

Country Report the Netherlands

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The world's 5th arms exporter

SIPRI's yearbook 2006 ranked the Netherlands 5th among the world's biggest arms exporters for the year 2005 – a unique but doubtful position never achieved before. Still, for the 2001-2005 period Dutch exports rank number 8; between 1976-2005 this is a 10th position. SIPRI's calculations are in line with most recent available official figures. In 2005 export licenses worth a total of 1.2 billion euro – also an all-time high. With some big licenses (esp. for Indonesia, but also Chile, Latvia, the UK, Finland and Oman) granted last year, we expect 2006 figures to topple last year's record.

Among the thirty largest customers in recent times are many human rights abusing regimes, countries involved in either internal or regional conflicts, and/or countries with massive numbers of people living below subsistence level - most notably Indonesia, Egypt, Turkey, India, Bangladesh, Taiwan and Saudi-Arabia.

An analysis about Dutch arms exports in 2005 that was released late last year, got coverage by one of the leading newspapers here. The article was subsequently picked up by news agencies (DPA, IRNA a.o.) and so the Dutch position in the arms trade got worldwide coverage – we counted over 600 web pages from The Economist to The Hindu. The IRNA release stated:

“The Netherlands has joined the world's five leading arms exporters, as its global arms exports in 2005 reached record 1.2 billion euros, DPA cited the Dutch daily Volkskrant as saying on Thursday. A major Dutch arms client, Chile has purchased 296 million euros worth of arms from the west European country, among them surplus Dutch frigates and F-16 fighter jets, said political activist Martin Broek who headed the independent research project.”

Transit

Long-delayed data on transport of arms through the Netherlands were released late last year. These data, based on notifications required by law, over 2005 confirm what we already knew: weapons to conflict zones will not be stopped when coming from EU, NATO or other allies. 76 notifications of arms – mostly

coming from the US – destined for Israel were received in 2005 (and another 23 in the months of June and July 2006). Also many hundreds of thousand of pieces of ammunition coming from the Czech Republic found their way through the Netherlands to countries such as Bangladesh, Jordan, Kazakhstan and Kenya. We fear that still many arms shipments go unnoticed due to a lack of enforcement capacity.

The data are not only important for the Netherlands, but also for other countries, as they cover arms trade from other countries, passing through the Netherlands. For example Belgium export data and Dutch transit data of arms coming from Belgium are inconsistent.

In August we co-organised a demonstration at Schiphol demanding a halt to arms trade to Israel through the airport.

Eritrea

An old case finally unfolded when in January the government admitted on parliamentary questions that they had failed in 2003 to stop the illegal transport of a ship with 91 sea containers full of tanks spare parts plus 40 UNIMOGs on its way to Eritrea. The massive amount of war material had been held in Antwerp since 1998 – at the height of the Eritrean-Ethiopian war - when customs officials halted the goods, which were labelled as agricultural equipment. In December 2002 the Belgians had made a deal with the British owner and broker of the deal, John Charlesworth under which he would pay the storage charges and then transport all material to Rotterdam.

While in Rotterdam the ship did not unload but rather sailed off the very next day to Eritrea. Both Netherlands and Belgian authorities wash their hands of the matter. The Dutch government now admits that communication between the different export control authorities was inadequate and a major cause for their failure to stop the ship that left Rotterdam without the required export papers. Subsequently it unsuccessfully tried to convince the Egyptian and Eritrean authorities to stop the ship. It has not tried however to prosecute either the captain or the owner of the ship. With continuing tensions along its border, the Eritrean armed forces must have considered the delayed shipment as a welcome force multiplier. Charlesworth and the likes will obviously see the outcome of the case as a victory and a proof that persisting arms brokers will get their way anywhere anytime.

In this project we were informed by two anonymous sources. We were able to get this story abroad as well. The Belgium press widely covered the issue, while it was also in the Danish evening news. We expect something in Germany as well.

Pension funds and the arms industry

In March a Dutch TV programme revealed that the largest pension funds have shares in producers of landmines and cluster bombs. The programme has sparked massive condemnation from the public and led to political debate as well. As result the two largest funds have now decided to divest from companies involved in both weapon types. Clearly the storm is not over yet and pension funds feel the pressure to implement long-promised ethical policies.

We very much hope to bring the debate to a more-inclusive discussion, that will focus not only on banned or so-called “controversial” weapons, but also on a wider range of weapons, as well as for example customer-destinations. Later this spring we will release a report that will expose shares of the main Dutch pension funds in the arms industry.

Indonesia

Despite a long action and lobby campaign to stop the sale of 4 newly built corvettes to Indonesia – at approximately 1 billion euro the largest Dutch arms export ever - the government gave green light for the sale of the first two ships of the deal in October. Later this year the first ship will sail out to Indonesia.

Export credits

Thanks to input from many European activists, we have been able to write an extensive review – that is now being finalised - of Europe’s export credit agencies (ECA’s) and their policies on arms exports. We will bring with us sufficient copies of a summarised version that is being printed along with the digital-only review.

EU

Last summer, on behalf of ENAAT, we sent a letter to the Commission to voice our concerns about a possible internal market for military goods, as was proposed by Brussels earlier that year through a ‘green paper’.

Office

We are sad that after so many years Martin will leave our organisation in June to start working in parliament as an assistant for the Socialist Party. Fortunately old fellow Wendela takes his place to overcome the gap that obviously falls. Together with Mark and Frank we will be with three staff working at least till the end of the year.

Major arms export destinations from the Netherlands (1997-2005)
(value of export licences in million euro)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	Total
USA	102.42	82.45	54.14	94.75	166.13	132.58	237.21	75.35	92.71	1,037.74
Germany	74.15	56.54	80.86	82.5	49.55	75.35	84.29	88.19	383.89	975.32
Greece	41.70	4.86	8.35	12.39	162.45	46.78	431.66	161.43	3.26	872.88
South Korea	78.64	4.27	2.86	66.66	34.35	7.96	99.93	114.97	9.75	419.39
UAE	368.88	7.26	0.23	0.82	1.41	3.39	0.25	0.44	0.31	382.99
Chile	0.09	56.27	1.68	0.18	10.8	0.51	0.52	0.55	295.62	366.22
Turkey	79.87	61.17	17.43	4.58	6.67	21.83	75.42	3.50	12.42	282.89
Austria	203.20	2.04	1.23	1.77	0.18	1.03	4.08	1.12	0.22	214.87
UK	13.70	17.20	33.67	34.4	22.24	10.69	21.69	21.18	22.62	197.39
NATO countries	15.84	17.74	55.27	30.95	9.16	19.12	1.69	19.83	42.50	212.10
France	13.25	12.71	5.13	6.85	6.12	21.89	12.42	56.44	20.27	155.08
Taiwan	5.13	10.53	8.53	5.67	30.13	38.37	7.19	5.84	21.95	133.34
Poland	2.41	0.95	1.04	0.77	0.77		89.07	0.48	5.31	100.80
Norway	6.17	2.18	1.04	1.18	71.33	1.05	5.27	0.33	6.60	95.15
Portugal		0.50	1.18	6.53	1.50	0.47	2.47	1.00	81.34	94.99
Canada	11.44	2.36	17.02	3.13	19.97	14.03	2.32	2.81	4.79	77.87
Italy	1.50	1.45	5.04	2.22	2.18	4.99	4.22	21.27	32.49	75.36
Indonesia	3.45	4.36	36.98	2.77	0.32	0.96	5.02	1.22	13.46	68.54
Switzerland	10.89	10.85	4.99	12.75	8.44	5.61	3.68	2.19	0.21	59.61
Denemarken	7.99	15.02	11.75	1.18	5.99	0.84	3.54	10.99	1.93	59.23
Venezuela	19.74	0.91	1.41		1.77			27.62	7.67	59.12
Egypt		0.23	0.82	1.23	0.14			0.03	40.36	42.81
Israel	0.59	33.72	0.27	0.14	4.31		0.01			39.04
India	18.65	0.82			1.36	0.10	8.72	0.39	5.00	35.04
Sweden	3.99	4.22	1.23	3.31	1.81	2.70	4.07	3.98	9.73	35.04
Japan	1.18	0.64		5.13	0.14	0.02	1.53	5.55	14.11	28.30
Bangladesh	0.05			19.74		0.52	2.66	1.17		24.14
Saudi-Arabia		2.18				20.98	0.78			23.94
Romania		0.32						0.01	23.51	23.84
Spain	1.00	0.59	2.63	0.73	3.13	0.95	4.41	2.50	7.02	22.96
Malaysia	3.04	1.27	0.50	0.68	4.68	4.52	2.80	2.34	1.59	21.42
Jordan				1.18			15.2	0.03		16.41
Thailand	0.27	2.68	0.64	0.45	5.67	2.32	0.45	0.67	2.80	15.95
Singapore	2.45	0.91	0.86	1.13	7.17	0.53	0.02	0.89	0.20	14.16
Bahrain	1.54		0.05	0.86	0.27	0.24	8.67	1.02	0.04	12.69
Finland	1.09	0.23	0.32	0.36	3.08	0.55	1.39	0.75	2.57	10.34
Totaal	1,108.42	431.94	366.38	416.58	651.32	450.33	1,150.76	644.25	1,175.33	6,395.31