# Analysis of Dutch arms export licences 2006



Vice-admiral Kelder of the Dutch navy and his Indonesian colleague on the occasion of the signing of the contract for the Schelde corvettes.

Campagne tegen Wapenhandel (Campaign against Arms Trade) Amsterdam, December 2007

Mark Akkerman and Frank Slijper

## This analysis is published with the financial support of IKV-Pax Christi and Oxfam Novib



**Authors:** Mark Akkerman and Frank Slijper **Final editing and lay-out:** Wendela de Vries

**Translation:** Diana de Esch **Publication:** December 2007

## Campagne tegen Wapenhandel



Anna Spenglerstraat 71 1054 NH Amsterdam T/F: +31 20-6164684 info@stopwapenhandel.org www.stoparmstrade.org giro: 3767096

## Content

	Introduction	4
1.	The Netherlands and the international arms trade	5
2.	Arms exports by country	11
3.	Transit	20
4.	International programs	26
<b>5.</b>	Dual-use	28
6.	Other remarkable exports	33
7.	Conclusions and recommendations	35

### Introduction

For the third time the Campaign against Arms Trade presents her 'Analysis of Dutch arms export licences'.¹ From the extensive use of this report by Members of Parliament, civil society, and the media, we conclude that it provides in a need for information. Last year, following an article in Dutch leading newspaper De Volkskrant, international media attention was drawn to the report as well.² That was one of the reasons that we decided to make an English translation of this years report. The facts, the figures as well as the methodology of our research might be interesting for non-Dutch readers.

This report is written, first of all, as an introduction to the enormous amount of licence records which the Dutch government has been publishing since 2004<sup>3</sup>. Furthermore, it can be seen as a critical addition to the official government annual reports on arms export, that are published since 1998 and focus on general policy.<sup>4</sup>

Besides a general description of the nature and the extend of the Dutch arms export, this report presents a survey of export licences by country. Other subjects dealt with are the Netherlands as a transit country, the export of dual-use goods, Dutch participation in international military equipment programs and a number of remarkable exports. The report concludes with conclusions and recommendations.

See <a href="http://www.stopwapenhandel.org/publicaties/boekenbrochures/analyse2005-web.pdf">http://www.stopwapenhandel.org/publicaties/boekenbrochures/analyse2005-web.pdf</a> and <a href="http://www.stopwapenhandel.org/publicaties/boekenbrochures/wapenexport2004.pdf">http://www.stopwapenhandel.org/publicaties/boekenbrochures/wapenexport2004.pdf</a> for expenses in 2005 and 2004

See <a href="http://www.volkskrant.nl/economie/article382647.ece/Nederlandse\_export\_van\_wapens\_bereikt\_record">http://www.volkskrant.nl/economie/article382647.ece/Nederlandse\_export\_van\_wapens\_bereikt\_record</a> and <a href="http://www.stopwapenhandel.org/actueel/indepers/2006\_29\_12\_DPA.html">http://www.stopwapenhandel.org/actueel/indepers/2006\_29\_12\_DPA.html</a>

www.exportcontrole.ez.nl with monthly surveys under Military goods, Transit en Dual Use goods.

<sup>&</sup>lt;sup>4</sup> See <u>www.exportcontrole.ez.nl</u>; under 'military goods' you will find 'Annual reports weapon export policies'.

#### 1. The Netherlands and the international arms trade

The Netherlands is consolidating its leading position in the international arms market. According to calculations of the research institute SIPRI, it is the fourth biggest arms exporting country. Only the US, Russia and Germany are exporting substantially more weapons. French and British exports are of the same extend as that of the Netherlands.

Tak	Table 1.1: Top fifteen arms exporting countries (1977-2006, 2002-2006 and 2006)								
	1977-2006		2002-2006		2006				
1	VS	324.650	VS	32.278	VS	7.929			
2	Soviet-Union	215.656	Russia	30.654	Russia	6.623			
3	France	64.770	Germany	9.164	Germany	3.850			
4	Russia	64.258	France	8.888	France	1.557			
5	Germany	50.519	United Kingdom	4.480	The Netherlands	1.481			
6	United Kingdom	47.275	The Netherlands	3.215	United Kingdom	1.063			
7	China	29.752	Italy	2.591	Italy	860			
8	Italy	21.095	China	2.155	Spain	803			
9	The Netherlands	14.448	Sweden	1.960	China	564			
10	Czechoslovakia	13.701	Israel	1.709	Sweden	472			
11	Sweden	8.260	Ukraine	1.534	Israel	258			
12	Israel	6.409	Spain	1.270	Canada	227			
13	Ukraine	5.492	Canada	1.186	Poland	169			
14	Spain	4.715	Switzerland	759	Switzerland	144			
15	Canada	4.645	Uzbekistan	587	Ukraine	133			

Source: SIPRI Arms Transfers Database (<a href="http://armstrade.sipri.org/">http://armstrade.sipri.org/</a>), October 2007.

Figures in million US dollars, against constant (1990) prices. The numbers are so called trend indicator values and do not represent financial transaction rates; see:

http://www.sipri.org/contents/armstrad/output types TIV.html

Over the years there is a rising trend in Dutch arms trade. A high yearly arms export figure, which once used to represent an occasional peak, seems to have become a constant factor. A strange phenomenon for a country that likes to present itself as a guiding country when it comes to human rights and international law. All the more peculiar, since a certain amount of those weapons finds its way to countries that can certainly be called controversial when it comes to human rights and international law. It is also striking, that, by selling its surplus defence material, the Dutch state is one of the main players on the Dutch arms exports market.

Many Dutch military products find their way to regions of tension (the Middle East and

South-(East)Asia), to very poor developing countries (Bangladesh) to countries with internal conflicts (Indonesia and Thailand) and to countries with a bad reputation when it comes to human rights (Turkey, Egypt and Pakistan).

South America is increasingly becoming an important sales area for Dutch weapons. Chile is the biggest buyer in this region. In 2006, Venezuela even is the second most important destination for Dutch weapons.

Dutch military export is based on the following four pillars:

- navy shipbuilding;
- sales of surplus defence materials;
- export of components for big weapon systems that are built abroad;
- export of high-tech defence electronics (radar- and fire-control systems, optical equipment)

Globally, the provided export licences in 2006 can be presented as follows:

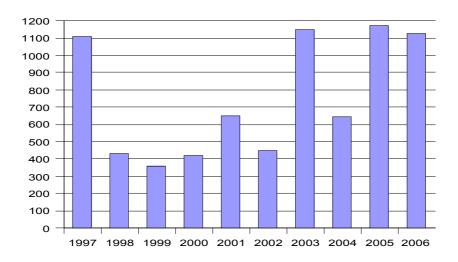
- Total value: 1.125 million euros (2005: 1.175, 2004: 644 million)
- Total number of licences: 1337 (2005: 1333, 2004: 1573)
- Licences with a value over 10 million euros: 19 (2005: 14)
- Number of temporary licences: 308 (2005: 317, 2004: 460)
- Final destination different from temporary destination: 129 licences (2005: 62), including 35 with the Netherlands as final destination
- Number of prolonged licences: 3 (2005: 13, 2004: 14)
- Number of replaced licences: 153 (2005: 128, 2004: 182)
- Number of licences for financial transactions: 6 (2005: 3, 2004: 5), including 1 temporary and 2 replaced licences.
- Number of rejected licence applications: 20 (2005: 15)

Table 1.2:

9 <b>7-</b> 06	97- 05	Country	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	Total
1	(1)	United States	102.42	82.45	54.14	94.75	166.13	132.58	237.21	75.35	92.71	63.54	1.101
2	(2)	Germany	74.15	56.54	80.86	82.50	49.55	75.35	84.29	88.19	383.89	76.12	1.051
3	(3)	Greece	41.70	4.86	8.35	12.39	162.45	46.78	431.66	161.43	3.26	4.11	877
4	(6)	Chile	0.09	56.27	1.68	0.18	10.80	0.51	0.52	0.55	295.62	98.46	465
5	(4)	South Korea	78.64	4.27	2.86	66.66	34.35	7.96	99.93	114.97	9.75	3.88	423
6	(5)	UAE	368.88	7.26	0.23	0.82	1.41	3.39	0.25	0.44	0.31	1.93	385
7	(18)	Indonesia	3.45	4.36	36.98	2.77	0.32	0.96	5.02	1.22	13.46	278.19	347
3	(7)	Turkey	79.87	61.17	17.43	4.58	6.67	21.83	75.42	3.50	12.42	43.70	327
9	(21)	Venezuela	19.74	0.91	1.41		1.77			27.62	7.67	196.42	256
10	(10)	Various NATO- countries/EU+	15.84	17.74	55.27	30.95	9.16	19.12	1.69	19.83	42.50	41.75	254
11	(9)	United Kingdom	13.70	17.20	33.67	34.40	22.24	10.69	21.69	21.18	22.62	23.49	221
12	(8)	Austria	203.20	2.04	1.23	1.77	0.18	1.03	4.08	1.12	0.22	0.06	215
3	(11)	France	13.25	12.71	5.13	6.85	6.12	21.89	12.42	56.44	20.27	50.52	206
14	(12)	Taiwan	5.13	10.53	8.53	5.67	30.13	38.37	7.19	5.84	21.95	9.59	143
15	(17)	Italy	1.50	1.45	5.04	2.22	2.18	4.99	4.22	21.27	32.49	40.69	116
16	(16)	Canada	11.44	2.36	17.02	3.13	19.97	14.03	2.32	2.81	4.79	31.70	110
17	(13)	Poland	2.41	0.95	1.04	0.77	0.77		89.07	0.48	5.31	3.41	104
18	(14)	Norway	6.17	2.18	1.04	1.18	71.33	1.05	5.27	0.33	6.60	2.09	97
19	(15)	Portugal		0.50	1.18	6.53	1.50	0.47	2.47	1.00	81.34		95
20	(20)	Denmark	7.99	15.02	11.75	1.18	5.99	0.84	3.54	10.99	1.93	4.30	64
21	(19)	Switzerland	10.89	10.85	4.99	12.75	8.44	5.61	3.68	2.19	0.21	0.58	60
22	(-)	Latvia										57.04	57
23	(22)	Egypt		0.23	0.82	1.23	0.14			0.03	40.36	0.29	43
24	(-)	Finland	1.09	0.23	0.32	0.36	3.08	0.55	1.39	0.75	2.57	30.25	41
25	(24)	India	18.65	0.82			1.36	0.10	8.72	0.39	5.00	5.30	40
26	(23)	Israel	0.59	33.72	0.27	0.14	4.31		0.01			0.39	39
27	(25)	Sweden	3.99	4.22	1.23	3.31	1.81	2.70	4.07	3.98	9.73	2.88	38
28	(26)	Japan	1.18	0.64		5.13	0.14	0.02	1.53	5.55	14.11	3.82	32
29	(30)	Spain	1.00	0.59	2.63	0.73	3.13	0.95	4.41	2.50	7.02	5.19	28
30	(27)	Bangladesh	0.05			19.74		0.52	2.66	1.17		1.86	26
		Total	1.108	432	366	417	651	450	1.151	644	1.175	1.125	7.520

Source: Ministry of Economic Affairs, Annual Reports Dutch Arms Exports (1997-2006)

Figure 1: **Dutch arms export licences 1997-2006** (in million euros)



The largest number of licences is granted for exports to Germany (383), about 28,6% of the total amount. This mainly concerns exports of limited financial value. The three main destinations for Dutch military exports, in financial value, are Indonesia, Venezuela and Chile. For all three countries, one big order (corvettes, radar systems and F16s) is decisive. New in the list of main export destinations are Latvia, Finland and Oman. For these countries as well, one or two large orders are decisive.

By far the biggest export licence in 2006 is that for two large navy vessels for Indonesia. This is also one of the most controversial exports in recent years. The intended delivery has been announced several years ago and has been subject to debate in the Dutch parliament. Despite the clear risks of these ships being used for internal repression, for example in coastal assaults or for the transport of troops, the government and the parliament saw no reason to refuse the export licence. The governments' argument that the ships were meant for coast guarding and the prevention of piracy are completely unconvincing: these ships are by far too heavily armed for such tasks and way too expensive. Three other licence applications for Indonesia have been refused. In all three cases the licence application concerned image intensifier tubes. The reason for rejection was the human rights situation and the internal tensions in Indonesia.

The second largest licence is also in the area of shipbuilding. Thales Nederland supplies the electronics for eight frigates, which the Spanish shipbuilder Navantia is building for Venezuela. Thales is outsourcing a part of the work to the Dutch company Imtech.<sup>5</sup>

Together, these two orders represent some 40% of the total value of the granted export licences in 2006.

8

<sup>&</sup>lt;sup>5</sup> Imtech, Naval News Flash, July 2007

Table 1.3: **Main arms export destinations in 2006** (by size of total value of the licence)

	Destination	Value (mln. euros)	Number of licences
1	Indonesia	278.19	3
2	Venezuela	196.42	3
3	Chile	98.46	6
4	Germany	76.12	383
5	United States	63.54	60
6	Latvia	57.04	3
7	France	50.52	50
8	Turkey	43.70	31
9	NAVO/EU+	41.75	10
10	Italy	40.69	14
11	Canada	31.70	2
12	Finland	30.25	8
13	United Kingdom	23.49	39
14	Oman	20.01	4
15	Taiwan	9.59	5

Export of surplus Dutch defence material continues to be an important part of total arms exports, even though it is not as big a part as in former years, when it was the largest source of exports.

To this category belong the large licences for Chile (F16 Fighter aircraft, 88 million euros) and Finland (rocket launchers, 24 million euros). There is a remarkably large export licence for the delivery of mine hunters to Latvia. It is the first licence for this Baltic nation.

Apart from this there are a number of large export licences granted for the export of components for weapon systems that will be assembled abroad. For this, see also the section on international programmes.

Table 1.4: Largest arms export licences (from 10 million euros onwards)

Issue date	Nr.	Description of the goods	Destinatio n	Final destination	Origin	Value (€)
02-11- 2006	26366917	Corvettes	Indonesia		NL	278.148.024
19-10- 2006	26484618	Radar systems and fittings	Spain	Venezuela	NL	190.769.000
16-03- 2006	26253098	F16 fighter craft	Chile		US	87.900.000
03-02- 2006	26253101	Mine hunter	Latvia		Unknown	57.000.000
11-05- 2006	26346681	Parts for NH90 helicopters	EU-countries		NL	55.000.000
07-07- 2006	26394236	Fire Control Systems and fittings	Turkey		NL	38.200.000
15-12- 2006	26688876	Parts for search and tracking radar systems	Canada		Not determined	31.149.555
11-10- 2006	26580811	Combat Direction System and sensors	Germany		NL	25.200.000
01-02- 2006	26243327	MLRS rocket launchers and fittings	Finland		Not determined	23.624.194
12-04- 2006	26322057	Parts for armoured vehicles	Sweden	NL	NL	19.392.000
18-01- 2006	26230683	Long range radar system	UK		NL	17.653.075
09-03- 2006	26291062	Long range surveillance radar	France		NL	16.430.200
12-07- 2006	26430054	Long Range surveillance radar	Italy		Various countries	16.430.200
15-06- 2006	26382319	Parts for military aircraft and helicopter motors	VS		NL	15.000.000
01-03- 2006	26281717	Turret of PzH2000 howitzer	Germany		NL	13.911.167
14-09- 2006	26543991	Seekerhead assemblies for the Standard Missile 2 (SM2)	US		NL	11.330.664
26-07- 2006	26460921	Computer components for F16 fighter air craft	US		NL	10.080.996
30-06- 2006	26367956	Parts for NH90 helicopters	EU-countries	Oman	NL	10.000.000

## 2. Arms exports by country

In this chapter we will go into more detail on some licences granted for specific countries. The emphasis will be on countries in conflict regions, countries with internal tensions and/or human rights violations and countries with a disproportionately high defence budget. Licences with total value of less than 100.000 euro – exceptions exempted – will not be discussed.

#### Afghanistan

For Afghanistan, three<sup>7</sup> licences have been issued: two for the delivery to NATO-troops (batteries, headsets for communication systems and bullet proof jackets) and one for financial transactions (brokering in bullet proof jackets).

#### **Bahrain**

For years, Bahrain is a regular customer of Dutch military equipment. In 2006, one licence was granted: over 0.2 million euros for parts of communication systems.<sup>8</sup> Despite the political reforms that started in the beginning of this century, Bahrain still has a record of human rights violations, especially in the domain of civil rights.<sup>9</sup>

#### **Bangladesh**

Bangladesh is one of the poorest countries in the world. Supplying arms to this country, therefore, is at odds with criterion 8 of de European Code of Conduct on Arms Exports, which stipulates that especially in the case of poor countries, the expenditure for defence should not be at the cost of social expenditure. Bangladesh nevertheless, is included in the top thirty biggest costumers of Dutch arms. In 2006, an almost 2 million euro licence was issued for the export of fire control infrastructure systems.<sup>10</sup>

#### **Brazil**

In 2006, two licences for export to Brazil were issued, both in the category of 'small arms': ammunition (7.62mm) and machine guns.<sup>11</sup> Although only small sums are involved, this is a case of concern given the problems that firearms constitute for the country. (See also the section 'other remarkable exports').

#### Cameroon

For the first time in 15 years, there is a significant export order to Cameroon. A 66.000 euros licence is issued for export of night vision goggles, through Belgium. This is striking, for Cameroon is one of the most corrupt countries on earth and 50% of its

The choice for non-EU/NAVO countries is an arbitrary one. Two of the most important destinations of Dutch arms exports are the United States and the United Kingdom, proven allies indeed, but at the same time responsible for the disastrous consequences of the wars both in Iraq and in Afghanistan.

<sup>&</sup>lt;sup>7</sup> March 8th, August 10th en 25th

<sup>&</sup>lt;sup>8</sup> Licence 26182492, January 27th

<sup>&</sup>lt;sup>9</sup> Human Rights Watch, World Report 2007, January 2007

<sup>&</sup>lt;sup>10</sup> Licence 26178320, April 18th

<sup>&</sup>lt;sup>11</sup> Licence 26258162, March 30th and 26323584, May 8th

<sup>&</sup>lt;sup>12</sup> Licence 26288282, April, 14th

population is living below poverty level. On the authoritative Human Development Index, the country is ranked 144<sup>th</sup>, which makes it the lowest ranked developing country that is sold Dutch military equipment.<sup>13</sup>

In answer to questions of parliament, the government said that it considers the export not problematic: "The licence application in question involved a delivery of observation goggles to the Defence Ministry of Cameroon. There was a positive advice on the application based on the defensive nature of the goods, that are exclusively meant for surveillance and observation purposes." <sup>14</sup>

#### Chile

As in all recent years, Chile is the biggest customer for surplus defence materials from the Netherlands. Previous large supplies were 240 Leopard 1 tanks (1998, 43.7 million euros) and four frigates (2005, 290 million euros - the largest export in 2005). In 2007, a few more F16s are supposed to find their way to Chile.

Chile's massive military purchases, in the Netherlands as well as in other countries, is reason for worry. Despite a modest economic growth, the country is confronted with high poverty rates and very asymmetrical incomes distribution. There is also the border dispute with Peru.

Some Dutch political parties have questioned the arms supply to Chile. The government however does not see any problem. In answer to questions from parliament in March 2006 the Minister of Economic Affairs states: "Despite the strong rhetoric used in the dispute over the sea border, relations between Peru and Chile are good. They have considerable common interest in maintaining a good relationship and the bilateral tensions are being dealt with in a business-like manner." <sup>15</sup>

That things can get out of hand though turned out in August 2007. Peru claimed a part of the Pacific Ocean that Chile considers as its own. Chilean frigates, some of Dutch origin, steamed up to the Peruvian coast. War seemed to be close, but was eventually prevented.

Issue date	Nr.	Description of goods	destination	Final destination	origin	value (€)
uate				uestiliation		
06-01-06	26198127	Components of M113 armoured vehicle	Germany	Chile	Unknown	16.000
06-01-06	26195454	Antiship missiles	Chile		NL	8.400.000
06-01-06	26195446	Munitions, cal. 76mm, 30mm and .50	Chile		Unknown	1.873.760
16-03-06	26253098	F-16 fighting air crafts	Chile		VS	87.900.000
12-10-06	26558115	Simulator for frigate operating systems	Chile		NL	200.000
24-10-06	26578639	Search radar elements (long	Chile		Not	70.430

Tanzania is even lower on this list, but exports to this country involve pontoons that most probably do not serve a military purpose any more.

Ministry of Economic Affairs, Arms Export Policy – lijst van vragen en antwoorden, 22054, 26231 – nr. 117, April 11th 2007

Ministry of Economic Affairs and Ministry of Foreign Affairs; Beantwoording schriftelijke vragen inzake het Nederlandse wapenexportbeleid in 2004, DVB/WW-086/06, March 6<sup>th</sup>, 2006

Issue date	Nr.	Description of goods	destination	Final destination	origin	value (€)
		range)			determined	

#### **Egypt**

The restrictive arms export policy of the Netherlands to Egypt came to an end in 2005 when the country showed interest in over 400 YPR vehicles, for sale from the Dutch army. The basis of this policy change can hardly be found in change in Egypt itself. The country is still situated in a region of tension and its human rights situation is still far from good. A state of emergency is in effect for almost 40 years now, assigning extensive powers to the government to restrict civil liberties or detain people. Political opposition is repressed. Nevertheless, again in 2006, two licences were issued for arms exports to Egypt: one for components of radar fire control systems (0.3 million) and one for guided missiles (4 million). In the country when the property of the property o

#### India

Ever since its independence, India is having a tense relation with its neighbour Pakistan. When both countries tested nuclear weapons in 1998, the Netherlands installed a moratorium on arms export. Although relations between the two countries did not improve, in 2003 this moratorium was lifted. Ever since, both India and Pakistan are buying weapons made in Holland.

In 2006, in the case of India, this involved seventeen licences: fifteen for parts of radar systems, one for components of radar antenna platforms and one for waveguides (having Israel as intermediate destination). The total value of the licences was about 5.3 million euros.

#### Indonesia

The biggest arms export licence in 2006 concerned 2 navy corvettes for Indonesia, built by Dutch shipyard De Schelde. This order has been discussed already in the first chapter. Furthermore, two small licences were issued, one for parts of a radar fire control system and one for parts of a radar system (through South-Korea)<sup>18</sup>. Three licence applications were denied.

#### Israel<sup>19</sup>

Since 2002, there have been hardly any direct sales of arms to Israel. Unfortunately by time of writing in 2007 this more-or-less arms embargo to Israel is lifted for the intended sale of surplus spare parts from the Dutch army for the Hawk air defence system.<sup>20</sup>

US Department of State, Egypt – Country report on human rights issues, 6 March 2007; Human Rights Watch, World Report 2007, January 2007

<sup>&</sup>lt;sup>17</sup> Licence 26536464, October 10th and licence 26590108, October 24th

<sup>&</sup>lt;sup>18</sup> Licence 26460999, September 1st and licence 26507804, September 27th

Also see the report, published earlier this year "Wapenhandel en militaire samenwerking met Israël", Campagne tegen Wapenhandel, October 2007.

Ministry of Defence, Letter to the Parliament on 'Verkoop HAWK-onderdelen aan Israël, October 16th 2007; also see: Telegraaf, Verhagen wil verkoop HAWK-onderdelen doorzetten, October 18th 2007, on http://www.telegraaf.nl/common/jsp/print/printTemplate.jsp?artId=73289231&secId=9141

In 2006, though, direct supplies of military goods involve only two licences: for a design study for sonar cables and winch systems (145.000 euros) and for cables for sonar systems (through the United States, 248.000 euros).<sup>21</sup>

In a number of other cases (eight licences, about 6 million euros) Israel serves as intermediate destination for parts of weapon systems that, often after further processing in the Israeli defence industry, eventually end up in other countries (also see the section on Dual-Use). This is one of the examples of the ambiguous Dutch arms export policy towards Israel. Direct supply to the Israeli army is not allowed, but trade with the Israeli arms industry is. This arms industry is largely owned by the state and has the Israeli army as its most important customer. Israel is also known for its 'generous' export policy, amongst others to human rights violators and to developing countries.<sup>22</sup>

Issue Date	Nr.	Descriptions of goods	Destination	Final Destination	Origin	Value (€)
12-01-06	26219566	Parts for antitank rockets	Israel	Italy	NL	59.837
30-01-06	26243955	Parts for antitank rockets	Israel	Poland	NL	1.817.780
29-03-06	26294576	Parts for antitank rockets	Israel	EU-countries	NL	2.404.620
29-03-06	26294568	Parts for antitank rockets	Israel	EU-countries	NL	1.524.807
31-03-06	26125316	Parts for caterpillars for civil use	Israel	Switzerland	Not specified	26.040
04-07-06	26320526	Mechanical parts of camera's for fighter aircrafts	Israel	US	NL	62.475
29-08-06	26497957	Mechanical parts of camera's for fighter aircrafts	Israel	US	NL	96.714
06-11-06	26575826	Waveguides for military radar systems	Israel	India	NL	21.939

#### Japan

In 2005, the total value of licences for arms exports to Japan was 14 million euros. In 2006, this was limited to three licences with a total value of a little over 0.2 million euros, almost entirely for the delivery of 1.1-dimethylhydrazine, most commonly used as a component of rocket fuel.<sup>23</sup>

#### Kazakhstan

For years now, Kazakhstan is under the authoritarian rule of president Nazarbajev, who tries to suppress all opposition with all possible means.<sup>24</sup>

In spite of that, a licence has recently been issued for the long stay ('slow') transit of telescopic sights through The Netherlands.<sup>25</sup> Like the year before, there also was 'fast' transit of teargas grenades, pre-eminently suitable for the use against demonstrators. (See also under 'Transit')

14

Licence 2627026, March 6th and licence 26203694, March 9th

Richard F. Grimmett, Conventional arms transfers to developing nations, 1998-2005, Congressional Research Service

<sup>&</sup>lt;sup>23</sup> Licence 26534178, September 13th

<sup>&</sup>lt;sup>24</sup> Human Rights Watch, World Report 2007, January 2007

<sup>&</sup>lt;sup>25</sup> Licence 26362067, May 24th

#### **Kuwait**

Two licences for exports to Kuwait. One of over 3 million euros, for the supply of communication systems and a smaller one (175.000 euros) for components of this.<sup>26</sup>

#### Macedonia

Two licences, with a total worth of over 0.9 million euros, for the delivery of infrared sights to Macedonia.<sup>27</sup>

#### Malaysia

In 2006, four arms export licences, with a total value of over 2 million euros, have been issued for Malaysia. By far the largest (over 1.6 million euros) was for the export of night vision equipment. The other exports take place through third countries.

Issue date	nr.	Description of goods	Destination	Final destination	Origin	Value (€)
22-03-06	26243939	Military CCD-camera with accessories in suitcase	Sweden	Malaysia	NL	44.076
15-05-06	26320178	Parts of communication systems	France	Malaysia	NL	334.138
19-07-06	26388309	Programs for sonar equipment	Australia	Malaises	NL	87.000
11-09-06	26494354	Night vision equipment	Malaysia		NL	1.645.761

#### **Oman**

In 2006, for the first time, Oman is one of the major customers of the Dutch defence industry, when it buys NH90 transport helicopters. The export of components for these helicopters, supplied by Stork Aerospace, represents two licences, with a value of 10 million euros each.<sup>28</sup>

Furthermore, two smaller licences have been issued for the export of parts of radar systems, through the United Kingdom.<sup>29</sup>

#### **Pakistan**

Apart from tensions with neighbouring country India, described above, Pakistan is struggling with various internal conflicts. The continuing dictatorship of president Musharraf is no recommendation either. Nevertheless, five licences have been issued with Pakistan as final destination. The total value of these licences, with China, the United Arab Emirates (UAE) and the United Kingdom as intermediate destinations, is 5.8 million euros. In May 2006, there were reports mentioning Greece possibly selling four frigates to Pakistan. This concerns frigates of the 'Kortenaer'- type that Greece in an earlier stage took over from the Netherlands. <sup>30</sup> This sale required the permission of the Dutch government. As yet, this permission seems not to have been asked.

<sup>&</sup>lt;sup>26</sup> Licence 26274095, March 22 and licence 26288169, March 30th

<sup>&</sup>lt;sup>27</sup> Licences 26420083 and 26427207, August 4th

<sup>&</sup>lt;sup>28</sup> Licence 26367956 and 26367964, June 30th

<sup>&</sup>lt;sup>29</sup> Licence 26330998, April 26th and licence 26599385, October 24th

Rahul Bedi, Pakistan plans to bolster Navy, Jane's Defence Weekly, Volume 43, Issue 21, 24 May 2006

Issue date	Nr.	Description of goods	Destination	Final destination	Origin	Value (€)
16-08-06	26310709	Data management system	China	Pakistan	NL	3.459.480
26-09-06	26525942	Parts Jet Fuel Starters for F16 fighter aircrafts	UAE	Pakistan	US	195.865
06-10-06	26460972	Surveillance radar	UK	Pakistan	NL	2.108.600
13-10-06	26537703	Lenses for use in Seaking helicopters	UK	Pakistan	US	1.126
15-12-06	26640881	Valves for F16 fighter aircrafts	UAE	Pakistan	US	71.753

#### Singapore

In 2006, 5 export licences were issued for supplies to Singapore. For engine parts, a component of an F16 fighter aircraft and for parts of radar systems, respectively (three licences had France as a transit country). There were mostly small sums involved; only the licence for parts of a radar system had a value of almost 1.6 million euros.<sup>31</sup>

#### Sudan

As in the case of Uganda, there is one remarkable licence with a value of over half a million euros for the delivery of pontoons and corresponding engines to Sudan<sup>32</sup>. This concerned ferries for the UN refugee organisation UNHCR.<sup>33</sup>

#### Suriname

The scope of the arms export licences to Suriname is not remarkable (3000 euros), but the ratio between the granted and denied licence applications is. A total of three applications for licences for the export of guns or fittings for it, were submitted. One, valuing 3000 euros<sup>34</sup>, was issued, the other two were refused. The guns of the rejected licences were destined to the shooting club 'De Scherpschutter'. Reason for refusing was criterion 7 of the European Code of Conduct: the risk of re-transfer to undesired destinations. It is unclear what the apparent bona fide destination of the issued licence was.

#### **Taiwan**

For years, the general rule is that no Dutch arms export licences are being issued for exports to Taiwan, because of the Dutch one-China policy. The only exceptions involve licences for follow-up orders – usually for the two submarines that the Netherlands sold in the late 80's - sometimes for radar equipment.

Such orders are placed every year, which makes Taiwan a top-20 country for sales of Dutch military goods. In 2006, five licences with a total value of 9.5 million euros were granted.

All in all, Taiwan bought for over 200 million euros of spare parts in the Netherlands since 1990. A considerable sum, which raises the question of how certain the Dutch government is that these parts are used exclusively for those old Dutch submarines.

<sup>31</sup> Licence 26277841, March 29th

<sup>&</sup>lt;sup>32</sup> Licence 26141303, january 18th

Ministry of Economic Affairs, The Dutch arms export policy in 2006, August 2007.

<sup>34</sup> Licence 26285321, March 6th

Issue date	Nr.	Description of goods	Destination	Final destination	Origin	Value
20-01-06	26233836	Parts for the submarines Sea-Dragon and Sea-Tiger	Taiwan		EU- countries	77.750
24-02-06	26277779	Parts for the submarines Sea-Dragon and Sea-Tiger	Taiwan		Not specified	488.475
17-10-06	26592909	Parts and accessories for the submarines Sea-Dragon and Sea-Tiger	Taiwan		Not specified	7.630.000
29-11-06	26648386	Parts, accessories and articles for submarines	Taiwan		EU countries	195.000
20-12-06	26694647	Monitoring and measuring equipment for submarines	Taiwan		NL	60.897

#### **Tanzania**

As for Uganda and Sudan, for Tanzania as well, a licence is issued for the delivery of, in this case 28, pontoons and fittings.<sup>35</sup> Although there is no explicit mentioning of it, here as well, it probably involves a construction which does not serve a military purpose anymore.

#### **Thailand**

Two export licences were denied, eight others granted. The total value of the issued licences was almost 7.3 million euros. By far the largest licence, a value of almost 6.5 million euros, was for the export of electro-optic fire control systems for the Thai navy. Thales Nederland is the provider of these systems.<sup>36</sup>

The situation in Thailand is tense, especially in the South where demonstrations are met with brutal repression by armed forces and police, causing deaths and injured. In some cases this is reason for the Dutch government to deny applications for licences. It would be more consistent not to contribute at all to the reinforcement and legitimisation of an armed force violating human rights. The dominant role of the army is most obvious in the succession of military coups in Thailand's recent history; as recent as September 2006, military forces took over power.

The Dutch government sees things differently: "The licences that were issued involved goods that are not appropriate to be used for internal repression in the provinces concerned", the undersecretary for Economic Affairs said.<sup>37</sup> For supplies to the navy this may be true, for tracks for M60-tanks this is certainly not the case. Tanks of this type were even involved in the most recent military coup. The issuing of this licence was a 'human mistake' in which a negative advice from the ministry of Foreign Affairs had been ignored, according to the undersecretary for Economic Affairs.<sup>38</sup>

<sup>&</sup>lt;sup>35</sup> Licence 26530776, September 4th

<sup>&</sup>lt;sup>36</sup> Thales Nederland, Royal Thai Navy orders Thales MIRADOR systems, press release, 28 April 2006

Parliament, Wapenexportbeleid – lijst van vragen en antwoorden, 22054, 26231 – nr. 117, April 11th 2007

Parliament, Wapenexportbeleid – verslag van een algemeen overleg, 22054, 22112 – nr. 125, September 5th 2007

Issue date	nr.	Description of goods	Destination	Final Destination	Origin	Value (€)
06-02-06	26148774	Tracks for M60 tanks	Thailand		VS	23.585
08-03-06	26288320	Parts for radar systems	Thailand		Not specified	225.868
08-03-06	26288339	Components of radar systems	Thailand		Not specified	97.334
13-04-06	26320070	Parts for radar systems	Thailand		Various countries	12.595
09-05-06	26320127	Electro-optical fire control systems and fittings	Thailand		NL	6.471.000
19-05-06	26357411	Parts of laser-optical fire control systems	Thailand		Divers countries	384.875
03-08-06	26373433	Tracks for amphibious vehicles	Thailand		US	69.269
06-10-06	26578620	Parts for radar systems	Thailand		UK	79.144

#### **Turkey**

31 licences with a total value of over 43 million euros were granted for arms exports to Turkey. The country thus remains one of the major customers of the Dutch arms industry. It also remains a country with internal conflicts, with cross border problems (especially towards Iraqi Kurdistan) and with a problematic human rights record.

The largest licence, with a value of over 38 million euros, was for the export of fire control systems, produced by Thales Nederland.<sup>39</sup> Components and testing equipment for those systems resulted in another licence, of over 1 million euros.<sup>40</sup> The delivery of software for a Combat Management System, also produced by Thales, involved a licence of 3 million euros.<sup>41</sup> All remaining licences were of values less than half a million euros, most of them below 10.000 euros.

Turkey also represented two of the three licences for financial traffic of military goods, issued in 2006. (see under Other remarkable exports)

#### **UAE**

After a large order for frigates in 1997, some relatively small licences have been granted every year for the United Arab Emirates. In 2006, this involved 1.93 million euros for two licences, most of it parts and tools for M109 howitzers.<sup>42</sup>

Two licences for delivery of F16 components to Pakistan, through the United Arab Emirates, have been granted.

#### Uganda

Any arms export licence to Uganda, at first sight, seems dubious. This one involves military pontoons and corresponding engines with a value of almost 300.000 euros. 43 Uganda is a poor country, suffering violent internal conflicts and human rights violations, also from soldiers. 44

<sup>&</sup>lt;sup>39</sup> Licence 26394236, 7 Juli

<sup>&</sup>lt;sup>40</sup> Licence 26562295, 26 September, having Germany as intermediate destination

<sup>&</sup>lt;sup>41</sup> Licence 26477417, 13 September

<sup>&</sup>lt;sup>42</sup> Licence 26288991, 18 April

<sup>43</sup> Licence 26141311, January 18th

<sup>&</sup>lt;sup>44</sup> US State Department, Uganda: country report on human rights practices – 2006, 6 March 2007; Human Rights

According to the Ministry of Economic Affairs, however, the licence concerns ferries, made out of pontoons that still count as military goods only because of their initial military use. The pontoons were destined to the UNHCR, the UN's refugee organisation.<sup>45</sup> A licence application for the transit of tear-gas grenades to Uganda, to be used by the police force, was rejected because of the country's human rights situation.

#### Venezuela

The growth in arms exports to Venezuela continues in 2006. The largest licence, with a value of over 190 million euros, was issued for the supply of radar systems through Spain (see the section The Netherlands and the international arms trade). Another licence was issued for the exports of parts for anti-aircraft systems. This, strikingly, seems to disregard the American arms embargo of Venezuela. In Venezuela a creeping process is to be observed of restriction of civil rights aimed at the maintenance of President Chavez's power.<sup>46</sup>

#### South Korea

There have been significantly less licences for arms exports to South Korea. With a total value of almost 3.9 million euros (for eight licences), for the first time in years the country is not represented in the top-15 of most important destinations of Dutch arms exports. By far the largest licence (3.3 million euros) is for parts of air defence systems.<sup>47</sup>

Watch, World Report 2007, January 2007; Human Rights Watch, Get the gun – human rights violations by Uganda's National Army in law enforcement operations in Karamoja region, September 2007

<sup>&</sup>lt;sup>45</sup> Ministry of Economic Affairs, The Dutch arms exports policy in 2006, August 2007

<sup>&</sup>lt;sup>46</sup> Human Rights Watch, World Report 2007, January 2007

<sup>47</sup> Licence 26708559, 22 December

#### 3. Transit

- In 2006, the total of notifications of arms transit was 2059 (compared to 1670 in 2005).
- An estimated 70% of these notifications involve transit of small quantities of handguns, mostly one or two and most often to countries in Southern Africa. According to the ministry of Economic Affairs, it concerns hunting or shooting sports, in nearly all cases.
- The remaining 30% involves some large shipments and, moreover, some destinations that cause concern see below.
- The number of notifications not under the Arms and Ammunition Law mostly (parts of) larger weapon systems was 42 (compared to 11 in 2005). A fourfold increase, but still only 2 percent of the total of reported transits.
- The number of transit licences (for slow transit, and/or transit combined with modifications) was 12 (2005: 15, 2004: 18), of which one was temporary.
- Only in 6 cases (2005: 5), an ad hoc export licence for supplies was installed. Three times for 2 firearms to Zimbabwe, once for ammunition to Israel through Brazil and twice for Israeli night vision equipment and tear gas grenades, to Rwanda and Uganda resp. 48
- The majority of the transit went through Schiphol airport (1671 notification, compared to 1407 in 2005), followed by Rotterdam seaport (358, compared to 338). With 23 notifications, Maastricht airport is of some importance as well. (9 in 2005).

In 2008 the new General Customs Law will come into effect, under which terms the transit licence regulation will be extended. The differences between slow and fast transit will disappear, which means that 'all' transit will be subject to authorisation. An important exception to that rule is the transit to EU and NATO member states, plus Japan, Switzerland, Australia and New Zealand; for those countries, a notification requirement will remain sufficient. Even though this is a step forwards, not too much should be expected from this. Of the above mentioned 30% 'serious' military transit, the majority comes form allied nations and will thus remain excluded from licence requirements. No more than some dozens of licences, at the most, will be subjected to an application, comparable to regular arms exports. Presumably, these are the ones already having the attention drawn to them and already potentially subject to ad hoc licence requirements.

The Dutch Campaign against Arms Trade is disappointed in the new law and does not see why the Netherlands should not closely examine the transit from allied countries as well. Between the European states and even more between the EU and the US, there are enormous differences in the interpretation of the arms export policy, as is clearly shown in the list below. Ammunition transits from Spain to the Philippines and Guatemala are examples of supplies that, from a Dutch point of view, probably would not have been allowed. Apparently, the Netherlands think it more important not to be considered 'soreheads' than to be consistent regarding arms supplies to violators of human rights and

20

Although the data are not completely consistent, in five cases the transit apparently has been cancelled. In the case of Uganda, a licence has been applied for, but was turned down.

to conflict zones.

#### Remarkable destinations.

Below, some of the most striking reported arms supplies through Dutch territory in 2006 are listed. A number of ammunition shipments from Spain, mostly to Latin America but also to the Philippines, draw the most attention. Also remarkable are tear-gas grenades that were shipped to Uganda and Kazakhstan. Furthermore, there were large quantities of firearms, ammunition and spare parts transited to the US. Israel will be discussed separately, as it is a special case considering the huge volume of the transit involved and the sensitivity of this country as a destination.

**Andorra:** 51.500 cartridges and caps coming from the US (June 15). Last year as well, an unspecified shipment of ammunition from the US to Andorra was reported. Furthermore, a remarkable amount of telescopic sights finding its way to Andorra through the Netherlands. Since 2002, there have been 3 transit licences (for slow transit and/of transit combined with further manufacturing), representing a total value of 200.000 euros. Andorra does not have an army of its own and the Andorran police force only counts a few dozen men.49 It is unclear whether the Dutch government has any idea where the transited goods will go.

Bangladesh: 53 parts of Mi-8 and Mi-17 transport helicopters coming from Latvia (December 19). These helicopters, which can be armed, are used by the Bangladesh armed forces.<sup>50</sup> There is also notification of 200.000 9x19mm cartridges coming from the Czech Republic (December 27).

**Bolivia:** A total of 1.065.000 cartridges and 960.000 caps from Spain (November 3 and 28)

Chile: 8 howitzers (June 8), 10.000 30mm cartridges (August 16, through Den Helder port) and 16 assault tanks (October 9), from Switzerland, find their way to Chile through the Netherlands. Then, from Israel (October 12) 198 Jericho pistols and from Belgium, 93 shotguns and parts for it (December 18).

China: because of the EU-arms embargo against China, it would be interesting to know the context of a series of notifications of a total of 31 shotguns, finding their way from Kazakhstan to China, on February 21; a remarkable route, by the way.

**Djibouti:** "1 set" propeller blades for military helicopters, coming from Latvia (June 20).

**Ecuador:** 998.400 caps, coming from Spain (April 3).

Guatemala: 39.000 bullet cartridges coming from Spain (March 31). Although the situation

<sup>&</sup>lt;sup>49</sup> http://www.worldstatesmen.org/Andorra.html

<sup>&</sup>lt;sup>50</sup>Also See: Bangladesh Air Force to purchase 8 attack helicopters, Bangladesh Defence News, 31 October 2006.

has slightly improved, the Guatemalan police force still has a bad reputation, especially when it comes to the abuse of fire arms.<sup>51</sup>

**Israel:** see below.

**Jordan:** Through Maastricht airport, 386 submachine guns and 1.3 million pieces of ammunition, from the Czech Republic and especially Belgium, are transited to Jordan.<sup>52</sup> In 2005, over 2.5 million pieces of Czech ammunition were shipped through the Netherlands to Jordan. Smaller deliveries of machine guns from Belgium also find their way to other countries in the Middle East, including Kuwait, Oman and Qatar.

**Kazakhstan:** On May 23, there is notification of the transhipping of 5528 teargas grenades from the Czech Republic to an aeroplane to Kazakhstan. A shipment of equal quantity has been reported in December 2005. May 24, a 'slow transit' licence has been issued for telescopic sights with a value of 50.000 euros. Asked for the Dutch position on military trade with Kazakhstan, the government answered that it had recently issued negative advice on a test application for the *export* of optical equipment for night vision. The repressive dictatorship and the worrying human rights situation however, seem to be no reason for the Dutch to refuse the *transit* of military goods, as long as it comes from allied countries.

**Malaysia:** Two Mig29 fighting aircraft engines (from Russia, on August 16 and December 5), two armed armoured vehicles (Switzerland; March 7 and 22) and a helicopter (Italy, September 29). Part of this may concern revision, since comparable shipments go the other way around.

**Oman:** Three shipments with parts of Lynx-helicopters, coming from the UK.

**Peru:** Five shipments of a total of 2.2 million pieces of ammunition from Spain to Peru (June 9, August 4, November 20 and 29). Of which 550.000 are known to be rifle cartridges.

**Philippines:** 1.050.000 caps from Spain (September 27 and October 10). The Philippine army is fighting a number of armed groups with mostly Islamic or communist background. These fights include severe human right violations, such as disappearances and executions without trial.<sup>53</sup>

**Qatar:** From Serbia, 902.000 cartridges are transited (November 21) by car, train and ship. A dozen of small arms, including machine guns and corresponding ammunition, come from Belgium. From Germany, transit of an F15 fighter engine is reported twice (November 16 and 22).

<sup>&</sup>lt;sup>51</sup> See: http://hrw.org/englishwr2k7/docs/2007/01/11/guatem14861.htm

Reporting on February 15, March 6, July 4 and September 12.

<sup>&</sup>lt;sup>53</sup> Also see: Essential Background: Overview of human rights issues in The Philippines, http://hrw.org/englishwr2k7/docs/2007/01/11/philip14840.htm

**Russia:** Licences for (slow) transit of telescopic sights with a value of 300.000 euros.<sup>54</sup> On previous shipments to Russia the government has stated that "although it is not relevant with regard to the procedure (because for materials coming from allied countries, permission is granted automatically – FS), from the American export licences it can be concluded that, thus far, it always concerned telescopic sights for sporting rifles, which, once reached their destination, were sold to hunters.".<sup>55</sup> Whether this is really the case can be questioned.

**Suriname:** 28 night vision sights coming from India (January 10)

**Taiwan:** From Spain, two shipments of over 1 million cartridges in total (March 22 and December 4).

**Uganda:** Due to a "misunderstanding in the communication", a shipment of 2800 tear gas grenades from Israel (February 20), was not subjected to an ad hoc licence requirement. On a subsequent reporting (March 15) of 1400 specimens, this condition was imposed and the exporter finally decided not to ship through the Netherlands. Apparently no problem is seen with the helicopter – type unknown – finding its way from the Ukraine to this African country (December 4).

**United Kingdom:** Amongst others 47.000 machineguns (Heckler & Koch MP5A5/MP5K and MP7A), over 1 million cartridges and 1.041 boxes of cartridges and caps from Germany (November 18 t/m 20).

**United States:** An amazing quantity of firearms, ammunition and explosives are being shipped to the US, including:

- 4.500 pistols, 34.249 shotguns and 25.000 butts from Romania (September 26)
- 46.130 pistols, bullet and machineguns from Poland (November 6, 7 and 24)
- 8.892 machineguns from Spain (March 1)
- 6.565 submachine guns and 78 machineguns from Hungary (December 27)
- 4.505 semi-automatic weapons (February 2) and two times 2.959 bullet guns (November 1 and December 14) from Serbia (-Montenegro)
- some thousands bullet guns from Portugal (for instance February 27, August 9 and 10, November 14, December 13 and 15)
- 10.310.000 bullet guns, parts of it and fittings from Bulgaria (August 24).
- 42.000 magazines from Germany (11 May)
- over 13 million bullet cartridges from Russia (February 17 and 23)
- 30 million cartridges 5,45x39 from Bulgaria (July 19 and November 6)
- over 8,5 million cartridges and 1.905 rifles from Bulgaria (November 13)
- 5 million cartridges from Bulgaria (June 8)
- ditto from Norway (November13)
- 1.5 million cartridges from Poland (November 20)

See annex 3 "Het Nederlandse wapenexportbeleid in 2006" ("Dutch arms export policy"), Ministry of Economic Affairs and Ministry of Foreign Affairs, September 13, 2007

<sup>&</sup>lt;sup>55</sup> "Lijst van vragen en antwoorden" Februari 19, 2007 (22054 nr. 117)

- over 1 million cartridges (7.62mm) from Israel (November 10 and 16, December 7)
- about 170.000 kilogramme explosives originating from different European countries, through Rotterdam.

Both the problems of US' widespread private firearm possession and the resale of firearms from the US to other countries raise concerns about the final destination of all these transits. Apparently, the Netherlands does not try to find out, despite efforts on an international level to limit the negative consequences of small arms trade.

**Uruguay:** 566.000 cartridges from Spain (December 14)

**Venezuela:** 1.1 million cartridges from Spain (January 2)

#### Transit of arms through the Netherlands to Israel (2006)

Most striking is the transit of arms through the Netherlands to Israel, which with more than one hundred notifications is the major destination outside NATO.<sup>56</sup> This transit finds no obstacles in its way as long as it comes from the EU or NATO partner countries. And that is the case: only three notifications came from other regions (see below).

The ambiguity in the Dutch arms transit policy shows very strongly in the case of Israel, because the country is subject to a virtual Dutch arms embargo: since 2002, less than half a million euros worth of Dutch military goods has been supplied. Nevertheless, when it comes to transit, tons of ammunition parts and other military goods find their way, notably through Schiphol airport. This continues when during the summer of 2006 Israel invades Lebanon. Even in the thick of battle, the Netherlands permits military transits from the US to Israel. The war against Lebanon lasted from July 12 to August 14. During that period, the transit of 4.500.000 caps, 1.216.000 cartridges and 1678 igniters through Schiphol to Tel-Aviv has been reported and let through unhindered, because of their US origin.

The military goods that the US transited to Israel through Schiphol can be listed as follows:

- 47 million caps
- 1.3 million cartridges in different calibres
- 110.000 smoke and teargas shells
- 69.000 signal torches (*flares*) for fighter air craft and helicopters
- 40.000 igniters
- 10.658 grenades not further specified

The majority of the shipments comes from the US. The few exceptions are:

- A shipment of 1.2 million pieces of Luger pistol ammunition (August 17) from **Brazil**, which became subject to ad hoc licence requirement the only Israel destined licence requirement in 2006 after which the shipment was withdrawn. It is not known whether it then found its way to Israel through other European seaports.
- 160.000 M17/.50 tracer cartridges for M2, M3 or M85 machineguns (two shipments, June 22 and September 19) from **South Korea** were not subjected to licence requirement.
- Finally another 820 igniters coming from **Germany** (date reporting July 20) and two machineguns and 245.320 cartridges from **Slovakia** (November 13).

Except the earlier mentioned multitude of loose firearms to mostly African countries, probably chiefly for hunting purposes.

See also: "Wapenhandel en militaire samenwerking met Israel", Campagne tegen Wapenhandel, oktober 2007. (including english summary)

## 4. International programs

In recent years, the available information on Dutch arms exports has increased enormously, e.g. through the publication of individual export licences. Unfortunately, the goods considered for export are not always clearly described. In the case of the export of components of weapon systems, the name of the system often is not mentioned, which makes it unclear what exactly is exported for which systems. It involves dozens of licences having vague descriptions such as 'parts of armoured vehicles', or even descriptions for several systems at the time, such as 'parts for military aircraft and helicopter engines'. Transparency falls short here, the more so since components for weapon systems assembled in third countries represents an important part of the total Dutch arms exports. In some other cases the weapon systems are explicitly mentioned. We think it could be done in all cases in a consistent way.

From the licences where the weapon systems involved are mentioned can be seen that in 2006 most components were for NH90 helicopters, Apache attack helicopters, Leopard tanks, Fennek armoured vehicles and PzH2000 armoured howitzers.

For the NH90 helicopter, six licences with a total value of over 83 million euros were issued in 2006 (2005: nine licences, 73 million euros) for France, Germany and Oman. The first two of them are not only customers but production countries as well. Oman is one of the non-EU costumers and a good example of a case in which, contrary to what often happens when orders for components go through the US, the final destination of the goods is known and therefore mentioned in the licence application.

Stork Aerospace is part of the NH-Industries consortium, producing the NH90. In June 2006, Stork received an extra 30 million euros order for 34 helicopters from the Australian army.<sup>58</sup>

Orders for the Apache attack helicopters, in 2005 still getting 36 million euros export licences, in 2006 yield 10 million euros, divided over three licences: two of them for the exports of CDD-cameras to the US and the third for the supply of both Apache and F16 components to different European countries.

Another four substantial licences, with a total value of 10 million euros, were issued for F16 components to the US, Denmark and Pakistan (also see the survey of arms exports by country).

There were 40 licences granted for the export of components for Fennek reconnaissance vehicles. All of them for Germany, to be assembled there. No licence represents a value over 8000 euros. Dutch Defence Vehicle Systems – a subsidiary company of the German main contractor Krauss-Maffei Wegmann – does part of the production. Bayards Aluminium Constructies is supplying the bodies.<sup>59</sup> It is unclear, though, whether its export to Germany requires authorisation.

See Metaalmagazine, July/August 2006

<sup>&</sup>lt;sup>58</sup> "Stork NV, Toename NH90-omzet Stork door extra bestelling Australië" press release June 21, 2006. In 2007 production problems with the NH-90 were a major cause of the bad financial turn-out of the aerospace sector of Stork.; see also "Vliegtuigtak Stork presteert slecht" BN De Stem, April 27, 2007

Most of the 80 export licences for components of Leopard II tanks are also intended for Germany, Greece and Spain being two other destinations. The majority of the licences represent a value of some thousands of euros, non of them exceeding 200.000 euros.

The PzH2000 armoured howitzer, to conclude, is the new howitzer of several countries, including the Netherlands, Germany, Greece and Italy and used for example in Afghanistan. The German Krauss-Maffei Wegmann (KMW) is the main producer of this canon. Van Halteren Metaal, amongst others, is participating in the production for the Dutch army, of the PzH2000s, constructing the turret and the cradle. <sup>60</sup> In 2006, 15 export licences, with a total value of 17 million euros, were issued for components of the PzH2000. By far the largest one, almost 14 million euros, was for turrets. <sup>61</sup> Twelve of the 36 canons of Dutch army are up for sale now, though, without ever being used. <sup>62</sup>

http://www.vanhalterenmetaal.nl/paginas/pzh2000 (consulted, November 9 2007)

<sup>61</sup> Licence 26281717, March 1

<sup>62</sup> See "Wereldwijd Dienstbaar" Ministry of Defense, September 18, 2007, p.29

#### 5. Dual-Use

Dual-use goods, serving civil as well as military purposes, also need export authorisation.<sup>63</sup> For the Netherlands, of particular interest are nuclear and chemical products (which can be used in production of weapons of mass destruction) and night vision equipment parts, used by police and security services as well as army units.

There is a serious lack of transparency on several points:

- The overview of granted licences is not always transparent with regards to final use. It is sometimes difficult to define whether the final user will be a (para) military organisation, a civil company or a police service, for example when the licence is said to be for "surveillance and security purposes" (see also under 'night vision equipment').
- When it comes to precision instruments, as well, terms are used that do not unequivocally exclude military use, while this should be an important criterion in decision-making on these licence applications. (see also under 'nuclear dual-use').
- Furthermore, a number of open licences have been issued for "World, sensitive countries". The "Divers electronics" concerned are not further specified, although it involves licences with values of tens of millions of euros. The same holds for the largest licence, namely the one for "equipment for information technologies", with a value of 1.6 billion euros (June 13). This information is absolutely insufficient for evaluating the licence.
- The country of origin of dual-use goods is no longer mentioned, which is a step backwards.
- At the time of writing (December 2007), full information on 2006 is still not available.

This leaves us no other option than just a limited survey for the period of January - September 30, 2006, involving a total of 289 issued licences. We will discuss the exports of optical equipment, chemicals and nuclear dual-use successively.

#### Night vision equipment

In the period until October, 116 licences (of which 78 'permanent' ones) were issued for so called image intensifier tubes – the main part of night vision equipment. Some applications for Burma (1) and Indonesia (3) were turned down, though.

The only known Dutch producer of image intensifier tubes for the military market is Photonis-DEP, until 2005 a subsidiary company of Delft Instruments, but now in French hands.

Although the term "second generation image intensifier tubes" suggests an outdated technology, this is not the case. The newest types as they are produced by Photonis-DEP, are included in this term as well. An important part of the exports in this area is for military customers, and therefore an important part of Dutch arms exports is excluded

Remarkably, dual-use is still extempted from transit reporting rules.

See for example Mark Hewish, "Image is everything", Jane's International Defence Review, May 2002: "As representatives of non-US companies such as Delft Electronic Products (DEP) in the Netherlands repeatedly point out, though, 'generations' categorize tubes according to how they are made rather than perform."

from official arms export statistics. Besides that, conventional dual-use goods are subject to less restrictive export regulations.

China: Despite the EU arms embargo, China can count on large quantities of Dutch night vision equipment. Export licences for China reach well above 8 million euros, part of which clearly has military purposes (border control). Under the generic term 'Surveillance and security purposes', the majority of these find there way to a variety of seemingly unsuspected end-users. To us, it seems implausible though, that for years now, almost all night vision equipment sent to China is used for surveillance purposes for the Olympic Games, infrastructural projects and even against illegal logging. Chances are that the Chinese importer knows that these purposes will not raise suspicion and that they serve as a cover for (para)military and police matters. In China, Photonis DEP participates, for example, in the joint venture North Night Vision Technology, a subsidiary company of China's biggest arms manufacturer, NORINCO.<sup>65</sup> The question rises which guarantees were obtained and what instruments the Netherlands use to verify the actual end use of these products. That includes the risk of resale to third countries. In recent times China supplied weapons to countries such as Sudan and Burma.

In some cases the term 'border control' is used (April 20, 197.000 euros). The question is on what basis the Netherlands allow such (para)military exports. In October 2005, a tourist filmed Chinese border patrols shooting at fleeing Tibetan clergyman, causing an unknown number of deaths. Similar cases have been reported several times.<sup>66</sup>

**Israel:** Although normally, no military goods are exported to Israel, a remarkable exception was made for a large order, worth 710.100 euros, for military use (January). How this licence must be seen in relation to the Dutch arms export criteria remains a mystery, at least to us.

**Russia:** The Dutch government has no problems sending night vision equipment to Russia. Again, question rises whether the Netherlands has any insight in the end-use, both within Russia as concerning the risk of re-export to third countries. In recent years, Photonis DEP could be found on Russian Interpolitex arms fair in Moscow, specialized in anti-terror and home security.

**Pakistan:** Two large orders for the air force (August 22, 290.000 euros) and for border patrol units (May 3, 59.000 euros) attract attention. Especially in recent times, the question rises how this is compatible with existing policy not to deliver any goods that can be used in Kashmir.

http://www.nvt.com.cn/english/index.htm and House of Commons debates, February 3, 2005 (http://www.theyworkforyou.com/debates/?id=2005-02-03a.1067.0)

Tibetan nun shot dead; other Tibetans feared killed on way to Nepal, <a href="http://www.savetibet.org/news/newsitem.php?id=1036">http://www.savetibet.org/news/newsitem.php?id=1036</a>; also see: Chinese border police open fire on Tibetans on Nangpa-La again,

http://www.phayul.com/news/article.aspx?article=Chinese+border+police+open+fire+on+Tibetans+on+Nangpa-La+again&id=18347

Tabel 5.1: Export licence	es for dual-use	optical	equipment*)
---------------------------	-----------------	---------	-------------

('permanent', new licences from 50.000 euros onwards)

Date	Reported use	Final destination	Licence value	
13/06/06	Surveillance and security purposes (airports and	China	2.523.000	
13/00/00	shipyards - civil)	Cimia	2.323.000	
16/03/06	Night vision equipment for civil use	China	972.500	
08/06/06	Surveillance and security purposes (airports and shipyards - civil)	China	855.000	
29/06/06	Surveillance and security purposes (airports and shipyards)	China	845.000	
18/07/06	Surveillance and security purposes (border patrol)	Venezuela through Norway	738.000	
13/01/06	For military use	Israel	710.100	
19/06/06	Surveillance and security purposes (Railway)	China	668.000	
31/03/06	Surveillance and security purposes (Railway)	China	665.000	
30/03/06	Surveillance and security purposes (airports and shipyards	China	591.250	
29/06/06	Surveillance and security purposes (airports and shipyards	China	513.000	
22/09/06	Night vision equipment	South Korea	379.750	
23/03/06	Surveillance and security purposes (airports and shipyards	China	362.250	
22/08/06	For military use (aircraft)	Pakistan	290.000	
04/07/06	For hunting	Russia	250.000	
20/04/06	Surveillance and security purposes (border patrol)	China	197.000	
10/01/06	Night vision equipment (civil)	Russia	180.000	
23/05/06	For military use	Singapore	161.571	
07/03/06	For military use	Singapore	160.824	
08/05/06	Night vision equipment for military use	Romania	105.500	
09/05/06	Night vision equipment for military use	Romania	105.500	
25/07/06	Night vision equipment	France through Israel	102.025	
18/01/06	Surveillance and security purposes	South Korea	83.457	
23/03/06	Surveillance and security purposes (Olympic Games 2008)	China through Hongkong	82.000	
25/04/06	Night vision equipment for military use (airforce)	Turkey through Israel	82.000	
18/09/06	Night vision equipment	United Kingdom through Israel	61.775	
03/05/06	Surveillance and security purposes (border patrol)	Pakistan	58.630	
14/07/06	Research on breast cancer	US	52.525	
26/01/06	For military use	Jordan	52.458	

<sup>\*)</sup> In all cases, description is: "(second generation) image intensifier tubes"

#### Chemicals

There is a lively trade in chemicals in the Netherlands. A number of them – those regulated under the Chemical Weapons Convention and those within the so-called Australia Group - are subject to export authorisation, given the risk of them being used in the production of poison gas. Even though there are a lot of perfectly legitimate civil uses for these chemicals, the Dutch Campaign against Arms Trade thinks that the Netherlands should refuse exporting them to non-treaty countries. Although not explicitly prescribed in the treaty, in our view the Netherlands, hosting the OPCW, should set an example in this area. At present, the Netherlands issues licences to for example Egypt and Israel. Especially chemicals like phosphorus pentachloride, phosphorus oxychloride and

phosphorous trichloride are being considered as susceptible to proliferation. Given strong suspicion that these countries run a chemical weapon program, and considering the lack of satisfying verification possibilities on spot, it is difficult to understand how the Netherlands can issue licences to these countries which refuse to ratify the Chemical Weapons Treaty.

Tabel 5.2: Export licences for chemical dual-use products to non-members CWT

Date	Description of goods	Reported use	Final	Licence value
		_	destination	
25/07/06	Phosphorus pentachloride	Production of medicine	Egypt	750.000
11/05/06	Phosphorus pentasulfide	Production of pesticides	Egypt	229.845
03/02/06	Phosphorus oxychloride	Production of colourings and flavorings and agricultural chemicals	Israel	337.383
06/02/06	Phosphorus oxychloride	Production of colourings and flavorings and agricultural chemicals	Israel	337.383
22/02/06	Hydrogen fluoride	Production of microchips	Israel	125.590
04/08/06	Potassium cyanide	For galvano industry	Israel	4.750
20/01/06	Ammonium hydrogen fluoride	Etching and activating of metals	Israel	6.000
04/08/06	Sodium cyanide	For galvano industry	Israel	9.975
03/08/06	Phosphorus oxychloride	Production of flame retardents	Taiwan	734.630
15/05/06	Phosphorus trichloride	Production of fire retardents	Taiwan	1.002.570
10/04/06	Phosphorus trichloride	Production of (liquid) phosphite antioxidants	Taiwan	38.757
09/01/06	Phosphorus trichloride	Production of (liquid) phosphite antioxidants	Taiwan	184.272
11/05/06	Phosphorus trichloride	Production of fire retardents	Taiwan	259.574
15/09/06	Phosphorus trichloride	For synthetic industry	Taiwan	612.900
09/01/06	Phosphorus trichloride	Production of (liquid) phosphite antioxidants	Taiwan	737.088
04/01/06	Phosphorus trichloride	Production of (liquid) phosphite antioxidants	Taiwan	838.344
04/01/06	Phosphorus trichloride	For synthetic industry	Taiwan	894.654
11/05/06	Phosphorus pentachloride	Production of lithium hexafluorinephosphate	Taiwan	216.356

#### Nuclear dual-use

This involves a few licences for ultracentrifuge technology and uranium to Brazil, Germany, Russia, the UK, the US and South Korea.

Moreover a number of licences have been issued for 'pressure transducers' including for China and Taiwan (both on September 29 and representing a value of 1.2 million euros each). Depending on the exact specifications, pressure transducers can be used for nuclear programs. Apparently identical material went to Malaysia and Singapore as well. A few years ago, a Malaysian company played a leading part in revealing the international nuclear network, led by the Pakistani Abdul Qadeer Khan, selling nuclear equipment to countries including Libya, Iran and North Korea. In December 2005, Khan's Dutch business partner Slebos was convicted for the illegal export of pressure transducers to one of the purchasing firms of Pakistans nuclear arms program.<sup>67</sup>

For licences for precision lathes, as well, there is a danger of proliferation. Especially in the

http://zoeken.rechtspraak.nl/resultpage.aspx?snelzoeken=true&searchtype=ljn&ljn=AU8253&u\_ljn=AU8253

case of India, which did not sign the Non-Proliferation Treaty. Depending on more precise specifications of the goods concerned – not mentioned in the data published by the government – in the case of both pressure transducers and precision lathes, questions should be raised concerning the extend to which the Netherlands are sufficiently able to verify whether the actual end use of these goods is indeed civil.

Tabel 5.3: Selectie exportvergunningen voor goederen met nucleaire toepassingen

Date	SG-	Description of goods	Reported use	Final	Licence value
	Post			destination	
27/02/06	0B001b	Parts of ultra gas centrifuge	Uranium enrichment	Germany	37.617.013
29/08/06	0B001b	Parts of ultra gas centrifuge	Uranium enrichment	United Kingdom	85.383.279
13/01/06	0C001	Uraniumhexafluoride (U-235 < 0,4%)	Uranium enrichment	Russia	1.324.721
25/07/06	0C002	Uraniumhexafluoride (U-235 < 5,0%)	Energy production	Brazil	96.574.640
28/02/06	0C002	Fuel element	Dismantling and removal from the site	US	210
21/06/06	0C002	Uraniumhexafluoride (U-235 < 5,0%)	Energy production	South Korea	165.539.663
17/01/06	0C004	Graphite	Blast furnace	India	3.987
18/07/06	0E001	Technology for uranium enrichnment using ultra gas centrifuges	Production of enrichment equipment	Germany and UK	100.000.000
31/03/06	0E001	Technology for production of collection device	Production for isotope separators	US	3.700.000
08/08/06	0E001	Technology for uranium enrichnment using ultra gas centrifuges	Production of enrichment equipment	US	5.000
10/08/06	2B201a	Ultra precision CNC controlled lathe	Production of high precision bearings	China	689.000
28/03/06	2B201a	Ultra precision CNC controlled lathe	Production of precision parts	India	214.500
29/09/06	2B230	Components of pressure transducers	Production of semi-conductor devices or materials	China	1.201.725
01/09/06	2B230	Components of pressure transducers	Production of semi-conductor devices or materials	Malaysia	1.201.725
01/09/06	2B230	Components of pressure transducers	Production of semi-conductor devices or materials	Singapore	1,201.725
29/09/06	2B230	Components of pressure transducer	Production of semi-conductor devices or materials	Taiwan	1.201.725
01/09/06	2B230	Components of pressure transducers	Production of semi-conductor devices or materials	South-Korea	1.201.725

## 6. Other remarkable exports

#### **Cluster munitions**

On February 20, 2007, a group of countries gathered in Oslo and decided on a action plan to come to a legally binding instrument for a ban on cluster munitions (use, production, storage, trade) by the end of 2008. The Netherlands supports this so called Oslo process, although rather passively.

On June 27, 2007, the Dutch government announced that the army (in this case, the air force) would abandon the use of cluster bombs "until further notice". This move was criticised by the Cluster Munitions Coalition because it leaves the door open to the possible use of cluster weapons in the future.<sup>68</sup>

Just like in 2005, part of surplus Dutch cluster bombs, the M26 rockets, are being transported to Italy, through Germany, for demilitarisation.<sup>69</sup> The value of the corresponding licences is 2 million euros. Cluster munitions representing another 92 thousand euros went to Germany also for demilitarisation.<sup>70</sup>

#### **Small Arms**

The most remarkable small arms export licence was for the sale of an unknown number of machine guns (9000 euros) to Brazil.<sup>71</sup> It is unclear as to where these weapons end up. Brazil suffers from many problems in the area of fire arms. It has the highest number of firearms related deaths in the world. Especially in the slums, in fights between drug gangs and the police, both parties make excessive use of firearms. <sup>72</sup> The use of machine guns is a growing problem.

Apart from that, many arms in Brazil disappear into illegality and at the borders a black market is flourishing.<sup>73</sup>

The other export licences for small arms are mostly for EU countries, notably Germany. This often concerns small licences, for instance for one or a few small arms, or small quantities of ammunition.

#### Chemicals for military use

In 2006, seven licences have been issued for exports of toxic goods to Germany. All of them were for "protective research". There is no further specification of the involved materials. Over the last years, similar licences have been issued to Norwegian, Germany and to Japan.

There is also a notable 190.685 euros licence for 1,1-dimethylhydrazine, a product mostly

<sup>&</sup>lt;sup>68</sup> "Cluster Munitions Coalition questions the governments decision", Cluster Munitions Coalition press release, June 27, 2007.

<sup>69</sup> Licence 26568048, September28

<sup>&</sup>lt;sup>70</sup> Licence 26438160, July 17

<sup>&</sup>lt;sup>71</sup> Licence 26323584 Mai 8

Joanna Wright, Firearms and drugs fuel conflict in Brazil's favelas, Jane's Intelligence Review, November 2005

Amnesty International, Brazil: 'They come in shooting': policing socially excluded communities, press release, 2 December 2005

used for rocket fuel, to Japan<sup>74</sup>.

#### Miscellaneous

Two licences were issued for the export of a demilitarised fighter aircraft to Greece; both representing a value of only 7000 euros.<sup>75</sup> In the same category, the 4000 euros<sup>76</sup> export licences for two decommissioned howitzers to the United Kingdom can be mentioned.

#### Licences for financial transactions

In 2006, three licences were issued for financial transactions for military goods. Such licences are obligatory whenever a Dutch citizen conducts a financial transaction in relation to military goods (outside the EU, or inside the EU when excluded from free transition).<sup>77</sup> Two licences with a total value of 9 million euros were for transactions with Turkey concerning a maritime surveillance system. This is possibly connected to the Turkish-Dutch joint venture Yaltes, in which Thales still has a 40 percent share.

#### Licences for financial transactions

date	nr.	Description of goods	Destination	Origin	Value (€)
08-03-06	26249929	Bullet proof jackets	Afghanistan	South-Korea	42.148
16-05-06	26343518	Communication system for IMSS	Turkey	Turkey	6.210.933
16-05-06	26343526	Parts Integrated Maritime Surveillance System	Turkey	Turkey	2.923.801

#### **Denied licence applications**

In 2006, twenty licence applications were turned down, five more than in 2005.<sup>78</sup> Denied destinations include India, Indonesia, Israel, Suriname, Taiwan and Thailand, while other applications for those countries were granted. It is sometimes difficult to explain why one application is denied and another not. A licence for upgrading a sonar system for the Taiwanese navy, for instance, was denied, while other submarine related supplies were granted. In the case of Thailand as well, export of army vehicles components sometimes are and sometimes are not authorized.

Other countries to which licence applications were denied include Burma, Hong Kong, Uganda en Tanzania.

Contrary to last year, the annual report 2006 does not mention which of these denials concerned pre-licence applications and which ones are actual licence applications.

<sup>&</sup>lt;sup>74</sup> Licence 26534178, September 13

<sup>&</sup>lt;sup>75</sup> Licence 26335329 and 26335337, Mai 1

<sup>&</sup>lt;sup>76</sup> Licence 26235529, January 18 and licence 26301394, March 17

<sup>&</sup>lt;sup>77</sup> Ministry of Economic Affairs, "Handboek strategische goederen" ("Guide strategic goods"), 2006

No. 2006 See annex 4 "Het Nederlandse wapenexportbeleid in 2006" ("Dutch arms export policy"), Ministry of Economic Affairs and Ministry of Foreign Affairs, September 13, 2007

#### 7. Conclusions and recommendations

With an arms export volume of more than one billion euros in 2006, the Netherlands consolidates its position as **one of the world's biggest arms exporters.** In their most recent yearbook, SIPRI, the international research centre, ranks the Netherlands as the fifth largest. Countries struggling with internal conflicts, having bad human rights situations, tense relations with neighbouring countries or an imminent arms race, are amongst the major customers.

In 2006, large orders mostly come from countries outside NATO. Shipyard De Schelde was allowed to export the first two - of in total four - corvettes to Indonesia (278 million euros). Thales Nederland got authorisation to sell radar equipment to Venezuela (190 million euros) and Chile bought 186 million euros worth of F16 fighter aircraft, missiles and ammunition from the Dutch Ministry of Defence. The selling of surplus defence material remains an important part of the Dutch arms exports. The Dutch Campaign against Arms Trade is worried about the double role the Dutch state is playing in this. Being arms licence controller while at the same time being arms exporter gives the state an interest in lower export standards.<sup>79</sup>

As far as **transits** are concerned, most striking are the large quantities from the United States being transferred to **Israel** through Schiphol. Even though the Netherlands is particularly reluctant in directly selling military goods to Israel, it does not interfere in any way with transits from allied nations through its country. Even Israel being at war, as in the summer of 2006, did not make any difference in this regard. The Dutch Campaign against Arms Trade finds this absolutely shocking and does not see why the Netherlands should not examine transits from allied nations as well. **Within Europe and even more in comparison with the US, enormous differences exist in the interpretation of the arms exports policy**. Apparently, it is so important to the Netherlands not to be considered 'soreheads' by its alleys that it does not interfere with arms transits to human rights violators and war areas.

The majority of our recommendations of last year's report still hold. We summarise the most important ones here.

#### Military goods

- In the **reporting of final destinations of components** we do notice some progress. Especially within Europe, this seems to cause fewer problems, as for instance is shown by the reporting of NH90 related exports having Oman as their final destination. In the case of component exports to the US (for example for the Apache or the F16) it only happens sporadically. The Netherlands should verify more thoroughly that exporters observe their obligation to **mention the final destination of the components in their licence application.**
- in accordance with the parliamentary decision of December 17, 1996, in the case of the

See also our briefing "Wereldwijd leverbaar – De overheid als grootste wapenhandelaar", Campagne tegen wapenhandel, november 2007 (http://www.stopwapenhandel.org/publicaties/factsheets/materieelverkoop.pdf).

export of surplus Dutch defence material, parliament should always be informed well in advance.

#### **Transit**

- Although we do consider the new **licence requirement** a step forward, we also think it should be **fully applicable to all transit, including those from EU and NATO countries.** As it is, the extension of the licence requirement will be very limited in practice.
- On the export control website of the Ministry of Economic Affairs, there is at this moment no reference at all to the forthcoming new export regulations. This makes it doubtful whether the transport sector will be informed about the new regulations in time.
- The transit of dual-use as well, should be under licence requirements, first of all, to prevent further proliferation of weapons of mass destruction. Within Europe, where a revision of EU policies regarding dual-use is being discussed, the Netherlands should push such an initiative.

#### **Dual-use**

- Apart from a control on the transit of dual-use, a licence requirement concerning the Financial Transfers for Strategic Goods involving brokering of dual-use goods, should be reinstituted.
- Especially in the case of licence applications where **(para) military use** is likely, (as in the case of night vision equipment), these should be treated as military goods.

#### **Transparency**

- The **considerable delay** with which the Ministry of Economic Affairs is publishing monthly surveys of granted licences on the web remains problematic. In December 2007, there are still no data on the past year; concerning dual-use, even on the last three months of 2006 no information can be found. It should not be too much effort to always publish these data with only one or two months delay.
- Better, **more consequent mentioning of the type of weapon systems** in the descriptions of the goods.
- Mentioning of the **number of goods** in the export licences.
- We also insist on the **mentioning of the end-user** when transiting and exporting military goods, as is the case in dual-use licences, distinguishing between armed forces, police, security services and private, industrial or brokering agents. This is indispensable for a correct interpretation of the data.
- To conclude, the Dutch Campaign against Arms Trade, insists on the **regular publication of catch-alls**, that have been imposed on the export of non-strategic goods.

## Recent publications Dutch Campaign against Arms Trade

- > The devil is in the detail. De Nederlandse positie betreffende clustermunitie. CtW & IKV/PaxChristi, februari 2008
- > Wereldwijd Leverbaar. Handel in overtollige Nederlandse wapens. Factsheet. Mark Akkerman. Uitgave CtW, november 2007
- > Wapenhandel en militaire samenwerking met Israel. Mark Akkerman. CtW, oktober 2007. With English summary
- > Project Butter factory, Henk Slebos and the A.Q. Khan nuclear network. Frank Slijper. Transnational Institite/CtW, september 2007. In English
- > Pensioengeld voor oorlogsgeweld, Pensioenfondsen, ethisch beleggen en de wapenindustrie. Mark Akkerman. CtW, juli 2007.
- > European Export Credit Agencies and the financing of arms trade. Marijn Peperkamp, Martin Broek, Frank Slijper, Wendela de Vries. European Network Against Arms Trade, juni 2007. In English
- > Financing misery with public money European Export Credit Agencies and the financing of arms trade. Marijn Peperkamp, Martin Broek, Frank Slijper, Wendela de Vries. European Network Against Arms Trade, juni 2007. In English
- > Nederland en de chemische wapens van Irak. Mark Akkerman, CtW, mei 2007. With English summary
- ➤ Analyse Nederlandse wapenexportvergunningen 2005. Frank Slijper, Martin Broek. CtW, december 2006.
- ➤ Nederlandse wapenleveranties aan Chili. Mark Akkerman. CtW, oktober 2006.
- ➤ Kinderen buiten schot; Nederland, kleine wapens en de gevolgen voor kinderen. Mark Akkerman, Martin Broek. UNICEF, juni 2006.
- ➤ Onzichtbare handel. Doorvoer van wapens via Nederland. Martin Broek. NOVIB, mei 2006.
- ➤ Wapens of ontwikkeling, militaire exportkredieten. Marijn Peperkamp, Martin Broek. Uitgave CtW, maart 2006.
- ➤ The arms industry and the EU Constitution. Wendela de Vries, Martin Broek. Uitgave European Network Against Arms Trade, januari 2006. In English
- ➤ The Emerging EU Military-Industrial Complex; Arms Industry Lobbying in Brussels Frank Slijper CtW/ TNI May 2005. In English

These and other English CtW publications available on http://www.stopwapenhandel.org/English/publication/publications.html