

Part III

Statistics on Exports of Military Equipment during 1997

Source of Data

This section of the Report relates to the physical export of defence equipment from the United Kingdom. It has been compiled in accordance with the Government's Code of Practice on Access to Government Information. The information relates to the period 1 January to 31 December 1997 and has been obtained from two sources:

- First, for the category 'Other Weapons including small arms', and to provide the 'total value' by country, the data is supplied by HM Customs & Excise, and is collated from two sources. In the case of exports to EU partners, this information is based on data collected through the Intrastat system. For exports to other destinations, this is based on information provided to HM Customs & Excise by exporters in customs declarations made at the point of export.

The data collected by HM Customs & Excise is the only available source of Government information on the value of defence export deliveries or on quantities of equipment exported, other than major equipments. The system under which the data is collected is not specific to defence exports, however, and its primary use has been for the compilation of statistics on overall levels of UK trade. This has created some difficulties in extracting from this source the type of data required for this report. The explanatory notes to the figures on exports include further details on some of the specific points of difficulty and their implications for the figures presented.

Additionally, as was set out to Parliament in February 1999, it should be noted that, during the course of preparing the report, a number of inaccuracies came to light in the data compiled by HM Customs & Excise. Specifically, a number of cases were identified where either the country of destination or the EU Tariff Code of the goods exported had been reported or recorded incorrectly. There is also a particular

question over aircraft parts which are either declared as "civil" or "other than civil" for customs purposes. The latter heading properly covers parts for use both in military aircraft and in other non-civil registered aircraft, and there has been some difficulty in separating these two categories for the purposes of this report. A considerable amount of effort has been expended by HM Customs & Excise officials in seeking to provide accurate information. Owing to the large number of declarations (approximately 42,000), it has not been practical to check every single entry. It is possible, therefore, that some inaccuracies in the figures may persist.

- Second, the numbers of major equipments (i.e. Battle Tanks, Armoured Combat Vehicles, Large Calibre Artillery Systems, Combat Aircraft, Attack Helicopters, Warships, Missiles and Missile Launchers) are based on information provided for the UK's contribution to the UN Arms Register. This information has been provided voluntarily by industry in the knowledge that it will be made public. The data for these categories of equipment relates only to the export of whole new systems. It should be noted that the UN Arms Register takes the point at which title to the goods is transferred as representing the point of transfer. Accordingly, there may be some differences between these figures and those supplied by HM Customs & Excise where data is collected on the basis of the physical movement of goods (i.e. where exports are shown in the major weapons systems categories, the corresponding value may not appear in the total value of defence exports, or vice versa).

An entry has been made only where equipment has been supplied in accordance with the definitions set out above. As an example, where spare parts for a major existing system (e.g. combat aircraft) have been supplied, those exports will not be shown under any of the individual equipment categories listed because the categories relate only to whole new systems. However, the value of all exports will be included in the total value for the country concerned.

Definition of ‘Other Weapons including Small Arms’

Exports shown under the category ‘Other Weapons including Small Arms’ relate to the number of individual weapons transferred under EU Tariff Codes 9301 0000, 9302 0010 and 9302 0090 which fall under the heading ‘Arms and ammunition; parts and accessories thereof’. Although the majority of individual items exported relate to small arms and light weapons, HM Customs & Excise data does not distinguish these from artillery and similar weapons. (See Appendix C for details of the coverage of these EU Tariff Codes.) Additionally, quantities of ammunition have been excluded. The value of all exports of small arms and ammunition is included in the figures for value of defence exports.

The figures for EU member states cover only entries against EU Tariff Codes 9302 0010 and 9302 0090, pistols and revolvers, as Intrastat procedures do not require exporters to report the quantity of items transferred under tariff code 9301 0000.

Government transfers

As the Import, Export and Customs Powers (Defence) Act 1939 does not bind the Crown, no licence is required for Government transfers. However where the conditions above apply, transfers made by the Crown are included in the information on exports set out in this section of the Report.

The UK’s main Government supply agreement is the Government to Government Saudi Armed Forces Project known as Al Yamamah. This provides for the supply of military equipment and associated support and infrastructure. There is also a Government to Government supply agreement in place with Kuwait. Other Government supply agreements covering the sale of surplus defence equipment and materiel are entered into by the Ministry of Defence’s Disposal Sales Agency.

Table 8: Statistics on Exports of Military Equipment between
1 January and 31 December 1997

	Battle Tanks	Armoured Combat Vehicles	Large Calibre Artillery Systems	Combat Aircraft	Attack Helicopters	Warships	Missiles and Missile Launchers	Other weapons including Small Arms
	Source: UK entry to the UN Arms Register						Source: HM Customs and Excise	
Country								Total Value (£M)
Argentina	9							
Australia							214	7.67
Austria							1	0.02
Bahamas								0.01
Bahrain							47	1.74
Bangladesh							3	0.02
Barbados							15	0.05
Belgium-Luxembourg							500	9.29
Bermuda								0.02
Botswana							27	2.96
Brazil				8	1		4	126.32
Brunei	2						13	4.81
Canada							457	4.28
Chile							22	2.11
Colombia							180	0.39
Croatia								0.01
Cyprus							1	1.86
Czech Republic							85	0.21
Denmark							17	2.20
Ecuador							76	1.57
Egypt							1	0.94
El Salvador							5	0.02
Estonia							5	0.01
Finland							2	6.06
France							606	487.17
Georgia								0.04
Germany							1,718	292.06
Ghana							104	0.14
Greece								0.09
Hong Kong SAR							86	0.30
Hungary							11	0.01
Iceland								0.03
India							1,169	3.75
Indonesia	23		4					112.49
Ireland, Republic of							23	0.29
Israel							76	0.36
Italy							528	59.20
Japan							102	0.05
Jordan							45	0.72
Kenya							1	0.02
Korea, Republic of							607	13.74
Kuwait	72						18	140.32

	Battle Tanks	Armoured Combat Vehicles	Large Calibre Artillery Systems	Combat Aircraft	Attack Helicopters	Warships	Missiles and Missile Launchers	Other weapons including Small Arms	
	Source: UK entry to the UN Arms Register							Source: HM Customs and Excise	
Country									Total Value (£M)
Latvia							34		0.02
Lithuania							23		0.04
Macao							24		0.05
Malawi							25		0.02
Malaysia							229		34.54
Maldives							4		0.15
Malta							69		0.02
Mauritius									0.01
Mexico							454		0.52
Morocco							15		0.31
Nepal							4		0.01
Netherlands							569		15.15
Netherlands Antilles							10		0.08
New Zealand							27		0.13
Norway							424		0.99
Oman		6					128		110.23
Pakistan							14		6.54
Panama							36		0.02
Papua New Guinea									0.01
Peru									0.01
Philippines							775		1.14
Poland							151		0.01
Portugal									14.72
Puerto Rico							1		0.12
Qatar		2				4	16		2.59
Russia							18		0.23
Saudi Arabia				56			27		1576.66
Singapore							41		9.97
South Africa							110		0.11
Spain			25						6.47
Sri Lanka							45		8.48
Sweden							201		28.09
Switzerland							688		28.01
Thailand							554		0.43
Tunisia							6		0.01
Turkey							1		25.42
United Arab Emirates							338	285	149.57
United States of America								714	54.21
Uruguay								6	0.02
Venezuela								24	0.89
Zambia								11	0.02
Zimbabwe								16	0.22
Totals	0	114	25	60	8	5	338	12,548	3359.59

Explanatory Notes for Table 8

The figures for the value of exports by country represent the total value of entries under military EU Tariff Codes, details of which are provided at Appendix C. These Tariff Codes have been agreed at EU level, and cannot be amended unilaterally by the UK. A number of categories of goods which appear on the UK Military List in the Export of Goods (Control) Order 1994 are not covered by EU military Tariff Codes. For example, items such as chemicals or explosives appear elsewhere on the Tariff under non-military 'commodity' EU Tariff Codes. A variety of items, ranging from aero-engines to imaging equipment appear on separate EU Tariff Codes which do not distinguish between civil and military items. Some items, such as armour plate, are covered by non-military EU Tariff Codes according to the material of which they are manufactured. It should be noted that the majority of the security and para-military police goods controlled under PL5001 of the UK Military List do not appear on military EU Tariff Codes.

It has unfortunately not been possible to separate such categories of items from the bulk of entries under non-military EU Tariff Codes. Accordingly, the figures for the value of exports by country will not include the values of a number of categories of

defence equipment which are controlled on the UK Military List. (See Appendix C for details of what goods are included.) It is also possible that some countries for which no defence exports are shown may have received goods which appear on the Military List but not in the military EU Tariff Codes. We are looking at ways of extending the coverage for future reports.

Under Intrastat recording procedures, no distinction is drawn between exports to Belgium and Luxembourg. Accordingly, a single entry is shown for exports to these two countries.

In the entry for Argentina, nine armoured combat vehicles are recorded. These vehicles were transferred for use by the Argentinian contingent of UNFICYP in Cyprus. An announcement regarding the licence issued for the export of these vehicles was made on 15 May 1997.

The data in this Report relating to defence exports and that shown in the MOD June 1998 publication 'UK Defence Statistics', are both based on information provided by HM Customs & Excise. However, the figures for 1997 will vary as the data included in this Report has been amended in the light of our detailed checking prior to publication of this Report.