most are intended for the private market.

Introduction

This seventh 'Analysis of Dutch arms exports' by the *Campagne tegen Wapenhandel* (Campaign against Arms Trade) aims to provide insight into and commentary on the latest developments in the Dutch arms trade. A lot of information about this shadowy industry is already available in the public domain. The Dutch government publishes overviews of granted export permits¹, and those in the know can find the information on specialised websites. The Campaign against Arms Trade has taken this raw information and placed it in context.

This report opens with a brief summary of the key developments in the Dutch arms trade in 2010 and then goes on to place these developments in a global context. The most remarkable arms export licences are covered in chapter 2, including a special focus on the arms trade with the Middle East and North Africa, in light of the recent Arab Spring. Chapter 3 deals with the transit of arms through the Netherlands. In the final chapter we present our recommendations, partly with a view on the upcoming debate about the arms export policy in the Dutch Parliament.

Like last year, there's no chapter on the export of dual-use goods. Due to a delay of eighteen months, the licence data for 2010 are only partially available, despite promises by successive governments to publish such information more quickly.

¹ On the export control page of the Rijksoverheid's (the central Dutch government) website, you'll find annual reports and monthly statements of all issued licenses for military goods, weapons and transit dualuse goods. See: <http://www.rijksoverheid.nl/onderwerpen/exportcontrole-strategischegoederen#ref-ez>

1. Dutch arms trade in perspective

In 2010, the value of granted arms export licences came to 1,047 billion euro. Remarkably, **South America** was an important market², with **Chile** (105 million euro, largely for 18 second-hand F-16s), **Colombia** (90 million euro for fire-control systems for frigates) and **Peru** (25 million euro for four ex-Dutch Air Force Fokker-60 aircraft and accessories) making large arms purchases. Chile, in particular, purchased half an army's worth of weapons from the Netherlands over the last decade and a half: notably Leopard tanks, frigates and F-16s.

This touches on another major theme in 2010, that of the export of surplus Defence materials. In addition to the abovementioned aircraft for Chile and Peru, a large cargo of used canons, armoured vehicles and F-16 parts were sold to **Jordan** (totalling 30 million euro). In 2009, Jordan also bought six used F-16s from the Dutch Air Force.

Table 1.1: **Largest arms export licences in 2010** (*licences from 10 million euro*)

date	Description	Final destination	value (€)
23-08-2010	F-16 fighter planes	Chile	99,460,000
17-08-2010	Components for F-16 fighter planes	USA	97,791,600
28-01-2010	Fire-control systems	Colombia	89,772,020
20-12-2010	Components for fighter planes	USA	60,000,000
11-06-2010	Radar systems, C3-consoles and accessories	Greece	52,650,000
02-11-2010	C3-consoles, radar and fire-control systems.	Malaysia	52,600,000
20-05-2010	Components for JSF fighter planes	USA	36.000.000
28-06-2010	Armoured vehicles, howitzers, 25 mm ammunition	Jordan	28,368,000
19-07-2010	Components for NH90 helicopters	EU-countries	25,000,000
20-10-2010	Components for ESSM anti-aircraft missiles	NATO-countries	20,699,150
26-05-2010	Engine parts for military airplanes	USA	20,000,000
02-12-2010	Parts for military airplanes	USA	17,000,000
07-10-2010	Fighter jet simulation equipment	USA	14,067,664
06-09-2010	Components for Seadragon submarines	Taiwan	13,800,000
12-03-2010	Components for JSF fighter planes	USA	13,012,210
26-02-2010	Transmitters for anti-aircraft missile systems	Germany	12,839,798
29-04-2010	C2-consoles and cabinets	Germany	12,144,208
23-03-2010	Fokker F60 MPA aircraft	Peru	12,100,000
23-09-2010	Fire-control systems for navy anti-aircraft missiles	Japan	11,254,030
24-02-2010	Global licences for deliveries < 1000€	Nato+	10,000,000
24-02-2010	Global licences for deliveries < 1000€	EU-countries	10,000,000
02-11-2010	Military (utility) airplanes	Peru	10,000,000

² Also see *Wapenwedloop in Zuid-Amerika*, Mark Akkerman, Campagne tegen Wapenhandel, March 2010. <http://stopwapenhandel.org/sites/stopdewapenhandel.antenna.nl/files/wapenwedloopZuidAmerika.pdf>

Finally, another important factor is the export of components for weapons systems that are built abroad. This is partly why the **USA** and **Germany** have long been the main destinations of Dutch arms exports. This mainly includes parts for F-16 and Joint Strike fighters from U.S. company Lockheed Martin, and European NH-90 helicopters. In such cases it's unclear what the final destination is, because usually only the country of assembly is mentioned in the permit reports (more on this in chapter 3).

Out of all the export licenses for 2010, there are 22 with a value of 10 million euro or more. The largest - nearly 100 million euro - was for F-16s sold to Chile.

Table 1.2: **30 most important Dutch arms export destinations (2001-2010)**

(Values of licences in millions of euros)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2001-2010
USA	166.13	132.58	237.21	75.35	92.71	63.54	121.52	56.34	178.28	318.18	1,441.84
Germany	49.55	75.35	84.29	88.19	383.89	76.12	70.88	157.05	148.99	71.55	1,205.86
Greece	162.45	46.78	431.66	161.43	3.26	4.11	0.37	6.16	1.77	53.21	871.20
Indonesia	0.32	0.96	5.02	1.22	13.46	278.19	0.07	316.42	0.23	3.12	619.01
Morocco	2.18	0.10	0.54	0.13	0.18	0.04	-	-	555.00	0.60	558.77
NATO destinations ^{*)}	9.16	19.12	1.69	19.83	42.50	41.75	86.62	131.93	59.23	125.27	537.10
Chile	10.80	0.51	0.52	0.55	295.62	98.46	12.22	2.04	1.77	104.51	527.00
Portugal	1.50	0.47	2.47	1.00	81.34	-	0.61	319.41	7.98	1.57	416.35
Korea (South)	34.35	7.96	99.93	114.97	9.75	3.88	2.78	0.99	9.29	6.01	289.91
France	6.12	21.89	12.42	56.44	20.27	50.52	47.13	10.84	44.05	12.54	282.22
Turkey	6.67	21.83	75.42	3.50	12.42	43.70	2.63	20.91	66.42	9.02	262.52
Canada	19.97	14.03	2.32	2.81	4.79	31.70	3.47	93.57	84.97	4.48	262.11
Great-Britain	22.24	10.69	21.69	21.18	22.62	23.49	41.64	33.12	36.08	18.66	251.41
Venezuela	1.77	-	-	27.62	7.67	196.42	-	-	-	-	233.48
Denmark	5.99	0.84	3.54	10.99	1.93	4.30	170.56	15.03	3.21	3.95	220.34
Taiwan	30.13	38.37	7.19	5.84	21.95	9.59	2.23	8.66	19.32	27.04	170.32
Italy	2.18	4.99	4.22	21.27	32.49	40.69	23.75	3.02	9.77	1.73	144.11
Oman	0.02	2.58	-	-	-	20.01	101.23	3.50	0.62	0.22	128.18
Spain	3.13	0.95	4.41	2.50	7.02	5.19	67.47	2.42	2.76	7.54	103.39
Poland	0.77	-	89.07	0.48	5.31	3.41	0.49	-	0.06	0.04	99.63
Norway	71.33	1.05	5.27	0.33	6.60	2.09	4.89	2.13	2.93	2.48	99.10
Colombia	-	-	-	-	-	-	-	-	1.03	89.79	90.82
Sweden	1.81	2.70	4.07	3.98	9.73	2.88	23.05	20.51	12.12	2.70	83.55
Malaysia	4.68	4.52	2.80	2.34	1.59	2.11	1.47	3.97	2.20	53.34	79.02
Jordan	-	-	15.20	0.03	-	-	0.67	2.76	29.10	29.73	77.49
Japan	0.14	0.02	1.53	5.55	14.11	3.82	7.78	11.05	10.78	16.41	71.19
Egypt	0.14	-	-	0.03	40.36	0.29	14.69	3.39	1.27	8.21	68.38
Thailand	5.67	2.32	0.45	0.67	2.80	7.36	5.74	0.67	18.61	19.02	63.31
Latvia	-	-	-	-	-	57.04	0.08	0.16	-	-	57.28
India	1.36	0.10	8.72	0.39	5.00	5.30	21.89	1.47	9.44	2.68	56.35
Total all countries	651	450	1,151	644	1,175	1,125	874	1,258	1,410	1,047	9,785

Source: *Jaarrapporten Wapenexportbeleid Nederlandse overheid* (annual reports on arms export policy published by the Dutch government) (<http://www.rijksoverheid.nl/onderwerpen/exportcontrole-strategische-goederen/militairegoederen/jaarrapporten-wapenexportbeleid>)

*) 'NATO destinations' is for export licenses intended for several NATO countries (excluding Turkey).

In addition to the above-mentioned countries, a few remarkable countries stick out amongst the thirty largest export destinations for Dutch arms over the last decade:

Considering the financial crisis it is striking that Greece is one of the most important Dutch arms markets. In fact, it is the Netherlands' third largest market (see Table 1.2). No other EU country spends as high a percentage of its Gross National Product (GNP) on its armed forces as Greece. To place this in perspective: Greece spends 3.2% of its GNP on its armed forces, compared with the 1.5%³ that the Netherlands spends. Between 2001 and 2004 Greece bought arms, valued at over 800 million euro, from the Netherlands, including two Navy frigates. In 2010, arms export licenses with a total value of more than 53 million euro were granted; the highest amount for the country in the last five years. These licences include radar and other equipment for naval vessels. It's interesting to note that in 2011 arms sales to Greece required government-backed export credit insurance⁴. This is a first for Greece and means that should the country default on payment, the risk is covered by the Dutch state.

Southeast Asia has long been an important market. And, in Table 1.2 we see that significant export licenses were granted for orders from Taiwan, Malaysia and Thailand in 2010. Over the past decade, Indonesia was by far the most important customer in the region, with large naval orders worth over 600 million euro, more than any other non-NATO country. Unlike in Europe, Asian countries have been allowing their military spend to grow significantly. There is a danger of an arms race, particularly around the South China Sea, where access to oil under the seabed⁵ is a motive.

Trends and possible orders

Despite a decrease in the total value of exports in 2010 (when compared to 2008 and 2009), the long term trend is still one of rising arms exports. For example, if we compare the first five and last five years of the previous decade, Dutch arms exports increased from an average of 814 million euro (2001-2005) to an average of 1.143 billion euro (2006-2010): an increase of 40%. There are no signs that Dutch arms exports will structurally decrease in the coming years, despite increasing competition caused by shrinking military budgets in the Western world. The Dutch Ministry of Defence currently has a large number of surplus arms in the offering, including 119 Leopard-2 tanks; 40 brand new Fennek armoured vehicles with anti-tank weapons; 18 F-16 fighter aircraft; 9 Cougar transport helicopters and four mine hunters.⁶ Indonesia was said to be interested in the Leopards, however on 13 December 2011 the Dutch Lower House passed a motion calling on the government not to execute this sale, because of human rights violations by the Indonesian army.⁷

³ 'Sipri Yearbook 2011', p.217

⁴ See Explosive Stuff blog 'Arms trade and the Greek debt crisis', 24 July 2011
<http://www.stopwapenhandel.org/node/1196>

⁵ Ben Bland and Jamil Anderlini, "Tensions flare over oil in South China Sea", Financial Times, 16 October 2011; Tim Huxley, 'Controlling Asia's Arms Race', Defense News, 30 May 2011

⁶ *Ministerie van Defensie, Materieelprojectenoverzicht 2011, p.126-141*; also see: Noël van Bommel, 'Te koop: F-16's, mijnenjagers en houwitsers', *de Volkskrant* newspaper, 15 October 2011

⁷ *Motie El Fassed, Jasper van Dijk en Eijssink, Tweede Kamer, vergaderjaar 2011-2012, 33000-X, nr. 47*. Also see Explosive Stuff blog: 'Indonesia aiming for Leopard tanks', 16 November 2011 (<http://stopwapenhandel.org/node/1243>)

In the meantime, Damen Schelde Naval Shipyard is searching for large orders for new frigates and corvettes from countries such as Vietnam⁸, Oman⁹ and Indonesia¹⁰. The stakes are high, since such vessels cost 150-200 million euro each. Even the Dutch Queen was used to garner an order, judging by the coverage of her visit to Oman in March 2011.

The Netherlands in international context

The Netherlands remains a major arms exporter from an international perspective and according to calculations by the Stockholm-based research institute SIPRI. Its high ranking has come under pressure in the last two years (see the figures in the last column of Table 1.3), and the Netherlands is now ranked tenth (from ninth last year).

Table 1.3: **The world's largest arms exporting countries**

(SIPRI Trend Indicator Value, in constant (1990) prices)

	2001-2010		2006-2010		2010	
1	USA	67,444	USA	37.043	USA	8.641
2	Russia	56,238	Russia	28.088	Russia	6.039
3	Germany	19,696	Germany	13.033	Germany	2.340
4	France	16,721	France	8.768	China	1.423
5	UK	10,462	UK	4,931	UK	1,054
6	China	6,303	The Netherlands	4,091	France	834
7	The Netherlands	5,666	China	4,035	Sweden	806
8	Sweden	4,889	Spain	3,554	Italy	627
9	Italy	4,714	Italy	2,744	Spain	513
10	Israel	4,504	Sweden	2,441	The Netherlands	503
11	Ukraine	4,074	Israel	2,297	Israel	472
12	Spain	3,994	Ukraine	2,132	Canada	258
13	Switzerland	2,480	Switzerland	1,460	Ukraine	201
14	Canada	2,268	Canada	1,214	Brazil	179
15	South Korea	993	South Africa	699	Norway	141

This decline can be partly explained by the increasing competition from other countries, especially China, a country that has become an increasingly important arms exporter in recent years. Sweden and Italy have also delivered several large arms orders in the last few years. When taking the longer term view, however, the Netherlands is still ranked sixth (over the last five years) or seventh (over the last ten years). SIPRI uses a so-called Value Trend Indicator to work out its international overview. It is not based on order amounts, but on the relative value of supplied weapons systems and certain components¹¹.

⁸ Menno Steketeer, 'Vietnam bestelt vier korvetten bij Damen', *NRC Handelsblad* newspaper, 3 October 2011.

⁹ Arjen van der Ziel, 'Order fregatten achter bezoek Beatrix aan Oman', *Volkscrant* newspaper, 3 March 2011

¹⁰ 'Damen bouwt schip voor Indonesische marine', *PZC*, 19 August 2010

¹¹ See SIPRI, 'Explanation of the TIV Tables'

2. Dutch arms trade and the Arab Spring

Policy

The Dutch arms export policy follows the agreed European guidelines, summarised in the EU Common Position defining common rules governing the control of exports of military technology and equipment.¹² In this Common Position, member states "recognise the special responsibility of military technology and equipment exporting States" and declare themselves "determined to prevent the export of military technology and equipment which might be used for internal repression or international aggression or contribute to regional instability". They shall do this by setting "high common standards (...) as the minimum for the management of, and restraint in, transfers of military goods and technology". Simultaneously, however, the desire of member states "to maintain a defence industry as part of their industrial base as well as their defence effort is acknowledged."

Each military export requires a licence, which will be assessed against eight criteria, whose implementation is detailed in a user's guide.¹³

1. *compliance with international obligations, especially decreed sanctions and non-proliferation treaties.*
2. *respect for human rights in the country of final destination.*
3. *the domestic situation in the country of final destination, as a result of tensions or armed conflicts.*
4. *maintaining peace, security and stability in the region.*
5. *the national security of member states and of territories whose foreign relations are handled by a member state, as well as friendly and allied countries.*
6. *the behaviour of the country of final destination towards the international community, especially its attitude towards terrorism, the nature of its alliances and its respect for international law.*
7. *the risk that the goods end up at another final destination instead of at the specified one, either in the country itself or through undesirable re-exports.*
8. *the compatibility of arms exports with the desirability that states should meet their legitimate security and defence needs with the least possible burden on people and resources.*

Considering the day-to-day practice of arms export policy, these seemingly restrictive criteria actually leave a lot of room for movement. This was tellingly revealed last year with the outbreak of protests in the Middle East and North Africa, the so-called Arab Spring, when threatened regimes used military equipment - such as armoured vehicles, similar to ones previously sold by the Netherlands - against civilian demonstrators.

http://www.sipri.org/databases/armstransfers/background/explanations2_default

¹² 'Council Common Position defining common rules governing the control of exports of military technology and equipment' (8 December 2008)

¹³<http://www.stopwapenhandel.org/sites/stopdewapenhandel.antenna.nl/files/imported/projecten/Europa/linksEU/handleidingcoc2008.pdf>

Campagne tegen Wapenhandel has long criticised the practice of supplying weapons to undemocratic regimes. It seems as if there is something structurally wrong with the way the arms export policy is interpreted. It is now vital that lessons are learned from the events in the Arab world, and that Dutch arms exports are re-evaluated.

Arms export policy and the Arab Spring

After early 2011, when hundreds of thousands of civilians took to the streets - from Morocco to Egypt and from Yemen to Syria - in protest against corruption, unemployment and dictatorship, it was not long before Western powers were confronted with the consequences of their past good relations with repressive regimes. Where previously it was not thought realistic that these countries could possibly use weapons against their own people, and concerns about human rights violations and a lack of democracy were waved aside, this "risk analysis" no longer seems tenable, a fact that even the Dutch government has admitted.¹⁴ Two months after the outbreak of the Arab Spring, the Dutch government decided "to hold off new licence applications for arms exports" to Bahrain, Egypt, Yemen and Tunisia. Strangely enough, this decision did not apply to the execution of pending orders, but "extension requests for these countries would be critically examined."¹⁵ Although Minister Rosenthal of Foreign Affairs initially didn't implement similar measures for Saudi Arabia, licences were also later held off for that country.¹⁶ Additionally, international arms embargoes were implemented against Libya (UN and EU) and Syria (EU) in the spring of 2011.

During a heated debate in the Dutch parliament in late March, the majority of Dutch MPs supported a series of motions that calls the government to tighten up its arms export policy. The government also realised that "the idea of continuing with its arms export policy without taking a critical look at it" is unwise. "We're also willing to revise a few points," said Dutch State Secretary Bleker (Economic Affairs, Agriculture and Innovation - EL & I).¹⁷ The government then promised a letter, in which it would explain its policy improvements, in "about eight weeks". The letter finally arrived after eleven weeks.

It offered concrete improvements on some points (such as transit, information to parliament), but was oddly vague around the controversial exports to dictatorships and gross human rights violators. In rather opaque language, the Dutch government said no more than that "an element of risk analysis will play a role, even more than it already is". It goes without saying that this will not achieve very much. However, when there are "observable risks that eventually could lead to violent developments and where the goods exported could be used, then the government will be reluctant to grant a licence."

In response, the Lower House passed two concrete motions the week before the summer

¹⁴ Letter to the Dutch Lower House, *Aanpassingen in het wapenexportbeleid*, 10 June 2011

¹⁵ In answer to MP Van Bommel and MP Van Dijk's questions about arms exports to North Africa and the Middle East, 24 March 2011

¹⁶ Letter to the Dutch Lower House, *Reactie op moties van leden Van Dijk en El Fassed*, 2 December 2011. The way in which MP El Fassed of the GroenLinks party's question about Saudi Arabia was answered was also very telling. (19 April 2011).

¹⁷ *Verslag van een Algemeen Overleg*, 20 April 2011 (22054 nr.164, p.18)

recess. MP Van Dijk's motion "calls on the Government not to issue arms licences to countries where human rights violations occur and where no free elections are held." MP El Fassed's motion "calls on the government not to grant licences for the export and transit of arms to Saudi Arabia, as long as no meaningful structural reforms have taken place there".

In a written response to the motions in December - more than five months later - the government tried to talk itself out: "The government has already gone above and beyond the [Common] Position by not only looking at the relationship between the goods and observed human rights violations, but also between the goods and any possible future violations or forms of repression. This is a tightening of the policy, to which the Government has committed itself. "

However, it isn't a tightening of the Common Position, but rather a correction to the earlier Dutch interpretation thereof. The Common Position does not mention 'observed' human rights violations. Instead, under Criterion 2 it says: "Having assessed the recipient country's attitude towards relevant principles established by international human rights instruments, Member States shall [...] deny an export licence if there is a clear risk that the military technology or equipment to be exported might be used for internal repression". In the Dutch arms export policy, this was interpreted as: export is allowed if the relevant weapon has not been used in human rights violations in the past. This has meant that weapons have been freely exported to Egypt, Bahrain and Saudi Arabia. The fact that the government is finally going to apply the Common Position as intended, namely as a way to avoid complicity in human rights violations, is joyous but no "more extensive policy".

In its letter, the Dutch government also states that the motions by Van Dijk and El Fassed would lead to actual arms embargoes, which would be ineffective if they are not internationally applied. However, the Dutch government has full power to implement its own arms embargoes. This can even be an extremely useful tool in situations where swift action is required in response to current political developments; situations in which an international embargo, while very useful of course, would be too time-consuming to implement. In the EU alone, 27 countries would have to agree to such embargoes. National arms embargoes make customisation possible.

In response to these motions, the government added "A political statement as stated in the motions of El Fassed and Van Dijk cannot serve as independent legal grounds for the denial of licences with sufficient legal capacity." That is actually categorically false: Article 3 of the Common Position gives the Netherlands room to maintain a stricter domestic policy than that of other Member States: "This Common Position shall not affect the right of Member States to operate more restrictive national policies." This possibility was highlighted as a very important achievement at the time of the creation of these European regulations.

Arms Exports to the Middle East and North Africa 2000-2010

Over the past decade, seven countries in the Middle East and North Africa were – from a

financial perspective – major arms export destinations. When looking back over a longer period, this image is reinforced, because of significant surplus military equipment sold to countries in this region in the 90s, particularly to the United Arab Emirates (UAE), Egypt and Bahrain.

Table 2.1: Value of Dutch arms exports to the Middle East and North Africa
(2001-2010, destinations with a total value of more than 10 million euro)

Destination	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2001-2010
Morocco	2,18	0,10	0,54	0,13	0,18	0,04	-	-	555,00	0,60	558,77
Oman	0,02	2,58	-	-	-	20,01	101,23	3,50	0,62	0,22	128,18
Jordan	-	-	15,20	0,03	-	-	0,67	2,76	29,10	29,73	77,49
Egypt	0,14	-	-	0,03	40,36	0,29	14,69	3,39	1,27	8,21	68,38
Saudi Arabia	-	20,98	0,78	-	-	0,01	7,74	1,92	5,76	2,30	39,49
UAE	1,41	3,39	0,25	0,44	0,31	1,93	1,27	0,28	9,07	2,26	20,61
Bahrain	0,27	0,24	8,67	1,02	0,04	0,22	1,90	0,03	-	-	12,39

Source: Annual reports of the Dutch government: *Jaarrapporten Wapenexportbeleid*¹⁸

Brief descriptions, in alphabetical order, of a number of arms export destinations that are relevant within the framework of the Arab Spring.

Bahrain

It must've been an awkward moment for the Dutch government when, in February 2011, videos and photos emerged on YouTube and elsewhere, of YPR and M-113 armoured vehicles being deployed against protesters in Manama, the capital of Bahrain – also home to the U.S. Fifth Fleet¹⁹. Between 1994 and 1997 the Netherlands sold 35 M-113 and 25 YPR armoured vehicles, as well as 13 M-110 cannons to the Gulf state. In 2007, nearly 2 million euros worth of military trucks were sold to Bahrain. The value of Dutch arms sold to Bahrain over a period of twenty years comes to more than 30 million euro. Licences for Bahrain have been "on hold" since March 2011.

For years, the Shiite majority in Bahrain were subordinated to the Sunni minority, backed by Saudi Arabia. Sunni neighbours and the West fear Iran's support for the Bahraini Shiites and thus a potential loss of influence in the country.²⁰ An independent commission that extensively investigated the Bahrain uprising concluded in November that government forces had used excessive force, and were guilty of torture – in fact, five people were tortured to death.²¹ Seven hundred detainees are still being held captive.

¹⁸ <http://www.rijksoverheid.nl/onderwerpen/exportcontrole-strategische-goederen/militaire-goederen/jaarrapporten-wapenexportbeleid>

¹⁹ See press release by Campagne tegen Wapenhandel (with links to two photographs), 18 February 2011 <http://stopwapenhandel.org/node/1089> <https://milinme.wordpress.com/category/bahraini-army/>; en http://www.youtube.com/watch?feature=player_embedded&v=q6sQRMrlwXy

²⁰ Helene Cooper and Mark Landler, 'Interests Of Saudi Arabia And Iran Collide, With The U.S. In The Middle', New York Times, 17 March 2011

²¹ Nada Bakri, 'Torture Used on Protesters in Bahrain, Report Says', New York Times, 23 November 2011

Egypt

Over the last twenty years, the Netherlands also sold a massive number of (often armed) armoured vehicles to the Mubarak regime, including 599 YPRs and 12 M-577 tracked vehicles, worth 112 million euro in the mid 90s, and another 431 YPRs in 2005. The Netherlands was still exporting arms to Egypt in 2010, when it sold arms to the value of eight million euro, mainly for radar fire-control systems²², as well as military communications systems²³ and YPR components²⁴. The Egyptian army made great use of its armoured vehicles when deploying its military around Tahir Square and elsewhere in the country. The arms trade with Egypt was worth a total of 68 million euro over the past decade. The thirty year state of emergency in Egypt had not been an impediment, because Egypt has always shown itself to be a staunch ally of the West. Licences for Egypt have also been "on hold" since March 2011.

Yemen

Until early 2011, Yemen's President Saleh was a valued ally in the "war on terror". The Yemeni government allowed the USA to throw cluster bombs, and even offered to publically lie about America's role.²⁵ In return, it could be assured of military support. The Dutch government also granted its support, albeit symbolic. Several shipments of components for military vehicles were supplied to the country over the last ten years, valued at 3.7 million euro. Although the Netherlands acknowledged that there was reason for concern regarding the role of the military in Yemen, it didn't make the connection between the military vehicles and this threat.²⁶ Licences bound for Yemen were only placed on hold in 2011.

Jordan

Jordan is one of the largest buyers of second hand defence materials. In recent years, the country purchased surplus F-16s and a massive stock of military vehicles. In 2009, six F-16 fighter planes were delivered to Amman, for 29 million euro. In 2010, the Dutch government announced the sale of 121 M-109 canons, 441 YPR armoured vehicles, 69 M-577 armoured tracked vehicles, 467 military trucks, ammunition and other items.²⁷ Although a sale made by Joep van den Nieuwenhuyzen in 2003 for Mobat artillery was eventually cancelled (but ended up in the licence numbers anyway) sales to the value of more than 60 million euro (after deductions) were made. In September 2011, Tilburg-based Daedalus signed a contract with the Jordanian state to establish a joint maintenance company for military aircraft. Daedalus had previously refurbished F-16s for Jordan.²⁸

Over the past decade, Jordan has emerged as a major partner of the West in the fight

²² Licence 28595484 (25 March 2010)

²³ Licence 28727224 (27 December 2010)

²⁴ Licence 28670982 (22 September 2010)

²⁵ Robert Booth and Ian Black, 'WikiLeaks cables: Yemen offered US 'open door' to attack al-Qaida on its soil', Guardian online, 3 December 2010 (<http://www.guardian.co.uk/world/2010/dec/03/wikileaks-yemen-us-attack-al-qaida>)

²⁶ *Antwoord op Kamervragen over het jaarrapport wapenexport 2009*, 25 January 2010. Also see : http://en.wikipedia.org/wiki/Operation_Scorched_Earth

²⁷ Frank Slijper, *Kassa voor Defensie met megaverkoop aan Jordanië*, 18 June 2010 (<http://www.stopwapenhandel.org/publicaties/2010/jordaniel.html>); *Kamerbrief verkoop van landmachtmaterieel aan Jordanië*, Dutch Ministry of Defence, 16 June 2010

²⁸ 'Dutch maintenance of Arab F-16s', Explosive Stuff Weblog, 4 October 2011 (stopwapenhandel.org/node/1219)

against terrorism. Partly for that reason, arms export licences were easily issued for the country, although it has a bad human rights reputation: the government uses torture and impunity, and there are few civil liberties.²⁹ Against the backdrop of the Arab Spring, the chance that recently sold military equipment to Jordan will be used against the civilian population sooner or later has become very real. While it has remained relatively calm in Jordan, despite some fairly large demonstrations in the country, that is, of course, by no means a guarantee for the future.³⁰

Libya

In 2004, many EU countries supported lifting the arms embargo against Libya with a view on lucrative arms orders and to help stop the flood of African refugees³¹ into Europe. While France, Italy and Britain have grabbed most of the orders in recent years, Dutch businesses have also ventured into this market. Thus, the possible export of night vision equipment to Libya was discussed at the highest political levels in 2009 and 2010.

Datum
19 juni 2009
Onze Referentie
DVB/NW-287/09

Wapenexportcriteria gerelateerd aan de aard van het goed	Pos	Neg	Nvt
1. naleving internationale verplichtingen van Nederland	X		
2. rechten van de mens in het land van eindbestemming	X		
3. interne spanningen / gewapende conflicten in het land van eindbestemming	X		
4. handhaving van vrede, veiligheid en stabiliteit in regio	X		
5. nationale veiligheid Nederland, bevriende landen of bondgenoten	X		
6. gedrag van het land van eindbestemming t.o.v. de internationale gemeenschap ²	X		
7. gevaar voor wijziging van de eindbestemming	X		
8. verenigbaarheid van de voorgenomen export met het technische en economische vermogen van het ontvangende land ³	X		

Gelet op het bovenstaande, stel ik voor EZ **positief** te adviseren.

Illustration: a positive assessment of all 8 criteria in the case of night vision equipment for Libya

Thanks to the Government Information Act³², the Campaign against Arms Trade received documents showing how the Dutch government pushed aside its own doubts about the

²⁹ See also Human Rights Watch: <http://www.hrw.org/en/node/87725>

³⁰ Also see: Ethan Bronner, 'Protests Spur Shuffle of Jordan Cabinet', New York Times, 2 July 2011

³¹ 'EU lifts weapons embargo on Libya', BBC News 11 October 2004 (<http://news.bbc.co.uk/2/hi/3732514.stm>)

³² Request of Frank Slijper on 13 December 2010; Decision of the Ministry of Foreign Affairs on 7 February 2011

Libyan human rights situation in favour of a potential order from the Libyan border guards. It went as follows:

In March 2009, Thales Netherlands, one of the three largest Dutch arms companies, sent in a trial application ("sondage") in order to see whether it might qualify for a licence for the export of Albatross or Claire military thermal imagers, valued at 1 million euro. Its end-use was described as "border control to prevent illegal immigration from Africa to Europe." The Dutch Ministry of Economic Affairs had no problems with the proposed deal and initially gave a positive recommendation on all eight criteria (see document excerpt), without properly analysing the data. Their Minister – Maxime Verhagen at that time – didn't like the idea of such a permit and gave a negative recommendation, mainly due to the treatment of 'illegal' immigrants arrested in Libya.

State Secretary Heemskerk of Economic Affairs was not going to take this lying down and called Verhagen to reconsider his negative advice, partly because "no direct link existed between these goods [...] and human rights violations in Libya." A Foreign Affairs officer wrote: "A positive recommendation actually gives priority to the fight against illegal migration; a negative recommendation gives priority to the human rights situation with regard to migrants in Libya. All things considered, I advise you to maintain the negative recommendation." [underlined in the original document] The memo also states that over the past years "the Libyan regime" has taken a "clearly more repressive approach [...] towards African migrants".³³ The letter described that the Dutch Ministry of Economic Affairs thought that there was a good chance that Thales would initiate an appeals procedure, which could lead to a lawsuit. "The assessment of DJZ [Legal Affairs] is that it indeed cannot imagine that the company would win such a procedure, but that there is a possibility that the other argument could win out. Given the findings of NGOs, it's plausible that a reasonable chance of human rights violations exists the moment an illegal immigrant is arrested using military equipment supplied by the Netherlands. Moreover, a strict rule with regard to human rights criteria can be upheld if supported by a sound, substantiation".

A few weeks later, for reasons not clear from the documentation, Verhagen did end up agreeing to grant the application. Reads a memo from an official: "You are asked to be alert for information or indications that these cameras are used for violations of (illegal) migrants in Libya. The post in Tripoli will be asked to monitor this."³⁴ According to Foreign Affairs, in the end there never was an actual order.

In April 2008 and June 2009 the Department granted licences to Thales Netherlands³⁵ for Squire portable radars. On paper, its end-use was described as for "surveillance and security purposes", further specified with the terms "military" or "drug prevention". Another licence in 2008 was granted for the export of "tools and software for information security". On 3 February 2010, The Hague finally gave the green light to export parts of Chinook helicopters that were repaired in the Netherlands.³⁶

³³ Letter dated 29 January 2010

³⁴ Letter of 16 March 2010

³⁵ Licences granted on 15 April 2008 and 8 June 2009

³⁶ Licence 28554761

Morocco

Morocco has been the biggest customer for the past few years by far, thanks to the three frigates the country ordered from shipbuilder Damen Schelde Naval Shipbuilding in Vlissingen in early 2008. In 2009 a licence valued at 555 million euro was issued for the order. The first ship was delivered in September 2011; the other two will follow in 2012.³⁷

It's unclear why and against which alleged enemy Morocco would need such large, expensive ships. What is clear is that the country now has significant debt. Protests in Morocco have been more limited than in many other North African countries. In response, the almighty king instituted reform plans, including an amendment to the constitution limiting his powers in favour of the parliament. These changes were generally seen as lacking, which is why the November 2011 election was boycotted by many people, especially members of the democracy movement; only 45% of the population voted.³⁸

Saudi Arabia

The Dutch arms export policy to Saudi Arabia is quite complex. Although it is a severely restricted destination, the door is regularly open for orders. An export licence worth 21 million euro was granted in 2002 for patrol boats, the biggest Saudi export order of the last decade. More licences, worth 15 million euro, were issued between 2007 and 2009, including communications equipment for tanks and armoured vehicles.

In 2008, in response to parliamentary questions about this, the government wrote: "The Netherlands indeed has a restrictive arms export policy toward Saudi Arabia, resulting from concerns regarding the human rights situation in that country. However, after careful assessment, based on the criteria of the EU Code of Conduct, the government concluded that there was no reason to refuse this particular transaction, partly because the equipment was intended for tanks and armoured vehicles, a type of military equipment not associated with specific concerns about the human rights situation in Saudi Arabia".³⁹ The deployment of Saudi military vehicles in Bahrain⁴⁰, as well as the thousands of troops brought into readiness⁴¹ in the spring of 2011, contradict this assertion.

The supplier of the SOTAS communications systems was Thales Netherlands, a company that seems averse to keeping current events in mind. While the Arab Spring burst into flower, the company came with the enthusiastic news of its new Saudi Arabian orders. "SOTAS is the central link that connects, integrates and shares all operational communication between people, vehicles and command posts. So doing, SOTAS can realise networked situational awareness and increase the effectiveness of the mission."⁴²

³⁷ 'Moroccan frigate in sea trial', UPI, 28 November 2011

³⁸ Souad Mekhennet and Maïa De La Baume, 'Moderate Islamist Party to Lead Coalition Government in Morocco', New York Times, 27 November 2011

³⁹ *Antwoord op Kamervragen over de jaarrapportage wapenexport 2007*, 1 december 2008

⁴⁰ 'Saudi Arabia sends tanks to riot-hit Bahrain – paper', RIA Novosti, 1 March 2011

⁴¹ Charles Recknagel, 'Saudi Arabia Braces For Friday Protests, Particular in Shi'ite East', Radio Free Europe/Radio Liberty, 10 March 2011

⁴² *Service maakt het verschil*, Thales Alerts, February 2011

An evaluation of the Dutch arms export policy 2009, conducted by the Policy and Operations Evaluation Department (IOB) of the Ministry of Foreign Affairs, also noted that licence applications for Saudi Arabia always received a positive recommendation on the human rights criterion, often without a further explanation.

In June 2010, the Ministry again issued a licence for the export of armoured vehicle components valued at 2.3 million euro.⁴³ However, in response to questions raised in the Dutch parliament in April 2011, the government admitted that it would not have granted such an authorisation under the "current turbulent conditions".⁴⁴ Yet, it seems that Saudi Arabia is treated differently, despite its poor human rights records.⁴⁵

During the parliamentary debate on 24 March 2011, Minister Rosenthal of Foreign Affairs was clearly reluctant to equate the country with Tunisia, Bahrain, Yemen and Egypt: countries to which arms sales from the Netherlands have been suspended. Groenlinks party MP El Fassed's motion, passed by Dutch parliament, which calls for a suspension of the arms trade to Saudi Arabia is of great importance.⁴⁶ Meanwhile, the government is holding pending licence applications for Saudi Arabia, but does not want to stick to the condition of "significant structural reforms" mentioned in the motion.⁴⁷

⁴³ Licence 28613695 of 21 June 2010

⁴⁴ Response to parliamentary questions by GroenLinks MP El Fassed with reference to arms export to Saudi Arabia, 19 April 2011

⁴⁵ *Beleidsdoorlichting van het Nederlandse exportcontrole- en wapenexportbeleid*, Inspectie Ontwikkelingssamenwerking en Beleidsevaluatie, IOB Evaluaties nr. 325, October 2009, p.107

⁴⁶ *Tweede Kamer der Staten-Generaal, Vergaderjaar 2010–2011, 22054, nr. 172*, Motion by El Fassed, 30 June 2011

⁴⁷ Letter to the Dutch parliament, *Reactie op moties van leden Van Dijk en El Fassed*, 2 December 2011

3. Other Dutch arms export destinations in 2010

The major arms export licences have already been briefly touched upon in Chapter 1. Below is a detailed description of the major orders and their destinations in context, with the obvious exception of those that have already been discussed in the previous chapter on the Middle East and North Africa.

Chile

As mentioned before, Chile took over eighteen surplus F-16 fighter planes from the Dutch Air Force in 2010. Together with the navigation equipment, this order represented nearly 104 million euro. The last planes flew to Chile in August 2011. According to the military trade press, Chile now has the most heavily armed Air Force in the region.⁴⁸ In addition, the Netherlands exported components for long-range surveillance radar, probably for the Chilean Navy. In 2010 the Netherlands also sold surplus "wheeled vehicles and trailers" to Chile.⁴⁹ The value of this order is unknown, as there was no permit issued in 2010; it's possible that this will still happen in 2011.⁵⁰

Colombia

Colombia has not been a controversial destination for Dutch arms for the last two years - at least in the eyes of Foreign Affairs, which is responsible for authorisations. After a small order of 1 million euro in 2009, Thales was given permission to export fire-control equipment and related supplies for a major refurbishment project of *Almirante Padilla*-class frigates in 2010. The order was valued at almost 90 million euro.⁵¹

Ghana

Ghana is a remarkable new customer. No military equipment has been supplied to the country in recent years. However, nearly two million euros worth of armoured four-wheel drives (4WD) were sold to the country's police force in 2010.⁵²

Israel

In 2010, licences valued at 720,000 euro were issued, including a "motion simulator customised for a military product"⁵³ and "wind tunnel test data"⁵⁴ technology for radar systems".⁵⁵ Also striking was a so-called temporary permit for "engine parts for F-16 fighter planes".⁵⁶ While a small sale, probably for a repair, this wasn't in line with policy. The last

⁴⁸ See, for example: Santiago Rivas, 'Southern Falcons', *Air Force Monthly*, October 2011

⁴⁹ See addendum 5 in *Het Nederlandse wapenexportbeleid in 2010*, September 2011 (<http://www.rijksoverheid.nl/onderwerpen/exportcontrole-strategische-goederen/documenten-en-publicaties/rapporten/2011/09/23/het-nederlandse-wapenexportbeleid-in-2010.html>)

⁵⁰ See, for example 'Chilean Army boosts inventory', *Jane's Defence Weekly*, 31 August 2011

⁵¹ See letter in the report *Het Nederlandse wapenexportbeleid in 2010*, 23 September 2011 (<http://www.rijksoverheid.nl/onderwerpen/exportcontrole-strategische-goederen/documenten-en-publicaties/rapporten/2011/09/23/het-nederlandse-wapenexportbeleid-in-2010.html>)

⁵² Licence 28616309 (1 June 2010)

⁵³ Licence 28695535 (25 October 2010)

⁵⁴ Licence 28556034 (January 2010)

⁵⁵ Licence 28661657 (18 August 2010)

⁵⁶ Licence 28709226 (26 November 2010)

time the Dutch government explained its policy on arms exports to Israel it revealed that there was no embargo, but that it would be looking very carefully at the relationship between the supplied arms (components) and the local human rights situation and internal tensions.⁵⁷ With F-16 parts it's difficult to argue that no relationship exists with military activity over Palestinian territory.

Malaysia

The refurbishment of two Malaysian Kasturi class corvettes gave Thales Netherlands orders worth 53 million euro. The company sold so-called TACTICOS Combat Management Systems, DA-08 radar and a Mirador fire-control system to Malaysia.⁵⁸ In early 2011, Thales Netherlands signed an agreement with the Malaysian company HeiTech Padu Berhad for cooperation in the development of the TACTICOS for patrol ships designed and manufactured in Malaysia. HeiTech Padu was already involved in the Kasturi corvette deal.

Taiwan

Taiwan has long enjoyed a high ranking because of standing orders for components for submarines sold to the state in the 80s: to the value of 27 million euro in 2010 and 170 million euro over the last decade. This has given the state its position as the 16th largest arms export destination – and this doesn't even include Dutch components sold via the USA for Taiwanese F-16s and Apache attack helicopters (see below).

Thailand

In the first months of 2011, the simmering conflict over the 11th-century Preah Vihear temple along the border between Cambodia and Thailand flared up again, with both sides claiming that the other started. In late April, the battle spread out to the temples of Ta Moan and Ta Krabey, 160 km away. Parts of the border between the two countries were never clearly marked. Small and big artillery were fired from both sides. Thailand also fired cluster bombs, despite growing international consensus on banning these munitions.⁵⁹ Some soldiers were killed and tens of thousands of civilians fled. Although the battle died down in early May, the conflict remains unresolved. Nevertheless, the Dutch government saw no reason not to export arms to Thailand. In fact, over the past decade it issued licences for arms sales worth a total of 63 million euro, of which licences worth 38 million were issued in the last two years alone. Most of it was for surplus Dutch Defence Force Flycatcher anti-aircraft guns⁶⁰ and radar and fire-control equipment for the army and navy supplied by Thales Netherlands. In April 2011 - when the temple conflict

⁵⁷ Letter to the Dutch Lower House: *Wapenleveranties Israël*, 23 October 2007 (DVB/WW-624/07)

⁵⁸ See, for example *Maleisische partner produceert Tacticsos voor Thales*, Thales Alerts, March 2011 (<http://thalesalerts.com/2011/maart/Maleisische%20partner%20produceert%20Tacticsos%20voor%20Thales%20Nederland.doc/>); http://en.wikipedia.org/wiki/Kasturi_class_frigate and <http://www.naval-technology.com/projects/kasturi-class/>

⁵⁹ Guy De Launey, 'Thailand 'admits cluster bombs used against Cambodia'', BBC News, 6 April 2011 (<http://www.bbc.co.uk/news/world-asia-pacific-12983127>)

⁶⁰ See addendum 5 in *Het Nederlandse wapenexportbeleid in 2010*, September 2011 (<http://www.rijksoverheid.nl/onderwerpen/exportcontrole-strategische-goederen/documenten-en-publicaties/rapporten/2011/09/23/het-nederlandse-wapenexportbeleid-in-2010.html>)

was raging - the Hengelo-based company announced that it had successfully refurbished Flycatcher fire-control systems for the Thai Army.⁶¹ At the end of March, Thales and local partner Loxley tested the anti-aircraft system on a Thai firing range. According to the Thai army, the Flycatcher had never been as successful before.

Turkey

The Turkish Navy has placed a steady stream of Dutch arms orders for many years. In fact, in the last ten years Turkey received export licences worth a total of 263 million euro, making the country the eleventh largest arms export destination. In 2010 alone, it was issued licences valued at 9 million euro. While old conflicts with Greece about Cyprus and the Aegean Sea have been pushed to the background, the Navy remains one of the Turkish Armed Forces' showpieces. Thales Netherlands is the main supplier and its Turkish order book seems unaffected by the economic crisis. In April 2010 it arranged an export credit covered by the Dutch state - with a maximum compensation of 34 million euro - for radar equipment for the Turkish arms manufacturer Aselsan. Export credits are usually quickly followed by export licences⁶².

United States of America (and "third countries")

Dutch companies have been involved in major U.S. weapons programmes for decades, the result of the previous purchase of such weapons by the Netherlands. It is mainly for this reason that the USA has been the main Dutch arms destination. The past decade has seen orders with a value of 1.4 billion euro, of which 318 million was spent in 2010. However, just because the United States of America has been the most important market for years does not mean that all the arms components sold to this country remained there. Much of the Dutch arms exports to the USA were components for F-16 fighter planes. And, given that the U.S. no longer builds aircraft for its own armed forces, the bulk of these exports were destined for F-16 that have been ordered from manufacturer Lockheed Martin by other countries. In 2010, such orders came from Egypt, Morocco⁶³, Pakistan⁶⁴ and Turkey⁶⁵. Iraq⁶⁶, Oman and Taiwan⁶⁷ are currently in line for new F-16s. In addition, Taiwan thoroughly refurbished its older aircraft for several billions of dollars, a windfall for the handful of Dutch companies that make engine components and landing gear for F-16s. The government didn't make a fuss by insisting on knowing the end destination, which is normally required.

Rejected licence applications

In addition to all the arms export licenses issued every year, some export permits are also refused. In 2010, 11 licence applications were refused (2009: 18; 2008: 11; 2006 and 2007: 20).⁶⁸

⁶¹ *Succesvolle firing trials Flycatcher in Thailand*, Thales Alerts, April 2011

⁶² Atradius Dutch State Business, *Uitgereikte polissen – Faciliteit: EKV* (policy dated 21 April 2010)

⁶³ Gareth Jennings, 'Morocco receives first F-16 fighters', *Jane's Defence Weekly*, 10 August 2011

⁶⁴ Leithen Francis, 'Stepping Up', *Aviation Week & Space Technology*, 7-14 March 2011

⁶⁵ Lale Sariibrahimoglu, 'Turkey receives first Peace Onyx IV F-16', *Jane's Defence Weekly*, 1 June 2011

⁶⁶ Mariana Malenic, 'Iraq agrees \$3bn deal with US for 18 F-16s', *Jane's Defence Weekly*, 18 September 2011

⁶⁷ Gavin Phipps, James Hardy, 'but Taipei will still push for F-16C/D purchase', *JDW*, 28 september 2011

⁶⁸ Addendum 4 *Het Nederlandse wapenexportbeleid in 2009* Dutch Lower House 2009-2010, 22054, nr. 159 (23 June 2010)

Four of these were for arms exports to **Israel**, for night vision equipment for the police, prison system and another company, as well as "materials for optical sensors (epitaxial wafers)". Five of the eight criteria were given as grounds for refusal: human rights, internal and regional tensions, the behaviour towards the international community and the risk of diversion to another destination.

Pakistan's Frontier Corps was also not allowed to buy Dutch night vision equipment. Grounds for refusal included internal and regional tensions, and behaviour "towards the international community, especially the attitude towards terrorism" (criterion 6). Until recently, **Pakistan** had been one of the major customers of Dutch-made night vision equipment: in 2007 the country purchased equipment for more than 20 million euro!⁶⁹ At the time, this was permitted under the guise of strengthening the Pakistani border with Afghanistan. The paramilitary Frontier Corps is very active along that boundary. The rejection seems to indicate a change in export policy to Pakistan.

Two almost identical licence applications for the export of armoured vehicle components bound for **Thailand** were refused. In 2010, as in 2009, the transit of weapons to the **Ecuadorian army** was refused: this included a load of hand grenades from Serbia and a shipment of mortar ammunition from Bosnia-Herzegovina. There were also two licence refusals for the export of firearms to private persons in **Surinam**.

⁶⁹ See Frank Slijper and Mark Akkerman, *Analyse Nederlandse wapenexportvergunningen 2007*, p.29-31

4. Arms transit

In August 2008, the Netherlands implemented a licencing requirement for all arms in transit from a non EU/NATO+ country to another non-EU/NATO+⁷⁰ country via the Netherlands. Despite criticism that arms sent through the Netherlands to friendly countries can also end up in war zones or otherwise controversial destinations, the Netherlands was long unwilling to interfere with arms transit. It argued that the countries in question had their own export policies, and that the Netherlands therefore didn't have to meddle.

The January 2011 report on arms transit,⁷¹ published by the Campaign against Arms Trade, illustrated the need to question other countries' export policies through a series of examples, including Czech machine guns sent from Rotterdam to the Sri Lankan civil war. This report raised questions in the Dutch parliament.

After a parliamentary debate in March 2011, during which almost all parties criticised the transit policy, the government promised to address the identified vulnerabilities. "The way we do things now is that when we have a slight doubt, we ask how the assessment was made. I must admit that sometimes something has slipped through," said State Secretary Bleker during the debate, in which he proposed to switch to a "selective review", meaning that certain types of goods, of a certain size, destined for certain countries, should come under extra scrutiny.⁷²

In June, the Dutch government proposed to do this as follows:

"Transit with a transfer of goods from one means of transport to another, will be brought under a licence, regardless of the origin or destination. A general licence will be created for this type of transit. These will be available to all carriers, ground handlers, shippers and other registered Dutch parties that have demonstrated previous good conduct in the field of export control. These parties will be authorised to perform a transfer of goods in transit from an ally, but also for

goods that have not been included in a (yet to be established) transit list. An individual licence will apply to such a (negative) list, which will mainly contain complete weapons systems as well as small calibre weapons and ammunition, so that the Dutch government can retain some form of control - especially for commercial deliveries. [...] What this means is that, unlike in the past, some transit consignments from allies will now be individually checked. To ensure ongoing respect for our allies' export policies, the policy will continue to be that, in the presence of an export license from one of the EU/NATO+ partners, the Dutch transit permit will, in principle, be issued as a "standard". An exception will be made for the transit of goods to destinations that, in the opinion of the Minister of Foreign Affairs, should receive special attention. Such applications will be submitted to the Ministry of Foreign Affairs. The Ministry of Foreign Affairs will then decide whether further consultation with the EU/ NATO+ partner is necessary. This will mainly be based on the nature of the arms and the end user. At such a consultation, the ally would be able to explain why it granted the licence and whether it wishes to withdraw that licence, for

⁷⁰ Jargon for EU and NATO member states, plus Australia, Japan, New Zealand and Switzerland.

⁷¹ Frank Slijper, *Vrij Verkeer*, Campaign Against Arms Trade, January 2011, <http://stopwapenhandel.org/node/994>

⁷² *Verslag van een Algemeen Overleg*, 20 April 2011 (22054 nr.164)

example in the case of unexpected developments in the country of destination. It is conceivable that in the absence of an acceptable explanation by the ally, a transit permit may be denied."⁷³

Only time will tell to what extent this 'repair' of the transit policy will prove sufficient. Although it is certainly an improvement over the hitherto common practice on paper, it is difficult to see why a distinction has been made between whether or not goods are moved from one means of transport to another. You would think that the load and its destination are of more importance. The policy also doesn't specify what destinations should get special attention in the opinion of the Minister of Foreign Affairs.

The figures for 2010 - the latest available ones – therefore predate the policy change. Below are some key figures and a list of the most remarkable arms transit destinations in 2010:

Some 1,531 arms shipments were reported to have passed through the Netherlands in 2010 (in 2009: 1942; 2008: 2269). Of these, 1,489 were judged satisfactory (because of a declaration that the goods were from/going to a friendly EU/NATO+ country). Transit permits were applied for in 42 cases, because neither the country of origin nor the country of destination was EU/NATO+. Whether this decline had to do with the gradually tightening transit controls is impossible to say. Another factor is certainly important: in 2010, unlike in previous years, very few loads of U.S. Army equipment were transported via the Netherlands.

The majority of arms in transit passed through Schiphol airport and Rotterdam port. Some twenty other shipments passed through the Eemshaven, IJmuiden and Nieuweschans ports. As in previous years, almost half of all reported arms in transit were loose firearms for hunting- or sporting purposes, which are therefore of little relevance for this report. The other half was relevant, in principle, because it was en route to governments or destined for private trade.

The most remarkable arms in transit through the Netherlands in 2010 included:

Table 4.1 Remarkable arms in transit with a licensing requirement

(Non EU/NATO+ source and destination) 2010

Description of goods	Country of origin	Destination country	Value of cargo (€)
Grenade chargers and fuzes, cal. 122 mm/155 mm	South Africa	Egypt	254,321
Smokeless gunpowder	South Africa	Guatemala	126,601
Detonator cartridges for military aircraft	Latvia	Indonesia	104,510
Components for aircraft ejection seats for fighter planes	Latvia	Indonesia	53,720
Blasting caps, cal. 5,56x45mm	Bosnia-Herz.	Malaysia	91,050
Bulletproof clothing and plate armour	China	Nigeria	56,302
Bullet cartridges, cal. 7,62x51mm ball	Brazil	UAE	169,673
Ammunition rounds cal. 51x7,62mm	Brazil	UAE	169,637

⁷³ Letter to the Dutch Lower House, *Aanpassingen in het wapenexportbeleid*, 10 June 2011

Of the arms transit cases for which permits were needed - because neither the country of origin nor the destination were an allied EU/NATO+ country, the eight permits listed above were the most striking. In many cases, the arms in transit consisted of ammunition (components). Only the value, not the number, is known in the *licences*, but in the following *transit reports* it is just the opposite.

Of the much larger number of transit reports – in which the country of origin or destination is an allied EU/NATO+ country – the cases in the table below were the most remarkable in 2010. Also remarkable were the shipments of arms and ammunition sent to the USA, described separately, because of the large size of these shipments.

Remarkable destinations

A number of shipments jump out in the overview below, particularly those to states in the Arabian Gulf. Belgium sent machine guns to **Bahrain** via the Netherlands. A few months later, Bahraini security forces would open fire on demonstrators. A large quantity of Belgian ammunition was also sent to **Qatar**. British firearm ammunition, hand- and tear gas grenades were sent to **Oman** via the Netherlands. Even the Swiss supplied Oman with two and a half million ammunition cartridges. More than 12.5 million pieces of Italian and Belgian firearm ammunition were transported to **Kuwait**. More than 2,000 Czech pistols went to **Iraq**; 5,000 to **Bangladesh**. Like the USA (see below), **Canada** is a popular destination for large firearms transports: Almost 20,000 Ukrainian and British rifles and handguns were shipped there through Dutch territory.

It's a mystery why the Netherlands let through a shipment of **pepper spray** to **Uganda**, where security forces have become increasingly repressive in recent years. In April 2011, police used excessive force against a demonstration organised by the opposition, using both pepper spray and tear gas.⁷⁴ It is not clear whether the number (1,000) refers to litres or the number of cartridges. Finally, a shipment of 38 kg of South African electroshock weapons sent via the Netherlands to Germany is more than remarkable. These weapons are freely traded in Germany, but are banned for private ownership in the Netherlands.⁷⁵

⁷⁴ [David Smith](http://www.guardian.co.uk/world/2011/apr/28/ugandan-police-teargas-arrest-opposition-leader), 'Ugandan opposition leader temporarily blinded in teargas raid', The Guardian, 28 April 2011, <http://www.guardian.co.uk/world/2011/apr/28/ugandan-police-teargas-arrest-opposition-leader>

⁷⁵ *Stroomstootwapen bestellen? Gratis pepperspray erbij*, AT5, 8 April 2011, <http://www.at5.nl/artikelen/60084/stroomstootwapen-bestellen-gratis-pepperspray-erbij> ; also see: <http://www.judex.nl/rechtsgebied/strafrecht/veel-voorkomende-misdrijven/artikelen/380/wapens,-munitie-en-straffen-htm>

Table 4.2 Remarkable transits with a reporting requirement 2010
(EU/NATO+ origin or destination, excluding those sent to the USA)

Number	Description of goods	Country of origin	Destination country
205	190 machine guns cal. 7,62mm, 5,56mm and .50; 15 training weapons	Belgium	Bahrain
131	108 machine guns cal. 7,62 mm and 23 pieces .50	Belgium	Bahrain
5,000	Handguns cal. 9 mm	Czech Rep.	Bangladesh
10,010	Rifles cal. 7,62 mm	Ukraine	Canada
8,200	Rifles cal. 7,62 mm	UK	Canada
500	Handguns cal. 7,62x25 mm	UK	Canada
500	Magazines	UK	Canada
38 kg	Stun guns	South Africa	Germany
2,143	Handguns + components cal. 9 mm	Czech Rep.	Iraq
27,000	Cartridges 7,65mm and 9 mm	Czech Rep.	Cape Verde
11,000,000	Cartridges cal. 5,56 mm/7,62mm/ .50	Belgium	Kuwait
580,000	Cartridges 7,62 en .308	Belgium	Kuwait
192,000	Cartridges cal. <.50	Belgium	Kuwait
35,000	Cartridges cal. 25 mm	Belgium	Kuwait
475,000	Cartridges cal. <.50	Italy	Kuwait
30,000	Cartridges cal. 9 mm	Italy	Kuwait
1,000	Pepper spray	USA	Uganda
100,000	Ammunition cal. 5,56x45mm	UK	Oman
1,500	500 Tear gas grenades cal. 38 mm and 1,000 Hand grenades	UK	Oman
1,171,050	Cartridges cal. <.50	Switzerland	Oman
1,068,000	Cartridges cal. >.50	Switzerland	Oman
500,000	Cartridges cal. 5,56x45 mm	Switzerland	Oman
4,500,000	Cartridges cal.9mm and 5,56 mm	Belgium	Qatar
1,500	Cartridges cal. 90 mm	Belgium	Qatar
3,000	Ammunition for anti-tank weapons	Germany	Singapore
7,060	Mortar propellant cal. 120 mm	Spain	Singapore
814,000	Cartridge cases cal. 25mm	Switzerland	Singapore
1,064 kg	Cartridge cases 25mm	Switzerland	Singapore
246	Machine guns and rifles calibre 5,56 mm (incl. components)	UK	Uruguay

Colossal shipments of firearms and ammunition to the USA

In 2010, nearly 350 shipments of Russian ammunition were trans-shipped in Rotterdam for shipment to the United States. These shipments contained **346 million cartridges, 24 million detonators and six million empty cartridges for small handguns**. These very large ammunition shipments took place from mid 2009. Furthermore, over **22,000 firearms** were shipped to the USA in 2010: 7,877 Polish; 5,785 Serbian, 5,517 Portuguese, 3,074 Czech and 408 Montenegrin firearms. And, some **21 million cartridges** were shipped to the USA from other countries: 6 million from Slovakia; 5 million each from Romania and the Czech Republic; 4.3 million from Serbia and 734,000 from Croatia.

According to an official involved, these shipments are destined for the retail market in almost all cases.⁷⁶ This is very troubling given the large number of U.S. accidents and murders that involve privately owned weapons. Also worrying is the large illegal arms- and ammunition trade between the USA and Central America, which has a highly destabilizing effect, as the current situation in Mexico, Honduras and Guatemala⁷⁷ illustrates only too well. The end destination of these large arms shipments is therefore highly uncertain.

⁷⁶ Correspondence with author, 2 December 2010

⁷⁷ See, for example: Anna Mulrine, 'Pentagon: Central America 'deadliest' non-war zone in the world', 11 April 2011, <http://www.csmonitor.com/USA/Military/2011/0411/Pentagon-Central-America-deadliest-non-war-zone-in-the-world>

5. Conclusions and recommendations

This analysis covers the arms export figures for 2010, but because Dutch weapons were deployed against civilian protests in the Middle East and North Africa in 2011, we paid special attention to exports to this region. We also focused on the reaction of the Dutch government, especially the letter sent to Dutch Parliament on 10 June (in which the government set forth the proposed policy changes it promised in the parliamentary debate of 24 March) and the letter to the Dutch parliament on 2 December (in which the government explained why it wanted to disregard two motions of the Dutch parliament). More so than in recent years, the Arab Spring in 2011 showed that the Dutch arms export policy needs improvement. Despite the fact that its arms export is bound by licencing policies, it is clear that Dutch military equipment and technology were used for internal repression in other countries. The governments and parliaments in other European countries were also shocked to find that their weapons were used against rebellious citizens with legitimate demands. There is every reason to adjust European arms export policies based on a thorough analysis of errors.

The permissive arms export policies for the Middle East and North Africa were a result of the fact that the repressive regimes had a good relationship with the Netherlands. It was therefore convenient to condone these countries' less favourable behaviour towards their own citizens. And, of course, let's not forget that large amounts of money were involved in these exports: particularly to the oil-exporting countries - attractive customers for the arms industry. Political and economic motives for arms exports may, however, never make it possible for Dutch arms to be used for human rights violations.

A joint report by European NGOs and researchers called for an honest analysis of the causes of the errors, and for an adjustment of the EU arms export policy, based on lessons learned.⁷⁸ There are good opportunities for this in 2012. COARM, the EU body where the export policy for conventional arms is discussed, has planned a review of its Common Position on arms export in 2012. Strengthening the European arms export policy is also important because the UN arms trade treaty will be settled in 2012. The laborious process of realising such a treaty with the whole international community will certainly be given a boost if European countries, with their common arms export policy, carry out this policy carefully and with high ambitions.

The lessons from the Arab Spring could form the basis for an assessment process that can be used EU-wide. Ideally, an export policy with the highest possible common denominator should be adopted, one where standards are not eroded under pressure from the major arms exporting countries. The review should take place in an open and transparent way, and the views of civil society organisations should be included.

The revisions to the Dutch arms export policy, which the government announced in its letter to parliament of 10 June 2011, could be seen as a first step towards a stronger European arms export policy. The Common Position also gives the government room for its own policy: "This Common Position shall not affect the right of Member States to implement more restrictive national rules" (Art. 3).

⁷⁸ Lessons from MENA – Appraising EU transfer of military and security equipment to the Middle East and North Africa.

It is good that the Dutch government is striving for common EU benchmarks, as long as such harmonisation will not lead to a weakening or disregard of the Dutch policy. The fact that multilateral policy is needed should not be a reason for the Netherlands to set its own responsibilities aside.

The Dutch government has informed parliament that it was not in favour of a total ban on arms exports to human rights abusers and undemocratic countries, because this would constitute a de facto embargo. One can, however, greatly strengthen the policy if a 'no unless' approach would be followed for human rights violators and undemocratic countries, instead of the current permissive policy. This approach would change the current situation, where export licences for human rights abusers and undemocratic countries are issued as a standard unless specific objections are made. Instead, such licences will automatically be denied unless three conditions are met: a legitimate defence need must be demonstrated; a convincing guarantee must be given that the weapons will not be used against civilians; and a democratically established decision-making process for arms purchases must exist in the destination country.

The latter condition can prevent rulers from using scarce budgets for military purchases against the wishes of the people, saddling countries with heavy debt for years (e.g. in Morocco).

Such a policy does not affect the individual assessment of each licence application, and does not constitute an embargo, but does provide a testable change in policy. The list of countries where the "no unless" approach should be applied, could be based on existing, regularly updated lists of non-democratic countries and human rights violators.⁷⁹

The Dutch government has expressed its intention to work on finding a more consistent application of Criterion 8, the so-called "development test", in a European context. Here too, lessons should be learned from the Arab Spring. It should be made clear that undemocratic regimes regularly make major arms purchases, while the local population craves much more productive investments in economic development. In addition to a more consistent application of Criterion 8, elements from the corresponding European User Manual should be given a higher priority. This includes elements such as the economic capacity of the recipient country, how the recipient country will finance these imports and the potential impact of foreign debt and the balance of payments (Art. 3.8.4a. User Manual).

Too little attention has also been paid to the question of transparency of military expenditures and arms purchases by the state, and whether there is democracy and public participation in the budgetary process of the country (Art. 3.8.6 User Manual).

⁷⁹ Think of the World Bank's Worldwide Governance Indicators, the UNDP's Human Development Index, the Corruption Perceptions Index of Transparency International and the Democracy Index of the Economist.

Recommendations

- In response to the Arab Spring, a thorough analysis should be made of the Dutch arms exports to the Middle East and North Africa.
 - Based on this analysis, generally applicable improvements should be made to Dutch policy.
 - The Netherlands should also push for the implementation of these improvements at a European level at the revision of the Common Position on arms export.
- The quest for European harmonisation must not lead to a weaker national policy.
- With regard to criterion 2 (the human rights criterion), we recommend a “no unless” approach.
- With regard to criterion 8 (the development criterion), we recommend not only a more consistent application thereof, but also that more consideration is given to the economic impact of arms procurement and the democratic control of arms procurement.

Recent publications by the Campaign against Arms Trade

- **Lessons from MENA – Appraising EU transfer of military and security equipment to the Middle East and North Africa**, November 2011 (in cooperation with Ghent University and Saferworld)
- *Introductie Nederlandse wapenhandel*, October 2011, fact sheet
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