

# AMNESTY INTERNATIONAL PRESS RELEASE

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## **Control Arms: Global arms industry exploiting major loopholes in arms regulations**

**New report by Control Arms Campaign:  
Oxfam International, Amnesty International and International Action Network on Small Arms (IANSA)**

The globalisation of the arms industry has opened up major loopholes in all current arms export regulations, allowing sales to human rights abusers and countries under arms embargoes, according to a new report by the Control Arms Campaign.

The report, *Arms without Borders*, is launched today as the United Nations opens its annual session on arms control, in the run up to a landmark vote at the UN to start work on an Arms Trade Treaty.

The report reveals that US, EU and Canadian companies are among those able to circumvent arms regulations by selling weapon components and subcontracting arms manufacturing overseas. The report details how weapons, including attack helicopters and combat trucks, are being assembled from foreign components and manufactured under licence in countries including China, Egypt, India, Israel and Turkey.

The report shows how these or similar weapons have ended up in destinations such as Colombia, Sudan and Uzbekistan where they have reportedly been used for the killing and displacement of civilians, highlighting the urgent need for global rules to regulate an increasingly globalised industry.

"This report reveals a litany of loopholes and destroyed lives. Arms companies are global, yet arms regulations are not, and the result is the arming of abusive regimes. Europe and North America are fast becoming the IKEA of the arms industry, supplying parts for human rights abusers to assemble at home, with the morals not included. It is time for an Arms Trade Treaty," said Jeremy Hobbs, Director of Oxfam International.

The report exposes two major loopholes that allow arms companies to legally circumvent arms regulations, including arms embargoes:

### **You can't sell it whole, but you can sell it in individual pieces**

The European Union has an arms embargo against China; the United States and Canada refuse to sell attack helicopters to China, yet, China's new Z-10 attack helicopter would not fly without parts and technology from a UK/Italian company (AugustaWestland), a Canadian company (Pratt & Whitney Canada), a US company (Lord Corporation) and a Franco-German company (Eurocopter). China has previously sold attack helicopters to a number of countries including Sudan, which is under a full EU

arms embargo and a partial UN arms embargo.

The Apache helicopter, used by Israel in the recent Lebanon crisis, is made up of over 6,000 parts manufactured worldwide, including in UK, the Netherlands and Ireland. Under the EU Code of Conduct, these countries should refuse to export attack helicopters directly to Israel.

**You can't sell from here, but you can sell from over there**

In May 2005, Uzbek security forces fired on demonstrators, killing hundreds of people. The Uzbek military used military Land Rovers during the massacre, which were made up of 70 per cent British parts. The Land Rover parts were sent "flat pack" to Turkey, where they were assembled and made into military vehicles. The vehicles were then supplied to the Uzbek government. The UK government has no control over the deal because the vehicles were not assembled and converted into military vehicles in the UK.

"EU arms makers don't have to sacrifice profits for the sake of principle, instead they can simply subcontract," said Rebecca Peters, Director of the International Action Network on Small Arms." For example, the Austrian gun company Glock is trying to establish a production plant in Brazil. If that goes ahead, Glock will be able to circumvent the EU Code of Conduct on Arms Exports by shipping guns from its Brazilian plant."

The report also shows that the technology revolutionising the arms industry is often the same as that used in the home, and that it is frequently unregulated. For example, the digital signal processors used in the latest DVD players can also be found in target acquisition systems for fighter jet missile systems, yet when the technology is sold for use in military planes it is not regulated.

"Arms trade laws are so out of date that the sales of army helmets are more regulated than the components assembled into deadly weapons. What the world needs is an effective international Arms Trade Treaty that will stop the flow of arms to those that commit human rights abuses," said Irene Khan, Secretary General of Amnesty International.

**Facts and figures:**

By the end of this year, military spending is estimated to reach an unprecedented US\$1,058.9 billion, which is roughly fifteen times international aid expenditure. This is higher than the Cold War record reached in 1987/8 of US\$1,034 in today's prices.

In 2005, the United States, Russia, the United Kingdom, France and Germany together accounted for an estimated 82 per cent of all arms transfers.

Brazil, India, Israel, Singapore, South Africa and South Korea now all have arms companies in the world's top 100.

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