

PIECING IT ALL TOGETHER

Why the Arms Trade Treaty must regulate parts and components for weapons and military equipment

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Summary

- Modern weapons and military equipment cannot be made or maintained without parts and components. But these are traded around the world in a globalised market that is poorly regulated.
- Between 2008 and 2011, the global trade in parts and components was worth at least \$9.7bn.
- Weapons are assembled from components sourced from all corners of the world – frequently from countries without any effective arms transfer controls.
- The poorly regulated trade in spare parts allows irresponsible users to circumvent arms embargoes.
- The Arms Trade Treaty provides a unique opportunity to regulate the specialised parts and components used in the arms trade and, indeed, will be fatally flawed if it does not do so.

THE CASE FOR GLOBAL REGULATION OF THE TRADE IN PARTS AND COMPONENTS

Modern weapons and military equipment cannot be made or maintained without the parts and components that are traded around the world in a globalised market. Without regulating this trade alongside the trade in complete weapons, it will be impossible to reduce the impact of irresponsible arms transfers on human rights, security, and development.

Between 2008 and 2011, the global trade in parts and components was worth at least \$9.7bn.¹ This vast stockpile of weapons parts ranged from high-end components for aircraft to parts for small arms and light weapons (SALW). Without this huge movement of parts and components, the arms trade as we know it could not exist.

Parts and components in small arms production

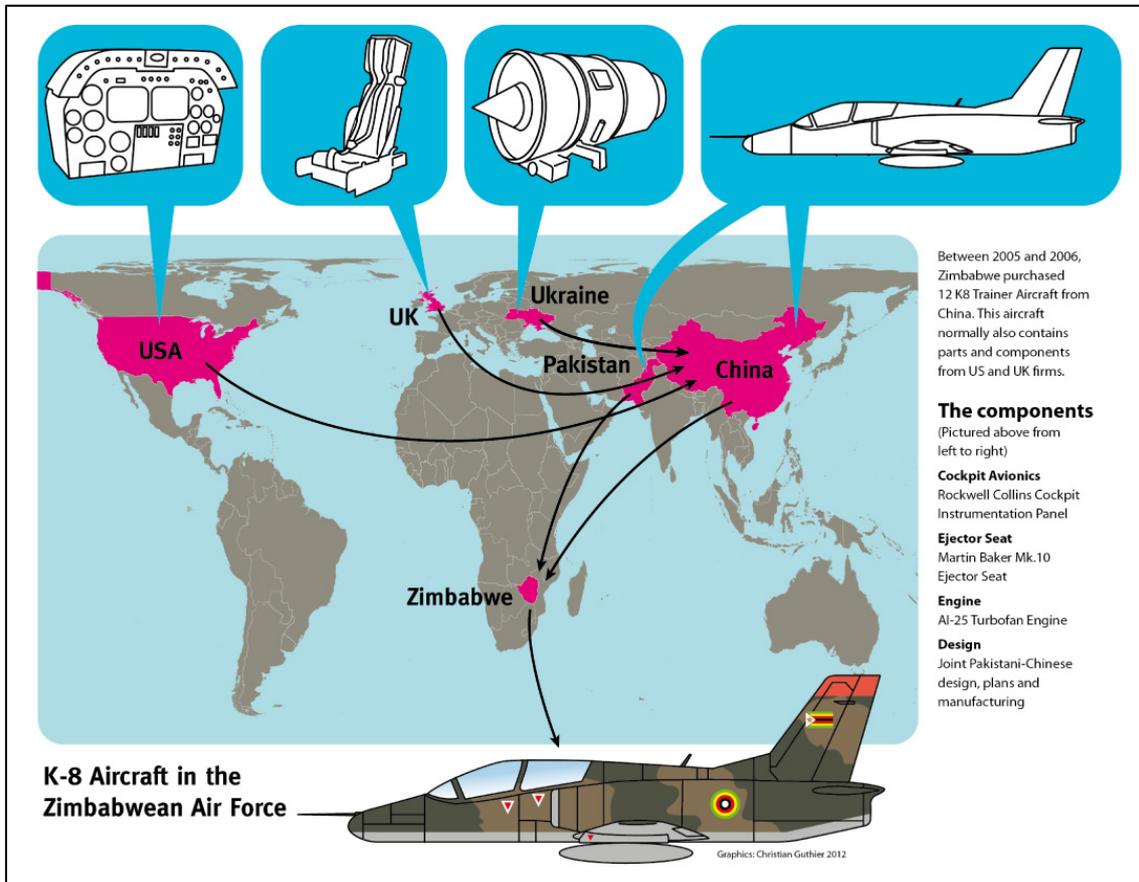
The vast majority of the weapons and ammunition used in conflicts in Africa, including rifles, rocket-propelled grenades (RPGs), mortars, machine guns, and similar SALW are imported from outside the continent.² There is, however, a burgeoning industry of SALW production in several sub-Saharan African countries, which has been facilitated with the assistance of countries outside the region. In many cases this trade is legitimate, but in others the weapons are used to commit violations of international humanitarian and human rights law.

One of the products in widespread production and circulation across Africa is the Kalashnikov (or the AK-47) rifle – dubbed by Oxfam in 2006 as the ‘world’s favourite killing machine’.³ The effects of this rifle have been particularly devastating to Africa. Between 1990 and 2005, the continent lost more than \$18bn every year due to armed conflict.⁴ Today, some 50 to 70 million rifles are in circulation, and have been used in nearly all the continent’s wars and rebellions in the past 70 years. This is in part due to multiple local production sources, and also the activities of criminal brokers like Viktor Bout. Cheap and simple to maintain, the AK-47 is the weapon of choice in many countries lacking in technological capacity.

Several Ethiopian companies produce Kalashnikov rifles, mortars, grenade launchers, and small arms ammunition. The Gafat Armament Engineering Complex (GAEC) began producing the Kalashnikov variant, the AK-103, in the 1990s, with assistance, parts, and raw material from North Korea.⁵ Further parts were imported in 2006.⁶ This weapon was used in the Ethiopia–Eritrea War of 1998–2006 and in the Ethiopian invasion of Somalia in 2008.

Nigeria’s Defence Industries Corporation also produces a version of the Kalashnikov rifle and its ammunition, with assistance from China.⁷ The firm claims that it is able to assemble Belgian mortars, Soviet-era rifles, and RPGs, as well as Belgian and Italian light machine guns.

Like other producers – in Kenya, Tanzania, Uganda, Namibia, and Zimbabwe – none of these companies could function without assistance, technology, and parts and components from outside Africa – and many of these are transferred without effective controls that would ensure that this trade supports security rather than undermines it.



Closing potential loopholes in the Arms Trade Treaty

At one end of the scale, there is a steady increase in ‘online retailers’ selling components for SALW around the world.⁸ At the other, global defence companies build tanks, aircraft, and other major systems with parts and components from multiple sources and from many countries. BAE, for example, sources major components from six countries for its Challenger 2 tank, which is built in the UK.⁹

Some less industrialised countries buy equipment such as tanks or aircraft in kit form; these are transported as components to be put together in the buyer country, in ‘licensed production’. In 2011, the Egyptian government signed an extension to a longstanding deal to assemble American M1A1 Main Battle Tanks in Egypt. By the end of the contract, the government will have bought 1,130 M1A1s for assembly in Egyptian factories.¹⁰ Chinese K-8E jet trainer aircrafts are also being assembled in Egypt through a similar deal.¹¹

The trade in parts and components is now a global business. Not regulating deals like these under the Arms Trade Treaty (ATT) will create a loophole large enough for nations to equip their entire armed forces outside of the treaty.

The ability to procure spare parts is essential to maintain weapons and vehicles, and the weak regulation of this trade has significantly blurred the lines between the licit and illicit markets – resulting in a flourishing black market for military spare parts.

Without spare parts, weapons quickly become useless. This applies not only to weapons in the hands of legitimate and responsible security forces, but also to those in the hands of groups who may use them to violate human rights or fuel conflict. Because of such concerns, Libya and Iran have been subject to a series of national, regional, and UN embargoes. The very different ability of these two countries to acquire spare parts underlines the importance of regulating this trade in order to uphold international law and avoid fuelling the illegal arms trade.

Libya and Iran

In 2011, Libya had a theoretical total of 374 combat aircraft, but most of these were inoperable, limiting the Gaddafi regime's ability to attack its own civilians.¹² As early as 2004, US military analyst Anthony Cordesman had described Libya as the 'world's largest military parking lot', as so few of its combat aircraft were in service, after international sanctions had made spares largely unobtainable.¹³ Even before NATO introduced a no-fly zone over the country, there had been few reports of attack helicopters or combat aircraft actually being used. Pilots reported flying just a handful of missions, and one aircraft actually crashed due to mechanical failure.¹⁴

However, the uncontrolled trade in parts has allowed other countries to undermine arms embargoes. Iran has a network of dealers operating in both legal and illegal markets to circumvent US and UN sanctions. It has a substantial air force, including around 300 combat aircraft,¹⁵ 60 per cent of which are estimated to be operational at any one time. These are kept operational by the trade in spare parts and by significant domestic production of components through reverse engineering of equipment that Iran already owns or has been able to obtain on the black market.¹⁶ In 2010, a French dealer was imprisoned in the USA for attempting to export F-5 fighter jet engines and parts to Iran,¹⁷ and the Irish company Mac Aviation Group was charged with purchasing F-5 parts from US firms and illegally exporting them to Iran.¹⁸

For all these reasons – particularly the globalised nature of the arms trade – it is vital that parts and components are included in a legally binding international ATT. This does not mean that the sale of every nut, bolt, or spring should be controlled. But it does mean **regulating those parts and components that are specifically designed, manufactured, or modified for military purposes**, and which are critical to functioning weapons and their ammunition.¹⁹

Without global regulation of the trade in parts and components, it will be impossible to effectively regulate any part of the arms trade, as companies will be able to circumvent the rules by shipping weapons in pieces from multiple countries around the globe. **If the legitimate trade in parts and components is globally regulated in a transparent manner by the ATT, then identifying and shutting off the illicit trade will become much easier.** The trade standards contained in the ATT, incorporated into national law by all states party to the treaty, will be the only way to know what is being traded and where, and thus to allow that trade to be controlled.

CALL TO ACTION AND RECOMMENDATIONS FOR NEGOTIATORS

States that support a robust and effective ATT must advocate strongly for the inclusion of specialised parts and components in the scope of the treaty. This would not include simple items, but only those specifically designed and manufactured for the arms industry.

The global trade in parts and components is an integral part of the arms trade. Weapons and military equipment are built from parts sourced from across the world, or can be shipped across borders in pieces for assembly.

Parts and components are also an integral part of after-sales servicing to maintain or repair equipment, including by irresponsible users. This is true for major items of equipment, such as aircraft and tanks, and also for small arms and light weapons.

All governments should ensure that:

- The ATT includes in its scope all specialised parts and components designed and produced for the arms industry or able to be used in defence equipment;
- Just like all completed weapons and systems, the transfer of parts and components is subject to comprehensive risk assessments undertaken by licensing authorities – particularly because transfers of obscure components may well have a critical role in reviving the full lethal capacity of a weapon or system;
- Transfers of such parts and components are fully included in ATT reporting requirements, with reports made public to enhance transparency and accountability.

NOTES

- ¹ UN Comtrade Database 2008–11, <http://comtrade.un.org/db/>
- ² D. Hillier (2007) 'Africa's Missing Billions', IANSA, Oxfam, and Saferworld, <http://policy-practice.oxfam.org.uk/publications/download?Id=366084&dl=http://oxfamilibrary.openrepository.com/oxfam/bitstream/10546/123908/1/bp-africas-missing-billions-111007-en.pdf>
- ³ O. Sprague (2006) 'The AK-47: The World's Favourite Killing Machine', Oxfam International and Control Arms Campaign.
- ⁴ 'Africa's Missing Billions', *op. cit.*, p. 21
- ⁵ P. Wezeman et al. (2011) 'Arms Flows to Sub-Saharan Africa', SIPRI Policy Paper 30, December 2011,
- ⁶ *Ibid.*
- ⁷ *Ibid.*, p.9. Note also that DICON itself states a partnership with Chinese defence manufacturer Poly-Technologies China. See <http://www.dicon.gov.ng/military1.html>
- ⁸ See, for example: <http://www.gunaccessories.com>; <http://www.gunspares.co.uk>; and <http://www.armas.es>. Such businesses make the global free market in components easily available to all, not just to governments.
- ⁹ See: <http://www.army-technology.com/projects/challenger2/>
- ¹⁰ *Defense Industry Daily* (2012) 'Egypt orders more M1A1 tanks', 10 January 2012. <http://www.defenseindustrydaily.com/egypt-847m-request-for-125-m1a1-tanks-03684/>
- ¹¹ *Defense Industry Daily* (2010) 'China's K-8 jets: a killer for Myanmar', 30 June 2010. <http://www.defenseindustrydaily.com/Chinas-K-8-Jets-A-Killer-for-Myanmar-06457/>
- ¹² International Institute for Strategic Studies (2010) 'Military Balance 2010', p.263.
- ¹³ A.H. Cordesman and R. Faith (2004) 'Military Balance in the Middle East', CSIS, p.96. <http://csis.org/publication/military-balance-middle-east-0>
- ¹⁴ See: <http://aviation-safety.net/wikibase/wiki.php?id=121151>
- ¹⁵ A.H. Cordesman and A. Wilner (2012) 'U.S. and Iranian Strategic Competition: The Conventional and Asymmetric Dimensions', CSIS, pp.33-38. http://csis.org/files/publication/120221_Iran_Gulf_MilBal_ConvAsym.pdf
- ¹⁶ *Ibid.*, p.34.
- ¹⁷ U.S. Department of Justice (2011) 'Summary of Major U.S. Export Enforcement and Embargo-Related Criminal Prosecutions: 2007 to the Present', September 2011. <http://www.justice.gov/nsd/docs/summary-eaca.pdf>
- ¹⁸ *Ibid.*
- ¹⁹ For example, Chips Investment Casting Inc of Taiwan supplies parts for a variety of different weapons and vehicles. It produces small, specialised parts for weapons, from pistols and shotguns to turbo-propellers for aero engines, and sells to defence companies in Asia, the Middle East, Australia, Europe, and the Americas. Details drawn from various websites, including: <http://www.importgenius.com/suppliers/chips-investment-casting-inc>; http://electronics.taiwantrade.com.tw/ORG/front/searchserv.do?method=listProductProductDetail&locale=2&MEMBER_TYPE=4&WEB_OPEN=0&DOMAIN_NAME=chips&DOMAIN_NAME_FLAG=0&company_id=7008&catalog_id=123944&come_soon=0; and <http://en.chips-casting.com/profile>.

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For further information on the issues raised in this paper please e-mail advocacy@oxfaminternational.org

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