

Country Report Netherlands April 1998 Februari 1999

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Despite enormous problems on the level of people working at AMOK Campagne tegen Wapenhandel we have been more effective against Dutch arms trade as in many years before, including press coverage, contact with political parties and reaching people in the peace and adjacent movements. For this development there are two main reasons:

- the shift away from opposing arms trade to Indonesia in particular to actual Dutch arms deals in general; and
- the publication of a book on Dutch arms trade in the nineties, covering export policies, the defence industry, arms trade by region and the compilation of facts and figures.

Till June 1998 we were working also a lot on international activities. Most of all with involving French groups in the EuroSatory Campaign. We visited meetings in Lyon, Paris and We are very happy with the result of the EuroSatory campaign. First of all because, while France is one of the biggest and most unscrupulous arms exporters of Western Europe there is almost no opposition in the country and at least we were able to bring French people together.

I Arms trade policies of the Dutch government

Arms export policies of the Dutch government are changing very quickly due to grown attention to the subject in the international fora. The most important changes occurred on transparency and the Dutch code of conduct .

I.a. Transparency

There is some transparency now in the Netherlands regarding arms trade. The Dutch government is publishing two lists every six months (one in spring and one in autumn) on types of arms and total amounts of money exported. (when above Hfl. 100.000) . The spring publication is public (in Dutch and English) and includes a report on Dutch arms trade policy. (see annexed copy)

A List Jan/June 1998

Overview Dutch arms exports Jan-June 1998 in millions of Hfl (when above one million Hfl)

U.S.	125.8	Saoedi Arabia	4.8
Chili	124.0	Sweden	4.8
Turkey	81.4	UAE	4.6
Israel	71.7	Norway	4.4
Germany	70.9	Qatar	3.5
Taiwan	23.0	Italy	3.2
U.K.	15.3	Thailand	2.8
Denmark	13.0	India	1.8
Indonesia	9.6	Canada	1.6
Greece	8.4	Austria	1.4
France	8.3	Venezuela	1.4
Swiss	7.1	Singapore	1.3
Colombia	7.1	China	1.2
Korea, South	6.9		

I.b. Dutch Code of conduct

In the European Code of Conduct it is clearly stated, that governments who want to stick to more severe national export codes may do so. The policy of the Dutch government is to use the European and Dutch code and have the last more restrictive on the following subjects:

- **I.b.1. Undercut deliverances:** When an export license is refused by one EU member and another member wants to export the same kind of strategic material this state has to inform the state which refuses the license earlier. The Dutch government wants to expand this. The undercut seller has to inform all members of the EU.
- **I.b.2. Transparency:** The Dutch government is aiming for a public annual report comparable to the Swedish (Spanish) and Dutch report.
- **I.b.3. UN-register on conventional arms .** The Dutch government will try to have a new criteria on the UN-register added to the European Code of Conduct with as many EU-countries as possible. When a country is not reporting to the UN-register on Conventional arms European Union countries should refrain from exporting to those countries. The Dutch government will lobby in the European Union till September 1999 for this criterion and in any case add it to the national guidelines at this time. (For official details see added letter of the Dutch government.)
- **I.b.4. OESO DAC list.** For the export of surplus arms the Dutch military attaches are provided with glossy magazines to attract interest from the countries in the region they are based. Last December it was decided not to

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use those magazines in countries which are on the last three categories of the OESO DAC list. This means about 120 countries are not provided with information on Dutch surplus arms for sale. The effect of this must not be overstated, estimate 15% of Dutch surplus arms went to countries on the DAC list in the nineties, the rest mainly to countries in the Middle East and members of NATO. But it means after seven years - since there is a criterium regarding development and arms trade - there is a concrete filling of the fourth Dutch (comparable with eight of the EU) criterium. It is minimal, because there is no reason to limit the application to advertising surplus arms and not to include the sale of surplus and new arms of the Dutch defence industry.

- **I.b.5 Regions of tension.** The position of the Dutch government on exports to regions of tension was already clear from the facts. The UAE, South Korea, India, Egypt, Taiwan, Qatar and Turkey are among the ten most important customers for Dutch arms. While the former Minister of Foreign Affairs was behaving like a contortionist when he was confronted with the fact that exports took place to regions of tension, the new administration is openly stating they can not work with the region of tension criterium

I.c. The Dutch government is a major ally on the issue of improving export regulations on an international level, but at the same time looking at its national export record it is necessary to follow its policy very closely and go on criticizing exports of arms to regions of tension and to expose arms sales which can be used for human rights violations.

II Small arms

Small arms are becoming increasingly important for AMOK, especially on the level of questions by people from the peace-, development- and human rights organisations. We assume these questions will grow in the near future. For this goal we did do some investigation in the subject and found out there are six possible sources for small arms in the Netherlands: 1) optronic devices for small arms, 2) a small range of small calibre (< 12.6 mm) ammunition, provided by two companies, 3) overhaul for foreign customers in facilities of the Dutch armed forces and in the illegal branch 4) the small arms selling shops (who are according to police sources for illegal selling arms), 5) theft from various sources (mainly the army) and most importantly arms trafficking by national air- and seaharbours (only the Dutch KLM exported 1.000 freights of arms in 1997). There is no production of small arms in the Netherlands itself.

The sale of surplus rifles, pistols and machineguns looks like to have stopped after the Dutch government took up the issue of small arms exports in 1996. We exposed the sale of rifles to UAE, and even as the deal was in a far reaching stage it was stopped after it became known to the public. The sale of surplus arms can not be fully ruled out, when close allies want to buy them - but they are not likely to buy old fashioned types - or in case it is in the interest of the Dutch Foreign policy considerations (An example of this is the covert export of small arms in 1993 to Surinam, former Dutch Guyana.) Beside the level of exports, the issue of small arms is also taken up by the Dutch police forces who have established branches covering the illegal possession of small arms on a national level. Except for illegal trafficking small arms are not important on a Dutch national level.

III.a Surplus arms for sale

Last January the Dutch Minister of Defence published a headlines note for the restructuring of the Dutch armed forces. This has consequences for the list of Dutch arms for sale, because arms are free for sale. The Dutch government expects Hfl 600 million in return for them. During the nineties the sale of surplus arms was a major part of Dutch arms sales, worth roughly Hfl. 2 billion. Members of Parliament are confidentially informed about those deals, since 1996.

B List

We are aiming for a public report of the sale of surplus arms for several reasons:

- the argument of protecting interests of the industry are not at stake;
- it is a major part of Dutch arms trade seen in financial value and it is by far the major part of exports of complete weapon systems; and
- because the government has a strange mixture of interests regarding the sale of surplus arms, it has to control arms exports and at the same time it has an interest as seller on the market.

Major deals and issues of attention in the past year

Chile: The Dutch company Rotterdamse Droogdok Maatschappij overhauled 155 mm artillery of the Chilean army and the Dutch government sold 200 Leopard tanks to the Chilean arms manufacturing, overhaul and import organisation FAMAE. We involved the solidarity movement and Chilean exiles in protests to the Dutch government. Pinochet is supervisory director of FAMAE.

India: After the nuclear test of India and Pakistan the Dutch government instale an arms embargo on both countries. With a one year exception for on-going deals. Seen that India is a major customer on the Dutch market it was an

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important step. Not surprisingly already in November the Dutch government proposed to lift the embargo. This proposal was confronted with heavily protest of the Parliament and the result was to keep the sanction in power, except for ongoing license production, joint-ventures and ongoing deals, covering the most important relations on defence-production between India and the Netherlands.

China: Arms deals to China are under scrutiny of members of the Dutch Parliament, because there is still an embargo against the Peoples Republic. The Christian Democrats (CDA) and GreenLeft want to stop Dutch arms trade to China. The reaction of the Dutch government is other EU-members are also exporting, the embargo is unclear and Dutch trade is on unimportant parts of optronic devices.

Defence industry:

The consolidation of the Dutch defence-industry is taking place at a national level. Hollandse Signaal Apparaten is still the major arms producing facility in the Netherlands, but two other companies are of growing importance: STORK and the RDM.

STORK took over the lion share of military branches of Fokker and the **RDM** has bought in the recent past the construction and R & D company Nevesbu and DAF Special Products (military trucks and armoured vehicles) and wants to buy the Royal Schelde producing all major naval vessels in the Netherlands.

Government funds are given to De Schelde (Hfl 50 million) to keep the company afloat and 150 million as a donation to get the Dutch defence industry involved in initial stage of the development of the Joint Strike Fighter.

Future activities:

We will have a difficult task to keep arms trade on the agenda. The character of Dutch arms trade is mainly on the level of high tech equipment, which is not the kind of arms the public opinion has in mind when speaking about arms trade and the Dutch government is doing a very good public relations job, stating they are very restrictive on arms exports.

International week of action against the arms trade. We are looking forward to see a positive decision on it by ENAAT and are planning to do an action to place Dutch arms trade in the spotlight.

Conference on Dutch arms export to region of tension. Seen the practice of Dutch arms export this is one of the major issues we have to tackle and a conference looks like the best opportunity.

Providing information for demonstrations of the peace movement opposing 'two arms fairs' in the Netherlands: the International Training and Education Exhibition (ITEC) in April (Lockheed Martin, Boeing, Raytheon, British Aerospace, MAK, STN Atlas, Celsius etc will attend) and the gathering of the Dutch defence-industry in November or October.