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## Deadly Diversions: Illicit Transfers of Ammunition for Small Arms and Light Weapons

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### Introduction

In 2005 the Colombian Army discovered a cache containing nearly 500,000 rounds of small arms ammunition and around one tonne of explosives during a large-scale control operation in the forest of Caquetá, Colombia. The cache belonged to the Fuerzas Armadas Revolucionarias de Colombia (FARC). According to the Colombian Army, the headstamps on the cartridge cases allowed forensic experts to determine that they had been manufactured in 1992 by the state-owned Indonesian corporation, P. T. Pindad (*El Tiempo*, 2005a and 2005b). It is likely that this ammunition reached the FARC through some form of illicit transaction but little is known about how this occurred. What is true in this high-profile case is also true for illicit transfers of ammunition for small arms and light weapons generally—little is known about them. It is arguably more important to understand trafficking in small arms ammunition than it is trafficking in small arms and light weapons because maintaining a regular supply of ammunition is crucial to sustaining conflict and armed criminal activity.

Illicit flows of ammunition for small arms and light weapons to criminals and conflicts are often assumed to follow the same paths as illicit flows of small arms and light weapons. This is true in some cases and many of the same channels for illicit transfers of small arms and light weapons operate for their ammunition as well. However, there are some important differences that have implications for policy-makers. In particular these are related to:

- The ways in which these processes work;
- The links with authorized transfers of ammunition for small arms and light weapons; and
- The relative importance of authorized transfers of ammunition for small arms and light weapons to the overall picture of illicit transfers.

While there are close links and similarities between trafficking in ammunition for small arms and light weapons and trafficking in small arms and light weapons, there are also key differences. The most obvious is a simple quantitative difference: ammunition for small arms and light weapons is consumed after a single use and this fact generates continual demand and a need for regular and substantial supplies of ammunition during periods of intense conflict, criminal activity, and other types of use and misuse. Small arms and light weapons, in contrast, may be used countless times over many decades. This gives rise to significant differences in the way ammunition trafficking works, and how measures should be targeted in order to combat it. For instance, it is likely to be the case that supply lines for small arms ammunition have to be better suited to larger shipments or more regular transfers. Theoretically, this would give rise to key differences in the pattern and structure of small arms ammunition trafficking, making different measures necessary for combating illicit transfers.

Other differences between small arms and their ammunition may also affect the character of illicit transfers. For instance, ammunition falls into the category of a 'dangerous good.' As a result it should meet particular standards and its packaging should be approved by authorities in compliance with the model regulations of the United Nations Committee of Experts on the Transport of Dangerous Goods (UNECE, 2005; Small Arms Survey, 2005, p. 26). This requirement, which includes markings on the packaging and accompanying paperwork, could be used to combat illicit transfers (Berkol, 2002, p. 18).

The global legal market for small arms can be regarded as the foundation of small arms trafficking because authorized production, authorized transfers, and the state stocks they supply are the three major sources from which illicit transfers can be sourced. The same is true of ammunition for small arms and light weapons but the global production, transfers, and stocks of small arms ammunition differ from those of small arms and it is open to question whether

this creates differences in the links between legal trade and illicit transfers of ammunition. In general, this chapter finds that the links between production, transfers, and stocks of ammunition for small arms and light weapons and their illicit transfer are equally strong as those for small arms and light weapons.

A further question relates to how close the links are between the illicit transfer of small arms and light weapons and the illicit transfer of their ammunition. This chapter finds that, while many cases involve illicit transfers of small arms ammunition alone, small arms and their ammunition are often transferred together.

These are important questions for those wishing to combat illicit transfers of ammunition for small arms and light weapons. Policy-makers should not assume that measures designed to reduce the potential for trafficking in small arms and light weapons will always prove adequate to the task of reducing illicit transfers of such ammunition. The key fact that small arms ammunition is consumed at a higher rate and requires more regular resupply presents a number of specific challenges. Similarities, differences, and links between the trafficking in ammunition for small arms and light weapons and their legal trade, and between ammunition for small arms and light weapons and small arms and light weapons, present key challenges that must be more systematically taken into account in the design of any measures aiming to tackle the illicit availability and flow of small arms and light weapons to conflict areas and criminals as well as other misuse and unauthorized trade and possession.

This chapter explores the similarities and differences between different types of ammunition trafficking processes as well as those between trafficking in small arms and light weapons and trafficking in their ammunition. It highlights the range of mechanisms by which ammunition trafficking occurs and draws out some of the crucial aspects of these mechanisms. The chapter highlights the fact that illicit transfers of ammunition for small arms can only be controlled effectively if the authorized ammunition trade is closely controlled. Current policy discussions target the weapons and miss illicit ammunition by failing to take sufficient account of the need to control the authorized ammunition trade.

This chapter analyses the modalities of four types of illicit transfers: the so-called 'ant trade', covert sponsorship by foreign governments, diversion processes, and large-scale black market transfers. In so doing, the links, similarities,

and differences between legal and illicit transfers of ammunition for small arms and light weapons are clarified—along with those between small arms and light weapons and their ammunition.

The chapter focuses primarily on those illicit flows of ammunition for small arms and light weapons that cross borders in some way. In other words, it is about the nature of illicit *transfers* (defined as international illicit flows) rather than all forms and processes of illicit *acquisition* of such ammunition. Recipients of illicit ammunition in situations of conflict and crime obtain it in numerous ways, many of which do not involve international trafficking, including a range of local processes of theft, capture, and purchases from illicit markets *within* states.<sup>1</sup>

The key findings of this chapter are that:

- Illicit transfers of small arms and light weapons and their ammunition often flow together;
- Illicit transfers of ammunition for small arms and light weapons share many similarities with illicit flows of small arms and light weapons;
- Illicit transfers of ammunition for small arms and light weapons are strongly linked to weaknesses in control over authorized transfers and ammunition stocks;
- Most illicit transfers of small arms and light weapons involve some form of diversion from legal transfers or stocks; and
- While many illicit transfers of ammunition for small arms and light weapons occur primarily within regions, the lack of global standards controlling authorized flows makes many global diversion processes possible.

In sum, while public and policy discourse may portray illicit transfers of ammunition for small arms and light weapons as being about ‘powerful lawbreakers’ or criminal actors breaking laws in order to move illicit small arms ammunition around the globe, the predominant reality is that—while such trafficking may occur—it is overshadowed by a wide range of processes that result from ‘weak lawmakers’ in which weak or limited legal frameworks and legal loopholes combine with weak enforcement of controls to create opportunities for illicit transfers to occur. There is a clear need for policy initiatives on transfers of small arms and light weapons to more adequately address the challenges presented by ammunition for small arms and light weapons.

## The types of trafficking processes for ammunition for small arms and light weapons

Illicit transfers of ammunition for small arms and light weapons—in common with those of small arms and light weapons themselves—take several forms. These range from small-scale smuggling across borders to large-scale illicit flows in breach of international arms embargoes. Trafficking varies according to place, time, and recipient. Thus, there is no single formula for how illicit transfers occur globally. However, it is possible to identify types of processes and to demonstrate how they work. Similarly, illicit transfers of small arms ammunition are likely to present different challenges to those of light weapons ammunition. While only limited and illustrative information is available, this chapter draws out these distinctions where possible by defining types of transfers of ammunition for small arms and light weapons according to policy-relevant distinctions.

A key distinction between aspects of trafficking in small arms and light weapons has been that between the ‘black market’ and the ‘grey market’.<sup>2</sup> This distinction is also important for illicit transfers of ammunition for small arms and light weapons:

- The ‘black market’ refers to transfers that are clearly illegal. They take place in violation of national and international laws and occur without any official authorization.
- The ‘grey market’ refers to transfers that fall between the clearly legal and authorized trade and the clearly illegal ‘black market’ and may be defined as the area of overlap between licit transfers and illicit trafficking. Grey market transfers often involve several stages or processes in which there is a mixture of legal and illegal activity. They often involve the use of legal loopholes or gaps in regulations to divert ammunition for small arms and light weapons into illicit markets (Small Arms Survey, 2001, pp. 141, 166–67).

This distinction is particularly relevant for policy-makers. Black-market flows operate outside legal processes and frameworks and present a strong role for ‘lawbreakers’ that can be tackled by enhancing capacity and cooperation in law enforcement. Grey-market flows interact in various ways with legal processes and reflect weaknesses in legal frameworks or the systems for their implementation (i.e. weak ‘lawmakers’) for which the appropriate response is

tightening legal frameworks, closing loopholes, and enhancing control systems and cooperation over their implementation.

Similarly, recognizing other distinctions between forms of illicit transfers of ammunition for small arms and light weapons is crucial to achieving a better understanding of the key aspects of and tackling trafficking. The distinction between the black market and the grey market relates to the legal frameworks involved. Differences in the scale of transfers are important because large, concentrated flows may pose different challenges to multiple, small, and diffuse flows. Differences in the actors involved are also important because some types of illicit transfers may occur only to supply particular types of illicit recipients, while others may supply any type of recipient. Similarly, illicit transfers organized by unregulated or criminal private actors may pose different challenges to those conducted by states.

As stated above, this chapter examines the nature of four main types of ammunition trafficking. These different types relate to the various key distinctions and thus reveal critical aspects of the similarities and differences in the illicit transfer of ammunition for small arms and light weapons, and in the trafficking in the weapons themselves. The four main types of trafficking examined in this chapter are:

- The ‘ant trade’: The cross-border smuggling of relatively small quantities of ammunition for small arms and light weapons, usually purchased on markets in neighbouring states;
- Covert sponsorship by foreign governments: The politically motivated supply by states or their agents to a specific illicit recipient. This is primarily for non-state groups involved in conflicts;
- Diversion processes from authorized transfers and sources: The grey-market processes that begin in legal and authorized markets and move into illicit markets as ammunition is diverted from legal stocks or authorized transfers;
- Large-scale black-market transfers: Large and clearly black-market transfers involving no legal processes where each stage of the process is illicit.

By examining these four interrelated types of trafficking in ammunition for small arms and light weapons, this chapter clarifies the nature and challenges of illicit small arms ammunition transfers. Each type reflects a particular com-

**Table 1**  
**Key distinctions between trafficking types**

Type	Grey market or black market	Large or small scale	Specific or all recipients	Suppliers
Ant trade	Both	Small	All	All
Covert Sponsorship	Grey	Both	Specific	States
Diversion	Grey	Both	All	All
Large-scale black market	Black	Large	All	All

bination of defining features that is of importance for policy responses to such trafficking (see Table 1).

For each type, the sections below examine the nature of these transfers, including the sources from which the ammunition is supplied, the methods used for transferring it, how common the type is, and whether it tends to be a regional or a global phenomenon. These questions are important when designing and implementing policy responses to curtail the illicit transfer of ammunition for small arms and light weapons.

## Ant-trade smuggling of ammunition for small arms and light weapons

### A definition of the ant trade

The ‘ant trade’ is defined as small scale cross-border smuggling. It is commonly understood to stem mainly from legal retail markets in one state in which small arms ammunition is purchased legally and then smuggled across borders to illicit markets or recipients (Small Arms Survey, 2001, p. 168). While the ant trade inextricably links legal markets in one state to illicit markets in another, the term specifically refers to the scale of the smuggling. It thus relates not only to legally sourced ammunition for small arms and light weapons (grey market) but also to ammunition sourced illegally (from black markets) in one state—at a low price—and smuggled into another state in which higher prices can be expected (see Box 1).

There is no clear, universal threshold at which a particular illicit flow ceases to be ant trade and becomes a more substantial phenomenon. As an indication, the trafficking of, for instance, 4,000 rounds of 9 mm ammunition may be commonplace because this amount could easily be concealed in an ordinary car. The trafficking of the same number of 82 mm mortar bombs, however, is a physically more challenging prospect.

Key aspects of both small arms and their ammunition contribute to their potential to be trafficked through the ant trade. A key to the ant trade in small arms is that they are easy to smuggle—in part because they are small, light, and easy to conceal. The same is true, to some extent, for their ammunition. Individual rounds of small arms ammunition are notably smaller, lighter, and more easily concealed than the small arms that fire them. Ammunition for small arms and light weapons, however, is subject to significant variations in price that may affect the profitability, and thus importance, of ant-trade trafficking (see Box 1). Small quantities of small arms ammunition sometimes have little economic value and demand is usually for large quantities, which are often bulky and heavy. At first sight, therefore, it seems highly unlikely that a steady trickle of dozens or hundreds of rounds would be sufficient for a conflict protagonist (rebel group, large militia, or government forces) as a major means of procurement and would only be able to meet the demand from small criminal groups. While each case of ant-trade smuggling is small scale, however, the ant trade can cumulatively traffic significant quantities of ammunition for small arms and light weapons into a country.

The continuous demand for such ammunition means that it is often profitable for dealers in the recipient country to reaggregate small stocks of trafficked ammunition. Thus traffickers do not need to find and sell small arms ammunition directly to the final users. Instead, local dealers will buy small quantities from traffickers, put them together, and then sell them to final users—such as conflict actors—that can buy substantial quantities. Thus, the capacity of local illicit markets to reaggregate ant-traded small arms ammunition may contribute to the profitability and importance of the ant trade. Overall, however, the relative importance of the ant trade also depends on its *modus operandi* and the types of small arms ammunition that can be trafficked in this way.



## Sources of the ant trade

The sourcing mechanisms for small arms ammunition within the ant trade are varied. In some cases, ammunition for small arms and light weapons that is already in unregulated circulation may be moved across borders. Such localized black-market circulation is likely to be a feature in regions with substantial black markets for small arms and light weapons, such as parts of South and Central Asia, Latin America, and the Balkans. Ammunition for small arms and light weapons, however, is often used up during intense periods of conflict and in these areas it may not accumulate in black markets in the same way that small arms and light weapons do. Furthermore, the more limited durability and more hazardous nature of such ammunition may militate against the continual cycles of recirculation seen for firearms, although this factor should not be overstated. Unfortunately, there is currently insufficient information available to examine this area systematically.

In many regions ant-trade trafficking in small arms ammunition relies on small-scale diversion processes. Stolen stocks and legal retail markets are both major sources. Theft from government stocks, and smuggling involving collusion and corruption by a range of government officials, may feed into ant-trade trafficking. For instance, in 2005 it was reported that small quantities of small arms and ammunition were purchased illegally from members of the Philippine military and then smuggled into Taiwan with the collusion of officials and organized criminal groups (Chang, 2005).

Furthermore, some types of ammunition for light weapons are only found in military stocks and must be sourced either from there or from the factories that produce them. In regions where stockpile security has been weak, leakage from such stocks has circulated on regional black markets. In this way even man-portable air defence systems (MANPADS) can become part of the ant trade. In December 2004 cooperation between the police in Albania and Montenegro led to the seizure of three Strela 2-M missiles in Albania. These were hidden in two trucks under cargoes of meat. The missiles had reportedly been purchased for a total of Euro 100,000 in Bosnia and were part of the national stockpile of the former Yugoslav army (VIP, 2004). The missiles were seized after entering the country from Montenegro, and may have been destined for ethnic-Albanian groups in Macedonia (BBC, 2004 and 2005).

## Box 1 A note on illicit ammunition prices and trafficking

The ant trade is dynamic and driven by differences in the prices of ammunition for small arms and light weapons between countries or regions. Prices of illicit small arms ammunition vary widely from a few cents to several US dollars (USD) per round. This may have significant implications for the nature, scale, and importance of the ant trade (and indeed for other forms of trafficking) at any given time. For example, in the western Balkans illicit small arms ammunition prices rise to approximately USD 1 per round. Thus, a few hundred rounds carry the same price incentives and similar physical challenges for smuggling as a small armament.

Prices of small arms ammunition vary over short periods of time and follow complex patterns. In Somalia, for instance, prices of small arms ammunition in Mogadishu markets may fluctuate by as much as 50 per cent from one month to the next. Between May and June 2005, the price of G3 ammunition went from USD 0.42 to USD 0.64. Types of small arms ammunition vary significantly in price and follow different trends. For example, in March 2005 a round of M-16 ammunition was USD 1.30 while a round of G3 ammunition was approximately one-third of this price at USD 0.46. However, within one year that difference had been reduced to only 20 per cent (USD 1.02 to USD 0.82). Additionally, it is important to note that the trends in prices of ammunition and the trends in prices of the weapons they are for are not necessarily the same. It is interesting to note that the most expensive small arms ammunition is that which is fired by the cheapest type of small armament (SAACID, 2006a and 2006b). Thus, the prices of small arms ammunition on the illicit market may vary rapidly and in complex ways, meaning that ant-trade smuggling may be highly profitable one month and less profitable the next.

While prices fluctuate significantly from week to week or month to month, longer term trends also shape the potential for ant-trade trafficking. For instance, a recent survey of ammunition prices in the Democratic Republic of Congo and in Burundi has shown that between 2000 and 2005 illicit small arms ammunition prices fell in Burundi but remained variable in neighbouring eastern Democratic Republic of the Congo (DRC). This can be explained by the fact that the recent peace process in Burundi reduced the demand for weaponry there, while the security situation remains problematic on the Congolese side. Average prices vary by type of small arms ammunition: prices for pistol and revolver ammunition were USD 0.09 in Burundi and USD 0.13 in DRC; prices were higher (on average) for assault rifle ammunition at USD 0.29 in Burundi to USD 0.21 in DRC (Ntibarikure, 2006, p. 26).

The survey also found that, according to those interviewed in DRC, small arms ammunition seized by the Congolese authorities was resold clandestinely. Thus, even when seized by the state, smuggled ammunition can continue to fuel illicit markets through the corrupt sale of confiscated ammunition.

Small arms ammunition is sold legally to civilians in many countries where controls over such sales are often more relaxed than those on the sale of firearms. Like the trade in small arms, these sales can be a major source of cross-border smuggling in the ant trade as well as of larger flows. For instance, in 2005 two people were arrested in Brownsville, Texas, by US authorities for attempting to smuggle 17,650 rounds of small arms ammunition into Mexico where laws on the civilian possession of small arms and their ammunition, and associated trade, are much tighter.<sup>3</sup> The couple had purchased the small arms ammunition legally in a Wal-Mart supermarket (Montgomery, 2006). In this case it seems that they were caught because the unusually large quantity of small arms ammunition raised suspicion. Many thousands of rounds, however, are likely to follow the same kind of route around the world on a regular basis—much of the small arms ammunition involved in the ant trade is bought on a small scale from retailers. These small quantities are ostensibly purchased for personal use and so efforts to reduce this type of sourcing require attention to regulatory systems controlling authorized retail traders. This sourcing is unique to the ant trade and is not a feature of other forms of trafficking.

A young boy examines bullets at an open gun market in Chamchamal, Iraq. © Ramin Talaie/Corbis]



## The ant-trade process

Like the ant trade in small arms and light weapons, the *modus operandi* for small-scale cross-border smuggling of ammunition for small arms and light weapons involves concealment and mislabelling. For instance, on numerous occasions quantities of such ammunition have been hidden in larger shipments of scrap metal, machinery, or other metal goods in order to avoid detection by metal detecting equipment. In August 2005 Russian customs officials seized a truck attempting to smuggle small quantities of ammunition into China via Siberia. The truck was loaded with scrap metal, within which 79 armour-piercing 7.62 mm rounds in an old machine-gun belt and approximately 50 5.45 mm tracer cartridges were concealed (Ryabinskaya, 2005).

In some cases ammunition is just one commodity among many in routine cross-border informal economies. In areas where border security is much tighter, however, more sophisticated smuggling infrastructures have been developed. One important example is the Rafah smuggling tunnels under the border between Egypt and the Gaza Strip—under the tightly controlled Philadelphi strip. Over 40 such tunnels were discovered in 2003. According to the Israeli Ministry of Foreign Affairs, tens of thousands of rounds of small arms ammunition were smuggled into Gaza between January 2003 and May 2004 using these tunnels (Israel Ministry of Foreign Affairs, 2004). The tunnels reportedly cost at least USD 10,000 to build but AK-47 ammunition sold for USD 3.00 per round in Gaza and cost only USD 0.09 to smuggle in from Egypt and there were high profits to be made (figures from Israel Ministry of Foreign Affairs, 2004).

In the ant trade it is common for ammunition to be trafficked together with small arms and light weapons. This may indicate that there is often little separate ant trade in ammunition for small arms and light weapons. It may also to be a reflection, however, of the limited available information, which is drawn largely from media reports that are more likely to emphasize weapon seizures. In these combined flows, the quantities of small arms ammunition involved are usually relatively small—some 50 or so weapons accompanied by 1,000–2,000 rounds, or less, of small arms ammunition. Such small quantities of small arms ammunition would be unlikely to satisfy demand from those purchasing weapons originating in the ant trade—particularly in situations of armed conflict or other high levels of armed violence. Thus, while the ant trade may

supply many of the weapons available in local black markets, it is often unclear whether such trafficking has the capacity to provide a similarly high proportion of the ammunition available.

It is important to note that the ant trade is predominantly a regional phenomenon. While global small-scale trafficking in ammunition for small arms and light weapons does occur, such transfers across long distances are relatively rare. They have occurred, for instance, in supplies of small quantities of small arms and their ammunition purchased from retail outlets in the USA and posted illegally to members of the Irish Republican Army (IRA) in Northern Ireland (*Daily Telegraph*, 2002). However, such cases appear to be relatively rare because long-distance trafficking carries risks of interception and would be expensive and thus not sufficiently profitable for small quantities of ammunition.

Overall, the ant trade in ammunition for small arms and light weapons is likely to be the most common form of illicit small arms ammunition transfers—in terms of the number of transactions that occur each year. The ant trade in small arms ammunition primarily supplies local black markets in neighbouring countries, from where criminals, combatants, and civilians may purchase it. Key points about the ant trade are that:

- Both small arms ammunition and light weapons munitions can be trafficked through the ant trade but small arms ammunition smuggling is apparently much more common.<sup>4</sup>
- The main sources for the ant trade appear to be legal markets and state stockpiles, and weaknesses in the control of both are the primary foundations of ant-trade trafficking.
- It is likely that in the ant trade small arms, light weapons, and ammunition often flow together.
- The ant trade in ammunition has a *modus operandi* similar to small-scale cross-border smuggling of arms and other contraband; that is, it relies on porous borders and concealment.

## Covert sponsorship

Covert sponsorship is the politically motivated provision of ammunition for small arms and light weapons through an illicit transfer conducted by a foreign

government. Such sponsorship is commonly provided to an armed non-state actor—usually a rebel group. By definition such transfers are not authorized by the government of the recipient state, and as such are illicit. Covert sponsorship is a common and significant feature of the arming of non-state actors in conflict. Similar transfers may be provided to government forces that are under an arms embargo—although this appears to be less common and such flows more usually occur through diversion (see below). Covert sponsorship is primarily a feature of small arms and ammunition flows to conflicts and is not a significant feature of the arming of criminals (apart from subsequent leakage, or the evolution of conflict parties into criminal groups). It is worth noting that similar assistance is often provided domestically within conflict areas because many non-state actors, such as ethnic militia, civil defence forces, pro-government paramilitaries, and so on, are provided with arms by their own government.

This category of illicit transfers brings to mind the familiar cases of the large pipelines of CIA covert assistance in the 1980s to the mujahideen in Afghanistan or the Contras in Nicaragua. Although covert sponsorship of non-state actors is often thought of as a relic of cold war bipolarity, this type of small arms, light weapons, and ammunition flow remains common. While most research on such flows has focused on small arms and light weapons rather than its ammunition, some indications of the ‘who? what? and how?’ of covert sponsorship of ammunition transfers can be provided.

## Who?

Recent research shows that, in the case of small arms and light weapons, covert sponsorship is now provided largely by states in the same region (Bourne, forthcoming). It seems likely that there is little distinction between small arms and light weapons and their ammunition in this regard. Given the importance of access to regular and substantial supplies of fresh ammunition, it would be expected that covert sponsorship by regional patrons would prove even more crucial to arming conflicts. For instance, in the CIA-run arms pipeline that supplied Contra forces in Nicaragua in the 1980s, Honduras acted as a major transshipment point and also a rear base and delivery point for the US-sponsored groups. When supplies from the CIA pipeline ran low, the Honduran Govern-

ment unilaterally provided small arms ammunition covert sponsorship (Klare and Andersen, 1996, p. 78). Thus, even within extra-regionally organized covert sponsorship pipelines, critical unilateral ammunition for small arms and light weapons supplies take place regionally.

In addition to following the general trend towards the regionalization of covert sponsorship, it seems likely that procurement through such channels is both more important and more localized for small arms ammunition than for small arms. This seems likely in large part because ammunition for small arms and light weapons is needed regularly in larger quantities, and is bulky—and thus transport costs are likely to be high. In addition, lax controls on authorized transfers, and limited requirements for marking and record keeping, mean that large quantities of untraceable ammunition are available to any would-be patron.

## What?

While regional actors may be particularly important *suppliers* of ammunition for small arms and light weapons to rebel groups, the *sources* from which covert sponsorship is provided may be more varied. Ammunition for small arms and light weapons tends to be less well marked than the weapons themselves, and also to be poorly registered. Therefore, it is often harder to trace the origins of such ammunition and its history up to the point of diversion. This increases the deniability of supplies from states' ammunition stocks, which are likely to be a significant source for this purpose—provided that they are of an appropriate type, unmarked, and untraceable. Furthermore, some ammunition for small arms and light weapons provided as covert sponsorship is initially imported apparently legally by the patron government, which then retransfers it illicitly (i.e. to an illicit recipient and/or in breach of the end-use agreement in the legal deal). For instance, in one of the few known cases in which the specific origin of illicit light weapons ammunition is known, the Guinean Ministry of Defence is believed to have legally imported mortar rounds from Iran, which were then given to the anti-Taylor Liberians United for Reconciliation and Democracy (LURD) forces in Liberia (HRW, 2003; UNSC, 2003a, p. 30; UNSC, 2003b, pp. 25–27; see Chapter 5).

Given that ammunition for small arms and light weapons is produced or assembled in numerous countries, many states have a ready supply of such



ammunition from which to provide covert sponsorship. For instance, Zimbabwean supplies to the Alliance of Democratic Forces for the Liberation of Congo-Zaire (ADFL) in Zaire in 1997 were primarily composed of surplus small arms, originally imported from North Korea, plus some domestically manufactured ammunition for small arms and light weapons (Bourne, 1999, p. 151). Significantly, therefore, while small arms and light weapons and their ammunition often flow together through the supply lines of covert sponsorship, they may not originate from the same sources.

## How?

Covert sponsorship is provided by states. This means that a wider range of methods for moving shipments is available to the suppliers than is the case for other smugglers and brokers. In some cases ant-trade style smuggling has been used. During the Rwandan civil war, for instance, the Ugandan Army was supplying the Rwandan Patriotic Front (RPF) with ammunition, which was smuggled into Rwanda through remote, heavily forested small paths in order to avoid being detected (Prunier, 1998, pp. 131–32). Larger amounts of ammunition for small arms and light weapons require more concentrated transportation. Iranian transfers of weaponry to the Northern Alliance in Afghanistan were organized in cooperation with Russia and transported through Uzbekistan and Kyrgyzstan (Buckhard, 1999; Pirseyedi, 2000, pp. 22–23). In one such transfer in 1998, 700 tons of ammunition for both small arms and light weapons and heavier weapons categories (including machine-gun ammunition, rounds for 122 mm guns, missiles for Grad installations, anti-tank mines, and grenades) was reportedly disguised as humanitarian aid and transported by train through those countries, filling 20 railway wagons. This cargo was intercepted and later returned to Iran (Interfax, 1998; Niyazov, 1998). It is worth noting that the scale of this shipment is highly unusual. In other cases it is the armed forces of the sponsor states that transport small arms and light weapons and their ammunition for the clients. The Ethiopian Air Force reportedly shipped 100 tons of ammunition for small arms and light weapons to Somali forces in flights between January and November 1997 (Xinhua, 1997).

Key points about covert sponsorship as an important type of illicit transfer of ammunition for small arms and light weapons are that:



- Given the need for regular and substantial supplies of ammunition for small arms and light weapons, in particular in times of intense conflict, regional suppliers seem to be better placed to deliver such illicit assistance.
- Covert sponsorship draws on authorized international transfers.
- Covert sponsorship also draws on widespread production and surpluses of ammunition for small arms and light weapons in patron states.
- A wide range of methods for delivering such aid are available to states with the motivation to provide it.

Overall, therefore, as a result of the widespread legal production of and trade in ammunition for small arms and light weapons, and the benefits of statehood, the opportunities to provide covert sponsorship are open to all states with a political motive for doing so. It is often neighbouring states that choose to engage in this type of activity.

## Diversion

Diversion processes are those processes through which licit small arms ammunition becomes illicit. In common with illicit transfers of small arms, much trafficking in ammunition uses licit markets and stocks as a source. Most ammunition for small arms and light weapons is manufactured legally, and most large-scale international flows of such ammunition take place within authorized trade. Ammunition for small arms and light weapons can enter illicit circulation through theft or capture from legal stocks, or through a variety of processes involving diversion from authorized transfers. Much of the diversion, particularly through theft and leakage from civilian markets, occurs domestically (see Chapters 5 and 6). For the purposes of this chapter, however, processes of diversion that involve trafficking occur in different contexts:

- Legal, authorized exports diverted en route by brokers, transporters, or other facilitators (often through transit countries or ‘springboard’ recipient countries);
- Import and illicit re-export by a government or corrupt government officials (as is the case in some instances of covert sponsorship);
- Leakage of imported ammunition from civilian markets into the ant trade.

Much of the expert and policy community concerned with small arms and light weapons are familiar with numerous cases of their diversion, often in relation to the breaching of UN arms embargoes. Such cases tend to involve arms brokers who navigate loopholes in regulations and mislead regulatory bodies by producing forged documentation in order to facilitate transfers that are then diverted. The question is therefore whether these and similar diversion processes operate in the same way for the ammunition for small arms and light weapons. In short, how does the trafficking in such ammunition relate to the licit trade?

The case of the diversion of Belgian P90 sub-machine guns and their ammunition (see Box 2), among others, clearly shows that, in common with trafficking in small arms and light weapons, brokers are key to ammunition diversion processes. In another example, in 2001, an arms broker based in Guatemala obtained 3,000 surplus AK-47 assault rifles and 2.5 million rounds of small arms ammunition from the Nicaraguan Government. The Nicaraguans thought the guns were destined for the Panamanian National Police—because they had been provided with a purchase order to that effect. Instead, they were packed underneath crates marked ‘plastic balls’ and shipped to Turbo, Colombia, where they were delivered to the Autodefensas Unidas de Colombia (AUC), a

The Panamanian ship *Otterloo*, centre, declared its destination as Panama but allegedly transported 3,000 AK-47s and 2.5 million rounds of ammunition to Colombia in 2001. © Tomas Munita/AP Photo



## Box 2 A case study of diversion: the diversion of Belgian P90 sub-machine guns and their ammunition

In the summer of 1998, the Belgian manufacturer FN Herstal delivered 100 P90 sub-machine guns to the Government of Jordan purportedly to equip Jordanian Special Forces. This order was originated by the Swiss arms merchant, Mr Thomet (Brügger and Thomet AG), following a meeting during an arms fair in Amman with a close associate of the Jordanian royal family.

The guns were rapidly retransferred to Switzerland, from where they were sent to the Dutch armourer, J.F.Y., in Maarsen, the Netherlands, to transform them into semi-automatic guns allowing them to be sold to civilians in Switzerland. The Swiss firm possessed all the legal documents required for import, export, and private sale. Some of the P90s were sold to Belgian and Finnish gun dealers and to private owners in Switzerland. Some were delivered to competitors of FN Herstal such as Heckler & Koch. About 20 remained in the Netherlands as payment for the conversion work. Some of those guns were recovered from criminals having reportedly been used in armed robberies.

This case demonstrates that states (in this case Jordan) do not always respect end-use restrictions forbidding the re-export of purchased items. Furthermore, while granting the import licence, the state (in this case Switzerland) should contact the country of origin (in this case Belgium) and not just the current exporting state. If there is a no re-export restriction in the end-use conditions of the country of origin, it should deny the import licence. This clearly did not occur in this case. It is also surprising that the Dutch authorities did not contact their Belgian counterparts in the course of the transaction between the Netherlands and Switzerland, since European Union and Belgian regulations prevent the sale of this type of weapon to civilians, even when transformed into semi-automatic guns. Furthermore, no inspection was made by the authorities of the conversion that the guns had undergone in the Netherlands. Thus, a failure to engage in a basic exchange of information between neighbouring countries, end-users, and supplier states was integral to facilitating this diversion. Additionally, if officials involved in approving these transfers possessed more specialized expertise in armaments, they would probably have had sufficient technical competence to understand that the transaction was irregular because they would have known that the type of weapon involved would never have been authorized for a transfer between the Netherlands and Switzerland.

### **Ammunition for P90s**

P90s require a specific type of 5.7 calibre ammunition that is unique and can only be provided by FN Herstal. It subsequently emerged that Jordan did not order any ammunition required for the P90 guns.<sup>5</sup> In spite of the fact that there was no simultaneous export of ammunition from Jordan to Switzerland with the P90s, it appears that the Swiss armourer and its clients had no concerns about procuring such ammunition. According to FN Herstal officials, these 5.7x28 mm cartridges are restricted to law enforcement agencies and cannot be found on the civilian market unless they pass through illicit channels.

On 26 August 2005, judicial authorities of Hasselt, Belgium, seized 54 weapons of war, including two P90 sub-machine guns, and 21,000 rounds of 5.7x28mm ammunition exclusively manufactured in Zutendaal, Belgium, for FN Herstal. A ten-month investigation

revealed that security agents from FN Herstal were involved in this trafficking and 13 people were arrested. According to newspaper reports, FN Herstal also launched its own internal investigation and it transpired that leakages had been occurring for a considerable time.<sup>6</sup>

This case shows how international arms diversion is linked to domestic trafficking in ammunition. It is also worth noting that, while no ammunition was ordered in the diverted transaction, Jordan had already bought some other P90s and corresponding ammunition from FN Herstal. Therefore, it is also possible that Jordan re-transferred 5.7 calibre rounds to the Swiss importer of P90s in a separate shipment.

Recently, the potential for diversion of P90 ammunition into illicit markets has increased. In order to reduce its production costs, FN Herstal in 2005 contracted Fiocchi Ammunition to manufacture SS196 and SS197 ammunition, which are new versions of the 5.7x28 mm cartridge (also called SS190), in the United States and Italy. Although officially restricted to law enforcement personnel in the United States, SS197 rounds can be bought on the Internet—potentially adding a new possibility of diversion to illicit markets. An Ammo ID/ Age Statement is required in order to purchase restricted P90 rounds online, and a local dealer has to be nominated by the buyer for the delivery. According to such Internet sites, however, a fax or a copy of such statements is considered sufficient. In some cases, such as if payment is made by credit card, the statement may not even be necessary. It is also possible for civilians using certain Web sites to buy P90 ammunition with only a background check. According to the Boston police, a new kind of handgun that is able to pierce bullet-proof vests is in circulation in Boston.

**Sources:** Dupont, 2001; Preyat, 2004; *La Libre Belgique*, 2005a, 2005b, and 2005c; gunbroker.com, 2006a and 2006b; impactguns.com, 2006a, 2006b, and 2006c<sup>7</sup>; Smalley, 2006.

Colombian group on several lists of terrorist organizations (OAS, 2003; Schroeder and Stohl, 2004). In this case, according to the Organization of American States (OAS) investigations, the Guatemalan company involved failed to take appropriate steps to detect the diversion but does not appear to have colluded in it. Instead, the Panama-based Israeli arms broker to whom the company sold the arms and ammunition provided the false documentation in order to facilitate the deal and arranged for a ship to pick up the small arms and small arms ammunition. This ship, the *Otterloo*, declared its destination as Panama but instead went to Colombia. The OAS investigation lays the blame for this diversion not solely on the illicit broker who misled authorities, but also on corrupt officials in Colombia and—of critical importance—on the failure of the Nicaraguan Government to implement its commitments in the 1997 OAS Convention to check end-user guarantees and commitments (OAS, 2003). Thus, while diversions are often facilitated by brokers, they also rely on the limited capacity or willingness of governments to implement basic procedures to prevent diversion.

While arms brokers are often the key to the diversion of legal transfers of ammunition for small arms and light weapons, diversion can also occur without them. For instance, in June 2005 the Colombian police arrested two US soldiers for alleged involvement in a plan to transfer ammunition to right-wing paramilitary groups in the country. The ammunition, stored in the house in which the soldiers were arrested, included 32,000 rounds of small arms ammunition initially provided to Colombia by the US government under its Plan Colombia programme (AP, 2005).

Importantly, diversion appears to be as possible for more sophisticated light weapons ammunition as it is for small arms ammunition. For instance, in a US undercover investigation 'Operation Smoking Dragon' in November 2005, which also involved investigations into counterfeiting and other smuggling activities, two men were the first to be indicted under a new anti-terrorism statute for 'conspiracy to import missile systems designed to destroy aircraft'. The two men allegedly offered to arrange for the import of several Qianwei-2 (Advance Guard 2) MANPADs (US Department of Justice, 2005). The Chinese-made Qianwei-2 is a highly sophisticated MANPAD developed as recently as 1998 (*Chinese Defence Today*, 2005). The US Department of Justice claims that the two men told an undercover agent that a third country would claim to be purchasing the missiles from the manufacturer, but they would be shipped instead to the USA in sea-land containers that would be listed on manifests as containing some form of civilian equipment (US Department of Justice, 2005).

Probably the most common form of diversion is related to the theft of government stocks of ammunition for small arms and light weapons for black-market trafficking. In many cases this seems to be a largely regional process. For instance, Ecuador's National Army declared the loss of 100,000 rounds of such ammunition from its own arsenal between 2000 and 2002 (*La Hora*, 2004a). According to official figures, 1.2 million rounds of small arms ammunition of all calibres were seized in the first year of the 'Plan Patriota' military offensive against FARC rebels in the same period (*El Tiempo*, 2005a). Information on this seized ammunition indicates that much of it belonged to the armed forces of neighbouring countries including Ecuador, Panama, Peru, and Venezuela<sup>8</sup>. It is therefore likely that many of the 100,000 rounds lost by the Ecuador Army found their way to Colombia.

Overall, therefore, the nature of diversion processes indicates that there are strong links between authorized transfers of ammunition for small arms and light weapons and their illicit transfer. Key points include that:

- The processes of diversion of ammunition for small arms and light weapons often use the same methods as diversions of small arms and light weapons.
- The processes of diversion of ammunition for small arms and light weapons rely on and take advantage of the same regulatory weaknesses as diversions of small arms and light weapons.
- Brokers and corrupt officials play critical roles in many diversions.
- The lack of regulation over brokering, of common procedures for preventing diversions (marking, record-keeping and tracing, and end-user guarantees and their verification), and of inspections during transfers contribute significantly to this form of trafficking.
- The situation is exacerbated in some cases by a lack of enforcement of the frameworks and standards that already exist.
- The common element of all diversions is therefore not so much the role of ‘powerful lawbreakers’ as the obvious weakness of lawmakers.

## Large-scale black-market illicit transfers

The sections above examine illicit transfers of ammunition for small arms and light weapons that, in some way, link legal stocks with illicit recipients—particularly through processes that are part of the grey market. This section deals with cases that are clearly illegal from start to finish. Some black-market transfers of ammunition for small arms and light weapons are small scale and fit within the ant trade. However, in theory, some black-market transfers may be large-scale shipments. Such transfers are important for supplying conflicts and criminal groups. This section examines how such transfers work and how common they are.

There are hypothetically two types of large-scale black-market illicit transfers—those that are larger versions of the flows that take place in the ant trade, and those that are purely illegal versions of the global flows that take place in the legal and grey markets. Broadly speaking, research carried out for this

chapter finds large-scale, clearly illegal black-market flows of ammunition for small arms and light weapons to be more common at the regional level than as a global phenomenon. However, this might only be the case because there is so little information available. Thus, the analysis below can only be indicative.

Much large-scale black-market trafficking in ammunition for small arms and light weapons is simply an expanded version of the ant trade. Some borders are sufficiently porous for large-scale black-market flows of this kind and for ant trade smuggling to occur simultaneously and through essentially identical channels. For instance, in West Africa the border between Benin and Nigeria is apparently a major trafficking route. In 2001, Nigerian police seized 106 boxes containing 26,500 rounds of small arms ammunition entering from Benin. Similarly, in February 2002, the Gendarmerie in Benin discovered 1,000 rounds hidden in a car attempting to cross the border from Burkina Faso. Nigeria was thought to be the car's ultimate destination (Oyo, 2001; IRIN, 2002). While this ant trade is ubiquitous, larger shipments exist alongside such trade. In 2004 three truck drivers were arrested at Saki, a border town between Benin and Nigeria. Their three trucks were reportedly carrying 105,000 cartridges packed in 80 sacks, mixed with bags of maize and sawdust to avoid detection (Olori, 2004). While West African borders are notoriously porous, similar examples of large-scale black-market smuggling have occurred in other regions. For instance, in September 2005 the Saudi Arabian Government intercepted a truck illegally carrying 190,000 rounds of small arms ammunition into the country from neighbouring Kuwait (Reuters, 2005). Similarly, in June 2003 Greek border guards seized more than half a million rounds of Kalashnikov and G3 ammunition in a heavy truck being moved across the border from Albania (AFP, 2003). It is notable that all cases of this type of trafficking examined for this chapter occurred within their own region. It is likely that this is because regional sources were sufficient, and that they presented fewer risks or lower overall costs than longer supply lines.

Hypothetically, large black-market flows are not just a bigger version of the ant trade, but may instead more closely resemble illicit versions of the long-distance authorised trade. In practice, however, these cases seem rare, and only one clear case of a large-scale black-market transfer that closely resembles an illicit version of the long-distance authorized trade was identified in the course



of the research for this chapter. All the others involved some legal processes and diversion, making them 'grey-market'. In May 2004 a Czech arms dealer, Dalibor Kopp, was arrested for attempting to illegally export small arms ammunition (mostly for sub-machine guns) from the Czech Republic to Iraq. Czech intelligence sources reportedly believe that the supply, which was being arranged without appropriate licences, was to have been diverted to insurgent forces operating inside Iraq. In this case, although probably reflecting a rare coalescence of roles, Kopp was also employed by the manufacturer of the small arms ammunition. Kopp was the director of small infantry ammunition for a Czech company, Valenter, which had applied unsuccessfully for an export licence. Kopp reportedly continued with the deal through his own companies such as Kopp Arms. According to the Czech Industry and Trade Ministry, the attempted export was to take place through an undisclosed US company (Mlada fronta Dnes, 2004).

Like the diversion processes discussed above, this case appears to result from limitations in the enforcement of legal frameworks rather than the activities of particularly powerful criminal actors. Kopp had previously been suspected of numerous illicit small arms and small arms ammunition deals.<sup>9</sup> Limited legal frameworks and weaknesses in enforcement, however, had prevented appropriate legal proceedings from being taken. After Kopp's arrest in the Czech Republic he fled to Liberia, where he is widely reported to have been a major supplier of arms to the Taylor regime while Liberia was under a UN arms embargo. Kopp was again arrested, this time in Liberia by the United Nations Mission in Liberia (UNMIL), in December 2004 on the basis of an international arrest warrant issued by the Czech authorities and an Interpol Red Notice. He escaped but was recaptured and then freed in March 2005 following unsuccessful extradition proceedings (*Business Ghana*, 2005; *Analyst*, 2005). He was arrested once again in Belgium in January 2006 and extradited to the Czech Republic in April 2006 (*Ceské Noviny*, 2006). The opportunities for trafficking to occur as a result of Kopp slipping through gaps in regulations and enforcement would have been reduced by stronger controls over brokers, combined with enhanced global cooperation and enforcement.

Some trafficking in ammunition for small arms and light weapons may be carried out by the illicit recipients themselves rather than by smugglers, brokers,



or other illicit traders. While such cases are probably rare, and do not involve large quantities of light weapons ammunition, it is alleged that an Al Qaida-aligned group illicitly acquired and trafficked SA-18 MANPADS purchased from Chechens in 2002 and subsequently smuggled them through Georgia and Turkey into France (Samuel, 2005). It is believed that this acquisition significantly enhanced the arsenal of the group concerned. Previously, such cells are believed to have been limited to less sophisticated—and hence less accurate and reliable—SA-7 Strela missiles that are more easily defeated by counter-measures (World Tribune, 2005).

In sum, while large-scale black-market trafficking could hypothetically take several forms, in practice it overwhelmingly takes the form of large regional cross-border smuggling rather than resembling illegal versions of international authorized trade. Key points, therefore, are that:

- Most large black-market (clearly illegal) illicit trafficking in ammunition operates like the ant trade writ large;
- The same conditions of porous borders, corruption, and the availability of large stocks (presumably from stockpiles rather than reaggregated from the legal retail trade or local black markets) fuel this trade; and
- Such trade is largely regional.

While long-distance black-market trafficking is not unknown, few cases were identified for this research (other large long-distance cases involved diversion or covert sponsorship and hence were grey-market). This may be due in part to the limitations of the data, but does appear to reflect a limit on the need for international trafficking in small arms ammunition to rely on potentially risky and costly black-market channels when diverting authorized flows and stocks is relatively easy and offers more and safer opportunities to acquire substantial quantities of ammunition for small arms and light weapons.

## Conclusion

Illicit transfers of ammunition for small arms and light weapons are widespread. No region of the world is unaffected by them. Small arms and light weapons and their ammunition are often trafficked together. The types of

processes used to traffic ammunition for small arms and light weapons are similar to those used in the trafficking in the weapons themselves as well as other contraband with similar characteristics. There are several types of trafficking, most of which rely on weaknesses in regulations and their enforcement rather than powerful criminal groups. Global and regional action is required to tackle this problem, and such action should take account of the specific challenges posed by ammunition for small arms and light weapons.

The ant trade in small arms ammunition is ubiquitous. It relies on porous borders and concealment, and on easily available sources of ammunition in neighbouring states. The main sources for the ant trade appear to be licit markets and state stockpiles and weaknesses in the controls on both are the primary foundations of ant-trade trafficking. Because a high proportion of small arms ammunition is bought from dealers on a small scale apparently for personal use, increased controls on those sales to individuals, including more rigorous information about the purchaser and stricter record-keeping by dealers, could help to reduce this part of the problem. Enhanced stockpile management and security is the key to ensuring that small and large leakages from state stocks do not feed illicit trafficking.

Covert sponsorship is a common form of illicit transfer for both small arms and light weapons and their ammunition. Covert sponsorship, particularly of rebel groups, is a form of illicit transfer unique to supplying areas of conflict. It can draw on different sources from those for trafficking in small arms and light weapons and use a wider range of channels for delivery than other trafficking. As such it is probably sufficiently adaptable and deniable to enable it to maintain a steady flow of ammunition when needed. Any government can be a provider of covert sponsorship—including that of the country itself. Since the end of the cold war, those foreign governments that choose to do so tend to be neighbours of the country in conflict.

Some illicit transfers of ammunition for small arms and light weapons constitute black-market flows. From the cases that could be identified, it seems that most large black-market flows of ammunition are regional and few are global in reach. Most large black-market flows are simply larger versions of the ant trade. They rely on the same foundations of concealment, poorly controlled legal retail trade, and gaps in stockpile management and security.

Global processes tend to be diversion processes rather than black-market transfers. The nature of diversion processes indicates that there are strong links between the legal global trade in ammunition for small arms and light weapons and their trafficking. Diversion processes may be varied but reflect the same methods and regulatory weaknesses as diversions of small arms and light weapons. It is clear that the critical types of vulnerabilities in states' controls over arms transfers that create the potential for diversion are equally—if not more—significant for ammunition for small arms and light weapons. For instance, because the marking and registration of ammunition is not yet well regulated—that is, lot numbers and information on the producer or end-user are not always marked on cartridges (see Chapter 7),<sup>10</sup> and movements of authorized transfers are not recorded in registers—it is difficult to trace ammunition after illicit use and discover the routes of diversion.

Another important aspect of diversion is the role of arms brokers. The scope for brokers to engage in illicit transfers is great. Only 32 countries control some aspects of brokering, and many of these controls are weak and poorly implemented (Biting the Bullet, 2005, p. 302). Overall, however, while diversions are often facilitated by brokers, they also rely on the limited capacities or willingness of governments to implement basic procedures for preventing diversion.

Trafficking in ammunition for small arms and light weapons has strong regional dimensions. Three of the four types of trafficking that move such ammunition illicitly across borders appear to operate solely or primarily at the regional level. Much ammunition is trafficked as part of illicit shipments of small arms and light weapons that occur regionally. Ammunition for small arms and light weapons also moves in separate shipments through the same networks of corruption, collusion, and covert assistance as small arms and light weapons. Thus, trafficking in this ammunition has the same regional attributes as trafficking in small arms and light weapons. Furthermore, it also seems to have a particularly strong reliance on regional sources of such ammunition for feeding into black-market and some grey-market flows.

States often play a strong role in trafficking ammunition for small arms and light weapons: they often engage in illicit transfers; they feed other entities' illicit transfers by using legal means and transfers to feed illicit users such as states under embargo or non-state actors, and their omissions and failures are

crucial to all forms of trafficking. The overarching conclusion of this chapter is that almost all illicit transfers of ammunition for small arms and light weapons, in one way or another, rely on the absence of effective global instruments and the failure of certain states to implement and enforce their commitments made in existing instruments. This appears to result in part from a lack of prioritization of ammunition for small arms and light weapons and the specific challenges it raises. This prioritization could take place relatively easily, for instance by enhancing controls over authorized transfers, and improving marking and tracing systems for ammunition—even though it is not officially covered by the international instrument on marking and tracing (see Chapter 7).

This study of the four types of illicit transfers yields the following conclusions:

- All types of ammunition for small arms and light weapons can be illicitly transferred, from common civilian types to sophisticated light weapons;
- Legal or authorized transfers and stocks are the foundation of much trafficking;
- Weak legal provisions and enforcement, rather than powerful criminal groups, are the dominant feature of most illicit transfers. For instance, while arms brokers play a key role, that role relies on them being poorly regulated, and on the existence of numerous loopholes in existing regulations.

Illicit transfers of ammunition for small arms and light weapons pose the same range of challenges for control as those posed by the corresponding weapons. Many of these challenges are more marked for ammunition for small arms and light weapons than for small arms and light weapons themselves. Those measures designed to reduce the potential for trafficking in small arms and light weapons will not always prove adequate to the task of reducing trafficking in ammunition. The two illicit trades are closely related, and should be tackled together, but are also sufficiently different to pose distinct challenges that must be better integrated into the design of measures to reduce illicit transfers. While this chapter finds that much trafficking in ammunition for small arms and light weapons occurs at the regional level, much of it is also fed, and added to, by global diversion processes. The illicit availability of ammunition for small arms and light weapons, which is fed in part by illicit transfers, can only be tackled effectively at the national, regional, and global levels together. ■

## List of abbreviations

ADFL	Alliance of Democratic Forces for the Liberation of Congo-Zaire
CIA	Central Intelligence Agency (United States)
DRC	Democratic Republic of Congo
FARC	Revolutionary Armed Forces of Colombia
FN	Fabrique Nationale (Belgium)
IRA	Irish Republican Army
LURD	Liberians United for Reconciliation and Democracy
MANPADS	Man portable air defence systems
OAS	Organization of American States
RPF	Rwandan Patriotic Front
UNMIL	United Nations Mission in Liberia

## Endnotes

- 1 These issues are tackled in Chapters 5 and 6 on Conflict and Crime, respectively.
- 2 It is important to note that the distinction between black market and grey market is difficult to draw in practice because each state has different definitions of what it considers to be illegal. It is often helpful, therefore, to think of these distinctions as part of a spectrum with legal transfers at one end, the black market at the other, and a grey area in between. For example, see *Small Arms Survey, 2001*, p. 141.
- 3 Mexican rules on small arms possession and trade are reputedly among the most restrictive in the world. Mexican law bars possession of weapons above .22 calibre and requires strict registration of other weapons ([http://www.ryerson.ca/SAFER-Net/regions/Americas/Mex\\_MY03.html](http://www.ryerson.ca/SAFER-Net/regions/Americas/Mex_MY03.html)).
- 4 This is a reflection of a range of factors including narrower production, less widespread demand, and a lack of (or reduced) legal retail trade in light weapons ammunition. This aspect of the ant trade contrasts with other forms of trafficking. While current data is not sufficiently detailed to prove this conclusively, it seems likely that the predominance of small arms ammunition is not so marked for the covert sponsorship of rebel groups because this form of trafficking would not be as restricted by these factors.
- 5 These cartridges are varnished with a specific polymer resin that is indispensable if they are to function in the P90 sub-machine guns.
- 6 Since the investigation is secret, no further information is available.
- 7 Impactguns.com is a Web-based 'online superstore' selling firearms and ammunition, including to law enforcement agency personnel. Gunbroker.com is an online auction site specializing in firearms, ammunition, and related products.

- 8 Sources: *Hoy*, 2003; *El Universo*, 2004; *La Hora*, 2004a and 2004b; *El Tiempo*, 2005a; *El Universal*, 2005a and 2005b.
- 9 It is alleged that Kopp had previously been involved in other illegal transfers of ammunition production equipment. He was reportedly investigated by the Czech police in 1998 for attempting to import a small arms ammunition production line through another arms trading company with links in Kyrgyzstan, which police believed was exported to the Persian Gulf region (Czech News Agency, 2004).
- 10 Only Brazilian legislation prescribing the marking of this information on cartridges since January 2005. Law No. 10,826/03 (December 2003), Article 23. The recent UN tracing instrument (A/60/88) excludes ammunition from its scope, and in the UN Firearms Protocol (A/RES/55/255) ammunition is beyond the scope of traceability.

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Iraqi Shiite militia loyal to the radical cleric Moqtada al-Sadr fill ammunition belts in between skirmishes in August 2004 in Najaf, Iraq. © Ghaith Abdul-Ahad/Getty Images