Middle East and North Africa

Al-Qaeda offshoot poised to acquire, exploit Gaddafi stockpiles
*Reuters, May 11, Analysis: Stray Libyan small arms may threaten region*

Officials in Mali, Chad, and Algeria have expressed concerns that weapons from Libya might flow into their countries, fueling terrorist or rebel activity in the Sahara. While experts note that the potential for arms smuggling is real, they emphasize that more sophisticated light weapons such as MANPADS pose less of a threat than simple rifles. An additional concern has been an outflow of experienced fighters from Libya that will strengthen the capabilities of groups elsewhere.

Demand in Syria sends Lebanese arms market prices soaring
*The Daily Star, May 9, Black market arms sales up on Syria demand*

Protests, a government backlash, and fears of coming sectarian violence have sent demand for small arms in Syria soaring, and black market weapons dealers in Lebanon are benefitting from the price surge. According to the article, the average price for a popular AK-47 variant has increased by a third in a single month, and more than tripled since 2006. Large arms shipments from Iraq have also been confiscated.

UN panel report: Syria is main destination for illegal Iranian arms
*Reuters, May 11, Syria top destination for illegal Iran arms: U.N.*

In breaching U.N. sanctions put in place to enforce compliance with resolutions regarding its nuclear program, Iran has sent numerous concealed shipments of arms to Syria. Out of nine cases of conventional arms transfers reported to the UN panel responsible, six involved shipments to Syria. In addition, the report says that African nations are increasingly customers for Iranian arms. A leaked copy of the report (of unverified authenticity) is available here.

U.S. army providing Russian helicopters for Afghan forces
*Army News Service, May 10, Army equipping Afghans, Iraqis on Mi-17s*

The U.S. army is currently purchasing and maintaining 21 Mi-17 troop and supply transport helicopters for Afghanistan and 22 for Iraq, in a bid to improve the two nations’ capabilities in order to pave the way for withdrawal of U.S. forces. This model of helicopter was used previously by Afghan forces and was requested for reasons of familiarity.
**U.S. training helicopters to go to Egypt**  
*United Press International, May 18, AgustaWestland supplies Egypt with helos*

The U.S. army has approved a $37.8 million transfer under the Foreign Military Sales program to Egypt of two AgustaWestland AW139 helicopters, according to the company. The units are intended for search-and-rescue missions and training with U.S. aircrews.

**Lebanon will host Second Meeting of States Parties to the CCM**  
*Cluster Munition Coalition, May 16, Convention on Cluster Munitions takes effect in Lebanon*

Foreign Minister Dr. Al Chami announced that Lebanon will host the second meeting of states parties to the Convention on Cluster Munitions (CCM) during the period September 12-16. He made the announcement at an event May 6 marking the entry into force of the CCM for Lebanon, which occurred on May 1. Lebanon now has 10 years to clear areas contaminated by cluster munitions. Previous conflicts in 1978, 1982, and 2006 have left regions of Southern Lebanon littered with unexploded ordnance.

**Tunisia receives four frigates from Italy**  
*Associated Press, via the Washington Post, May 13, Italy sends 4 frigates to Tunisia to help in efforts to fight illegal immigration to Europe*

Tunisian Interior Minister Habib Essid told reporters that Italy had transferred four frigates to Tunisian armed forces in order to stop the flow of illegal immigrants to Europe. The announcement came at the end of the minister’s two-day visit to Italy.

**U.S./Americas**

**U.S. taking fresh look at Middle East arms transfers policy**  
*DefenseNews, May 12, U.S. Rethinks Mideast Arms Sales*

Recent remarks by Departments of State and Defense officials confirm that the United States is reviewing its arms sales policy to Middle Eastern states. Some approved transfers have been recently frozen, while future sales will be considered on a country-by-country basis. Members of the House of Representatives questioned the wisdom of arms sales to the volatile region at a recent hearing on the Obama administration’s export control reform initiative. In a separate speech, a State Department official reminded industry representatives that arms trade policy was a function of foreign policy in general and would be subject to review if required.

**U.S. Department of Defense official: preserve military industrial base**  
*U.S. Department of Defense, May 12, Lynn: U.S. Must Preserve Its Defense Industrial Base*

Deputy Secretary William J. Lynn III told a conference audience that the U.S. must adapt to a more competitive global arms market and reduced government acquisitions while preserving its military industrial base. Describing this base as “the taxpayers’ investment”, Lynn said that foreign sales would have to compensate for reductions in U.S. government outlay.
BAE agrees to pay $79 million fine for AECA and ITAR violations
U.S. State Department, May 17, BAE Systems plc Enters Civil Settlement of Alleged Violations of the AECA and ITAR and Agrees to Civil Penalty of $79 Million

BAE Systems plc, based in the United Kingdom, agreed to pay a fine of $79 million in a civil settlement with the U.S. State Department. In March 2010, BAE was convicted on criminal charges of conspiracy to violate the Arms Export Control Act and the International Traffic in Arms Regulations. The fine is the largest in State Department history.

Brazilian police find 7.62 mm ammunition manufactured in Bolivia
El Deber, May 9, Narcos brasileños tenían proyectiles de uso militar

Ammunition captured during a raid on a narcotics trafficking operation was stamped with markings indicating that it was produced by the sole government-approved ammunition manufacturer in Bolivia. The 7.62 mm rounds found are largely used in automatic assault rifles that are banned in Brazil.

WikiLeaks: Israeli security firm in Latin America pushed weapons deals
McClatchy Newspapers, via Miami Herald, May 9, US saw Israeli firm's rise in Latin America as a threat, cables show

A recently released WikiLeaks document details U.S. officials’ concerns about the disruptive influence of Israeli security firm Global CST in Latin America. The firm sought contracts with the governments of Colombia, Peru, and Panama, offering services similar to those provided by the U.S., but with fewer strings attached. A Global CST interpreter was also caught selling classified Colombian military documents to Marxist guerrillas.

Europe/Russia

Russian Mistral deal held up by French tech transfer reluctance
Eurasia Daily Monitor, May 10, Mist Hangs Over Franco-Russian Mistral Deal

The much-publicized deal to provide Russia with Mistral helicopter carriers has hit another snag. Russian negotiators have stated that they will only agree to the deal if it includes the French command information system named Zenith-9. French negotiators say that the system is classified and would require NATO approval to transfer, but Russian officials claim that it is not a “game changer” in military terms. Further background tensions are emerging as Russian ship-building interests voice opposition to the deal and a political rift over Libya has distanced Paris and Moscow somewhat.

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Seeking foreign markets, Russian industry turns to Latin America
Eurasia Daily Monitor, May 9, Moscow Rediscovers the South American Arms Market

Recently announced arms deals with Venezuela and Brazil have helped offset Russian arms manufacturers’ losses in the Middle East. Russia says that Venezuela has purchased $11 billion worth of arms in the last few years and that it plans to provide the S-300V surface-to-air missile system in the near future. Exports have gained in importance as Russian domestic spending on arms has failed to materialize. President Medvedev sharply criticized industry and government acquisitions officials for mishandling rearmament programs recently, asking “If high-level decisions are made, if funding is released, why are the weapons not delivered?”

Azerbaijan steps up defense cooperation with S African,Czech Firms
News.Az, May 16, Azerbaijan to up production of armoured vehicles
Apa, May 17, Azerbaijan and Czech Republic hold negotiations on joint assembly and sale of “Aero L-159 ALCA”

Production of South African armored vehicles in Azerbaijan is expected to increase as additional work to arm units begins. A total of 70 units will be produced at the Electronic Calculating Machines plant under license from the Paramount Group. The Defense Industry Minister of Azerbaijan Yavar Jamaalov told media sources that the country is also seeking to enter into an agreement with the Czech company Aero Vodochody to jointly produce L-159 Advanced Light Combat Aircraft for sale to buyers in the Caucasus region.

German ship builder pulls out of Greek submarine deal
Agence France-Presse, via DefenseNews, May 16, German Group Pulls Out of Greek Submarine Order: Minister

The long-running Greek submarine acquisition program has been hit by another setback after the Greek shipbuilding firm HDW decided not to continue subcontract work at Hellenic Shipyards near Athens, according to the Greek defense minister. Disagreements over broader cooperation in Germany between HDW’s parent firm ThyssenKrupp Marine Systems and the new owners of Hellenic Shipyards, Abu Dhabi Mar, caused the breakup. The Defense Minister said that the recent events put in doubt two billion euros already spent by Greece on the submarines with little to show for the investment.

Proposed Swedish export reform bill does not require democracy
The Local, May 11, Sweden set to toughen arms export laws

The Social Democrats in opposition have joined the ruling coalition, led by the Liberal and Christian Democrat parties, in approving draft legislation that overhauls Sweden’s export control in order to raise barriers for sales to dictatorships. The Left and Green parties, however, have called for an absolute requirement that arms recipients by democracies and thus do not support the current draft. Radio Sweden has reported that stronger language mandating democracy does not have a place in the bill yet.
Saab to investigate bribery allegations connected to agent in South Africa

*The Local, May 18, Saab to examine new JAS Gripen bribe report*

Swedish TV channel TV4 has aired accusations that Saab paid bribes amounting to 50 million kronor ($8 million USD) to an agent in order to secure a deal to sell Gripen fighter aircraft to the South African air force. The accusations are not new, according to *The Local*, but for the first time Saab has announced an internal investigation.

Portugal ratifies Firearms Protocol

*International Action Network on Small Arms, May 10, Portugal ratifies the UN Firearms Protocol*

On May 6, Portugal ratified the UN Protocol against the Illicit Manufacturing of and Trafficking in Firearms, Their Parts and Components and Ammunition. The Protocol requires the regulation of the manufacture, export, import and transit of firearms, but does not regulate state-to-state transfers.

Africa

Defector tells Mozambique press that rebels have weapons “as new”

*AllAfrica, May 12, Mozambique: Defector Claims Renamo Has New Weapons*

19 years after a peace agreement was reached, members of the rebel group Renamo continue to be armed with heavy weapons, some of which are “as new”, according to interviews with a rebel defector. Major Albertino Nelo Bhola claims that Renamo remnants also have anti-aircraft batteries, mortars, and bazookas, but did not say how or from where they were acquired.

Nigeria receives donation of U.S. warship

*Daily Times Nigeria, May 14, Nigeria spends $8m to refurbish US warship*

The former U.S. Coast Guard cutter USGC Chase will be provided free of cost to the Nigerian government, but will cost $8 million to refurbish. A second similar ship will likely be transferred to Nigeria in the next two years. According to *local reporting*, the Chase was first commissioned in 1968 and was only recently de-commissioned.

Asia

India seeks to assuage U.S. by increasing C-17 order

*Times of India, May 18, India's consolation prize to US*

The *Times of India* reports that India is moving to avoid a downturn in the U.S.-Indian military relationship following the decision not to purchase U.S. fighter jets for the medium multi-role combat aircraft tender by increasing the number of C-17s to be ordered from Boeing by another five or six. Currently, 10 C-17s are set to be purchased at a cost of around $4 billion, but the total value of the package could increase to $7 billion if the latest decision is finalized.
Afghan arms smuggling into Pakistan driven by economic forces
The National, May 11, Poverty, not ideology, fuels Afghan gun-running routes

A smuggler interviewed by the National said that they moved guns along with hashish and opium, and were not responsible for how end-users put the weapons to use. The weapons are obtained from Russian and NATO stockpiles in Afghanistan, and then moved across the border to be sold to Taliban-affiliated militants, Balochi nationalists, ethnic militias, and private owners in Pakistan. Small arms make up the vast majority of smuggled weapons as simple weapons are easier to learn how to use and therefore higher in demand.

Brazilian manufacturer confirms 2008 missile sale to Pakistan
Defensa.com, May 11, Brasil vendió misiles Anti Radiación MAR-1 a Pakistán

Brazilian firm Mectron has confirmed that it sold a hundred anti-radiation missiles (ARMs) to Pakistan in 2008 for 85 million euros ($121 million USD). According to the article, the sale has the potential to embarrass Brazil at a time that it is seeking to establish a cordial relationship with India, Pakistan’s neighbor and rival.

Informal shipping service played role in Philippines gun transfer sting
ExportLawBlog, May 8, Maybe the Hawaiian Vacation Wasn’t Such a Good Idea

A Philippine-born Canadian citizen has pleaded guilty to charges of conspiring to transport M-4 assault rifle parts to the Philippines without a license. The plot involved sending parts through an informal freight system used by Filipino expatriates to send gift packages home. According to the defendant, freight companies that handled ‘balikbayan boxes’ rarely ask for identification when taking on packages.

Phillipines receives U.S. Coast Guard vessel
Manila Bulletin Publishing Corporation, May 14, Philippine Navy acquires cutter from US Coast Guard

The former USCGC Hamilton will be the largest vessel in the Philippines Navy and will perform patrol missions in the Philippines’ exclusive economic zone. No cost has been specified, but the Hamilton is an older cutter that was decommissioned by the Coast Guard, of the same class as the vessel recently gifted to the Nigerian Navy at no cost (see above).

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Global Issues

Small Arms Survey on the UN Programme of Action and Unplanned Munitions Explosions

The Small Arms Survey has released two new publications: an analysis of implementation of the Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects (commonly referred to as the PoA or Programme of Action), and a research note on unplanned explosions at munitions sites.

SIPRI: Reporting to UN Registry declining
Stockholm International Peace Research Institute, May 19, Reporting to the United Nations Register of Conventional Arms

A new SIPRI fact sheet details a trend in declining reports submitted to the UN Register of Conventional Arms, after a period of peak reporting in the early 2000s. In addition, the report finds that several states that reported consistently from 1992, the Register’s first year, until 2007 have recently stopped reporting.

About the Arms Transfers Working Group
The Arms Transfers Working Group (ATWG) is an alliance of arms control, development, human rights and academic organizations and affiliated individuals. ATWG serves as an information clearinghouse, forum and point of contact for strengthening efforts to address the economic, humanitarian and security implications of legal, illicit, and illegal arms transfers. ATWG participants focus on a wide range of concerns related to small arms and light weapons, major conventional weapons systems, and relevant dual-use technologies.

For more information, visit ATWG’s website: http://armstransfersworkinggroup.org

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