

Stop Wapenhandel

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Israel and the international arms trade, companies involved

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Israel is an important arms exporter and importer. During the decade of 2004 to 2013 Israel was the eleventh biggest arms exporter in the world, and the thirteenth biggest arms importer.¹

Important Israeli arms companies

Arms (and security technology) made by Israeli companies are highly rated. Many of these weapons are promoted with slogans like “battle(filed) proven” or “combat proven”. The companies often work in close cooperation with the Israeli Defence Forces (IDF).² Notably, Israel is a major exporter of drones. Between 2001 and 2011, 41% of the world’s drones came from Israel according to SIPRI and drones now account for up to 10% of all Israel’s military exports.³

Elbit

Elbit, including its subsidiaries like Elbit Systems of America, is a large arms company producing a broad selection of military and security equipment. Elbit is a major supplier to the IDF.

Several financial institutions, including Dutch pension fund PFZW, the Norwegian Government Pension Fund, the Dankse Bank en the Swedish National Pension Funds exclude Elbit from their investment portfolio because of the company's involvement in violations of international law, as it provides amongst others surveillance technology for the security fence and for Israeli military and security operations in the Palestinian territories.⁴

Israel Aerospace Industries (IAI)

IAI produces mainly aircraft (including drones), but also patrol boats and missiles. It is fully owned by the state of Israel.⁵

Israel Military Industries (IMI)

IMI produces mainly small arms (firearms) and ammunition. It is fully owned by the state of Israel.⁶

Israel Weapon Industries (IWI)

IWI is a privatized former part of the Israel Military Industries. It produces mainly firearms.

1 SIPRI Arms Exports Database

2 disarmtheconflict.wordpress.com/2011/11/22/repression-based-research/

3 Israel and the drone wars. Examining Israel’s production, use and proliferation of UAVs. Mary Dobbing en Chris Cole, Drone Wars UK, January 2014

4 PGGM, Jaarverslag Verantwoord Beleggen 2011, p. 58, 30 march 2012 (http://www.pggm.nl/wat-doen-we/Documents/Verantwoord-Beleggen-Jaarverslag_2011.pdf); <http://www.globes.co.il/en/article-1000495337>; <http://electronicintifada.net/content/scandinavian-financial-institutions-drop-elbit-due-bds-pressure/8685>

5 http://en.wikipedia.org/wiki/Israel_Aerospace_Industries

6 <http://www.gca.gov.il/taas/English/default.htm>

7 [http://www.israeldefense.com/?CategoryID=412&ArticleID=198&CounterType=0](http://www.israeldefense.com/?CategoryID=412&ArticleID=198&CounterType=0;);

Rafael

Rafael is a privatized former state-owned company. It develops and produces a broad range of weapons, including missiles, air defense systems and military vehicles.⁸

UAV Engines

UAV Engines is based in the UK, but it is fully owned by Elbit (through its subsidiary Silver Arrow). It produces engines for drones, including the Hermes 450 drone, which is in service with the IDF.⁹

Defence cooperation with Israel

There is a lot of cooperation between Israeli and non-Israeli arms companies. Thales Netherlands, for example, co-produces the Gill missile with Rafael. The Airbus Group (formerly EADS) cooperates with IAI in the production of the Harfang drone. There is also participation of Israeli companies in several projects which receive R&D grants under the EU-funded Framework Programmes; of the 2007-2014 FP7 R&D funding of over 200 security research projects, one in five contracts included an Israeli security partner.¹⁰

Arms exports to Israel¹¹

Israel is a major arms importer. A list of the companies connected to the most important arms transfers to Israel in recent years:

Alliant Techsystems

- transfer of CMBRE munition support equipment.¹²

BAE Systems

- transfer of components for F15 and F16 fighter jets and for Apache attack helicopters.¹³

Boeing¹⁴

- transfer of AH-64D Apache attack helicopters.¹⁵
- transfer of JDAM guidance kits for bombs produced by IMI.¹⁶
- transfer of GBU-39 SDB precision guided glide bombs.¹⁷

Finmeccanica

- concluded a large contract with the IDF in 2012, including the transfer of M-346 jet trainers (through subsidiary Alenia Aermacchi).¹⁸

http://en.wikipedia.org/wiki/Israel_Weapon_Industries

8 http://en.wikipedia.org/wiki/Rafael_Advanced_Defense_Systems

9 <http://www.theguardian.com/world/2009/jan/09/armstrade-gaza>

10 <https://www.opendemocracy.net/ben-hayes/how-eu-subsidises-israel%E2%80%99s-military-industrial-complex>

11 The SIPRI Arms Trade Register has been used for basic information on recent arms transfers

12 <http://www.defense.gov/Contracts/Contract.aspx?ContractID=5229>

13 <http://coat.ncf.ca/P4C/66/8-9.pdf>

14 Also see the backgrounder 'Boeing in Israel' from Boeing:

<http://www.boeing.com/assets/pdf/aboutus/international/docs/backgrounders/israelbackgrounder.pdf>

15 <http://www.army-technology.com/projects/apache/>

16 <http://www.israeldefense.com/?CategoryID=483&ArticleID=1618>

17 <http://www.armedforces-int.com/news/boeing-gbu-39-small-diameter-bombs-for-israel.html>

18 <http://www.ynetnews.com/articles/0,7340,L-4257937,00.html>; <http://www.ft.com/intl/cms/s/0/777d544a-d1bc-11e1-badb-00144feabdc0.html#axzz38xdhZfay>

General Dynamics

- transfer of Namer armored personnel carriers.¹⁹
- transfer of MK84 general purpose bombs.²⁰

Hawker Beechcraft Corporation

- transfer of T-6A trainer aircraft.²¹

Honeywell

- transfer of engines for M-346 jet trainers (see Finmeccanica).²²

Lockheed Martin

- transfer of C-130J Hercules transport helicopters.²³
- opened a new office in Israel last april: “The new office further demonstrates the Corporation’s commitment to supporting the Israeli Defense Force.”²⁴
- prime contractor for the F35 (JSF), which will also be bought by the IDF.²⁵

Motorola Solutions

- transfer of communication and surveillance equipment.²⁶

MTU

- transfer of MTU-883 engines for tanks (including the Namer APC, see General Dynamics).²⁷

Northrop Grumman

- transfer of components for F16 fighter jets and Apache attack helicopters.²⁸
- transfer of components for M-346 jet trainers (see Finmeccanica).²⁹

Raytheon

- transfer of GBU-28 'bunker busting' bombs.³⁰
- transfer of AIM-9x missiles.³¹
- involved in the development of the Stunner interceptor missile for the IDF.³²
- a contract for the transfer of components for missile defense is in its final phase.³³

19 <http://www.jpost.com/Israel/General-Dynamics-to-develop-Namer-APC-for-IDF>;

http://www.generaldynamics.com/news/press-releases/detail.cfm?customel_dataPageID_1811=5533

20 <http://www.defenseindustrydaily.com/israel-requests-3500-mk84-bombs-03237/>

21 <http://www.defenseindustrydaily.com/israel-issues-rfi-for-new-trainer-aircraft-updated-01525/>;

<http://www.israelnationalnews.com/News/Flash.aspx/170077#.U9j03NPGdko>

22 <http://honeywell.com/News/Pages/Honeywell-Secures-Major-Engine-Contract-From-Israel-Ministry-Of-Defense.aspx>

23 <http://www.lockheedmartin.com/us/news/press-releases/2014/april/o409hq-1st-israel-c130j.html>

24 <http://www.lockheedmartin.com/us/news/press-releases/2014/april/0409hq-israel.html>

25 <https://www.f35.com/global/participation/israel>

26 <https://wedivest.org/c/54/motorola#.U9kRH9PGdkp>; <http://www.globes.co.il/en/article-1000906408>

27 <http://www.tlaxcala.es/pp.asp?reference=7653&lg=en>

28 <https://wedivest.org/c/55/northrop-grumman#.U9kE9NPGdkp>

29 http://www.aviationtoday.com/the-checklist/Northrop-Grumman-to-Provide-AHRS-for-Israels-M-346-Fleet_77765.html#.U9kF39PGdko

30 <http://en.wikipedia.org/wiki/GBU-28>

31 <http://www.dsca.mil/major-arms-sales/israel-aim-9x-sidewinder-missiles>

32 <http://www.boston.com/news/nation/2012/11/24/israel-developing-next-generation-missile-defense-system-with-help-from-raytheon/kikI4i118yW78EYWjivYzH/story.html>

33 <http://www.bostonglobe.com/news/nation/2014/07/17/under-rocket-fire-israel-looks-raytheon-build-more-anti-missile->

Textron (through subsidiary Bell Helicopter)

- planned transfer of V-22 Osprey multi-mission aircraft.³⁴

ThyssenKrupp

- transfer of Dolphin submarines, which are suspected to be equipped for the use of nuclear weapons.³⁵
- Atlas Elektronik, a joint venture of ThyssenKrupp (60%) and Airbus Group (40%) produces the 'combat and guidance'-systems for the Dolphin submarines.

United Technologies (through subsidiary Pratt & Whitney)

- transfer of engines for several military airplanes (including drones).³⁶

US military aid

The Israeli defence budget makes up for 5.6% of its BNP, which is one of the highest percentages in the world³⁷. A part of the Israeli arms purchases are funded by the US, through its Foreign Military Financing (FMF) program. US military aid adds up to 30 billion dollars for the decade 2009-2018, under a 2007 agreement between the US Bush administration and the Israeli government. This represents almost a quarter of the Israeli defence budget. Unlike most other recipients of funding through FMF, Israel is allowed to spend a significant amount of its annual military aid (about a quarter of the total funding) for domestic arms purchases.³⁸

US arms depots

Since the early 1980's the US has an emergency arms stockpile, including armored vehicles, missiles and ammunition, at two Israeli bases. The stockpiles are worth an estimated 1 billion to 1.2 billion dollars. The United States European Command (EUCOM) manages this so-called War Reserves Stock Allies-Israel (WRS-A-I) program. Originally meant for use only by the US itself, it can also be used by Israel, with US permission, in emergency situations. During the July/August 2014 attacks on Gaza, the US authorized the transfer of grenades and mortar rounds from these stockpiles to the IDF.³⁹

systems/KziQB3E7zhRqkd6ZqW0R6N/story.html

34 http://www.bizjournals.com/dallas/blog/morning_call/2013/04/us-to-sell-bell-helicopters-v-22.html

35 <http://www.dontbankonthebomb.com/2013/10/08/thyssenkrupp/>; <http://www.jpost.com/Defense/Germans-set-to-deliver-advanced-sub-to-Israel>

36 <http://wanderingraven.wordpress.com/2011/01/26/pratt-and-whitney-canada-links-to-israeli-military/>;
<http://electronicintifada.net/content/us-may-sell-600-million-israeli-air-force-after-israel-us-agreement-china/5684>

37 [http://data.worldbank.org/indicator/MS.MIL.XPND.GD.ZS?](http://data.worldbank.org/indicator/MS.MIL.XPND.GD.ZS?order=wbapi_data_value_2013+wbapi_data_value+wbapi_data_value-last&sort=asc)

[order=wbapi_data_value_2013+wbapi_data_value+wbapi_data_value-last&sort=asc](http://data.worldbank.org/indicator/MS.MIL.XPND.GD.ZS?order=wbapi_data_value_2013+wbapi_data_value+wbapi_data_value-last&sort=asc)

38 Jeremy M. Sharp, U.S. Foreign Aid to Israel, Congressional Research Service, 11 April 2014

39 Jeremy M. Sharp, U.S. Foreign Aid to Israel, Congressional Research Service, 11 April 2014; Reuters, U.S. Gives Israel more grenades and mortar rounds for Gaza offensive, 30 July 2014