

# DANGEROUSLY DILUTED: CORRUPTION'S ROLE IN FUELING ARMS DIVERSION

TI-DS  
SPOTLIGHT

## UN Rev Con on SALW 2024

States have an important chance to strengthen efforts to curb arms diversion by recognizing the links between corruption and arms diversion and encouraging more international cooperation on corruption.

**The scandals that shook the world into action in 2001 to prevent the illicit trafficking of small arms and light weapons (SALW) were often fueled by corruption. Arms brokers bribing government officials to create fraudulent export or import documentation played key roles in these schemes to violate UN arms embargoes.<sup>1</sup> In other cases, military or police personnel illicitly sold state weapons to insurgent or criminal groups for personal profit.**

Despite corruption's key role in supporting arms diversion, there is no specific reference to mitigating corruption in the UN Programme of Action (PoA). Instead, states have focused on many technical and logistical issues, such as end-use certificates, aimed at combating arms trafficking. These important efforts, however, only address corruption risks indirectly and miss key ways corruption fuels arms diversion.

Corruption continues to be pervasive in arms diversion schemes. In a forthcoming study, Transparency International Defence and Security (TI-DS) has identified over 400 cases of corruption-fueled diversion around the world throughout a weapon's lifecycle, some with unique and dangerous consequences (see below for more details).<sup>2</sup>

Some multilateral force commanders and states have called for more direct action on corruption to mitigate arms diversion and conflict. In April 2014, the former commander of NATO International Security Force in Afghanistan reportedly said fighting the Taliban

<sup>1</sup> Small Arms Survey, "Crime, Conflict, Corruption: Global Illicit Small Arms Transfers," Chapter 5, Yearbook, June 2001, online at <https://www.smallarmssurvey.org/sites/default/files/resources/Small-Arms-Survey-2001-Chapter-05-EN.pdf>.

<sup>2</sup> Many of these cases came from a diversion dataset managed by the HALO Trust on behalf of the US Department of State with the consent of both parties. The HALO Trust's small arms and light weapons (SALW) diversion monitoring project collects reports of SALW diversion from open sources in dozens of countries going back to 2017. Many of these reports come from local or international news outlets, government releases, media outlets of armed groups, among other sources.



Photo Credit: IStock, Alfexe

is ‘an annoyance compared to the scope and the magnitude of corruption.’<sup>3</sup> Many African states have pushed for corruption to be addressed directly in their regional agreements to combat the illicit trafficking of SALW.<sup>4</sup>

Several states are increasingly implementing new policies and approaches to better assess and mitigate corruption risks in arms transfers and stockpile management. These laudable approaches, however, are still in their infant stages. There is also a lack of international coordination and cooperation on the ways in which corruption fuels arms diversion. **It’s time for states to elevate their efforts to assess and mitigate corruption’s role in arms diversion by strengthening national and international action and cooperation.**

### What is Corruption-Fueled Diversion?




The redirection or misappropriation of arms, ammunition, parts and components, and military equipment to an otherwise unauthorized or prohibited end-user or end-use resulting from the intentional abuse of entrusted power for private gain. Cases must involve state actors, such as government officials, uniformed personnel, state-sponsored militias, politicians, or employees of state companies. They must involve such actors intentionally engaging in corruption (rather than diversion). This definition can include corruption-fueled arms transfers in which the arms are subsequently diverted.



Illegal seized weapons. Photo Credit: Shutterstock, Spenz

## TYPES OF CORRUPTION-FUELED DIVERSION

There are dozens of ways in which corruption can lead or contribute to arms diversion from the dataset of over 400 cases. Categorizing cases by the lifecycle of a weapon (from production to disposal), most cases involved diversion occurring during the active use or storage stage, though a significant amount occurred during transfer and disposal stages as well. The most common types of corruption are embezzlement and bribery with fewer, but still many, cases involving abuse of authority and undue influence.

-  **Embezzlement:** the theft of state-owned weapons and the reselling or renting of these arms for personal benefit;
-  **Bribery:** the offering, promising, giving, accepting, or soliciting of an advantage as an inducement for an action which is illegal, unethical, or a breach of trust;
-  **Abuse of authority:** the misuse of a state official's position for private gain, such as officials doctoring or manipulating stockpile databases to conceal diversion; and
-  **Undue influence:** the exertion of private influence on state officials in order to receive a favorable outcome for the influencer that is counter to the public good.

### CASE STUDY:

In 2019, a fire broke out among poorly ventilated and overcrowded warehouses at an arms depot, causing the detonation of tons of explosives and rounds of ammunition. The incident resulted in several deaths, scores of injuries, and the evacuation of tens of thousands of residents. A subsequent trial revealed that despite a US\$1.6 million allocation to improve storage conditions, military officers and their associates embezzled the funds through fraudulent subcontracting. A former deputy defense minister claimed in 2021 that corruption was responsible for this blast and alleged that poor storage conditions helped senior defense officials obscure illicit sales of excess munitions, including Grad, Uragan, and Smerch artillery rockets. These blasts and sales also likely impacted the country’s military readiness for any national threats.

3 Colby Goodman and Christina Arabia, “Corruption in the Defense Sector: identifying Key Risks to US Counterterrorism Aid,” Security Assistance Monitor, September 2018, online at <https://securityassistance.org/publications/corruption-in-the-defense-sector-identifying-key-risks-to-u-s-counterterrorism-aid/>.

4 Paul Holtom and Benjamin Jongleux, “Preventing Diversion: Comparing ATT and African Measures for Importing States,” Small Arms Survey, August 2019, online at <https://www.smallarmssurvey.org/resource/preventing-diversion-comparing-att-and-african-measures-importing-states>.

5 This definition builds off of TI’s definitions and concepts presented by organizations such as the United Nations Institute for Disarmament Research, Conflict Armament Research, the Stimson Center, and the US Department of Commerce’s Bureau of Industry and Security.

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## SELECTED QUOTES

“ An independent police oversight authority found in 2018 that ‘manipulation of arms and ammunition registers’ is one of several ways in which ‘[some police] officers to cover-up crimes’ take place. In response, one of the police officers reportedly told a global research organization focused on organized crime: ‘we know this happens, but what can we do? Nothing.’ ‘The [shooting] range officer has the power to decide your future in the force, so you cannot incriminate them.’

“ ‘They wanted to give me two warehouses, when the rule establishes that there can only be one per warehouseman. I refused and warned the corporal that I was going to count each cartridge and each rifle before signing the receipt. And so I did, even though I found a mess that made it easy to lose control. Weapons lying on the floor, dismantled, with serial numbers erased, grenades mixed up with mortars, boxes of ammunition mixed up. Absolute chaos...130 grenades, 22 rifles and almost 90,000 cartridges were missing. It was too much lost material...,’ according to a military official’s account in a magazine.



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## RECOMMENDATIONS

The pervasive, complex, and serious aspects of corruption-fueled arms diversion demand more direct national and international action. States have a unique opportunity during the UN PoA Review Conference 2024 to fill critical gaps in global efforts to more effectively combat arms diversion. Building on national, regional, and international efforts to assess and mitigate corruption-fueled diversion, including the UN Arms Trade Treaty (ATT), states should consider strengthening the Zero Draft Outcome Document in the following ways:



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## INSTITUTIONAL RISKS

State officials who engage in the above types of corruption often exploit weaknesses within defense and security institutions to support arms diversion. Poor stockpile management and weak enforcement of bribery are the most identifiably consistent institutional risks among the 400 cases. Systemic corruption within defense and security personnel management can even incentivize officials to engage in corruption-fueled arms diversion. Understanding the institutional risks that contribute to corruption-fueled diversion can help identify unique diversion risk indicators and mitigation strategies that might otherwise be ignored.

**Weak monitoring and enforcement on bribery:** Officials have taken advantage of gaps in monitoring and enforcement of laws, regulations, or standards on bribery and similar forms of corruption to get away with illicit arms trafficking.

**Poor stockpile management:** Integrity and technical weaknesses in arms stockpile management provided opportunities for state officials to abuse their authority. Some of these risks included outdated or poor recordkeeping practices, poor vetting of security guards, and infrequent inventory checks.

**Unfair military or police promotions, salaries, and posts:** Military or police officials have claimed that widespread corruption within such personnel issues are a key motivator for them to sell their weapons or ammunition to obtain adequate wages.

**Unmonitored private guards and militias:** Local politicians sometimes take advantage of loose standards in arming private guards and militias. This has resulted in such actors targeting political rivals or diverting arms to bandits and criminals.

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### 1. Recognize corruption as a key enabler of the illicit trade and diversion of SALW and a negative impact of such illicit trade:

States should focus on the links between corruption and arms diversion by calling attention to these links in the final outcome document. At a minimum, this could include references to the UN Convention Against Corruption (UNCAC) and the United Nations Convention Against Transnational Organized Crime (UNTOC) as well as include language highlighting the direct links between corruption and arms diversion. It is also important to recognize that the illicit SALW trade can fuel corruption, such as when brokers bribe public officials.



## 2. Call for greater national action to assess and mitigate corruption's influence on arms diversion:

States should encourage greater national investigation and action to mitigate corruption's harmful role in the diversion of arms throughout a weapon's lifecycle by recognizing that combating corruption is an essential element to preventing arms diversion. Some states have already included corruption as one of the key items they should assess before approving an arms export.<sup>6</sup> Similarly, there are examples of states taking greater action to prevent corruption's role in diverting arms from military and police storage facilities. These actions could be strengthened by more countries including corruption into their national plan to combat illicit SALW trafficking.

## 3. Enhance national and international cooperation and coordination on understanding and mitigating corruption risks in the illicit SALW trade:

States should consider adopting language like the UN ATT about sharing information on corruption to "better comprehend and prevent the diversion" of arms in the final outcome document.<sup>7</sup> This ATT language has already encouraged the sharing of information on how corruption can lead to the diversion of arms. There is an urgent need for more study, examination, and discussion among the international community on the ways to identify and mitigate corruption risks and support effective national measures to reduce corruption.

<sup>6</sup> The White House, "Memorandum on United States Conventional Arms Transfer Policy," National Security Memorandum NSM-18, February 23, 2023, online at <https://www.whitehouse.gov/briefing-room/presidential-actions/2023/02/23/memorandum-on-united-states-conventional-arms-transfer-policy/>.

<sup>7</sup> United Nations, The Arms Trade Treaty, Section 11.5, April 2, 2013, online at <https://front.un-arm.org/wp-content/uploads/2013/06/English7.pdf>.



## Find out more

[Transparency International Defence and Security](#) is part of the global Transparency International movement. We are dedicated to tackling corruption and strengthening transparency and accountability in the defense and security sector worldwide.

The [Government Defence Integrity Index \(GDI\)](#) is an assessment of corruption risks in government defense institutions. It provides a tool for national governments to assess how they can strengthen the resilience of their defense institutions against the risk of corruption.

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