

UNDER THE RADAR: CORRUPTION'S ROLE IN FUELING ARMS DIVERSION

By Michael Picard and Colby Goodman



Transparency International (TI) is the world's leading non-governmental anti-corruption organisation, addressing corruption and corruption risk in its many forms through a network of more than 100 national chapters worldwide.

Transparency International Defence and Security (TI-DS) works to reduce corruption in defence and security sectors worldwide.

Transparency International US (TI US) focuses on stemming the harms caused by illicit finance, strengthening political integrity, and promoting a positive US role in global anti-corruption initiatives. Through a combination of research, advocacy, and policy, we engage with stakeholders to increase public understanding of corruption and hold institutions and individuals accountable.

Authors: Michael Picard and Colby Goodman

Reviewers: Michael Ofori-Mensah, Sara Bandali, Gary Kalman, and Ara Marcen

Copyeditor: Catherine Plywaczewski, Annalise Burkhart

Design: Colin Foo

With thanks to Nancy Muigei, Patrick Mutahi, and civil society collaborators in the Philippines for their help with case studies. We would also like to thank several people who participated in one or more of our expert roundtables, including Charlie Linney, Jodi Vittori, Mike Lewis, John Lindsay-Poland, Mohamed Bennour, Olena Tregub, Paul Holtom, Rachel Stohl, Roy Isbister, Sam Perlo-Freeman, and Sarah Hartley. Critically, we would not have been able to conduct this study without access to *The Halo Trust's* diversion dataset with approval by the US Department of State's Bureau of Political Military Affairs.

© 2025 Transparency International. All rights reserved. Reproduction in whole or in parts is permitted, providing that full credit is given to Transparency International and provided that any such reproduction, in whole or in parts, is not sold or incorporated in works that are sold. Written permission must be sought from Transparency International if any such reproduction would adapt or modify the original content.

With special thanks to the Carnegie Corporation of New York for its generous support. The contents of this publication are the sole responsibility of Transparency International Defence and Security and Transparency International US and can in no way be taken to reflect the views of the Carnegie Corporation.

Published April 2025

Every effort has been made to verify the accuracy of the information contained in this report. All information was believed to be correct as of August 2024. Nevertheless, Transparency International cannot accept responsibility for the consequences of its use for other purposes or in other contexts.

Transparency International UK's registered charity number is 1112842

CONTENTS

Acronyms	5
Headline messages	6
1. Introduction	8
2. Definitions and Methodology	11
2.1 Definitions	11
2.2 Methodology	13
3. Typology of Corruption-Fueled Diversion	16
3.1 Production	16
3.2 International Transfers	17
3.3 Active Use and Storage	18
Case Study 1: ILLICIT ARMS AND AMMUNITION SALES BY KENYAN POLICE PERSONNEL	20
3.4 Disposal	22
4. Impacts of Corruption-Fueled Diversion	24
4.1 Weakened Stockpile Security	24
4.2 Erosion of Democracy and Political Rights	24
Case study 2: ARMS DIVERSION, POLITICALLY-BACKED MILITIAS, AND ELECTORAL VIOLENCE IN THE PHILIPPINES	26
4.3 Empowered Criminal Networks, Armed Groups, and Terrorist Organizations	28
4.4 Ineffective and Abusive Military and Police Forces	29
4.5 Increased Armed Violence and Conflict	30
5 Institutional Risks Enabling Corruption-Fueled Diversion	31
5.1 Illicit enrichment and influence checks and reporting	31
5.2 Corruption within Salary Payments and Career Advancement Systems	32
Case study 3: THAILAND'S RISKY GUN WELFARE PROGRAM	34
5.3 Inefficient Stockpile Management, Recordkeeping, and Disposal Processes	36
5.4 Poor Accountability for Corruption-Fueled Diversion	37

CONTENTS *continued*

6	Assessing Corruption-Fueled Diversion Risks	40
6.1	Institutional Resilience to Corruption-Fueled Diversion	40
6.2	Transfer-Specific Risks to Corruption-Fueled Diversion	43
6.3	Mitigating Factors for Corruption-Fueled Diversion Risks	44
7	Conclusion	45
8	Recommendations	47
8.1	Strengthen National Policies and Risk Assessments	47
8.2	Improve International Collaboration on Corruption in Arms Transfers	48
8.3	Support Research and Reforms to Curb Corruption-Fueled Arms Diversion	48

LIST OF FIGURES, TABLES, AND BOXES

Boxes

Box 1:	Diverse Consequences of Corruption in Arms Transfers	10
Box 2:	Bribery in Corruption-Fueled Diversion Cases	18
Box 3:	Questions to Identify Institutional Risks to Corruption-Fueled Diversion	41
Box 4:	Questions to Assess Corruption-Fueled Diversion Risks in Specific Transactions	43

Figures

Figure 1:	Map of Countries with Corruption-Fueled Diversion Cases	13
Figure 2:	Weapon's Lifecycle Stages and Substages	15
Figure 3:	Recipients of Bribes for All Lifecycle Stages	18
Figure 4:	Seniority of State Personnel Involved in Embezzlement Cases in Active Use	19
Figure 5:	Types of Weapons Associated with Corruption-Fueled Diversion Cases (selected)	28
Figure 6:	Whistleblower Laws and Protection	32
Figure 7:	Countries with Poor Enforcement of Bribery	39

Tables

Table 1:	Breakdown of Evidence Scores	14
----------	------------------------------	----

LIST OF ACRONYMS

ACLED	Armed Conflict Location & Event Data Project
ASJ	Association for a More Just Society
ATT	Arms Trade Treaty
CAR	Conflict Armament Research
CISLAC	Civil Society Legislative Advocacy Centre
DRC	Democratic Republic of the Congo
GDI	Government Defence Integrity Index
EU	European Union
IIAD	Income, Interests, and Assets Disclosure
LSE	London School of Economics
MOSAIC	Modular Small-arms-control Implementation Compendium
NATO	North Atlantic Treaty Organization
OCCRP	Organized Crime and Corruption Reporting Project
OSCE	Organization for Security and Co-operation in Europe
PoA	Program of Action
SALW	Small Arms and Light Weapons
TI	Transparency International
TI-DS	Transparency International Defence and Security
TI US	Transparency International US
RPG	Rocket Propelled Grenade
UN	United Nations
UNCAC	United Nations Convention Against Corruption
UNIDIR	United Nations Institute for Disarmament Research
UNTOC	United Nations Convention Against Transnational Organized Crime

KEY FINDINGS

- Corruption plays a key role in the diversion of arms and ammunition to criminal organizations and conflict zones. Whether it's arms brokers bribing state officials to create fraudulent export or import documentation or military or police personnel illicitly selling state weapons for personal profit, corruption has been a critical factor in many arms diversion incidents over the past 20 years.
- This corruption-fueled diversion, which we define as “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,” has contributed to some of the most stunning defeats of internationally supported militaries. Corruption-fueled diversion has also perpetuated violence and conflict, complicated economies, harmed vulnerable social groups, corroded political rights, and uprooted populations.
- These concerns are increasingly pushing states in North America, Europe, and beyond to strengthen efforts to assess corruption risks in arms exports to prevent arms diversion. However, many of these efforts are still in their infant stages. There is often a lack of clarity on the specific types of corruption that are most vulnerable to arms diversion, the typical state personnel involved in the corruption, and the related institutional gaps most at-risk for facilitating or failing to halt diversion.
- To help fill this gap, Transparency International Defence and Security (TI-DS) and Transparency International US (TI US) initiated a study last year to identify the key ways corruption enables or fuels the diversion of arms and ammunition throughout a weapon's lifecycle. With assistance from *The HALO Trust's* arms diversion dataset, we identified and reviewed over 400 cases of arms diversion involving allegations or convictions of corruption in 70 different countries around the world (see section 2.2 for more details on methodology). The large number of cases illustrate the breadth of the problem and provide a useful sample to study corruption-fueled diversion.
- The theft or embezzlement of state-owned weapons for private gain was by far the most common type of corruption-fueled diversion, with more than 350 different cases. In at least 53 of the 283 cases in the active use and storage lifecycle stage, mid and high-level officials directly participated in the embezzlement schemes, often involving large volumes of weapons. Cases involving high-level officials or grand corruption were also present in all other lifecycle stages. Private arms brokers, criminals, or smugglers allegedly used bribery in 37 of the corruption-fueled diversion cases from around the world. The active use and storage stage had the most corruption-fueled diversion cases followed by the disposal, international transfer, and production stages.
- Many of the corruption-fueled diversion cases resulted in devastating consequences for civilians. In more than 200 cases, military or security personnel reportedly colluded with illicit actors, such as drug traffickers, insurgents, or terrorists, in connection with arms diversion, which resulted in hundreds of deaths and injuries.
- Corruption-fueled diversion creates some unique and troubling side effects that are not well-known or fully appreciated. Military or police personnel can intentionally undermine stockpile security and increase the risk of explosions and fires at munitions sites to mask corruption-fueled diversion. They may “cause a crisis” to hide ammunition diversion or divert weapons to rebel groups to assist in illicit private businesses.



40mm barrel-launched grenades (Photo credit: Shutterstock, timeless art)

- Several key defense and security institutional factors are strongly connected to corruption-fueled diversion. One widespread institutional challenge is weak state systems requiring senior and high-risk defense and security personnel to submit periodic disclosure forms on their income, interests, and assets. Serious weaknesses in states' arms stockpile management, recordkeeping, or disposal procedures played an important role in at least 50 cases. Corruption within military and police personnel's salaries, selection of posts, and promotions is a clear motivator for some personnel to engage in corruption-fueled diversion, especially when there is weak oversight and accountability within these institutions. Cases studies on Kenya and Thailand police unpack some of these issues.
- TI-DS's Government Defence Integrity (GDI) index, which assesses the quality of institutional controls to manage the risk of corruption in defense institutions, provides additional insights on institutional gaps. The GDI covers 32 of the 70 countries with corruption-fueled diversion cases. In 16 of 32 countries, there is no legislation applicable to defense personnel that facilitates corruption reporting or no effective protections for whistleblowing. There were at least 10 cases where state officials were tipped off about corruption-fueled diversion by individuals inside or outside the government. In more than 70 percent of the 32 countries, states fail completely to investigate or discipline abuses even in the face of clear evidence, or their investigations are highly superficial and rarely result in disciplinary action.
- These discoveries provide new insights and reinforce previous calls on how to strengthen state arms export risk assessment questionnaires to prevent arms diversion. Some of the new key questions are focused on assessing the importing country's systems for the following: income, interests, and asset disclosure; arms disposal; and salaries, selection of posts, and promotions. The study reinforces previous risk assessment questions on stockpile security and recordkeeping, among others.
- States now have a much better picture of the problem of corruption-fueled diversion and a new opportunity to help mitigate its devastating impacts. They should work quickly to strengthen national risk assessments of proposed arms transfers to countries with high corruption risks. States should also strengthen current efforts to enhance collaboration in identifying and mitigating corruption-fueled diversion risks within multilateral fora. They can also help identify and mitigate risks by providing more support for research on related issues and funding for efforts to strengthen the integrity of defense and security institutions.

INTRODUCTION

Over the past decade and a half, corruption has played a critical role in some of the most troubling cases of arms diversion. In 2014, hundreds of Islamic State fighters overwhelmed a much larger Iraqi military force in Mosul in part because troops sold key parts and components of weapon systems on the black market for personal gain, complicating the Iraqi force's ability to repel Islamic State fighters.¹ During the war in Afghanistan, many US-backed Afghan military and police personnel reportedly sold weapons and ammunition to the Taliban. Some of these forces even fired huge volumes of ammunition at nothing, so they could sell the copper casings for extra income.² In response to these types of issues, Ret. Gen. John Allen, former commander of NATO International Security Force and US Forces in Afghanistan, reportedly told a US Senate subcommittee that “for too long we focused our attention solely on the Taliban as the existential threat to Afghanistan,” but “they are an annoyance compared to the scope and the magnitude of corruption.”³

Corruption has reportedly been behind arms diversion cases that fueled explosions and fires at munitions sites, corroded elections, elevated armed violence, and supported organized crime groups. In 2021, a former deputy defense minister in Kazakhstan alleged that military officials purposely kept weapons storage sites in poor conditions to hide illicit sales of surplus munitions.⁴ The poor conditions of the storage sites reportedly contributed to the detonation of hundreds of tons of explosives and over 1 billion rounds of ammunition as well as 160 injuries and the evacuation of 44,000 residents.⁵ In Nigeria's restive Zamfara State, local politicians allegedly distributed weapons to bandit groups in exchange for electoral support in 2011 and the years immediately after.⁶ In 2023, Paraguayan authorities arrested several senior defense officials for allegedly receiving bribes to allow the import of 43,000 weapons for criminal groups and others in Paraguay and Brazil.⁷

The above cases and many others like it have increasingly propelled some states to strengthen efforts to assess corruption risks in arms exports. The US government's Conventional Arms Transfer policy, which was updated in early 2023, states that it will consider the recipient country's commitment to “countering corruption in its defense acquisition system” and seek to “ensure that arms transfers do not fuel corruption....”⁸ More recently, the US Department of State in a memorandum to the US Department of Commerce said it should assess the “level of corruption in the destination country, including the extent to which corrupt officials in law enforcement agencies work with criminal organizations,” to prevent firearms exports from being “diverted or misused.”⁹ It, however, is unclear if these new approaches will be incorporated into the new US administration's policies. Similarly, the European Union (EU) recommended in 2015 that states assess whether corruption could influence the diversion of conventional arms in order to effectively implement the EU Common Position on Arms Exports.¹⁰

- 1 MacLachlan, Karolina, Dave Allen, Tobias Bock, Katherine Dixon, Rebecca Graves, Hilary Hurd & Leah Wawro. 2017. *The Fifth Column: Understanding the Relationship Between Corruption and Conflict*. London: Transparency International – Defence and Security. September 5, p. 26.
- 2 Harooni, Mirwais & James Mackenzie. 2016. 'Waste fears as Afghan soldiers cash in on spent ammo.' *Reuters*. July 20.
- 3 Riechmann, Deb. "US gen: Corruption is top threat in Afghanistan". The San Diego Union-Tribune. Apr. 29, 2014. <http://www.sandiegouniontribune.com/sdut-us-auditor-corruption-threatens-afghan-progress-2014apr29-story.html>
- 4 Severny, Vladimir. 2021. 'Генерал-майор Айткали Исенгулов: “Я знаю, кто виновен во взрывах на военных складах под Таразом.”' *Karavan*. September 17. Reuters. 2021. 'Blasts at Kazakh munitions depot kill 12, wound 98.' *Reuters*. August 27.
- 5 Satubaldina, Assel. 2020. 'Kazakh President Visits Arys One Year After Ammo Depot Accident.' *The Astana Times*. August 21; RFE/RL (Radio Free Europe/Radio Liberty). 2019. 'PACKAGE: Military Warehouse In Arys: Before And After The Explosion.' *Radio Free Europe/Radio Liberty*. June 27.
- 6 Rufai, Murtala Ahmed. 2021. 'I AM A BANDIT: A Decade of Research in Zamfara State Bandit's Den. Sokoto: Usmanu Danfodiyo University. September 9, p. 11. Isanotu, Idowu. 2024. 'Security Agents Supplying Arms To Terrorists, Bandits-NSA.' *Daily Trust*, October 18.
- 7 Associated Press. *Paraguay rounds up ex-military leaders in arms smuggling sting carried out with Brazil*. December 5; Ministerio Publico. 2023. *Dakovo: Prosecutors charged and requested prison for those arrested after mega-operation against international arms trafficking*. Republic of Paraguay. June 12.
- 8 United States Office of the Press Secretary, "Memorandum on United States Conventional Arms Transfer Policy". The White House. February 23, 2023.
- 9 Bonnie D. Jenkins. 2024. *Memorandum*. US Department of State. Under Secretary of State for Arms Control and International Security. April 8.
- 10 General Secretary of Council. 2015. *User's Guide to Council Common Position 2008/944/CFSP defining common rules governing the control of exports of military technology and equipment*. Council of European Union. July 20.



Ammunition and a stack of Euro bills (Photo Credit: Unsplash, Marek Studzinski)

States have recognized the key role corruption plays in arms diversion in global and regional agreements and treaties and have called for action to address corruption. In 2018, states recognized “that small arms and light weapons can be diverted to the illicit market through corruption” during the third UN Programme of Action review conference.¹¹ The final outcome document encourages states to use “relevant instruments that combat corruption...” to prevent and combat diversion. Prior to this document, states agreed to share information, including “on illicit activities and corruption,” with each other on “effective measures to address diversion” in the UN Arms Trade Treaty.¹² Some regional agreements in Africa have also called on states to cooperate to “curb corruption associated with the illicit manufacturing of, trafficking in, illicit possession and use of small arms and light weapons” (SALW).¹³

In connection with states’ efforts to implement the ATT, the UN Institute for Disarmament Research (UNIDIR), in partnership with the Stimson Center and Conflict Armament Research (CAR), has also encouraged states to review corruption risks in its list of risk assessment questions to prevent arms diversion.¹⁴ In particular, it encourages states to ask if the recipient government has laws that criminalize corruption and whether the government has a “system to assess the nature of any institutional risks of diversion such as corrupt practices, organized crime, and lack of parliamentary oversight of procurement...”¹⁵ It also calls on states to check whether individuals associated with a particular arms transfer have been accused or convicted of crimes related to corruption.

11 United Nations, “[Report of the Third United Nations Conference to Review Progress Made in the Implementation of the Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects](#),” Reaching Critical Will, July 2018.

12 UNIDIR (UN Institute of Disarmament Research), Conflict Armament Research & the Stimson Center. 2023. [Strengthening shared understanding on the impact of the Arms Trade Treaty \(ATT\) in addressing risks of diversion in arms transfers](#). Geneva: United Nations Institute of Disarmament Research. February, pp. 7-11

13 Stockholm International Peace Research Institute (SIPRI), [The Nairobi Protocol for the Prevention, Control and Reduction of Small Arms and Light Weapons in the Great Lakes Region and the Horn of Africa](#), Article 17, pp. 12, 2004. Paul Holtom and Benjamin Jongleux, “[Preventing Diversion: Comparing ATT and African Measures for Importing States](#),” Small Arms Survey, August 2019.

14 UNIDIR, Conflict Armament Research, and the Stimson Center. 2023. pp. 5.

15 Ibid.

Box 1 Diverse Consequences of Corruption in Arms Transfers

Corruption within defense and security institutional entities that buy and sell weapons has a much broader set of negative consequences for states exporting and importing arms than just the diversion of arms. The below points highlight some of the more common consequences or impacts of such corruption:

- Purchases of inappropriate or faulty weapons, thus rendering states incapable to respond to critical security threats;
- Spending vast amounts of financial resources for defense purchases that would be better spent on social needs;
- Capture of certain government agencies by certain officials or groups for their private benefit; and,
- Compromising diplomatic and security relationships with partner countries.

These above initiatives to integrate corruption in arms transfer risk assessments are an important step in strengthening a vital risk assessment component to help prevent arms diversion (and other negative impacts, see box 1). However, many of these efforts are still in their infant stages. There is often a lack of clarity on which types of corrupt practices are most commonly used to facilitate diversion, the typical state personnel involved in the corruption, and the related institutional gaps most at risk for failing to halt or incentivizing diversion. These details are critical to developing a better picture of how corruption could fuel arms diversion and to help prevent it. To help fill this gap, Transparency International Defence and Security (TI-DS) and Transparency International US (TI-US) initiated a study last year to identify the key ways corruption enables or fuels the diversion of arms and ammunition from authorized end-users to unauthorized end-users during the various stages of a weapon's lifecycle. We also sought to identify institutional factors within the national defense and security sectors that could increase the risk of arms being diverted due to corruption.

The below report seeks to answer these critical questions. It is divided into five core chapters. The second chapter highlights some of the key definitions and methodologies used in this study. The third chapter covers the common types of corruption found in cases of arms diversion throughout the different stages of the weapons lifecycle. The fourth chapter describes some of the unique and exacerbating impacts of corruption-fueled arms diversion. The fifth chapter examines the institutional factors that drive or contribute to corruption-fueled diversion, and the sixth chapter offers risk assessment questions to help states identify diversion risks. The report finishes with a conclusion and recommendations primarily for states engaged in arms exports. These recommendations and the report in general are likely insightful for importing states as well.

2.0 DEFINITIONS AND METHODOLOGY

Corruption-fueled diversion is a uniquely dangerous yet under-examined form of arms diversion. It often occurs through complex transactions involving diverse actors at various levels. It involves two illicit activities (corruption and diversion), which can be politically volatile and occur under secretive conditions. Reports can also be politicized allegations. Therefore, understanding corruption-fueled diversion requires a broad and flexible definition, a diverse set of sources with a mechanism for screening out weak claims, and a standard language for describing the circumstances of each case. It also requires a robust methodology to properly identify the key types of corruption-fueled diversion and institutional risk factors that contribute to such corruption.

2.1 Definitions

TI defines corruption-fueled diversion as **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.**¹⁶ In order to fit in this definition, cases must involve state actors, such as government officials, uniformed personnel, state-sponsored militias, politicians, or employees of state companies (hereby referred to as 'state personnel' unless specified differently). Additionally, these actors must be proven to have intentionally engaged in corruption (rather than just diversion). This definition can include corruption-fueled arms transfers in which the arms are subsequently diverted. Violations of international arms embargoes or retransfer clauses are considered diversion.

Corruption is broadly considered to entail the "abuse of entrusted power for private gain."¹⁷ This definition could include an official authorizing documents relating to arms production, transfers, or usage in violation of the norms or expectations of their official role in exchange for a bribe or private benefit. It could also include cases when state personnel use authorized weapons for unauthorized purposes, such as extortion, theft, or secondary employment.

TI's definition of corruption considers that corruption-fueled diversion can occur at different levels, impacting how it enables diversion. For example, low-level soldiers or police personnel selling state weapons or ammunition to civilians for extra income would qualify as petty corruption. Grand corruption involves high-level officials, such as a military department head over-procuring weapons so that some of the weapons can be supplied to unauthorized groups in exchange for favors. This type of corruption usually involves the theft of significant amounts of state money, resources, or a combination of both.¹⁸

Transparency International's definition of corruption considers that corruption-fueled diversion can occur at different levels, impacting how it enables diversion.

Kleptocracy is defined as the political capture of entire state institutions for personal or group enrichment by influencing official policies and procedures. In connection with arms diversion, this could entail changing export regulations to consistently benefit a small group of politically influential arms manufacturers who violate international arms embargoes. In some cases, state actors can even instrumentalize corruption to obtain political or strategic goals. For example, political or military leaders could arm units known to engage in extortion to fuel insecurity and then use this insecurity to encourage political support for hardline policies.

16 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.

17 [MacLachlan et al. 2017](#), p. 1

18 Transparency International (TI). N.d. [Grand Corruption](#). Berlin: Transparency International.

Corruption can take place through several modalities, many of which complement each other and can be part of the same transaction. The following categories and examples provide an overview of the key corruption types identified in the research. The definitions reference text from the United Nations Convention Against Corruption (UNCAC), toolkits from the United Nations Office of Drugs and Crime's (UNODC), and reports from TI.



Embezzlement: the “fraudulent taking of any property,” public or private funds, or any other thing of value by a state official, entrusted to the official by virtue of his or her position, for his or her benefit or for the benefit of another person or entity.¹⁹ It can occur regardless of whether the official keeps the property or transfers it to a third party.²⁰ For instance, a military or police official may steal state-owned weapons and illicitly sell or rent them for his or her private benefit, see subsection 3.3 for examples.



Bribery: the promising, offering, or giving to a public official of an undue advantage (usually an item of value), or the soliciting or accepting of an undue advantage by such an official, for the official or another person or entity in order that the official act or refrain from acting in the exercise of his or her official duties.²¹ This could include a state official authorizing an export or import document for an arms broker without due process or counter to existing laws and standards for cash, see Panama example in subsection 3.2.



Abuse of Authority: the performance of or failure to perform an act, in violation of laws, by a state official in the discharge of his or her functions for the purpose of obtaining an undue advantage for himself or herself or for another person or entity.²² This could involve security personnel using their status to purchase discounted weapons and resell them on the black market at a profit. It could also include officials doctoring or manipulating stockpile databases to conceal diversions, see total number of such cases in subsection 5.3.



Extortion: the wrongful use of actual or threatened force, violence, or fear by a state official to obtain property from another person that is not due to him or her.²³ For instance, military or security personnel use weapons to coercively solicit bribes, including sexual or illicit favors, from civilians at checkpoints to avoid harm from such state officials, see example from Iraq in subsection 3.3.



Favoritism, Nepotism, and Clientelism: the exercise of a state official's discretion to make official decisions that benefit or advance the interests of a family or certain groups of people, including by race, religion, geographical factors, political or other affiliation, as well as personal or organizational relationships, at the expense of people outside the family or one of these groups.²⁴ This could take the form of officials loosening export conditions for certain brokers based upon familial or political connections in a way that enables diversion. It could also include officials supplying arms to a preferred ethnic militia that use these arms for corrupt purposes, see example from Burkina Faso in subsection 4.5.



Undue Influence: the exertion of a more subtle form of corrupting, private influence on state officials, often through legal but secretive means, to encourage them to act or refrain from acting in the exercise of their official duties for an inappropriate private advantage at the expense of public interests.²⁵ For instance, an arms broker may provide financial contributions to a public official's electoral campaign with the expectation that the official will help him or her be removed from a list of dealers prohibited from exporting arms, see example from Serbia in subsection 5.4.

There are several forms of diversion that fall outside of this definition. Incidents that involve armed groups capturing state weapons by force (battlefield capture), individuals looting weapons from military sites or battlefields (looting), and criminals stealing weapons from state actors either by force or subterfuge (theft) are generally not considered corruption and outside the scope of this analysis, unless there is a clear and significant corrupt motivation or transaction at play. Similarly, the loss of weapons by state personnel by accident or negligence (loss), a government supplying weapons to an armed group out of a perceived national security interest (state-sponsored diversion), or a state authorizing an export that is later diverted to unauthorized end-users based on fraudulent or incomplete information (questionable transfer) are not considered corrupt acts.

19 United Nations Office on Drugs and Crime. 2004. [United Nations Convention Against Corruption](#) (UNCAC). Article 17. pp.18.

20 Legal Information Institute. 2022. [Embezzlement](#). Cornell Law School. October.

21 United Nations Office on Drugs and Crime. 2004. [United Nations Convention Against Corruption](#) (UNCAC). Article 15. pp. 17.

22 United Nations Office on Drugs and Crime. 2004. [United Nations Convention Against Corruption](#) (UNCAC). Article 19. pp. 19.

23 United Nations Office on Drugs and Crime. 2018. [Extortion](#). April.

24 United Nations Office on Drugs and Crime. 2004. [What is Corruption? The Meaning of "Corruption" and a Survey of Its Most Common Forms](#). February.

25 Ibid. Transparency International. 2014. [Introduction to undue influence on decision-making](#). December.

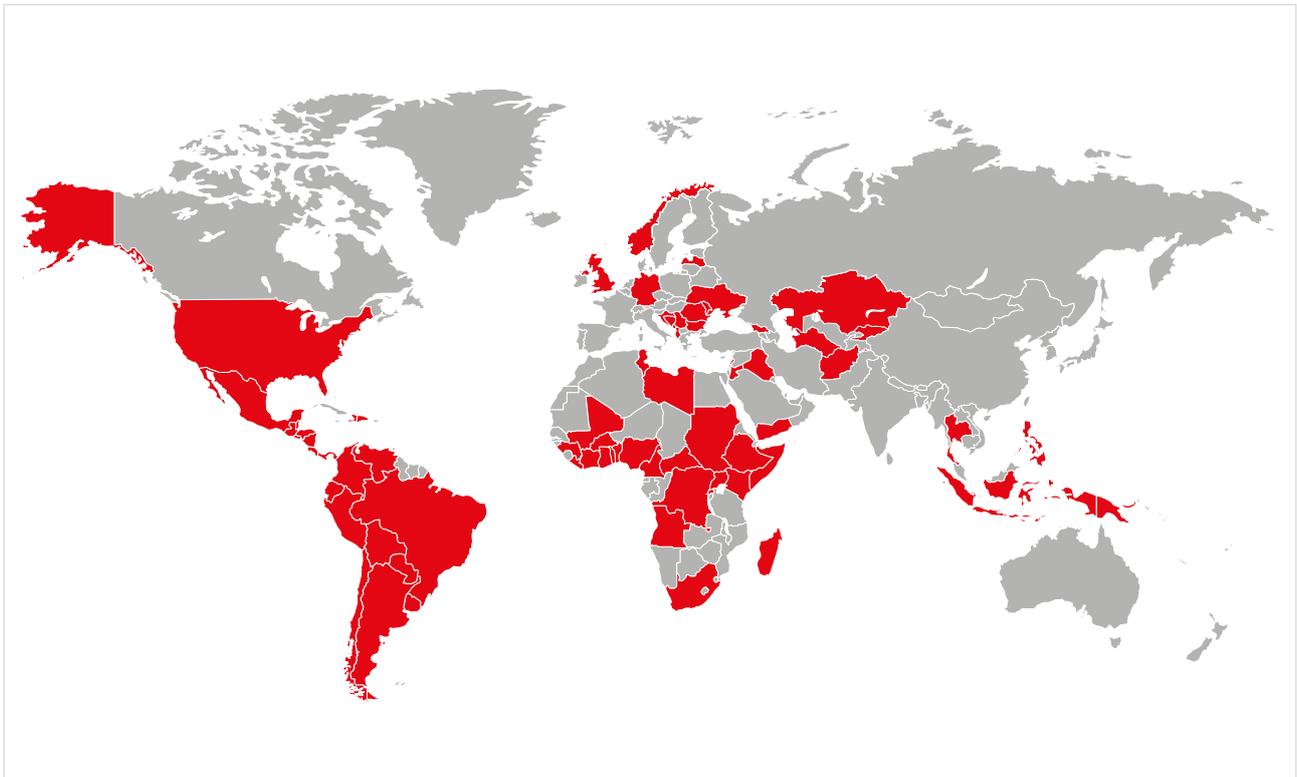
2.2 Methodology

The research for this report entailed the use of primarily qualitative methods, relying on simplified analysis and process tracing. Based on the above definitions and parameters, TI gathered over 400 corruption-fueled diversion cases from 70 countries (see Figure 1 for the countries) to identify the types of corruption that are most vulnerable to arms diversion as well as the lifecycle stages most at-risk of corruption contributing to diversion. The majority of these cases come from a diversion dataset managed by *The HALO Trust* on behalf of the US Department of State with the consent of both parties.²⁶ It should be noted that certain regions (such as Latin America and Sub-Saharan Africa) have more representation than others (such as East Asia, Oceania, the Middle East, and North Africa) in *The Halo Trust* dataset. TI also expanded this dataset by including reports of suspected UN arms embargo violations due to corruption as documented by UN expert panels and examining reports of corruption-fueled arms

diversion from research and advocacy organizations and investigative news entities. The overwhelming majority of cases were from 2017 to 2024; although, we included some cases before this date range to illustrate key aspects of corruption-fueled diversion. Some cases involved multiple instances of corruption and diversion.

We assessed each case for the quality of evidence presented to ensure that frivolous, politicized, or unfounded claims of corruption-fueled diversion did not skew the analysis. Each case was given a score between 1 (poor evidence) and 4 (strong evidence), see below table for full breakdown of scores. The average evidence score of the entire dataset was 3.02. All cases assessed to be 1s as well as most 2s were removed from the analysis. A few cases assessed to be 2s were included in the analysis as they are from a reputable source, such as a senior police official. We also invested a significant amount of time to identify the status of any prosecutions identified in this report as well as any responses from the individuals allegedly involved in a crime. However, in many cases this information was not publicly available.

Figure 1. Map of Countries with Corruption-Fueled Diversion Cases



²⁶ 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.

Table 1. Breakdown of Evidence Scores

Breakdown of evidence scores	
4	Evidence of a corruption-related act is presented and accepted in a court of law or by an official body. This would include convictions, some arrests (where judicial processes are ineffective or opaque), official disclosures, or panel of expert findings.
3	A highly knowledgeable or credible source alleges a specific act of corruption with substantiating evidence. This includes investigative media reports, findings by expert organizations, or whistleblower accounts.
2	A knowledgeable or credible source alleges a general act of corruption citing general evidence. This could include acknowledgements by senior officials that personnel are illicitly selling arms or ammunition.
1	A party with no direct knowledge or with an overt political agenda alleges a vague or sensational act of corruption, citing weak evidence or no evidence at all.

It should be noted that these scores required some flexibility in interpretation as each context is unique.

Each case was categorized by the point in a weapon's lifecycle in which the diversion occurred and the types of corruption that contributed to this diversion. Several organizations (e.g. Stimson Center, CAR, the UNIDIR, and the Small Arms Survey) have developed detailed weapons lifecycle and national stockpile models that allow for nuanced analysis.²⁷ Simplifying these models based on the types of information consistently found in the cases, we used a lifecycle model detailing four stages: production, international transfer, active use and storage, and disposal.²⁸ Each stage is broken down further into substages that provide additional insight into the circumstances in which the diversion occurred, see Figure 2 below for more detail on the substages.

We assessed each case for the quality of evidence presented to ensure that frivolous, politicized, or unfounded claims of corruption-fueled diversion did not skew the analysis. Each case was given a score between 1 (poor evidence) and 4 (strong evidence).

27 Malaret Baldo, Alfredo, Manuel Martinez Miralles, Erica Mumford & Natalie Briggs. 2021. *The Arms Trade Treaty: Diversion Risk Analysis Framework*. Geneva: UN Institute for Disarmament Affairs. August 31, p. 6; Carapic, Jovana, Eric Deschambault, Paul Holtom & Benjamin King. 2018. *A Practical Guide to Life-cycle Management of Ammunition*. Geneva: Small Arms Survey, Graduate Institute of International and Development Studies. April, p. 41; Bevan, James. 2008. *'Arsenals Adrift: Arms and Ammunition Diversion.'* *Small Arms Survey 2008: Risks and Resilience*. Geneva: Small Arms Survey, Graduate Institute of International and Development Studies. June 10, p. 48.

28 The 'transfer' stage refers to international transfers rather than domestic transfers. This is because international transfers involve a unique set of actors – such as licensing and customs officials, private brokers and agents, logistics companies, etc. – operating within specific legal and institutional circumstances. Furthermore, very few cases of diversion were observed to take place during domestic transfer, though this is not impossible. Some lifecycle models distinguish storage as its own lifecycle stage; this model has incorporated storage into 'active use' as 'central storage' because a) the cases rarely distinguish what level storage weapons were diverted from and b) depending on the weapon type, arms and ammunition can move fluidly between varying levels of storage and active use, further complicating analysis.

Figure 2. Weapon's Lifecycle Stages and Substages



Corruption-fueled arms diversion cases can easily move between the different stages and substages of the lifecycle. A lifecycle phase was assigned for each case based on the status and handling of the weapons involved. A complex case of corruption-fueled diversion could fall within multiple phases of the lifecycle. For example, if a private enterprise pays a bribe to a senior official to sell retired state weapons instead of destroying them, and then exports the weapons to a third country in violation of retransfer commitments, this will be counted both within the disposal and transfer phases of the lifecycle.

Based on the above information, we then sought to identify key institutional factors contributing to corruption-fueled diversion. We used TI-DS's identified categories of corruption risks within defense and security institutions as causal hypotheses. However, this was a challenging task as the sources of data did not consistently include relevant information on institutional gaps contributing to

corruption-fueled diversion. The lack of information made it difficult to identify the total number of cases where a specific institutional issue facilitated or complicated corruption-fueled diversion.

Many of the source articles, reports, and studies, however, did describe institutional weaknesses associated with a particular case of corruption-fueled diversion. We also conducted background research on defense and security institutions in 10 countries. In a few cases, there was also a description of the institutional strengths that helped identify corruption. Using the discovered institutional factors associated with corruption-fueled diversion, we identified other countries with corruption-fueled diversion cases that have or are experiencing similar institutional challenges by referencing TI-DS's 2020 GDI. This analysis helped us discover targeted risk assessment questions for states to better curb corruption-fueled diversion.

3.0 TYPOLOGY OF CORRUPTION-FUELED DIVERSION

From the dataset of over four hundred cases, TI identified dozens of ways in which corruption can lead or contribute to arms diversion. Most corruption-fueled diversion cases occurred during the active use and storage lifecycle stage. There was a significant number of cases in transfer and disposal stages as well. The most common type of corruption involved in arms diversion was embezzlement. Military and security personnel also allegedly used bribery, abuse of authority, and favoritism in many of the diversion cases. The below chapter includes many examples selected from the dataset for more detail on these trends. Some cases may involve multiple types of diversion across different lifecycle stages. For example, a report that a group of police officers illegally sold seized weapons and ammunition issued to their station on the black market would be categorized as occurring both in the active use and disposal stages of the lifecycle.

3.1 Production

There were 17 cases of corruption-fueled diversion that occurred in the production stage (industrial manufacture, assembly and disassembly, and reservicing and repair) of the lifecycle.²⁹ At least three cases involved grand corruption or senior-level government officials allegedly selling weapons illicitly for private gain. These cases were reported in countries such as Bulgaria, the Democratic Republic of the Congo (DRC), Ecuador, the Philippines, and Ukraine. Seven cases involved large volumes of arms, including combat vehicles, firearms, and assorted ammunition. Experts stated that low wages in at least two cases contributed to the diversion.³⁰

More than half of the identified cases (10) took place during the industrial manufacture process in which the personnel of an authorized manufacturer illicitly sold parts, components, or finished products for their personal profit.³¹ A significant number of cases (7) took place during reservicing and repair in which personnel sold parts and

components of defense materiel. Only one incident took place during assembly/disassembly.

Most of the cases in arms production involved state personnel directly selling output, parts, and components to unauthorized end-users. In five cases, this included large diversion schemes with senior officials. A 2012 UN Group of Experts report on the DRC documented an alleged illicit pipeline of 12-gauge shotgun ammunition from a state-owned factory in the Republic of Congo (which neighbors the DRC) to the DRC's war-torn North Kivu province.³² The state-owned factory claimed they did not sell ammunition to any clients in the DRC.³³ The UN Group alleged that family members and close associates of a DRC armed forces general controlled the trade and distributed it to black market clients in North Kivu. The distribution network allegedly shipped the ammunition via a civilian air freight company using military airports and without paying taxes. The Group documented the ammunition in use among poachers and local militias, including those fighting government troops.³⁴ Military personnel close to the general said he 'categorically rejects' any 'allegations of betrayal,' according to an account from *Reuters*.³⁵ The general was suspended in 2012 following the allegations, but he was later cleared of charges by the DRC Higher Defense Council commission for "lack of evidence."³⁶ The general was then reinstated with a regional command.³⁷

State personnel with relatively lower seniority can equally be involved in impactful arms diversion cases. In 2018, Ukrainian authorities arrested a former employee of a military institute who had allegedly established an illegal weapons workshop using parts stolen from the institute's stocks.³⁸ The suspect allegedly repaired and converted firearms, including automatic weapons, for black market clients. Police seized assault rifles, pistols, grenades, ammunition, and a broad array of weapons parts and components. In Bulgaria, a former police official told a national broadcaster that towns with state-owned arms factories were once a prominent source of weapons for organized crime and that factory

29 Based on a review of data from The HALO Trust's small arms and light weapons (SALW) diversion monitoring project, see methodology section above.

30 Mistler-Ferguson, Scott. 2022. 'Corruption Puts Military Ammunition into the Hands of Paraguay's Criminals.' *InSight Crime*. September 22; Dajic, Mirza. 2019. 'Vitez sav leži na tempiranoj bombi.' *Oslobodjenje*. November 4.

31 Based on a review of data from The HALO Trust's small arms and light weapons (SALW) diversion monitoring project, see methodology section above.

32 UNSC (United Nations Security Council). 2012. *Letter dated 12 November 2012 from the Chair of the Security Council Committee established pursuant to resolution 1533 (2004) concerning the Democratic Republic of the Congo addressed to the President of the Security Council, S/2012/843*. New York: United Nations. November 15, pp. 35-36.

33 Ibid.

34 Ibid., pp. 35-36.

35 Hogg, Johnny & Ed Stoddard. 2012. 'Congo army debacle at Goma raises specter of betrayal,' *Reuters*. December 10.

36 HRW (Human Rights Watch). 2016. *DR Congo: Profiles of Individuals Sanctioned by the EU and US*. New York: Human Rights Watch. December 16; BBC. 2012. 'DR Congo army chief Gabriel Amisi suspended.' *BBC*. November 23; Radio Okapi. 2014. 'RDC : la Monusco « prend note » de la réhabilitation du général Gabriel Amisi.' *Radio Okapi*. August 6.

37 AFP (Associated Free Press). 2018. 'DR Congo's Kabila promotes blacklisted generals in army shake-up.' *France24*. July 15.

38 National Police of Ukraine (NPU). 2018. 'У Києві поліцейські затримали підпільного зброяра.' *Новини*. Kyiv: National Police of Ukraine. August 22.

employees often ran illegal workshops as side businesses.³⁹ Though these factories have since been privatized, the practice seems to continue: in 2019, police arrested an alleged arms trafficking and poaching network that included a low-level employee of a major arms manufacturer who smuggled out parts and components to build and convert firearms for sale on the black market.⁴⁰ The authorities seized submachine guns, rifles, and pistols during the operation.⁴¹

3.2 International Transfers

TI identified 61 cases taking place during the transfer stage (brokering, export, transit, and import) in several countries, among them Albania, Belgium, Bosnia and Herzegovina, Djibouti, Ecuador, Jordan, Kazakhstan, Kenya, Mexico, Nigeria, Panama, Paraguay, the Philippines, Serbia, and Yemen.⁴² Of these cases, 58 involved alleged corrupt practices during the export or import process, while only five involved such practices during transit/transshipment.

In at least ten cases, high-level defense officials received bribes, favors, or kickbacks to abuse their positions and authorize large arms transfers to illicit end-users, including sanctioned armed groups or illicit civilian markets. In one case from last year, Paraguayan authorities arrested several senior officials, mostly from the Defense Ministry's arms importing agency, for allegedly receiving bribes from an auto parts company to allow the import of weapons that were then trafficked to criminal groups in Paraguay and Brazil.⁴³ The head of the auto parts company and his wife say they are innocent of the accusations.⁴⁴ Over three years, the company and its trafficking network allegedly imported 43,000 weapons from Croatia, the Czech Republic, Slovenia, and Turkey.⁴⁵ The auto company was then allegedly selling the guns to Brazilian criminal groups

through intermediaries until authorities traced several seized weapons, which did not have their serial numbers erased, back to the company.⁴⁶

Separately, Costa Rican authorities arrested a fugitive British arms trafficker in 2023 for illegally importing 66 US and Israeli weapons into Panama at a time when weapons imports were banned.⁴⁷ The fugitive reportedly colluded with Panamanian officials – including the then-director of the Public Security Directorate – to acquire falsified import documents and bypass customs checks.⁴⁸ People within the Directorate, which are in charge of granting permits for firearms imports and civilian ownership, also allegedly solicited bribes through intermediaries to expedite the approval process to obtain firearm permits.⁴⁹

In a few cases, state personnel or politicians appeared to play proactive roles in international trafficking schemes by abusing their authority in order to facilitate an illicit transfer. In a related case from 2023, a Jordanian court charged a lawmaker for using his diplomatic passport to smuggle arms and other contraband goods into the Occupied Palestinian Territories for illicit sale. The politician was transporting over 200 pistols when he was arrested by Israeli authorities, who alleged he had conducted over a dozen smuggling runs between 2022 and April 2023.⁵⁰

Many of these cases involved situations where individuals connected to organized crime or armed groups penetrated and influenced defense and security institutions. The Paraguay example above shows how criminal groups benefit from such influence. Separately, UN experts reported in 2018 that the Yemeni Ministry of Defence issued authorizing documents for weapons imports that totaled hundreds of thousands of SALW and millions of rounds of ammunition.⁵¹ The documents were addressed to export authorities in Slovakia, Philippines, Serbia, Iran, Bulgaria, and China,

39 Bulgarian National Radio. 2018. 'Колко е трудно да си купиш незаконно оръжие у нас.' *Bulgarian National Radio*. September 3.

40 Neshchev, Stoyan. 2019. 'Шестима обвинени за незаконни оръжия в Казанлък, хванати по време на сделка (Снимки + видео).' *24 Chasa*. April 1.

41 bTV. 2019. 'България Служител на „Арсенал“ е задържан при специалната в Казанлъшко.' *bTV*. April 1.

42 Based on a review of data from The HALO Trust's small arms and light weapons (SALW) diversion monitoring project, see methodology section above.

43 Associated Press. *Paraguay rounds up ex-military leaders in arms smuggling sting carried out with Brazil*. December 5; Ministerio Público. 2023. *Dakovo: Prosecutors charged and requested prison for those arrested after mega-operation against international arms trafficking*. Republic of Paraguay. June 12. UltimaHora. 2023b. 'Cae esquema de IAS, que proveyó unas 17.000 armas desaparecidas.' *UltimaHora*. December 6. UltimaHora. 2023b. 'Cae esquema de IAS, que proveyó unas 17.000 armas desaparecidas.' *UltimaHora*. December 6.

44 UltimaHora. 2013. *Diego Dirisio, the main target of Operation Dakovo, spoke and defended himself from hiding*. December 27; UltimaHora. 2024. *Diego Dirisio and his wife Julieta Nardi are arrested in Argentina*. February 2.

45 UltimaHora. 2023b. 'Cae esquema de IAS, que proveyó unas 17.000 armas desaparecidas.' *UltimaHora*. December 6.

46 Beatriz Vincent Fernandez. 2024. *Arms Trafficking Case Puts Europe-Paraguay Pipeline on the Map*. Insight Crime. January 11; Reuters. 2023. *Paraguay, Brazil launch big crackdown on arms trafficking*. December 6; Secretaria Nacional Antidrogas. 2023. *Operation "Dakovo"*. Republic of Paraguay. December 5.

47 Solano, Hugo. 2023. *Policía detuvo en Abangares a extranjero involucrado en escándalo de tráfico de armas en Panamá*. *La Nación*. November 23; Herrera, Zaida & Grisel Bethancourt. 2020. 'El expediente secreto del escándalo por armas en Panamá.' *La Prensa*. April 14. A more easily accessible website for the La Prensa article is at <https://www.connectas.org/el-expediente-secreto-del-escandalo-por-armas-en-panama/>.

48 Zaida & Bethancourt 2020; Panama America. 2021. 'Exdirector de la Diasp Ovidio Fuentes a juicio por escándalo de armas.' *Panama America*. March 1.

49 Ibid.

50 The accused politician's trial was set for September 26, 2023. No update on its status was identified. Associated Press. 2023. 'Jordanian lawmaker is charged with smuggling guns into occupied West Bank.' *Associated Press*. May 17; Goldenberg, Tia. 2023. 'Israel releases Jordan lawmaker said to have smuggled guns.' *Associated Press*. May 7. Oweis, Khaled Yacoub. 2023. 'Jordanian MP charged with smuggling guns into West Bank to face trial next week.' *The National*. September 20.

51 UNSC. 2018. *Letter dated 26 January 2018 from the Panel of Experts on Yemen mandated by Security Council resolution 2342 (2017) addressed to the President of the Security Council*. S/2018/594. New York: United Nations. January 26, pp. 36, 175-184.

and claimed the weapons would be used exclusively by Yemen's armed forces. The documents authorized the son of a sanctioned arms trafficker and political official affiliated with Houthi rebels to import the weapons. The panel assessed that the requested weapons exceeded the needs of Houthi-aligned forces, which had recently captured a large portion of the country's stockpile, and that the import documents likely would have been used for the trafficker's "regional arms business" and his personal financial benefit.⁵² According to the UN report, officials from China, Slovakia, the Philippines, and Bulgaria denied ever receiving the documents addressed to them.

In a likely under-representation of the magnitude of the problem, there were 14 cases of police, customs, or border personnel suspected of colluding or did collude with smugglers, criminals, or terrorist organizations to illicitly acquire or move weapons across borders for bribes. A Nigerian newspaper alleged in 2021 that smugglers

can "book" routes with customs officials in Benin and Nigeria, sometimes with a bribe, to move weapons and other goods across the border.⁵³ A 2018 UN report found that Al-Shabaab militants involved in a failed vehicle-borne bombing attack had paid bribes to Somali and Kenyan border personnel for as low as US\$20 per person to allow passage of a vehicle that included rifles.⁵⁴

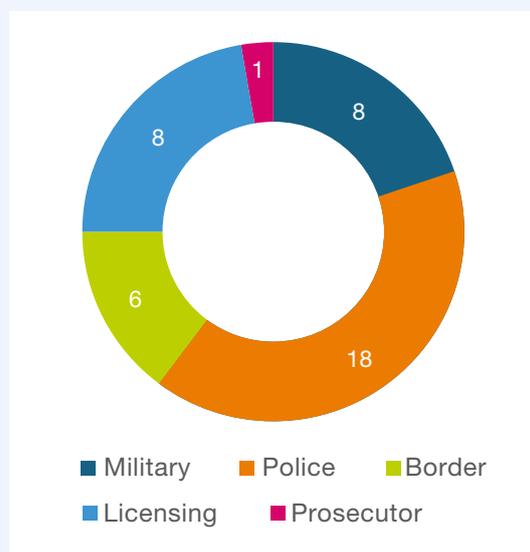
3.3 Active Use and Storage

The active use and storage lifecycle stage, which includes government and civilian use of arms and various stages of storage, is the most widely documented lifecycle stage in which corruption-fueled diversion occurred. TI identified 318 cases in this stage, such as in Brazil, Burkina Faso, Cameroon, Colombia, DRC, Haiti, Indonesia, Iraq, Libya, Kenya, Nigeria, South Africa, Thailand, and Ukraine, among other countries.⁵⁵

Box 2 Bribery in Corruption-Fueled Diversion Cases

Private arms brokers, criminals, or smugglers allegedly used bribery in 37 of the corruption-fueled diversion cases from around the world.⁵⁶ These bribery schemes were employed most often for the diversion of weapons across international borders or to illicitly purchase firearms domestically. The schemes were present in efforts to hide the theft of weapons from stockpiles or to hinder prosecutions related to arms diversion.⁵⁷ The value of the bribes ranged from under US\$2,000 to over US\$200,000 depending on the nature of the arms deal.⁵⁸ Police personnel were the most common recipients of these bribes followed by officials from the military or offices that approved licenses for the import or export of arms or for the domestic purchase of firearms, see Figure 3 for more information. Sometimes police and military officials doubled as licensing or border officials.

Figure 3: Recipients of Bribes for All Lifecycle Stages (37 Total)



*Note: There is a larger number of personnel than cases in the above chart as sometimes police and military officials doubled as licensing or border officials.

52 Ibid.

53 Tajude, Suleiman. 2021. 'INVESTIGATION: Banditry In Nigeria: How Security Agencies Aid Illegal Arms Supply (Part 2).' *The Whistler*. March 10.

54 UNSC. 2018. *Letter dated 7 November 2018 from the Chair of the Security Council Committee pursuant to resolutions 751 (1992) and 1907 (2009) concerning Somalia and Eritrea addressed to the President of the Security Council. S/2018/1002*. New York: United Nations. November 9, pp. 87.

55 Based on a review of data from The HALO Trust's small arms and light weapons (SALW) diversion monitoring project, see methodology section above.

56 Based on a review of data from the HALO Trust's small arms and light weapons (SALW) diversion monitoring project, see methodology section above.

57 See Colombia case in Section 4.1 and Ukrainian case in Section 3.4.

58 See Norwegian case in Section 3.4.

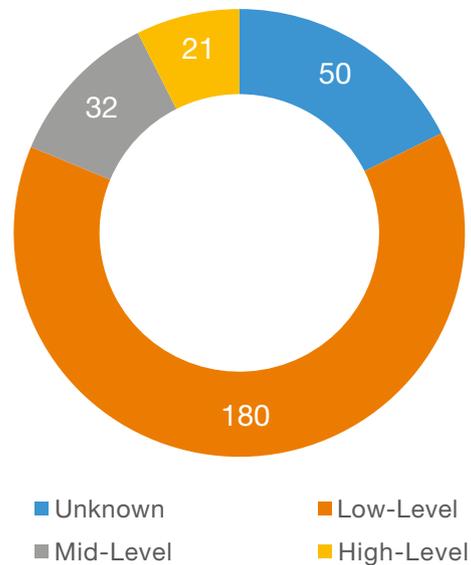
Three hundred cases involved weapons diverted from state armories, typically through illicit theft and direct sale or illicit stockpiling by government personnel. Most of these embezzlement cases involved petty corruption or low-level military or police personnel, see Figure 4 for more details. However, in at least 53 cases, mid and high-level officials directly participated in the embezzlement schemes, often involving large volumes of weapons. In at least 45 cases, soldiers or police have been accused of selling their issued weapons for personal benefits, such as cash, sex, livestock, drugs, or alcohol.⁵⁹

In a significant case in Colombia, a network of soldiers allegedly sold over 150,000 rounds of ammunition and 2,000 barrel-fired grenades to a guerilla faction between 2019 and 2021, according to state prosecutors.⁶⁰ Some of the seized grenades appear to be based on the US-made M433 barrel-fired grenades.⁶¹ The alleged perpetrators made over US\$450,000 from the illicit sales. A major Colombian television broadcaster alleged that, according to “sources close to the case,” such a large scheme would have involved senior officers, even though the defendants were either enlisted or retired personnel.⁶² The main defendant reportedly admitted to participating in the scheme but claimed he was coerced through threats to his family by other soldiers.⁶³

Almost two dozen cases involved security officials or personnel diverting civilian weapons by acting as straw purchasers or improperly authorizing gun licenses for bribes. In South Africa, state investigators arrested 15 serving police officers, including two brigadier generals, in 2020 for allegedly selling firearm licenses and permits to known criminals and their family members.⁶⁴ In Kenya, the illicit sale of civilian firearm ownership licenses for bribes has been reported as a huge problem. In 2019, the government disbanded the national board that oversees these licenses after it emerged that the board’s chief sold licenses to firearm dealers, gun clubs, and private individuals for bribes. Officials estimated that 4,000 out of 15,000 firearm licenses were fraudulently issued.⁶⁵ Separately, the US government sentenced in 2022 a former US Border Patrol agent to 12 years in prison for

providing a firearm to a felon, bribery, and supporting the illegal trafficking of drugs into the United States from Mexico.⁶⁶

Figure 4: Seniority of State Personnel Involved in Embezzlement Cases in the Active Use Stage (283 Total Cases)



TI also identified 15 cases where politicians likely abused their authority to cause, enable, or contribute to arms diversion. In Nigeria’s restive Zamfara State, local politicians allegedly distributed weapons to bandit groups in exchange for electoral support in 2011 and the years immediately after.⁶⁷ This collusion may have occurred as recently as 2022, when Nigerian authorities arrested a family member of a former governor of neighboring Sokoto State for allegedly supplying arms and ammunition to a bandit syndicate in Zamfara.⁶⁸ The suspect reportedly confessed to having close contact with the leader of the syndicate, and that his brother was wanted by police for facilitating illegal arms imports with customs officials.⁶⁹ A national newspaper reported that the suspect often acted as a discrete conduit between state authorities and the syndicate, citing local government sources.⁷⁰

59 This included cases in countries like Bulgaria, Kenya, Nigeria, Paraguay, South Sudan, and Yemen.

60 Infobae. 2023. ‘Militares vendían armas a disidencias de las Farc: esto es lo que ha revelado la investigación de la Fiscalía.’ *Infobae*. March 13; Perez, Andrea. 2023. ‘Investigan posible participación de militares en venta de armamento a disidencias de las Farc.’ *RCN Radio*. March 13. Caicedo, Luis. 2023a. ‘Escuela de vigilancia y lavadero de carros, fachadas militares para vender munición.’ *Caracol Radio*. March 13.

61 Collective Awareness to UXO, ‘40mm M433 Projected Grenade’. Collective Awareness to UXO, ‘40mm IMC-40 Projected Grenade.’

62 Caicedo, Luis. 2023a. ‘Escuela de vigilancia y lavadero de carros, fachadas militares para vender munición.’ *Caracol Radio*. March 13; Caicedo, Luis. 2023b. ‘Fiscalía sobre tráfico de armas: “En las FFMM se protegen entre ellos.”’ *Caracol Radio*. March 13.

63 Caicedo 2023a.

64 Irish-Qhobosheane, Jenni. 2020. *Gun Licences for Sale: South Africa’s Failing Gun Control!*. Geneva: Global Initiative on Transnational Organized Crime. November, pp. 1-2.

65 Ombati, Cyrus. 2018. ‘Private gun holders to be vetted, issued with electronic identification card.’ *The Standard*. December 5.

Cherono, Stella. 2020. ‘Fred Matiang’i, appoints new Firearms Licensing Board.’ *Nation*. June 28.

66 US Drug Enforcement Agency. 2022. ‘Former Border Patrol Agent Sentenced to More Than 12 Years on Bribery, Firearms, and Narcotics Charges.’ Press Release. December 28.

67 Rufai, Murtala Ahmed. 2021. ‘I AM A BANDIT’: A Decade of Research in Zamfara State Bandit’s Den. Sokoto: Usmanu Danfodiyo University. September 9, p. 11.

68 Sahara Reporters. 2022. ‘EXCLUSIVE: How Ex-Governor, Bafarawa’s Nephew Sold Military Gun Trucks To Bandits, Terrorised Sokoto, Zamfara, Niger states – Police Sources.’ *Sahara Reporters*. January 15.

69 News Desk. 2022. ‘Turji’s associate makes shocking revelations on their operations.’ *Daily Nigerian*. January 15.

70 Babangida, Mohammed. 2022. ‘Pictures of Northern governors with associate of banditry kingpin Turji raise dust.’ *Premium Times*. January 19.

The unauthorized use of weapons within state forces is a prominent yet under-documented form of diversion. This could involve personnel using state weapons to extort or rob civilians, unauthorized secondary employment, or for political intimidation and score-settling. During the battle for Mosul in 2017, Iraqi soldiers reportedly extorted people fleeing the fighting for bribes to allow safe passage; in one case, two officers were investigated for allegedly imprisoning a

woman in a metal container for three days to extract a US\$10,000 bribe.⁷¹ In Libya, security personnel arrested members of a state intelligence agency armed with machine guns, a rocket propelled grenade (RPG) launcher (RPG), and assault rifles after they attacked a police station in 2023. The suspects allegedly engaged in kidnappings based on tribal disputes between agency personnel and other militias.⁷²

Case Study 1



ILLICIT ARMS AND AMMUNITION SALES BY KENYAN POLICE PERSONNEL

TI identified 16 reports of Kenyan police personnel selling or renting arms and ammunition to unlicensed civilians, criminals, politicians, and ethnic groups involved in rural violence and cattle rustling.⁷³ These reports of police corruption were among the highest of any country in the more than 400 cases studied of corruption-fueled diversion. Despite recent efforts to improve police integrity, some officers reportedly rent out their service weapons or sell ammunition as a discreet way of earning supplemental income or accumulating funds to pay their superiors for career advancement opportunities.⁷⁴

In March 2022, Kenya's National Focal Point on small arms told a national newspaper that rogue officers were renting weapons to bandits in conflict-affected areas of the country.⁷⁵ A former Kenyan police officer also said state personnel rent out weapons.⁷⁶ TI identified five cases in which personnel have been arrested for renting their firearms.⁷⁷ In 2020, for instance, a Kenyan police officer in charge of the armory connected to a criminal investigative branch's armory was charged for illegally renting his weapon to criminals. The officer denied the allegations.⁷⁸ Although national guidelines heavily discourage the practice, some police stations issue "temporary possession permits" for civilians, particularly for police reservists.⁷⁹

Ammunition appears to be particularly vulnerable to diversion due to weaknesses in accounting and tracing. According to the Global Initiative Against Transnational Organized Crime, officers may over-declare the number of rounds expended during operations or training and sell the difference.⁸⁰ Armory officers and instructors at training facilities have allegedly falsified records to conceal ammunition diversion (for example, by issuing 20 rounds to each recruit while signing off on 50).⁸¹ Recruits are reportedly aware of such schemes but are unwilling to speak out for fear of hurting their career prospects.⁸² Three police officers told the Global

71 The New Arab. 2018. '[Iraq arrests officers over 'extortion, torture' of Mosul refugee.](#)' *The New Arab*. August 17.

72 جهاز دعم مديريات الأمن بالمناطق (Provincial Security Directorates Support Force). 2023. '[Facebook post dated May 25, 2023.](#)' Facebook. May 25; الصندوق الأسود للفساد (The Black Box of Corruption). 2023. '[Facebook post dated May 24, 2023.](#)' Facebook. May 2023; صحيفة العنوان الليبية (Address Libya). 2023. '[X post dated May 24, 2023.](#)' X. May 24.

73 Based on a review of data from the HALO Trust's small arms and light weapons (SALW) diversion monitoring project, see methodology section above.

74 Daily Mail Kenya. 2023. '[Police trade ammunition for food: Natembeya on ineffective anti-banditry campaigns.](#)' *Daily Mail Kenya*. February 13; Mutahi, Njoroge, Makena Micheni & Milli Lake. 2023. '[The godfather provides: Enduring corruption and organizational hierarchy in the Kenyan police service.](#)' *Governance*, Vol 36(2), pp. 401-419. April.

75 Wambui, Mary. 2022. '[Banditry: Rogue policemen renting out arms.](#)' *Nation*. March 22.

76 Interview conducted by local security expert on behalf of TI-DS in January 2024.

77 Based on a review of data from the HALO Trust's small arms and light weapons (SALW) diversion monitoring project, see methodology section above.

78 Munguti, Richard. 2018. '[Detective charged with hiring out gun.](#)' *Nation*. January 26; Mung'ahu, Alphonse. 2018. '[Kiambu cop charged with renting guns to criminals.](#)' *The Star*. January 26.

79 Wairagu, F, K Carlson, A Katana & V Gioto. 2022. '[Arms and Ammunition: Control and Inventory Management Procedures for Kenya Police Service.](#)' Nairobi: National Police Service. June, p. 41.

80 Global Initiative Against Transnational Organized Crime (GITOC). 2022. '[Kenya grapples with theft of state ammunition.](#)' *Risk Bulletin* (No. 26). September/October.

81 Ibid.

82 Ibid.

Initiative in 2022 that corrupt personnel can siphon off unreported arms seized during special operations, or can over-declare the amount of ammunition expended during a firefight. One officer said that personnel “can cause a crisis” as a pretext to steal ammunition.⁸³

The police have denied allegations that officers are involved in ammunition smuggling, claiming the existence of new accounting systems. While the police have instituted new accounting systems, a 2022 police manual on inventory management practices observed that “not all stations are inspected to the extent that they should be” during annual inspections, and that “poor documentation and record keeping” is a problem noted across multiple stations.⁸⁴

The illicit sale and renting out of weapons by police personnel is particularly acute in the country’s northern Rift Valley region. Firearm demand is fueled by ethnic violence between landowners and pastoralist militias, as well as porous borders with South Sudan and Somalia.

Police units meant to maintain public order often exacerbate violence between the various communities as they have allegedly diverted ammunition to politicians and criminal groups in the region.⁸⁵ A national newspaper reported in 2019 that a reporter could easily buy an AK-pattern rifle for US\$1,275 and corresponding ammunition with help from a broker for US\$4.50 per round in Samburu County.⁸⁶ This ammunition trafficking helped fueled cattle theft, poaching, and banditry.⁸⁷

Some key reasons why Kenyan police reportedly engage in diversion (and other forms of corruption) are insufficient salaries and internal corruption within the institution regarding post selection and promotions. In 2023, a national newspaper quoted a former commissioner from the Rift Valley who alleged that officers traded ammunition for goats with bandits “just to have something to eat.”⁸⁸ A 2021 study by researchers from the London School of Economics (LSE) found that a junior officer’s starting monthly salary was only about half of the actual cost of living in Nairobi.⁸⁹ Personnel in hardship posts did not receive special compensation, and low-level officers must sometimes endure long, dangerous commutes between their duty stations and more affordable areas.⁹⁰

Although Kenya has instituted reforms to improve the integrity of the police promotions in recent years, the LSE study also found that the promotion criteria was too easy to meet, and that a huge number of eligible candidates who met the criteria had created a backlogged process for promotions. As a result, junior officers reportedly said they needed to pay bribes of about US\$740 to their superiors to beat their competition.⁹¹ This dynamic has favored officers willing to tolerate and engage in corruption – including through extortion for extra money – in order to advance their careers; those who resist corruption risk being sidelined or punished by abusive superiors. Commanders in charge of problematic units are often rotated into other senior positions.⁹² These institutional factors play a key role in why police officers choose to sell their weapons to criminals for personal benefit.

83 Ibid.

84 Wairagu et al. 2022.

85 Vidija, Patrick. 2019. ‘End of plain clothes police, no firearms for off-duty officers.’ *The Star*. October 11.

86 Letiwa, Paul. 2019. ‘Police fuelling banditry in Samburu with deadly trade in bullets.’ *Nation*. February 8.

87 Bond, Jennifer & Kennedy Mkutu. 2017. ‘Behind the conflict in central Kenya that’s costing lives and hitting tourism.’ *The Conversation*. February 7.

88 Daily Mail Kenya 2023.

89 Mutahi, Njoroge, Makena Micheni & Milli Lake. 2023. ‘The godfather provides: Enduring corruption and organizational hierarchy in the Kenyan police service.’ *Governance*, Vol 36(2), pp. 401-419. April.

90 Ibid.

91 Ibid.

92 Mutahi et al. 2018.



A Hawk class missile torpedo boat of the Norwegian Navy at high speed. (Photo Credit: Grace Lou Images, Alamy Stock Photo)

3.4 Disposal

TI identified 66 cases taking place during the disposal stage of the lifecycle (retired, excess, unusable, seized, collected, surrendered, or diverted weapons as well as weapons marked for destruction) in several countries, including Bosnia and Herzegovina, Burkina Faso, Brazil, Croatia, Haiti, Honduras, Kazakhstan, Kenya, Mexico, Nigeria, Norway, Paraguay, the Philippines, South Africa, and Ukraine.⁹³ Nine of the 66 cases included mid- to high-level officials. Thirty-three cases involved security personnel accused or convicted of stealing or selling seized, collected, and surrendered civilian weapons, while 20 cases involved retired, unusable, or obsolete state weapons.⁹⁴ There are 11 cases where state personnel are suspected of playing a role in the further proliferation of illicit weapons through corruption.

Seized, collected, and surrendered civilian weapons are vulnerable to corruption-fueled diversion as police and military officials often have more discretion over their handling without outside review, while inventory controls are often weaker than for actively used weapons. In

Brazil, a court convicted an army major in 2017 for using his position to reregister weapons and ammunition in his name that had been previously confiscated by airport authorities and slated for destruction. The major is appealing the decision and maintains his innocence.⁹⁵ The major allegedly amassed an arsenal of fraudulently registered firearms, some of which were passed on to friends and acquaintances.⁹⁶ In Haiti, a police officer told a local investigative news outlet in 2022 that some officers do not declare seized firearms so that they can be discretely resold. Additionally, some police will compete with personnel from other law enforcement entities, such as local judicial officials, over who takes possession of seized weapons.⁹⁷

The same is true for retired, unusable, or obsolete state weapons. Retired weapons (including larger platforms and bulk volumes of small arms and light weapons) are vulnerable to corruption as they are often sold with fewer government checks following a decommissioning or disposal process. A Norwegian court sentenced a defense official in 2017 for accepting a US\$242,000 bribe to facilitate the transfer of seven decommissioned ships, including six Hawk class missile torpedo boats,

93 Based on a review of data from the HALO Trust's small arms and light weapons (SALW) diversion monitoring project, see methodology section above.

94 Ibid.

95 Olliveira, Cecilia & Yuri Eiras. 2023a. 'O ESQUENTADOR DE ARMAS.' *Intercept Brasil*. May 22; Olliveira, Cecilia & Yuri Eiras. 2023b. 'DEPUTADOS DA BANCADA DA BALA E DO CENTRÃO DEFENDERAM MILITAR QUE DESVIAVA ARMAS NO EXÉRCITO.' *Intercept Brasil*. May 30.

96 Olliveira & Eiras 2023a.

97 Moise Yves, Emmanuel. 2022. 'Des policiers vendent illégalement des armes à feu en Haïti.' *Ayibopost*. June 24.

IN HAITI, A POLICE OFFICER TOLD A LOCAL INVESTIGATIVE NEWS OUTLET IN 2022

THAT SOME OFFICERS DO NOT DECLARE SEIZED FIREARMS

SO THAT THEY CAN BE DISCRETELY RESOLD



in 2012 to a UK shell company.⁹⁸ The UK company transferred the ships to a controversial Nigerian private security company run by an ex-militant leader of the Emancipation of the Niger Delta (MEND). MEND has been accused of human rights abuses, kidnappings, and oil theft.⁹⁹ The company owner denied purchasing warships and said that the boats were instead for surveillance.¹⁰⁰ Because the ships had been decommissioned, the export reportedly required less scrutiny into the end-user than for other weapons, which normally require deeper reviews by defense and foreign ministry officials. The export likely would have been rejected had officials discovered the UK company's links to the Nigerian end-user.¹⁰¹

TI also identified cases where individuals within defense or security institutions passed retired weapons to state-backed auxiliaries and militias. In some countries, politicians and warlords can use such channels to acquire weapons and ammunition for their followers, who then use them for illicit purposes. In June 2023, a Philippine court convicted a former mayor who failed to return 14 out of 20 assault rifles that had been given to him for his personal security detail during his term.¹⁰² Though he eventually returned most of the weapons, they had circulated illegally for four years, and nine of them had "tampered" serial numbers, which impeded tracing (see the Philippine case study for more information on political violence and diversion).¹⁰³

TI also identified cases where individuals within defense or security institutions passed retired weapons to state-backed auxiliaries and militias.

Furthermore, state personnel are also suspected of playing a role in the further proliferation of illicit weapons through corruption in 11 cases, whether by intentional dereliction of duty, actively assisting arms traffickers, embezzling resources meant to counteract diversion, or participating in illicit markets. Most cases involve security personnel allegedly selling confiscated firearms that they never officially reported. In 2016, a South African police colonel pled guilty to corruption for selling over US\$480,000 worth of firearms flagged for destruction to criminals and unlicensed individuals by manipulating the police database. These firearms have been linked to over 1,000 murders between 2007 and 2016, of which 187 were children.¹⁰⁴ In some cases, law enforcement personnel are suspected of taking bribes from criminals to turn a blind eye to their illicit stocks. In 2019, Ukrainian investigators discovered a large cache of weapons belonging to a crime boss who reportedly bribed a prosecutor to allow house arrest, effectively allowing him access to the illicit weapons stored in his home.¹⁰⁵

98 NTB. 2017. 'Orlogskaptajn dømt for grov korrupsjon i nigeriabåtsaken.' *Norwegian Broadcasting Corporation*. May 16; Liang, Xiaodon. 2018. *CAS-Global Ltd. and the Private Nigerian Coast Guard Fleet*. Medford: The Fletcher School at Tufts University. August 2.

99 France 24. 2009. 'Last prominent militant commander surrenders his weapons.' *News Wires*. October 5.

100 Premium Times. 2014. 'Norway sells warships, combat boats to ex-militant leader, Tompolo.' *Premium Times*. December 13; Ibekwe, Nicholas. 2014. 'Tompolo's battleships may be turned against Itsekiri – Group.' *Premium Times*. December 14; Ships & Ports. 2014. 'Tompolo denies buying warships.' *Ships & Ports*. December 16.

101 Bøås, Morten. 2014. 'How seven Norwegian small warships ended up in the hands of a former Niger Delta militant, by Morten Bøås.' *Mats Utas*. December 16.

102 Pulta, Benjamin. 2023. 'Sandiganbayan convicts Palawan mayor over unreturned rifles.' *Philippine News Agency*. June 30.

103 The mayor intended to appeal the ruling but passed away in October 2023. Cruz, James Patrick. 2023. 'Hagedorn convicted over 'missing' firearms; police say they are accounted for.' *Rappler*. July 6; De Leon, Dwight. 2023. 'Palawan congressman Edward Hagedorn, Puerto Princesa's longtime face, dies.' *Rappler*. October 3.

104 Thamm, Marianne. 2016. 'When Hell is not Hot Enough: A Top Cop who supplied weapons to country's gangsters and right wingers.' *Daily Maverick*. July 4. Taylor, Claire, Guy Lamb, Haylene Bossau & Tarryn Bannister. 2023. 'The State of the Central Firearms Registry in South Africa: Challenges and Opportunities'. Cape Town: African Policing Civilian Oversight Forum. June, pp. 10-12.

105 NPU. 2019. 'На Одещині поліція затримала прокурора на бабарі у 10 тисяч доларів США.' *National Police of Ukraine*. April 18; Solomka, Oksana. 2019. 'Задержаний в Одессе прокурор вывел на тайник с оружием и боеприпасами.' *The New Voice of Ukraine*. April 8.

4.0 IMPACTS OF CORRUPTION-FUELED DIVERSION

Many of the corruption-fueled diversion cases resulted in devastating impacts on civilians and military and police personnel. Some of the key impacts include empowering criminal network attacks, increasing armed conflict, eroding political rights, and reducing military effectiveness. While these impacts are not necessarily unique to corruption-fueled diversion, some of the related motivations and side effects are distinctive and not as well-known. State personnel can intentionally undermine stockpile security and increase the risk of explosions and fires at munitions sites to mask corruption-fueled diversion. They may “cause a crisis” to hide ammunition diversion or divert weapons to rebel groups to assist in illicit private businesses. These motivations and troubling side effects provide a fuller picture of corruption-fueled diversion consequences and harms.

4.1 Weakened Stockpile Security

The theft of weapons by military officials for private gain can contribute to poor stockpile security and deadly explosions. In 2021, a former deputy defense minister from Kazakhstan claimed that corruption was responsible for explosions at state-owned weapons depots.¹⁰⁶ In 2019, for instance, a fire broke out among poorly ventilated and overcrowded warehouses at an arms depot in Arys, Kazakhstan, causing the detonation of hundreds of tons of explosives and over 1 billion rounds of ammunition. The incident resulted in three deaths, 160 injuries, and the evacuation of 44,000 residents.¹⁰⁷ A subsequent trial revealed that despite a US\$1.6 million allocation in 2018 by the Defense Ministry to improve storage conditions, military officers and their associates embezzled the funds through fraudulent subcontracting, leaving the storage facilities vulnerable to explosions.¹⁰⁸ The former deputy defense minister alleged that these poor storage conditions helped the senior defense officials obscure illicit sales of excess munitions, including Grad, Uragan, and Smerch artillery rockets.

In another case, poor arms stockpile storage conditions may have helped mask an alleged effort by military commanders to divert weapons to criminal groups for their personal profit. In Colombia, an armory manager said he found an arms depot in ‘absolute chaos’ in 2023, with ‘weapons thrown on the floors...serial numbers erased, and grenades mixed with mortars’ when he started a new position at the Vélez battalion in San Pedro de Urabá. After conducting an inventory, he discovered over 22 rifles, 130 hand grenades (some of which were supplied by the United States under Plan Colombia), and almost 90,000 rounds of ammunition were missing and may have been diverted to criminal groups.¹⁰⁹ The armory manager said he was later offered a bribe to keep silent about the missing weapons. However, he refused. Then, he received credible death threats and was fired by his superiors.¹¹⁰

4.2 Erosion of Democracy and Political Rights

In contexts where external political interests interfere with defense and security institutions, corruption-fueled diversion can empower certain actors to disrupt electoral processes and deny political rights through targeted violence and voter intimidation using diverted arms. Cases in Nigeria and the Philippines mentioned above and below demonstrate how politicians can arm and work with criminal networks to intimidate voters and assassinate rivals in order to maintain power.¹¹¹ In Mexico, state police forces and civilian officials allegedly colluded with a cartel in the 2014 kidnapping and massacre of 43 student teachers en route to a demonstration in Mexico City, according to thousands of text messages reviewed by the US authorities.¹¹²

106 Severny, Vladimir. 2021. ‘Генерал-майор Айткали Исенгулов: “Я знаю, кто виновен во взрывах на военных складах под Таразом.”’ *Karavan*. September 17. Reuters. 2021. ‘Blasts at Kazakh munitions depot kill 12, wound 98.’ *Reuters*. August 27.

107 Satubaldina, Assel. 2020. ‘Kazakh President Visits Arys One Year After Ammo Depot Accident.’ *The Astana Times*. August 21; RFE/RL (Radio Free Europe/Radio Liberty). 2019. ‘PACKAGE: Military Warehouse In Arys: Before And After The Explosion.’ *Radio Free Europe/Radio Liberty*. June 27.

108 All 16 defendants were initially convicted, though several had their sentences reduced on appeal due to statutes of limitations on some of the charges. Kozachkov, Mikhail. 2020. ‘Две беды: Причина взрывов в Арыси - халатность и коррупция?’ *Vremya*. May 6; Alkhabaev, Shokan. 2021. ‘Осужденным по делу о взрывах в Арыси изменили приговор.’ *Tengri News*. November 29.

109 Acero, Yaritza. 2023. ‘Militar denuncia que lo echaron del Ejército por denunciar la pérdida de cartuchos, fusiles y granadas que, al parecer, terminaban en manos del Clan del Golfo.’ *Infobae*. April 16; Cambio. 2023. ‘Militar fue echado del Ejército por denunciar desaparición de armamento en Urabá.’ *YouTube*. April 16.

110 *Ibid*.

111 Rufai 2021; Timorese authorities arrested a fugitive Philippine politician in March 2024 who is accused of orchestrating the assassination of a rival provincial governor in March 2023. The politician denies any connection with the murder. Parada, Vincent Kyle. 2023. ‘Politics, power and private armed groups in the Philippines.’ *East Asia Forum*. April 14; CBS News. 2024. ‘Former Filipino congressman accused of orchestrating killings of governor and 8 others is arrested at golf range.’ *CBS News*. March 22.

112 Kitroeff, Natalie & Ronen Bergman. 2023. ‘Why Did a Drug Gang Kill 43 Students? Text Messages Hold Clues.’ *The New York Times*. September 2.



300mm multiple launch rocket system "Smerch" (Photo Credit: Vadim_Orlov, Istock)

Police actively assisted in the abduction, and in at least one instance, provided weapons to cartel gunmen, seemingly in exchange for bribes.

The risk of electoral disruption is particularly high in cases where political or ethnic militias enjoy some degree of integration within military and security forces and have access to state weapons. In Iraq, Shiite militias loosely integrated into the armed forces (and receiving arms and ammunition from the state) engaged in attacks targeting rival politicians and

officials following disputed elections in 2021.¹¹³ The militias, many of which are aligned with and receive support from Iran, were a key force in disputing the elections when their associated parties lost a significant share of parliamentary seats.¹¹⁴ In Libya, elections meant to reunify the fractured country have been repeatedly postponed following intermittent clashes between powerful militias that have deeply infiltrated competing military and security institutions that seek government funding and resources for themselves.¹¹⁵

113 Aldroubi, Mina, Sinan Mahmoud & Robert Tollast. 2022. 'Surge of violence and intimidation in Iraqi politics: will full-scale conflict follow?' *The National News*. January 27; Al-Saeed, Hassan. 2021. 'Investigation finds militias involved in Iraqi post-election violence.' *Al-Monitor*. December 3; Amnesty International. 2017. *Iraq: Turning a blind eye: The arming of the Popular Mobilization Units*. London: Amnesty International. January 5, pp. 30-34.

114 Mohammed, Dier. 2021. 'Kata'ib Hezbollah militia accuses Iraqi PM al-Kadhimi of election fraud.' *Kurdistan24*. October 18; Economist, The. 2021. 'Iraq's dismal election prompts militias to threaten violence.' *The Economist*. October 14; Al-Jazeera. 2021. 'Iraqi protesters demand election recount in Baghdad.' *Al-Jazeera*. October 19.

115 Abdulrahim, Raja & Russell Goldman. 2023. 'Renewed Violence in Libya Reflects Power of Militias.' *The New York Times*. August 17; Lacher, Wolfram. 2023. 'Libya's Militias Have Become the State.' *SWP Comment* (No. 44). Berlin: German Institute for International and Security Affairs. July.

 Case Study 2


ARMS DIVERSION, POLITICALLY-BACKED MILITIAS, AND ELECTORAL VIOLENCE IN THE PHILIPPINES

Local politicians and their associates in the Philippines have frequently been caught with diverted weapons, including in the aftermath of attacks on political opponents. The origins of such weapons are diverse. Some are illicitly procured from local manufacturers without required permits, while others are diverted from legal channels through the collusion of government officials or police. A former police official stated that “*money holds immense power in the country [and can] make seemingly impossible things achievable. Regrettably, this includes the ease with which one can acquire weapons and ammunition, especially if you have connections within the police and military.*”¹¹⁶

In 2011, state authorities indicted four employees from a prominent manufacturer for selling one million rounds of assault rifle ammunition to police officers in 2008 and 2009.¹¹⁷ The employees allowed the sale even though the officers did not have a permit to purchase the ammunition, violating procurement laws.¹¹⁸ The officers allegedly paid about US\$400,000 in cash for the ammunition. Following the purchase, the manufacturer delivered the ammunition to a Manila port, where it was then dispatched to a provincial police unit in the war-torn Bangsamoro region.¹¹⁹

The officers likely acted as intermediaries for the powerful Ampatuan political clan, which held municipal, provincial, and regional elected offices throughout the region at the time.¹²⁰ In 2009, gunmen affiliated with the clan massacred 58 people, including 34 journalists and 11 opponents en route to file candidacy papers for a local election.¹²¹ The incident was one of the worst massacres ever recorded in the Philippines; it was the single deadliest recorded attack on journalists ever, according to the Committee to Protect Journalists.¹²² Subsequent police operations against the clan’s private militia found diverted army weapons and police ammunition within their arsenals, including the fraudulently purchased ammunition mentioned above.¹²³ The Ampatuans have been accused of widespread political violence. One victim described their experience from an incident around 2007, at the height of their power:

“We were all together, the whole family, happily on a road trip when everything turned into a nightmare. Out of nowhere, a line of cars swarmed us, and armed men wielding automatic rifles surrounded us, screaming orders and threatening [...] to shoot us. We were forced onto the ground, trembling with fear and tears streaming down our faces, feeling utterly powerless [...] the men were in plain clothes and were obviously not with the police.

They were looking for an in-law of ours, who had once used our family vehicle to meet with the Ampatuan patriarch in the past as an ally but had later on tried to run against them in a small municipality. They wanted us to reveal his location and tried to force the answer from us [...] The armed men used their guns to force us to fall flat on the ground, face down, and it was in that moment we thought we will also die.

The onlookers had alerted the police [...] so after about 20-30 minutes, with our bodies already on the ground with our faces flat on the concrete, we heard police sirens. It dawned on everyone then that we had already crossed the city line and therefore it was no longer Ampatuan territory. The men did not easily withdraw their

116 Interview with a retired police official requesting anonymity conducted by local civil society experts on behalf of TI-DS in February 2024.

117 Caliwan, Christopher Lloyd. 2017. ‘[CA upholds raps vs. arms supplier in Maguindanao massacre.](#)’ *Philippine News Agency*. December 18.

118 Lopez, Virgil. 2017. ‘[CA upholds DOJ decision to indict Armscor execs for illegal sale of ammunition.](#)’ *GMA Network*. December 18.

119 Lingao, Ed. 2010. [Ampatuans used public office to amass mostly illegal guns.](#) Quezon City: Philippine Center for Investigative Journalism. February 3.

120 *Ibid.*

121 HRW. 2010. “[They Own the People”: The Ampatuans, State-Backed Militias, and Killings in the Southern Philippines.](#) New York: Human Rights Watch. November 16.

122 Committee to Protect Journalists. 2009. [Maguindanao death toll worst for press in recent history.](#) New York: Committee to Protect Journalists. November 25. <https://cpj.org/2009/11/maguindanao-death-toll-worst-for-press-in-recent-h/>.

123 Caliwan 2017; [Lingao 2010.](#)

weapons until two more city police cars arrived. [The police] had asked about the issue, and that if we were being arrested, we should be brought to the nearest police station. It was only then that the armed men decided to leave as they did not have a warrant. They did not want to go to the police station themselves as that might also compromise them. The police in that situation also tried to deescalate what could have been possible firefight with over a dozen armed men in a busy highway with onlookers and only six police officers present. The trauma of that terrifying moment still haunts us to this day.”¹²⁴

The Ampatuans were likely able to source diverted weapons through various channels that stemmed from their influence over local and regional security institutions. Local police units are subject to a dual hierarchy as they answer to both local officials as well as the national police.¹²⁵ Through municipal and provincial executive offices, the Ampatuans cultivated allies in local units who helped them source weapons for their private militias, including directly from manufacturers.¹²⁶ They also took advantage of counterinsurgency programs designed to bolster police and military forces with local auxiliaries and volunteers by enrolling their own cronies or by paying off existing volunteers who only received a small stipend from the state.¹²⁷ Through these channels, the Ampatuans accumulated an estimated private army of 2,000 individuals, armed with an arsenal that included diverted mortars, recoilless rifles, and heavy machine guns.¹²⁸

Many of these laws and programs still currently exist as mayors can still enroll their private associates to serve as security auxiliaries to support military and police operations.¹²⁹ In doing so, such individuals may receive weapons owned by the local government, or some mayors may use the exchange as a pretext for arming their enrolled affiliates with privately-owned weapons (even though this is illegal).¹³⁰ In February 2024, a senior police official disclosed that over 2,000 local government units were in possession of over 63,000 firearms with expired licenses and were unaccounted for.¹³¹ A former rebel leader and now the chief minister of the Bangsamoro Autonomous Region of Muslim Mindanao told a national broadcaster that in recent years, most of his (now decommissioned) armed group's weapons were sourced from within the country, including from government “armories.”¹³²

Electoral violence continues to be a major problem in certain parts of the Philippines, particularly in Mindanao. Researchers have found that local elected officials can use these channels to illicitly influence elections through assassinations, enforced disappearances, and voter intimidation.¹³³ Elections determine control over licit economies, as elected officials gain access to local budgets and internal revenue allocations which can be distributed to patrons and clients through local procurement contracts.¹³⁴ They also gain influence over illicit economies, as they can use local law enforcement units to monopolize or extract extortion payments from those engaged in smuggling controlled substances, illicit mining, illegal gambling, kidnappings for ransom, and cattle theft.¹³⁵

124 Interview with a survivor of political violence who requested anonymity conducted by local civil society experts in 2013, and provided to TI-DS in February 2024.

125 *Executive Order No. 546*. 2006. Official Gazette of the Philippines; Santiago Oreta, Oreta. 2018; ‘*The Security Reform Agenda for the AFP and PNP in 2018*.’ *BusinessWorld*. January 9; Varona, Glenn. 2010. ‘*Politics and Policing in the Philippines: Challenges to Police Reform*.’ *The Flinders Journal of History and Politics*, Vol 26, pp. 108-109.

126 HRW 2010.

127 *Lingao 2010*.

128 *Ibid*.

129 *Executive Order No. 546*. 2006. Official Gazette of the Philippines.

130 HRW 2010; Ciasico, Francine. 2018. ‘*Dela Rosa orders crackdown against armed barangay security officers*.’ *Manila Bulletin*. January 2.

131 Dalizon, Alfred P. 2024. ‘*85K expired law enforcers’ gun papers renewed in ‘23*.’ *Journal News*. February 5; Cabrera, Romina. 2024. ‘*DILG: Surrender, renew expired licenses of firearms*.’ *The Philippine Star*. February 10.

132 ABS-CBN News. 2019. ‘*Military is ‘main source’ of loose firearms in Mindanao - MILF chair | ANC*.’ *YouTube*. September 17.

133 Buenaventura, Tomas. 2023. ‘*Rivalries Between Local Elites Fuel Violence*.’ *Special Issue: Violence Targeting Local Officials*. Washington DC: Armed Conflict Location & Event Data Project. June 22.

134 Capuno, Joseph. 2017. *Violent conflicts in ARMM: Probing the factors related to local political, identity, and shadow-economy hostilities*. Quezon City: University of the Philippine School of Economics. September, p. 6; Marcelo, Elizabeth. 2022. ‘*Ex-Cagayan vice governor gets 8 years for graft*.’ *The Philippine Star*. August 19; Lara Jr, Francisco & Phil Champain. 2009. *Inclusive Peace in Muslim Mindanao: Revisiting the Dynamics of Conflict and Exclusion*. London: International Alert, p. 14.

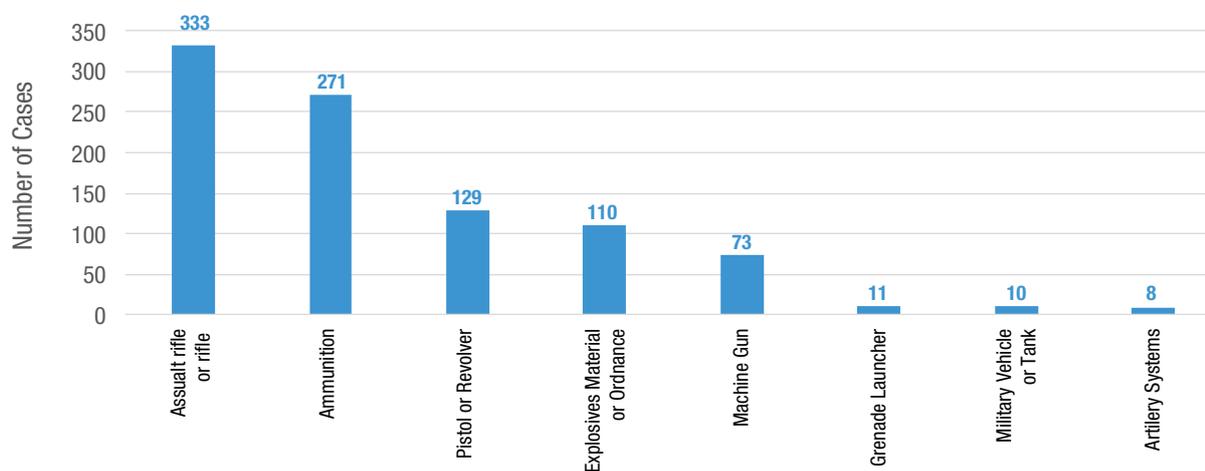
135 Lara Jr, Francisco. 2012. ‘*The New Face of Mindanao’s Strong Men: The Politico-Economic Foundations of Legitimacy in Muslim Mindanao*.’ *Asian Studies*, Vol. 20 (1&2), pp. 61-63; Lara & Champain 2019, p. 14.

4.3 Empowered Criminal Networks, Armed Groups, and Terrorist Organizations

In more than 200 cases, state personnel reportedly colluded with illicit actors, including criminals, bandits, and terrorists, in connection with arms diversion. This collusion can make it easier for illicit groups to acquire the types and quantities of weapons they would not otherwise have access to in the civilian market, see Figure 5 for a sample of the range of arms found in the cases. In 2023, some Brazilian soldiers allegedly stole over a dozen US-origin heavy machine guns from a military warehouse to be sold for profit to the criminal organization called Comando Vermelho. At least four state personnel are facing trial in connection with the diversion, including the commander of the arsenal that housed the stolen weapons. All the state personnel deny the charges against them.¹³⁶ In 2021, military personnel in a country in the Gulf of Guinea allegedly helped divert automatic grenade launchers, heavy machine guns, RPGs, and associated ammunition to a trafficking network with suspected connections to terrorist groups in the Sahel, according to a UN report.¹³⁷

When state personnel sell arms to illicit groups, they often sell other force multipliers like intelligence or logistics assistance or these illicit sales may purposefully fuel conflict. In Mexico, a colonel's bodyguard who allegedly supplied grenades and ammunition to a cartel also allegedly offered to locate a regional prosecutor that the cartel wanted dead.¹³⁸ In other cases, senior officers appeared to collude with armed groups to help obtain better financial resources from the government; for instance, the United States sanctioned a Congolese general in 2018 based in part on accusations that he maintained "business and operational relationships" with rebel groups during an anti-insurgency campaign in North Kivu in 2014.¹³⁹ Senior members of his staff allegedly engaged in timber trafficking and other illicit commerce.¹⁴⁰ In 2016, the UN Group of Experts documented accusations by rebels that the general had provided them with weapons, ammunition, and uniforms used for attacks against civilians that had left hundreds dead (the general denied involvement).¹⁴¹ A Congolese security expert claimed that commanders provide material support to rebel groups to perpetuate conflict and secure strong operational budgets.¹⁴²

Figure 5: Types of Weapons Associated with Corruption-Fueled Diversion Cases (selected)



136 Tomaz & Tavares 2023; InSight Crime. 2022. 'Red Command.' *InSight Crime*. July 17; Quintella, Sergio. 2024. 'Agiotagem e furto de TV: as novas acusações contra ex-cabos do Exército.' *Veja Sao Paulo*. April 18; Leite, Isabela. 2024. 'Pedido de vista interrompe julgamento de habeas corpus de ex-diretor de Arsenal de Guerra de Barueri sobre furto de metralhadoras.' *Globo*. May 14.

137 Leggett, Theodore, François Patuel, Alessandra Scalia & Peter Tinti. 2022. *Firearms Trafficking in the Sahel*. Vienna: United Nations Office on Drugs and Crime. March 15, p. 15.

138 MCCI (Mexicanos Contra la Corrupcion y la Impunidad). 2022. *#SedenaLeaks revela corrupcion militar: venden armas del Ejército a criminales*. Mexico City: Mexicanos Contra la Corrupcion y la Impunidad. October 8.

139 United State Department of the Treasury. 2018. *Press Release: Treasury Sanctions Individuals Destabilizing the Eastern Democratic Republic of the Congo*. Washington DC: United State Department of the Treasury. February 5.

140 *Ibid*; UNSC. 2015. *Letter dated 16 October 2015 from the Group of Experts extended pursuant to Security Council resolution 2198 (2015) addressed to the President of the Security Council*. S/2015/797. New York: United Nations Security Council. October 16, p. 18.

141 UNSC. 2016. *Letter dated 23 May 2016 from the Group of Experts on the Democratic Republic of the Congo addressed to the President of the Security Council*. S/2016/466. New York: United Nations Security Council. May 23, pp. 38, 40-41; Nichols, Michelle. 2016. 'U.N. experts accuse Congo general of aiding attacks on civilians.' *Reuters*. May 15.

142 Misser, Francois. 2019. 'RDC : Qui arme les rebelles ?' *La Libre Afrique*. October 4.



Various types of ammunition and military equipment. (Photo Credit: Diy13, Istock)

4.4 Ineffective and Abusive Military and Police Forces

The loss of weapons, ammunition, and force-enabling military equipment through corruption-fueled diversion can impact force readiness and render military and police forces unable to carry out their missions. In 2015, Jordanian intelligence officials reportedly sold millions of dollars' worth of US-supplied weapons intended for Syrian rebels fighting the Assad regime onto the Jordanian black market, allegedly using the windfalls to buy luxury items (the Jordanian government has denied these reports).¹⁴³ Some of the diverted weapons were reportedly used by a disgruntled Jordanian police officer to kill five people, including two Americans, at a training facility in Amman.¹⁴⁴ The diversion came as the Assad regime, with extensive Russian military support, rolled back hard-fought rebel advances.¹⁴⁵

TI-DS previously highlighted in its report *'The Fifth Column: Understanding the Relationship Between Corruption and Conflict'* that when ISIS militants overran Mosul in 2014, Iraqi security forces were unable to respond partially because underpaid personnel

(whose wages had been skimmed by corrupt senior officers) had sold off critical defense equipment, such as the tires of US-supplied Humvees.¹⁴⁶ In 2023, the Bosnian government convicted a former defense minister for corruption over personally profiting from an unauthorized arms sale to a private dealer.¹⁴⁷ The minister sold modern weapons instead of approved old surplus stocks, allegedly causing the disappearance of nearly 200 107mm rockets, dozens of machine guns, and over one million rounds of ammunition.¹⁴⁸ This diversion resulted in a state loss exceeding US\$5 million.¹⁴⁹

Corruption-fueled diversion can also incentivize abuse by state forces, as demonstrated by Kenyan police personnel allegedly "causing a crisis" to hide ammunition diversion and the Congolese commander allegedly selling arms to rebels to obtain more government resources mentioned above. Such abuses disproportionately impact vulnerable populations, including women, children, minorities, the poor, and migrants. The Libyan coastguard, which is partly funded and equipped by Italy and the EU, is widely accused of misusing this security assistance by engaging in abusive and corrupt practices towards migrants seeking passage to Europe, including through extortion, torture, extrajudicial killings, sexual abuse, and colluding with traffickers.¹⁵⁰

143 Mazzetti, Mark & Ali Younes. 2016. 'C.I.A. Arms for Syrian Rebels Supplied Black Market, Officials Say.' *The New York Times*. June 26.

144 *Ibid.*

145 *Ibid.*

146 MacLachlan et al. 2017, p. 26.

147 Rahmanovic, Dejla. 2023. 'Sud BiH proglasio bivšeg ministra Selmu Cikotića krivim za zloupotrebu položaja: Osuđen na tri godine zatvora.' *Dnevni avaz*. December 5; Slobodna Evropa. 2023. 'Bivši bh. ministar Selmo Cikotić osuđen na tri godine zatvora za zloupotrebu položaja.' *Slobodna Evropa*. December 5.

148 Degirmendzic, S. 2019. 'Gdje su nestali 194 rakete, 71 puškomitraljez i milion metaka.' *Dnevni avaz*. March 7.

149 ahmanovic 2023; Slobodna Evropa 2023.

150 UNSC. 2023. *Implementation of Security Council resolution 2652 (2022): report of the Secretary-General*. New York: United Nations. August 30, p. 3; Lewis, Aidan & Steve Scherer. 2017. 'Italy tries to bolster Libyan coast guard, despite humanitarian concern.' *Reuters*. May 15; Salah, Hanan. 2023. *Already Complicit in Libya Migrant Abuse, EU Doubles Down on Support*. New York: Human Rights Watch. February 8.

4.5 Increased Armed Violence and Conflict

Augmented by the previous factors, corruption-fueled diversion exacerbates armed violence and conflict. In countries facing ethnic conflict, political control over defense and security institutions by one group can dramatically worsen violence and criminality. Burkina Faso's interim president, who seized power through a coup, greatly expanded a state-armed militia aligned with his Mossi-speaking political base. This tactic marked a bulwark in the country's fight against jihadist groups.¹⁵¹ The state's recruitment of the militias favors ethnic majority groups (such as the Mossi) over other ethnic groups.¹⁵² Some militia members, however, have reportedly focused on "gaining political power or controlling the local economy."¹⁵³ This motivation and others have contributed to militia members allegedly participating in land evictions and killings as well as 'settling scores' between communities without and potentially with some state-support.¹⁵⁴ There is also information suggesting that some of these militia members have inappropriately sold their firearms, including modern Serbian M05, as criminals have been caught with such firearms.¹⁵⁵ Civilian deaths have more than doubled since the militia's expansion between 2021 and 2023, according to Armed Conflict Location & Event Data Project (ACLED).¹⁵⁶

Some militia members, however, have reportedly focused on "gaining political power or controlling the local economy."

Corruption-fueled diversion heightens violence and criminality even in countries without major conflicts, including those with ostensibly strict gun laws but elevated rates of armed violence. In several South American countries, grenades have become preferred tools for extortion gangs as they are harder to trace than firearms. The practice apparently originated among Venezuelan criminal groups who exported it to other countries with stockpile challenges.¹⁵⁷ In Peru, the number of reported extortion incidents increased by 62 percent between 2021 and 2022, with over 7,000 documented incidents in 2022.¹⁵⁸ In September 2023, two gang members threw a grenade into a Lima night club whose owner they were trying to extort – the powerful blast left 15 attendees hospitalized with shrapnel wounds.¹⁵⁹ Many of these incidents involved grenades, including modern Bulgarian grenades that are unique to Peruvian military stockpiles in the region.¹⁶⁰ Peruvian authorities seized 177 grenades in 2023, at least 18 of which had markings indicating diversion from Peruvian military stockpiles.¹⁶¹ Ecuadorean police allegedly seized a grenade with Peruvian army markings from gang members who stormed a TV broadcaster in a countrywide wave of violence in January 2024.¹⁶²

151 Interview with a regional security expert conducted via MS Teams on May 15, 2023.

152 Le Cour Grandmaison, Romain, Flore Berger, Kingsley Madueke, Lucia Bird Ruiz Benitez de Lugo & Lyes Tagziria. 2023. *Self-defence groups as a response to crime and conflict in West Africa: Learning from international experiences*. Abuja: Economic Community of West African States. November, pp. 3-4.

153 International Crisis Group (ICG). 2023. 'Burkina Faso: Arming Civilians at the Cost of Social Cohesion?' December 15. Le Cour Grandmaison, et. all. 2023.

154 [ICG 2023](#).

155 Police have seized M05 rifles from criminals on at least four occasions since 2021 which may have been sourced through the militia. Amnesty International. 2021. *Sahel: Amnesty identifies Serbian weapons in stockpiles of brutal armed groups*. London: Amnesty International. August 24; PNB (Police Nationale de Burkina Faso). 2023b. 'Facebook post dated August 14, 2023.' Facebook. August 14; PNB. 2023a. 'Facebook post dated March 7, 2023.' Facebook. March 7; PNB. 2022. 'Facebook post dated June 7, 2022.' Facebook. June 7; PNB. 2021. 'Facebook post dated October 13, 2021.' Facebook. October 13.

156 ACLED (Armed Conflict Location & Event Data Project). N.d. *Dashboard*. Washington DC: Armed Conflict Location & Event Data Project; [ICG 2023](#).

157 InSight Crime. 2023. 'Grenades Becoming Trademark of Venezuelan Extortion Gangs in Peru.' *InSight Crime*. September 19.

158 *Ibid.*

159 [Canal N 2023](#).

160 [Canal N 2023](#).

161 *Ibid.*

162 Rodriguez Jimenez, Luis Felipe. 2024. 'Periodista ecuatoriano dice que granada usada por delincuentes en canal de TV tenía insignia de las FFAA de Perú.' *Radio Programas del Perú*. January 9.

5.0 INSTITUTIONAL RISKS ENABLING CORRUPTION-FUELED DIVERSION

TI identified several recurrent institutional weaknesses in many of the analyzed cases. Actors who engage in corruption-fueled diversion often exploit these weaknesses within defense and security institutions. One of the most strongly connected institutional weaknesses to corruption-fueled diversion is institutional gaps in stockpile security recordkeeping systems. Broader systems of corruption, such as around salaries, selection of posts, and promotions sometimes incentivize corruption-fueled diversion. It is difficult to identify potential corruption-fueled diversion without critical oversight mechanisms, such as effective income, interest, and asset disclosure systems. These examples are not exhaustive, exclusive, nor categorical as institutional weaknesses are unique to their specific context and mutually enabled by other underlying factors. Nevertheless, understanding these institutional risks can help export authorities and other practitioners identify unique diversion risk indicators and mitigation strategies that might otherwise be ignored.

5.1 Illicit Enrichment and Influence Checks and Reporting

Illicit enrichment is a key factor in an overwhelming number of the corruption-fueled arms diversion cases reviewed in this study. In many cases involving mid- and senior-level state personnel, the officials allegedly or were proven to have received a significant amount of money as part of the arms diversion scheme, as shown in the Bosnia and Colombia examples above. State personnel in charge of approving arms imports and exports, managing arms depots, providing licenses for civilian gun ownership, overseeing arms disposal, and guarding borders are particularly at-risk of embezzlement or bribery. Two critically important ways to prevent and address such corruption are requiring senior and at-risk defense and security personnel to submit annual income, interests, and assets disclosure (IIAD) forms to independent government agencies and providing protections for whistleblowers.¹⁶³ However, many countries either do not have these types of

requirements or the enforcement of these requirements is weak.

In response to allegations of Paraguayan military officials selling state-owned ammunition to organized crime groups and other related issues, Paraguayan experts have highlighted the gaps and importance of income and asset disclosures, often included in state counterintelligence checks. An expert on Paraguayan organized crime reportedly told *InSight Crime* that “low salaries and the complete lack of a counterintelligence system to track corrupt agents are factors that contribute to institutional corruption” and diversion within the Paraguay defense ministry.¹⁶⁴ Similarly, a defense expert in Paraguay said the military needs to expand “resources for regular confidence testing of personnel as well as the implementation and maintenance of databases to identify warning signs of corruption within the institution’s personnel (e.g. officials whose spending patterns do not correspond to their income).”¹⁶⁵ In Colombia, judicial authorities have reportedly used these counterintelligence checks to help investigate and prosecute military officials involved in arms diversion to organized crime groups.¹⁶⁶

Over the past 20 years, many countries around the world have expanded their efforts to require and review IIAD forms for senior state officials and other at-risk personnel in response to similar corruption risks. In Argentina, state official submission rates rose from 69 to 96 percent after they implemented a digital system.¹⁶⁷ Rwandan judicial officials have also used IIAD forms as key parts of their corruption-related investigations and prosecutions.¹⁶⁸ However, there are still major gaps in sanctioning officials for failing to submit forms in some world regions, according to a 2024 U4 and Transparency International study.¹⁶⁹ In sub-Saharan Africa, a “lack of political will to ensure enforcement” is a critical challenge, among other issues. One of the main reasons for the lack of enforcement in Ghana “is that there is no punishment for non-compliance with the asset declaration requirements.”¹⁷⁰ In Kenya, there have been reported concerns about enforcement because Kenyan law “mandates all state officers and public officers to

163 Dominguez, María. 2024. ‘Improving and enforcing income, interest and asset declaration systems.’ *U4 Anti-Corruption Resource Centre*. May 28.

164 Mistler-Ferguson, Scott. 2022. ‘Corrupción pone municiones del Ejército en manos del hampa en Paraguay.’ *InSight Crime*. September 22.

165 Ellis, R. Evan. 2019. ‘The Paraguayan Military and the Struggle against Organized Crime and Insecurity.’ *Army University Press*. January.

166 Latorre H., María Fernanda. 2024. ‘Polémica por atención a excombatientes FARC en el Hospital Militar: Mindefensa responde.’ *Caracol Radio*. May 21.

167 World Bank. 2013. ‘Income and Asset Disclosure: Case Study Illustrations.’ *Directions in Development: Finance* no. 77462.

168 Ibid.

169 Dominguez, María. 2024. ‘Improving and enforcing income, interest and asset declaration systems.’ *U4 Anti-Corruption Resource Centre*. May 28.

170 Ibid.

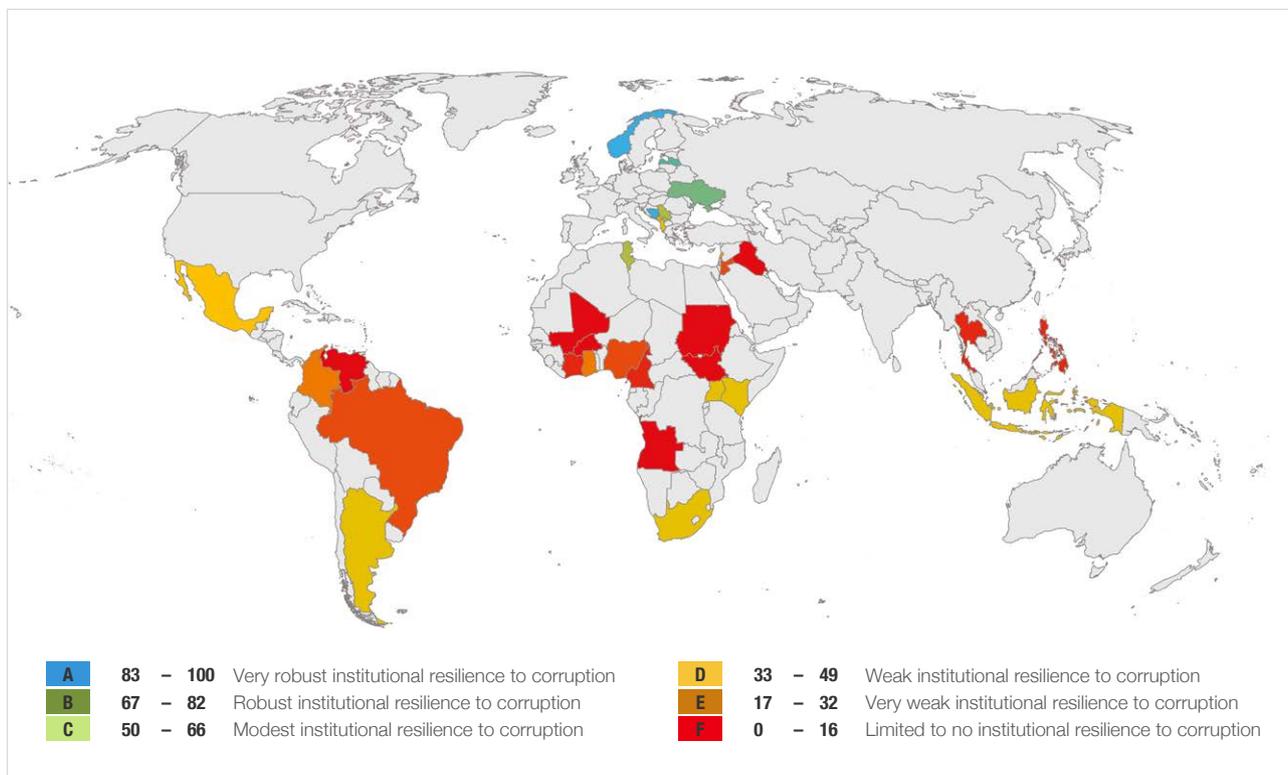
declare their wealth” rather than specific at-risk officials, which can overwhelm government efforts to identify and sanction individuals that do not comply with the law.¹⁷¹ In earlier study, there were similar ambiguities in Jordan about which officials needed to submit forms.¹⁷²

Many of the countries with corruption-fueled diversion cases also have weak whistleblower protections for military and security officials that want to report corruption. As illustrated in examples from Colombia to Kazakhstan in subsection 4.1, whistleblowers play a key role in exposing corruption-fueled arms diversion. There were at least 10 cases where state officials were tipped off about corruption-fueled diversion by individuals inside or outside the government.¹⁷³ However, of the 32 countries examined in both this study and TI-DS's 2020 GDI, 16 lack adequate whistleblower protections. This means there is no legislation applicable to defense and security personnel that facilitates corruption reporting or no effective protections for whistleblowing, (see countries in red and orange in Figure 6 below).¹⁷⁴ In the Philippines, for instance, there are no laws that protect whistleblowers; although, members of their legislative body have introduced whistleblower legislation in recent years.¹⁷⁵

5.2 Corruption within Salary Payments and Career Advancement Systems

Corruption that compromises the integrity of defense and security force institutions' systems for delivering salaries, selecting posts, or granting promotions is a clear motivator for some state personnel to engage in corruption-fueled arms diversion, especially when there is a lack of oversight or accountability in these institutions. TI identified at least 14 countries where such corruption contributed or very likely contributed to arms diversion, including in Afghanistan, Bosnia and Herzegovina, Brazil, Chad, Colombia, DRC, Iraq, Kenya (see case study one), Mali, Nigeria, Paraguay, South Sudan, Thailand, and Yemen. There are seven additional countries with corruption-fueled diversion cases that have a very high or critical risk of corruption in their payment, promotion, or posting systems based on the 2020 GDI, such as Angola, Burkina Faso, Montenegro, and Mexico. The types of corruption that are linked to corruption-fueled diversion range from salary theft to requiring bribes for promotions and preferred postings.

Figure 6: Whistleblower Laws and Protection



171 Ibid.

172 World Bank. 2013. 'Income and Asset Disclosure: Case Study Illustrations.' *Directions in Development: Finance* no. 77462.

173 Based on a review of data from The HALO Trust's small arms and light weapons (SALW) diversion monitoring project, see methodology section above.

174 Transparency International Defence & Security. 2020 'Government Defence Integrity Index.'

175 Transparency International Defence & Security. 2020 'Government Defence Integrity Index.' *Philippines: Leadership Behaviour*.

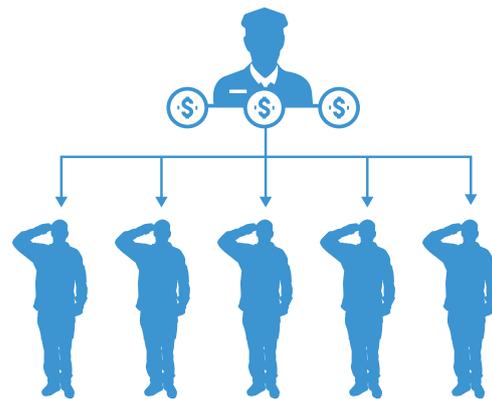
Following the withdrawal of many US forces from Iraq in 2010, the country's then-prime minister, Nuri al-Maliki, took several actions to cement his control over the military, which created a permissive environment for corrupt practices and corruption-fueled diversion.¹⁷⁶ He established a separate military chain of command that answered directly to him and prioritized factional loyalty over professionalism and integrity in the promotion of these commanders. Senior officers in turn were far more focused on amassing personal fortunes through corrupt practices. Command posts could be purchased through patronage for US\$10,000 and division command for US\$1 million.¹⁷⁷ For the commanders paying these bribes, the cost could be easily recouped by embezzling the unit's resources, such as salaries and food allowances for soldiers. This resulted in the Iraqi military becoming dominated by factionalism with exceedingly low morale and insufficient food and pay for soldiers. In response, some soldiers sold ammunition, military fuel, spare parts, or other items on the black market to sustain themselves. The loss of such equipment helped cripple the military's effectiveness against ISIS in 2014.¹⁷⁸

Corruption within the Nigerian military around troop rotations to combat zones is also contributing to corruption-fueled diversion. Despite the Nigerian military's official policy of rotating troops in combat zones every two years, some military units have been required to remain there for up to five years or more. The Nigerian military has said the main problem is that the military's personnel is stretched too thin. However, soldiers have repeatedly complained that bribery in the deployment and rotation process is a part of the problem, including bribery to avoid combat duty posts, according to a report by the Nigeria-based Civil Society Legislative Advocacy Centre (CISLAC).¹⁷⁹ CISLAC said that "when soldiers endure extended tours of duty or are poorly catered for, the tendency is for some personnel to exploit rapport and networks established with the local people and economy for selfish or criminal enrichment," including selling their arms to criminals.¹⁸⁰ They highlight three specific examples, but indicate the problem is likely widespread because of poor oversight, including lack of monitoring and independent government evaluations, and weak arms stockpile management within the military.

Around the world, several countries with corruption-fueled diversion cases have key institutional risk factors within their systems for paying salaries, promoting personnel, and selection of posts based on the 2020 GDI. Corruption risks related to the deviation of salaries are particularly high in seven of the 32 countries, including Angola, Mexico, and Thailand, where chains of command are not separated from chains of payment.¹⁸¹ If commanders are responsible for disbursing payments to their subordinates – as opposed to salaries being paid out through a centralized, electronic system – there is an elevated risk that superiors will skim or divert salaries. Separately, 10 of the 32 countries have very high or critical risk factors around promoting defense personnel outside of an objective and merit-based process.¹⁸² According to the GDI 2020 review, military promotions in Montenegro have been frequently based on the political affiliation of individuals rather than their merits, and little information is made public about such promotions.¹⁸³ By contrast, military officials in Brazil have a better track record promoting personnel based on merit.¹⁸⁴

CORRUPTION RISKS RELATED TO THE DEVIATION OF SALARIES

ARE PARTICULARLY HIGH IN
SEVEN OF THE 32 COUNTRIES,
WHERE CHAINS OF COMMAND
ARE NOT SEPARATED FROM
CHAINS OF PAYMENT.



176 MacLachlan, Karolina, Dave Allen, Tobias Bock, Katherine Dixon, Rebecca Graves, Hilary Hurd & Leah Wawro. 2017. *The Fifth Column: Understanding the Relationship Between Corruption and Conflict*. London: Transparency International – Defence and Security. September 5, p. 24-26.

177 Ibid.

178 Ibid.

179 Freedom Chukudi Onuoha, Ph.D., "Fixing a Faltering Counterinsurgency: Systemic Reform to Overcome Boko Haram in Nigeria, April 2023, Civil Society Legislative Advocacy Centre, online at <https://cislac.org/wp-content/uploads/2023/05/CISLAC-BOOK-FIXING-A-FALTERING-COUNTERINSURGENCY.pdf>.

180 Ibid.

181 2020 GDI.

182 Ibid.

183 Transparency International Defence & Security. 2020 'Government Defence Integrity Index.' Montenegro.

184 Transparency International Defence & Security. 2020 'Government Defence Integrity Index.' Brazil.

 Case Study 3


THAILAND'S RISKY GUN WELFARE PROGRAM

In Thailand, the government's gun welfare program appears to play a critical role in fueling corruption and arms trafficking.¹⁸⁵ Many weapons connected to this program, which allows certain government employees to buy firearms at a discounted rate for personal and official use, have reportedly been connected to violent crimes and arms trafficking schemes after being sold by such employees for their personal profit. In some cases, state personnel have allegedly used the guns to engage in corrupt acts.

In September 2023, a police officer gave a gun purchased through this gun welfare program to a local mayor who passed it on to a private associate.¹⁸⁶ Allegedly, the associate used the weapon to murder a police major who refused to promote the mayor's nephew.¹⁸⁷ Drug gangs in Phuket reportedly used a Sig Sauer P320 pistol imported through this program in a drive-by shooting in May 2022.¹⁸⁸ In 2022, authorities seized "a large quantity of illegal guns and gun parts" from a former town official who allegedly sourced the weapons from local government and law enforcement personnel through this program and intended to sell them to buyers in Myanmar.¹⁸⁹ The official allegedly issued over 600 gun ownership licenses to one individual through this program.¹⁹⁰

Police officers say the program helps them obtain quality weapons for police use at less than a third of the cost. The firearms they receive from their police stations are often "dilapidated, even dangerous."¹⁹¹ If a police officer wanted to buy a pistol from a local gun shop, the approval process could take much longer, and a police officer may only buy one gun at a time.¹⁹² A senior police official also said that officers prefer using their own "welfare guns" to issued weapons so they can avoid large fines if the weapon is lost.¹⁹³

While some police or other government personnel may use the welfare program for legitimate purposes, some personnel exploit the discount to make extra money through sales that reach the black market.¹⁹⁴ According to a police commission study, several police have illicitly sold their new pistols to "pawn shops, where they were resold in hard-to-trace transactions," when facing financial difficulties.¹⁹⁵ The Thai police have been accused of soliciting bribes for money and other forms of corruption, including illegal gambling, bid rigging, aiding drug trafficking, and money laundering.¹⁹⁶ Thai soldiers have also complained that their commanding officers take their ATM cards so they cannot access their salaries directly, which has raised concerns about the soldiers failing to receive their correct pay.¹⁹⁷

There have also been questions about whether there are conflicts of interest with the Thai Interior Ministry, which runs the gun welfare program. According to a major national newspaper, this program makes the Interior Ministry simultaneously the national regulator of gun imports, including civilian gun ownership, and "the nation's largest gun importer."¹⁹⁸ In April 2015, the head of the Royal Thai police, which is part of the Interior

185 Riley, Michael, David Kocieniewski & Eric Fan. 2023. 'How the US Drives Gun Exports and Fuels Violence Around the World.' *Bloomberg*. July 24.

186 Bangkok Post. 2023. 'Opinion: Time to pull the trigger.' *Bangkok Post*. September 15.

187 Ngamkham, Wassayos. 2023. 'Kamnan Nok Charged Over Cop Killing.' *Bangkok Post*. November 16.

188 [Riley et al. 2023.](#)

189 Chongcharoen, Piyarat. 2022. 'Officials accused of aiding gunrunners.' *Bangkok Post*. June 14.

190 Thai PBS World. 2022. 'Thai police to overhaul service pistol management and gun welfare scheme.' *Thai PBS World*. November 10. <https://www.thaipbsworld.com/thai-police-to-overhaul-service-pistol-management-and-gun-welfare-scheme/>.

191 [Riley et al. 2023.](#)

192 Ibid.

193 Thai PBS World. 2022. 'Thai police to overhaul service pistol management and gun welfare scheme.' *Thai PBS World*. November 10.

194 Ngamkham, Wassayos. 2022. 'Police gun welfare scheme frozen.' *Bangkok Post*. October 28.

195 [Riley et al. 2023.](#)

196 U.S. Department of State. 2023. '2023 Country Reports on Human Rights Practices: Thailand.'

197 Transparency International Defence & Security. 2020 'Government Defence Integrity Index.' *Philippines*.

198 Bangkok Post. 2023. 'Opinion: Time to pull the trigger.' *Bangkok Post*. September 15.



Police Station in Thailand (Photo Credit: Kittipong Chararaj Istock)

Ministry, announced one of the largest arms deals of the gun welfare program: the purchase of 150,000 US manufactured Sig Sauer P320 pistols at about US\$525 each.¹⁹⁹ Pistol deliveries started in December 2017 and by March 2020, Thailand agreed to another contract to buy about 250,000 additional pistols.

Some Thai gun shop owners say the rise in firearm related crimes, which grew from 34,043 in 2016 to 48,509 in 2021, is because of the growth in new guns purchased through the welfare program.²⁰⁰ According to a *Bloomberg* interview of a gun shop owner, 'to acquire the gun is not easy for ordinary people, unlike guns from the program.'²⁰¹ The Thai government, however, has reportedly said the rise in gun-related crimes is connected to social changes within Thailand.²⁰² There have also been reports of police personnel allegedly stealing firearms from police stations, including to help pay gambling debts.²⁰³

The widespread concern about the gun welfare program has sparked calls by the Thai police for changes to the program. In late 2022, the *Bangkok Post* reported that the Thai police froze the welfare program and was planning to institute new efforts to improve arms stockpile management of police weapons.²⁰⁴ The new stockpile management initiatives included random inspections of firearm inventories and improved marking of firearms. The police are also supposed to implement a 2022 law aimed at improving the integrity of the police, including by increasing police salaries and requiring fairer promotions.²⁰⁵ However, some of these efforts have yet to be fully implemented.

199 [Riley et al. 2023](#).

200 Ngamkham, Wassayos. 2022. 'Police gun welfare scheme frozen.' *Bangkok Post*. October 28.

201 Ibid.

202 Ibid.

203 Ngamkham, Wassayos. 2022. 'Police gun welfare scheme frozen.' *Bangkok Post*. October 28. Weerawit_C. 2022. "Police Sergeant Major Chaowalit arrested for stealing a government gun and sent to jail. He claimed that he did not sell it, but mostly pawned it to gamble", *3Plus News*. October 22.

204 Ngamkham, Wassayos. 2022. 'Police gun welfare scheme frozen.' *Bangkok Post*. October 28.

205 Chambers, Paul. 2024. 'Thailand's Persevering Police Problem.' *Fulcrum*. April 5.

5.3 Inefficient Stockpile Management, Recordkeeping, and Disposal Processes

Inefficient stockpile management, recordkeeping, and disposal practices provide military and security personnel with unique opportunities to abuse their authority. TI identified more than 240 cases of corruption-fueled diversion cases involving arms stockpiles. At least 50 cases involved weak stockpile security measures or recordkeeping practices in countries like Argentina, Brazil, Colombia, Chile, Ecuador, Ghana, Honduras, Kenya, Nigeria, Paraguay, the Philippines, South Africa, South Sudan, Sudan, Uganda, and Thailand. Some of these weaknesses included outdated recordkeeping practices, limited inspections, too much control in one official, poor physical security at storage sites (like defunct cameras), or minimal human security measures (such as unqualified guards). The disposal of arms was another major challenge. Audit bodies either did not scrutinize disposal processes or did so irregularly and superficially in more than half of the countries that were examined in this study and the 2020 GDI.

An effective national recordkeeping system that comprehensively records weapons in national stockpiles, arms and ammunition seized by authorities, and the disposal of arms as well as regular inspections to verify such records is critical to combating corruption-fueled diversion.²⁰⁶ In the Brazil example mentioned in subsection 3.4, military personnel identified an alleged scheme in which a military major accepted bribes to expedite or grant inappropriate weapons to civilians through irregular entries in national records.²⁰⁷ Separately, Brazilian authorities identified the theft of heavy machine guns mentioned in subsection 4.3 after an inspection of the military warehouse.²⁰⁸

However, outdated or weak recordkeeping systems can seriously complicate efforts to catch diversion, including attempts by perpetrators to manipulate or falsify such

records. TI identified at least 11 cases in six different countries in which military or police personnel allegedly altered arms databases or inventory records in connection with their corruption schemes.²⁰⁹ Three of the cases involved falsified records at military or police training facilities.²¹⁰

Several of the corruption-fueled diversion cases in this study reveal key gaps in recordkeeping. In Honduras, “there is no known centralized database of police weaponry, munitions, or other arms,” according to an *InSightCrime* and Association for a More Just Society (ASJ) study in 2017.²¹¹ This gap makes it increasingly difficult to trace firearms seized at a crime scene. An auditor in Nigeria identified that many police stations had not reported lost or unserviceable weapons, which contributed to why the police could not account for 78,459 different types of arms and ammunition from the Nigeria Police armory in 2019.²¹² Despite a large increase in civilian firearm registration requests and firearm destruction in Brazil between 2018 and 2022, Brazil’s firearm tracking software, SIGMA, was not updated to effectively ensure the data was accurate, complete, and secure.²¹³ As a result, experts said the software was more vulnerable to inserting false data without detection for an extended period of time. In Kenya, one police officer noted that “there is a general problem in many stations and posts of poor documentation and recordkeeping.”²¹⁴ A police-supported study found that not all the armories are fully inspected on an annual basis. State authorities frequently cited challenges around the ability to mark, record, and trace ammunition.

There are also serious questions about the accounting of weapons given to private guards, militias, local auxiliaries, and volunteers in certain states. In the cases mentioned above from Burkina Faso, Kenya, Libya, Nigeria, and the Philippines, it appears the states’ mechanisms for keeping track of the weapons provided to such forces are weaker than for official government forces. These gaps include basic inventory checks as well as selection of individuals that receive the weapons.

206 Bajon, Théò. 2024. ‘[Weapons and Ammunition Management in Africa Insight](#).’ *United Nations Institute for Disarmament Research*. June 19.

207 Olliveira & Eiras 2023a.

208 Williams, Lachlan. 2023. ‘[500 Soldiers Detained in Brazil Over 21 Missing Machine Guns](#).’ *The Rio Times*. October 17. .

209 The six countries are Brazil, Colombia, Ecuador, Kenya, Kyrgyzstan, and South Africa based on a review of data from the HALO Trust’s small arms and light weapons (SALW) diversion monitoring project, see methodology section above. Olliveira & Eiras 2023a. See Kenya case study above.

210 The three countries are Colombia, Honduras, and Kenya based on a review of data from the HALO Trust’s small arms and light weapons (SALW) diversion monitoring project, see methodology section above.

211 InSight Crime & Asociación para una Sociedad Más Justa. 2023. ‘[Firearms Trafficking in Honduras](#).’ *InSight Crime*. August.

212 This Day. 2022. ‘[Tackling Security Sector Connivance in Proliferation of Small Arms, Light Weapons](#).’ *This Day*.

213 Olliveira & Eiras 2023a. Napoli, Eric. 2024. ‘[TCU identifies flaws in Army weapons control systems](#).’ *Poder 360*. May 15.

214 Wairagu, F, K Carlson, A Katana, & V Gioto. 2022. [Arms and Ammunition: Control and Inventory Management Procedures for Kenya Police Service](#). Nairobi: National Police Service. June, p. 41.

The disposal of arms, especially sales to outside buyers, is another area where there are regular gaps in state systems to curb corruption-fueled diversion. In Honduras, the legal sale of old or surplus arms is reportedly the second most important source of money for the military.²¹⁵ As the case in Bosnia referenced above illustrates, state personnel may even use the disposal process to sell new weapons to obtain a larger profit. Despite the risks, there is little to no information publicly available about states' planned arms disposals, or the information released lacks key details, in 23 of the 32 countries in this study and the 2020 GDI.²¹⁶ If states publicize information on the types of weapons and names of potential buyers, outside experts could have alerted officials about the corruption risks of the Bosnian and Norwegian sales referenced in subsection 3.4. In 22 countries, there is little to no public knowledge about the financial results of the disposal process.²¹⁷ In addition, state scrutiny of arms disposals through independent audits is at best superficial or at worst non-existent in 20 countries.

5.4 Poor Accountability for Corruption-Fueled Diversion

Despite all the prosecutions of corruption-fueled diversion mentioned in the previous sections, impunity for such diversion remains a serious challenge. TI identified more than 35 cases involving weak accountability for corruption-fueled diversion within defense and security forces in countries like Bosnia and Herzegovina, Bolivia, Colombia, the DRC, El Salvador, Haiti, Kenya, Kazakhstan, Kyrgyzstan, Mexico, Nigeria, Paraguay, Serbia, and Uganda, among others. These cases included incidents where investigations and discipline processes into alleged diversion were obstructed, dismissed, or never took place. According to the 2020 GDI, 22 of the 32 countries with corruption-fueled diversion cases fail completely to investigate or discipline abuses even in the face of clear evidence, or their investigations are highly superficial and rarely result in



Exposed storage of military munitions. (Photo Credit: Shutterstock, Sergey Uryadnikov)

215 InSight Crime & Asociación para una Sociedad Más Justa. 2023. [‘Firearms Trafficking in Honduras.’](#) *InSight Crime*. August.

216 2020 GDI

217 2020 GDI

disciplinary action, see Figure 7 below for more details. Public transparency around prosecutions, including many of the ones highlighted above, is another key challenge.

Some state prosecutions appear to be dismissed before they begin. In 2019, a Bolivian newspaper alleged that an investigation into a navy sergeant who allegedly stole 10,000 rounds of ammunition from his unit's arsenal was delayed so that it would not adversely impact the promotion of five officers.²¹⁸ The sergeant allegedly attempted to sell the ammunition over Facebook in 2018.²¹⁹ The theft was only discovered after the sergeant's wife filed a complaint against him for domestic violence, alleging that he threatened her with his service weapon and that she once found a large amount of ammunition scattered in his vehicle.²²⁰ The sergeant was apparently allowed to continue serving until 2023, when he was arrested for shooting his wife in the head with his service weapon (he claimed the weapon accidentally discharged as he was cleaning it, which investigators have disputed).²²¹

In other cases, military personnel are implicated in diversion, but received little-to-no punishment or were rotated into other positions. In Kazakhstan, officials from the presidential administration inspected the Arys munitions depot a few months before it catastrophically detonated in June 2019, finding numerous safety violations.²²² Despite these findings, the Defense Ministry did not address any of the violations, and a subsequent trial found that several senior officers were guilty of negligence and embezzling contracts meant to upgrade the facility.²²³ All of the officers were convicted in 2021, but they reportedly had their sentences reduced or commuted several months later.²²⁴ In Colombia, the

Attorney General's Office charged two army sergeants for allegedly diverting weapons and ammunition from military armories in Medellin in 2021 and 2022 (both have denied the charges).²²⁵ One of the sergeants was accused of "systematically" diverting rifles and ammunition, as well as a US-origin M249 light machine gun.²²⁶ The other was accused of aiding in the diversion of 28,000 rounds of ammunition from a battalion armory under his charge by falsifying inventory records.²²⁷ The office alleged that following these suspected acts, both men were transferred to other battalions where they are thought to have continued diverting military items and engaging in illegal activities.²²⁸

Some sanctioned arms brokers may also receive undue benefits from state officials. In July 2023, the United States sanctioned a senior Serbian politician (who has served as a defense minister, interior minister, and security chief) for his close ties with notorious Serbian arms dealer Slobodan Tesic. The United States alleged that the official "[ensured] that Tesic's illegal arms shipments [moved] freely across Serbia's borders."²²⁹ In response, the politician reportedly said "frankly, I don't care."²³⁰ Tesic was blacklisted by the UN in 2003 for violating an international arms embargo on Liberia, though he was removed from the blacklist in 2013 shortly after Serbia's now-ruling party, to which he is a major donor, took power.²³¹ OCCRP alleged that "powerful politicians" helped remove Tesic from the blacklist, and that the country's foreign ministry subsequently gave him a diplomatic passport.²³² The United States sanctioned Tesic himself in 2017 for securing arms contracts through bribes, gifts, and favors.²³³ Tesic allegedly facilitated corrupt or illegal

218 Quisbert, Carlos. 2019. '[Sargento ofrecía por Facebook proyectiles robados de la Armada Boliviana.](#)' *Pagina Siete* [republished in EJU]. May 21.

219 *Ibid.*

220 Bolivia Judicial. N.d. '[Ministro: Se recuperó parte de las balas robadas.](#)' *Bolivia Judicial*.

221 El Diario. 2023. '[Sargento de la Armada mató a su esposa.](#)' *El Diario*. August 27; Radio Luis de Fuentes. 2024. '[Facebook video dated March 11, 2024.](#)' *Facebook*. March 11.

222 Kozachkov 2020; Tengri News. 2021. '[Суд вынес приговор по делу о взрывах в Арыси.](#)' *Tengri News*. July 26.

223 Kozachkov 2020; Tengri News. 2021. '[Суд вынес приговор по делу о взрывах в Арыси.](#)' *Tengri News*. July 26.

224 Tengri News 2021; Alkhabaev 2021.

225 Fiscalía Colombia. 2023. '[X \[formerly Twitter\] post dated April 3, 2023.](#)' X. April 3; Pardo, John. 2023. '[Capturado suboficial del ejército: estaría enviando municiones a grupos ilegales.](#)' *Infobae*. May 29.

226 *Ibid.*

227 *Ibid.*

228 *Ibid.*

229 United States Department of the Treasury. 2023. [Press Releases: Treasury Sanctions Official Linked to Corruption in Serbia](#). Washington DC: United States Department of the Treasury. July 11.

230 Ljubas, Zdravko. 2023. '[US Sanctions Serbia's Intelligence Chief.](#)' *Organized Crime and Corruption Reporting Project*. July 12.

231 Gace, N & M Ivanovic. 2012. '[Arms dealer financing SNS.](#)' *Novi Magazin*. April 25.

232 Marzouk, Lawrence and Stevan Dojčinović. 2020. '[How an Irrepressible Serbian Arms Dealer Found a Conduit to Saudi Arabia through Qatar.](#)' *Organized Crime and Corruption Reporting Project*. October 23.

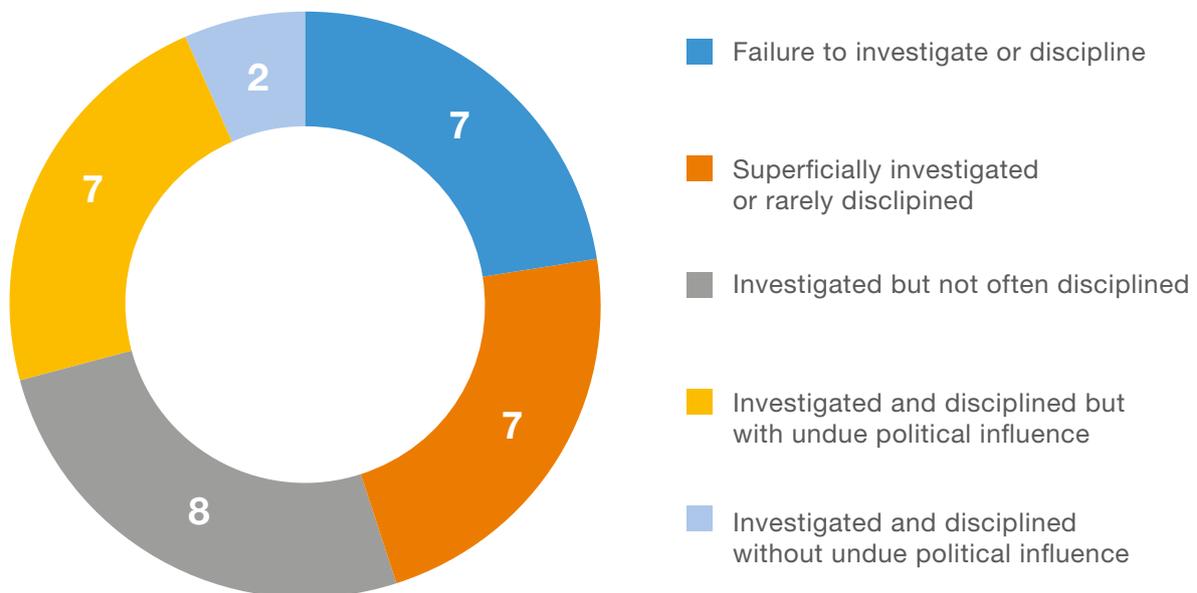
233 United States Department of the Treasury. 2019. [Press Releases: Treasury Sanctions Corruption and Material Support Networks](#). Washington DC: United States Department of the Treasury. December 9.

arms transfers to Yemen in 2009, Libya in 2014, and Saudi Arabia in 2017.²³⁴ Tesic has said 'he has never participated in any corrupt activities,' and that he had 'initiated a delisting process' to be taken off the US sanctions list, according to OCCRP.²³⁵

Around the world, most defense institutions do have standards and formal sanctions if defense personnel engage in bribery and other forms of corruption, but there are significant gaps in enforcement.²³⁶ In states with strong anti-corruption practices, the governments will comprehensively explain bribery, gifts, hospitality, conflicts of interest, and post-separation activities in military codes of conduct, along with specific guidance

on how to proceed in the face of these events, according to the 2020 GDI.²³⁷ However, only nine of the 32 countries included in this study and examined in the 2020 GDI, such as Norway and Brazil, scored well on enforcing formal sanctions on bribery and other similar forms of corruption.²³⁸ This means that over 70 percent of the countries fail completely to investigate or discipline abuses even in the face of clear evidence, or their investigations are highly superficial and rarely result in disciplinary action. Regularly updated public information about the stage of prosecutions of corruption-fueled diversion cases is also weak or non-existent in many countries mentioned in this report.

Figure 7: Countries' Level of Enforcement for Bribery and Other Forms of Corruption



234 The Guardian. 2010. 'US embassy cables: US diplomats learn of 'Serbian arms sale to Yemen.' *The Guardian*. December 6; Angelovski, Ivan. 2016. 'Smrt kidnapovanih baca svetlo na srpsko-libijsku trgovinu oružjem.' *Balkan Insight*. February 23; Marzouk & Dojčinović 2020.

235 Dojčinović, Stevan & Marzouk, Lawrence. 2020. 'How an Irrepressible Serbian Arms Dealer Found a Conduit to Saudi Arabia through Qatar.' *Organized Crime and Corruption Reporting Project*. October 23.

236 Transparency International Defence & Security. 2021. 'GDI 2020 Global Report: Disruption, Democratic Governance, and Corruption Risk in Defence Institutions.' *Transparency International Defence & Security*. Decemeber.

237 Ibid.

238 2020 GDI

6.0 ASSESSING CORRUPTION-FUELED DIVERSION RISKS

The above institutional risks associated with corruption-fueled diversion reveal new insights and reinforce previous initiatives in establishing comprehensive risk assessment questions to help states prevent arms diversion. Critically, the previous chapters provide information to develop targeted questions to better assess the corruption-related risks in proposed arms exports to curb diversion. The below set of questions is meant to supplement rather than replace national and international arms risk assessments questions created by the United States, EU, Wassenaar Arrangement, Organization for Security and Co-operation in Europe (OSCE), and the United Nations.²³⁹ To assist with this effort, we have divided sets of questions into two main categories. The first category lists questions aimed at identifying broader defense and security institutional risks within an importing country. The second category of questions is focused on risk questions related to specific arms transfer transactions. It is also important to consider some issues that may help mitigate diversion risks from the previous question categories.

Before listing some of the targeted questions to identify corruption-fueled diversion risks, it's important for states to develop a general sense of corruption within the defense and security sectors of a perspective importing state. TI-DS's GDI provides an overview of defense institutional resilience to corruption in 86 countries with general assessments on political, personnel, financial, procurement, and operational risks. Several other indices also provide helpful overviews of corruption risks that are applicable to the defense and security sectors, including the Afro Barometer, Basel Assessing Money Laundering Index, Bonn International Center for Conflict Studies' Country Reports, Corruption Perceptions Index, Global Organized Crime Index, Fragile States Index, Freedom in the World, Open

Budget Survey, International Country Risk Guide, and Varieties of Democracy.²⁴⁰ The United Nations and other international governmental organizations may also have useful insights on corruption issues. These indices and other sources can be helpful for identifying some general oversight gaps and corruption risks, including oversight of defense and security budgets, judicial integrity, and media's freedom to investigate cases of alleged corruption, that may require more investigation. States can also use these resources to help answer some of the specific questions below.

6.1 Institutional Resilience to Corruption-Fueled Diversion

Once states have identified some general corruption risks within an importing states' defense and security institutions, it is critical to investigate several institutional issues in more detail to more accurately ascertain the risks of arms diversion. Several of the below questions are new or not regularly included in states' or international governmental organization's diversion risk assessment questions. These include questions relating to states' systems for curbing and catching defense and security personnel that seek to illicitly enrich themselves through embezzlement, bribery, or other corrupt means. Similarly, states do not often check defense and security institutional resilience against corruption within systems for paying salaries, internal career advancement, or arms disposal. At the same time, the below questions also include issues that have been previously mentioned by research organizations. The inclusion of these or similar questions is meant to re-emphasize the importance of states to thoroughly investigate these issues before approving arms transfers.

239 Council of the European Union. 2015. *User's Guide to Council Common Position 2008/944/CFSP defining common rules governing the control of exports of military technology and equipment*. Brussels: Council of the European Union. July 20; OSCE (Organization for Cooperation and Security in Europe). 2003. *Handbook of Best Practices on Small Arms and Light Weapons*. Vienna: Organization for Cooperation and Security in Europe; Wassenaar Arrangement Secretariat. 2003. *List of Advisory Questions for Industry*. Vienna: The Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies; Wassenaar Arrangement Secretariat. 2011. *Elements for Objective Analysis and Advice Concerning Potentially Destabilising Accumulations of Conventional Weapons*.

240 <https://www.afrobarometer.org/>; <https://index.baselgovernance.org/>; <https://www.ruestungsexport.info/de/laenderberichte>; <https://fragilestatesindex.org/>; <https://freedomhouse.org/report/freedom-world>; <https://www.transparency.org/en/cpi/2023>; <https://globalinitiative.net/initiatives/ocindex/>; <https://internationalbudget.org/open-budget-survey/>; <https://www.prsgroup.com/explore-our-products/icrg/>; and <https://www.v-dem.net/>.

Box 3 Questions to Identify Institutional Risks to Corruption-Fueled Diversion

These targeted questions are divided into six categories. Questions with an asterisk at the beginning have been included in previous best practice guides for assessing arms diversion risks. Most of the questions without an asterisk are related to questions in TI-DS's GDI.

Arms Diversion Cases and Prosecutions

*“Are there known cases of problems with the diversion of conventional arms and ammunition from national stockpiles in the importing state?”²⁴¹ What is the frequency of diversion reports? How widespread are these reports, and are there any government actors involved in diversion?

*Does the importing state share information with states about illicit activities in their countries, including related to corruption, in arms transfers?²⁴²

Is there a policy to make public outcomes of the prosecution of defense and security personnel for corrupt activities? Is there evidence of effective prosecutions, i.e., convictions, in recent years related to arms diversion?

Illicit Enrichment and Bribery

Is there a Code of Conduct for all military and security personnel that includes, but is not limited to, guidance with respect to bribery, gifts and hospitality, conflicts of interest, and post-separation activities? How effective is the state at enforcing violations of these codes and related laws?²⁴³

Does the importing state have an effective system for acquiring and monitoring income, interest, and asset disclosures by senior and high-risk officials? How independent is the government entity that reviews these disclosures? Do these entities sanction individuals for failing to submit disclosure forms? Is some of the disclosure information publicly transparent?

Is whistleblowing encouraged by the state, and are whistleblowers in military and defense and security institutions afforded adequate protection from reprisal for reporting evidence of corruption, in both law and practice?²⁴⁴

Are there political actors within the importing country that support the use of weapons in political violence? Do these actors provide state-owned weapons to local guards, militias, or volunteers? *Do state military or security forces collude with illicit actors, including organized crime, to support illicit economic opportunities?²⁴⁵

Salaries, Posts, and Promotions

Do military and security personnel receive the correct pay on time, and is the system of payment well established, routine, and published?²⁴⁶

Are personnel promoted through an objective, meritocratic process? Such a process would include promotion boards outside of the command chain, strong formal appraisal processes, and independent oversight. Is there an unusual number of personnel waiting to obtain their promotions?²⁴⁷

Continued on next page

241 UNIDIR, Conflict Armament Research, and Stimson Center. 2023., pp. 7-11.

242 Ibid., page 23.

243 Transparency International Defence and Security (TI-DS), [2020 GDI Questionnaire Questions, Indicators, and Scoring Rubric](#), November 2019, page 27.

244 Ibid., page 22-23.

245 Ibid., page 11. UNIDIR, Conflict Armament Research, and Stimson Center. 2023.

246 Ibid., p. 23-24.

247 Ibid., p. 25.

Box 3 Questions to Identify Institutional Risks to Corruption-Fueled Diversion *(continued)*

Is there a policy of refusing bribes to gain preferred postings? Are there appropriate procedures in place to deal with such bribery, and are they applied?²⁴⁸

Are chains of command separate from chains of payment?²⁴⁹

Stockpile Management and Recordkeeping

*Does the importing state have an effective inventory system for keeping track of its arms and ammunition, including regular internal and external audit body checks of inventory, and proper accounting of weapons seized in crimes (and firearms given to militias if relevant)?²⁵⁰

*Is there a separation of key functions in weapons inventory management? For example, the same person does not conduct "storekeeping, accounting, and auditing functions."²⁵¹

*How effective is the importing state's system for reporting the loss or theft of a weapon and conducting an independent investigation into such loss or theft?²⁵²

Have there been reports of poorly stored arms and ammunition or any potential arms depot explosions? Is the importing state excessively slow in strengthening the military or security forces arms stockpile management systems?

If using an arms tracking software for inventory management, how effective is the software at identifying irregular actions by personnel using it? Is the software regularly updated to meet the needs of the state requirements?

Disposal

*Does the importing state have any history of the non-authorized re-export of surplus equipment to states of concern?²⁵³

How effective are controls over the disposal of assets, and is information on these disposals, and the proceeds of their sale, transparent?²⁵⁴

Is independent scrutiny of asset disposals conducted by government entities, including audit bodies, and are the reports of such scrutiny publicly available?²⁵⁵

Procurement Oversight

Are defense procurement oversight mechanisms in place, and are these oversight mechanisms active and transparent? Does the state provide public transparency on defense procurement throughout the whole process?

Is there an effective internal audit process for defense and security spending?

248 Ibid., p. 26.

249 Ibid., p. 26.

250 OSCE 2003, p. 34. UNODA (United Nations Office of Disarmament Affairs). 2018. ['Stockpile Management: Weapons.'](#) *Modular Small-Arms-Control Implementation Compendium*. New York: United Nations.

251 UNODA. 2018, p. 24.

252 Ibid, p. 22.

253 TI-DS. [2020 GDI Questionnaire Questions, Indicators, and Scoring Rubric](#), 2019, p. 14-15.

254 Ibid.

255 Ibid.

6.2 Transfer-Specific Risks to Corruption-Fueled Diversion

States and international entities have put a substantial amount of effort into identifying aspects of proposed arms transfer transaction that are particularly susceptible to diversion and corruption over the past two decades. Many of these transfer-specific risk assessment questions are helpful in identifying arms transfers that pose high risks for corruption-fueled diversion.

The below selection of questions, which are reprinted or summarized from outside publications, is particularly important in curbing corruption-fueled diversion. However, this list is not exhaustive. It is important to recognize that some state actors will seek to conceal their corrupt actions by hiding behind outside actors such as brokers and front companies. States and other experts would benefit from consulting similar types of risk assessment questions from UNIDIR, OSCE, Wassenaar Arrangement, and the EU to ensure they have a robust set of risk assessment questions.

Box 4 Questions to Assess Corruption-fueled Diversion Risks in Specific Transfers

These questions are divided into three categories. All the questions have been previously identified in UNIDIR's "Strengthening shared understanding on the impact of the Arms Trade Treaty (ATT) in addressing risks of diversion in arms transfers" or best practices on anti-corruption. As such, we have not indicated any questions with an asterisk.

Quantities and Qualities of Weapons

"Are the quantities of conventional arms involved in the proposed transfer inconsistent with the importing state's likely requirements?"²⁵⁶

"Is the importing state's accumulation of conventional arms greater than that required by its legitimate defense and security interests? Is the technological level of the equipment requested proportionate to the needs expressed by the importing state and to its operational capacity?"²⁵⁷

"Are the conventional arms of a type that can be easily used by non-military agents or non-state actors?"²⁵⁸

End-Use and Retransfer Assurances

"Does the importing State provide valid and credible end-use/end-user or retransfer assurances?"²⁵⁹

"Does the importer provide details on the specific military or police unit or local company that would receive and use the weapons? Would the export go to a military or police unit, or another branch of the security forces, accused in credible reports of criminal acts, including related to corruption?"²⁶⁰

Continued on next page

256 UNIDIR, Conflict Armament Research, and Stimson Center, 2023, pp. 7-11.

257 Ibid. p. 7-11.

258 Ibid. p. 7-11.

259 Ibid. p. 7-11.

260 Ibid. p. 7-11.

Box 4 Questions to Assess Corruption-fueled Diversion Risks in Specific Transfers *(continued)***Brokers and Companies**

“Are the details of the exporter, brokers, shipping agent, freight forwarder, intermediate consignee, distributor or other actors involved in the commercial arrangements all sufficiently identified? Are their authorizations and/or registration documents as operators all authenticated? Does the company have sufficient experience and expertise? Is the broker “related to or closely associated with a foreign official?”²⁶¹”

“Has any actor involved in the commercial arrangements for the transaction or physical routing of the shipment, including in previous companies linked to their ownership/directorships, been formerly convicted or accused on the basis of credible evidence for participating in conventional arms or other illicit trafficking, or for violations of arms export legislation (including the violation of multilateral arms embargoes), or for other closely related crimes such as corruption and money laundering? Do they have a track record of working in arms transfers?”²⁶²

Does the company keep comprehensive records of all transactions, and engage in transparent financial and banking practices? Does the company use corporate vehicles (i.e., legal entities, such as shell companies, and legal arrangements) to obscure (i) ownership, (ii) source of funds, or (iii) countries involved, particularly sanctioned jurisdictions?”²⁶³

6.3 Mitigating Factors for Corruption-Fueled Diversion Risks

States should seek to provide a comprehensive picture of the risks of corruption-fueled diversion by looking at the answers to all the questions rather than just a few specific ones. The importing countries with the highest probability of corruption-fueled diversion have high levels of risk in nearly all the institutional risks we've highlighted and at least some of the transactional risks. At the same time, states must consider information that may mitigate some of the severity of some or all the risk assessment questions. This could include efforts to strengthen civilian control over defense and security institutions, hold corrupt and abusive personnel meaningfully accountable, modernize stockpile management systems, and many of the other issues raised in this report. Importing states may reduce their risk level by agreeing to grant the exporting state's national authorities the right to conduct on-site inspections or by sharing with the exporting state defense and security institutional challenges and risks. There may be some risk reduction if an importing state increases their systems for marking and tracing arms and ammunition.

State efforts to improve the integrity of their defense and security institutions can help reduce the risks of corruption-fueled arms diversion, but they may also be a smokescreen or progress too slowly to reduce risk. Ukrainian efforts to reduce corruption provide an example of an importing country's effective measures to reduce the risk of corruption-fueled arms diversion. For instance, the Ukrainian government has removed senior military personnel linked to corruption, supported active civil society and media engagement with defense institutions, and implemented an improved arms tracking systems for delivered weapons (though significant challenges remain in all these areas).²⁶⁴ In the Philippines, the government enacted a firearm law that strengthened police oversight of firearm permits and licenses. It also has robust procurement regulations that require the submission of contracts, purchase orders, and award notices for all government purchases. The police also impose a countrywide gun ban during election periods. These factors may mitigate some of the diversion risk depending on the number of violations of the gun ban during elections.²⁶⁵ However, as in the cases of Thailand and Kenya above, some apparently well-intentioned attempts to improve the integrity of police forces may not substantially reduce the risk of corruption-fueled diversion.

261 Ibid. p. 7-11. US Department of Justice and US Securities and Exchange Commission. 2020. 'A Resource Guide to the Foreign Corrupt Practices Act, Second Edition.' July.

262 UNIDR, Conflict Armament Research, and Stimson Center, 2023, pp. 7-11.

263 Michael H. Huneke, Esq., and Jan Dunin-Wasowicz, Esq., "Converging practices for bribery, export controls and sanctions anti-evasion regimes," Westlaw Today, Thomson Reuters, July 2023.

264 Jakes. Lara. 2023. 'Ukrainian Soldiers Risk Their Lives to Keep Weapons From the Black Market.' *The New York Times*. May 12; Galeotti, Mark & Anna Arutunyan. 2023. *Peace and Proliferation: The Russo-Ukrainian war and the illegal arms trade*. Geneva: Global Initiative on Transnational Organized Crime. March; Rzhetska, Lilia. 2023. 'Ukraine struggles to curb corruption in its military.' *Deutsche Welle*. August 17.

265 Argosino, Faith. 2023. 'PNP records over 2,600 election gun ban violators as of Nov. 28.' *Philippine Daily Inquirer*. November 28.

7.0 CONCLUSION

Corruption within defense and security institutions that buy, sell, produce, use, record, store, and dispose of weapons is too big a problem for states exporting arms or weapons manufacturing know-how to ignore when assessing proposed arms sales. In just the past decade, corruption-fueled diversion has contributed to the loss of key military and security force equipment or funds needed to respond to critical security threats in dozens of countries. It played an important role in the stunning defeats of Afghani and Iraqi militaries against terrorist groups. It likely contributed to the detonation of hundreds of tons of explosives and over 1 billion rounds of ammunition poorly stored in a Kazakhstan arms depot, resulting in 160 injuries and the evacuation of 44,000 residents.²⁶⁶ Corruption-fueled diversion empowered political or illicit actors to disrupt electoral processes and deny political rights through targeted violence and voter intimidation in places such as Libya, Kenya, Mexico, Nigeria, and the Philippines. It supported illicit actors, including criminals, bandits, and terrorists, in over 200 cases, often fueling armed violence and insecurity.

Building off increased national and international efforts, states can strengthen efforts in identifying and mitigating the harmful consequences and impacts of corruption-fueled diversion. They, however, must develop more targeted questions on corruption to be more effective. This study sheds light on the most critical corruption issues connected to arms diversion. States must pay particular attention to corruption risks such as embezzlement and bribery in the active use and storage lifecycle stage with 283 cases of corruption-fueled diversion around the world. There were at least 53 cases of mid- to senior-level officials embezzling larger quantities of weapons, including relatively new arms and ammunition. Corruption continues to play a large role in the diversion of arms in the international transfer and disposal stages of weapons lifecycle. State personnel abuse of authority can facilitate other types of corruption-fueled diversion. States must assess risks that new weapons purchases can lead to the diversion of older weapons stocks. In at least two cases, state officials have even used the disposal process to illicitly sell newer weapons.

There are several key defense and security institutional gaps that are strongly connected to corruption-fueled

diversion. States can assess these gaps to better understand the risk of corruption-fueled diversion. While some states may assess the quality of an importing country's system for evaluating personnel security clearances in narrow circumstances, states do not regularly look at the effectiveness of a country's income, interest, and asset disclosure system to identify corruption-fueled diversion risks. This must change, especially given the high number of illicit enrichment cases. Some states recognize but don't usually assess whether corruption within defense and security institutional systems for paying salaries, selecting posts, and awarding promotions can contribute to corruption-fueled diversion. Similarly, there needs to be more assessments related to the oversight of procurement and disposal processes. States can assess these risks with several key questions outlined above and find answers to the questions in TI-DS's GDI. This study reinforces the need to thoroughly understand an importing state's management of arms stockpiles at various levels. It highlights several important issues in this regard, including assessing the strengths of a state's weapons inventory controls, such as recordkeeping and oversight of personnel in charge of such controls.

Corruption-fueled diversion empowered political or illicit actors to disrupt electoral processes and deny political rights through targeted violence and voter intimidation in places such as Libya, Kenya, Mexico, Nigeria, and the Philippines.

266 Satubaldina, Assel. 2020. 'Kazakh President Visits Arys One Year After Ammo Depot Accident.' The Astana Times. August 21; RFE/RL (Radio Free Europe/Radio Liberty). 2019. 'PACKAGE: Military Warehouse In Arys: Before And After The Explosion.' Radio Free Europe/Radio Liberty. June 27.



Kirpi military tactical vehicle (MRAP). (Photo credit: iStock, ardasavasciogullari)

States must be aware that real instrumental change to the integrity of defense and security institutions, which reduces corruption-fueled diversion risks, can quite possibly take years or decades.

Any state system for evaluating risks of proposed arms transfers is ineffective if it doesn't result in changes to transfers with a high probability of risk. This issue is perhaps one of the more challenging aspects of establishing a comprehensive policy on assessing corruption risk in arms transfers. While the focus of this study was on developing more targeted assessment questions to identify corruption-fueled diversion risks, the research findings highlight some critical institutional and transfer issues states could address to better mitigate these corruption risks. If an importing country is committed to improving its institutions in one or more of the areas outlined in chapter 5, states should seek

to find ways to support them. States must be aware that real instrumental change to the integrity of defense and security institutions, which reduces corruption-fueled diversion risks, can take years or decades. Announcements of security sector reforms must be backed up with verifiable evidence of implementation. States must also be willing to make hard decisions to reject in part or in whole a proposed arms transfer with high probability risk of corruption-fueled diversion or place conditions on such a transfer. Without such actions, states will continue to encounter many of the serious and devastating consequences of corruption-fueled diversion seen in the past decade.

8.0 RECOMMENDATIONS

The pervasive and serious aspects of corruption-fueled arms diversion demand more direct national and international action. The below recommendations provide an overview of the key areas arms exporters should address to better identify and mitigate arms diversion. There are also a few indirect recommendations for states importing weapons.

8.1 Strengthen National Policies and Risk Assessments

States must enhance national arms export policies and implementation guidelines and invest in detecting corruption-fueled diversion risks to effectively curb diversion. We recommend the following actions to improve these risk assessments:

- Enhance national arms export policies and implementation guidelines** – States should update their national arms transfer policies to identify corruption as a key risk for arms diversion, among other risks. This addition is a critical tool to help strengthen government-wide efforts to investigate and mitigate corruption-fueled diversion risks. It can also encourage defense companies and importing states to conduct their own anti-corruption risk assessments. These policies should state that exporting countries will assess corruption risk indicators within an arms transfer before approving the transfer. States also need to develop a set of implementation guidelines or protocols to assess and mitigate corruption risks. These guidelines should incorporate the risk assessment questions in the above chapter on assessing corruption risks.
- Invest in detection measures** – States must allocate sufficient resources, including from their intelligence agencies, to effectively detect and deter corruption-fueled diversion risks. States could identify which countries or subregions require more resources by reviewing some of the indices mentioned in chapter 6. One effective way to identify riskier countries is to require certain specialized government agencies to produce comprehensive reports on global, regional, and national corruption challenges. Export authorities should collaborate with embassies and other agencies to assess corruption risks. State agencies may also collaborate with partner countries to assist in assessing the effectiveness of national arms stockpile management systems and other key defense and security institutional protections against diversion.
- Develop targeted mitigation strategies** – States should develop a range of targeted measures to mitigate corruption-fueled diversion risks as part of their arms transfer policy implementation guidelines. Mitigating measures should address the underlying institutional or transactional risks that could enable diversion. For example, if an arms broker involved in a proposed arms sale has repeatedly been accused of illicit activities, the exporting state could suggest to the importing state or defense company that they would prefer to work with a different broker. A state may request assurances from an importing country that they will comply with international best practices on arms stockpile security or ask the country to conduct annual checks on their arms stockpiles. States could also offer to assist importing countries in improving the integrity of at-risk government systems within the importing state. In more serious cases of risk, states must reject a proposed arms transfer until conditions have changed in the importing country.
- Expand transparency on arms exports** – In the past two decades, arms trade researchers and investigators have used national reports on arms exports to identify corruption-fueled diversion risks and actual instances of arms diversion. For example, Amnesty International researchers helped discover an illicit trafficking network of tear gas to Zimbabwe in 2004-2005 by identifying countries that received US-made tear gas in the US Department of State's annual report on arms exports through the Direct Commercial Sales program.²⁶⁷ This information was shared with US authorities and eventually led to the shutting down of a tear gas trafficking network from a neighboring state. In order to assist with this type of effort, states must provide specific information on the types of weapons, value, and quantity of arms exported in their annual reports. This annual report information can also be used by non-governmental researchers to assist states in identifying evolving corruption-fueled diversion risks.

267 Amnesty International. 2004. 'Zimbabwe: Another death at Porta Farm - 11 people now dead following police misuse of tear gas.' October 1. Author's personal experience. Goodman, Colby. 2025. 'Strategic Asset Sidelined: Transparency in Commercial Arms Exports.' Transparency International U.S.. January.

8.2 Improve International Collaboration to Counter Corruption in Arms Transfers

States should encourage discussions and action on corruption-fueled diversion risks in arms transfers within multilateral fora like the UN Arms Trade Treaty (ATT), the UN Program of Action (PoA) on small arms and light weapons, Organization for Security and Cooperation in Europe (OSCE), East Africa Community, and others. We recommend the following actions to improve international collaboration:

- Elevate corruption as a key enabler of arms diversion within multilateral agreements** – States should continue to raise the importance of addressing corruption to effectively curb arms diversion in multilateral and regional agreement meetings and conferences. During such meetings, states could highlight some of the specific ways in which corruption at home or abroad has contributed to the diversion of arms. They could encourage states to take more national action to prevent corruption-fueled diversion by integrating corruption risks in arms transfer policies and adopting detailed implementation guidelines as mentioned in the above recommendation. States should also encourage linking international agreements such as the UN Convention Against Corruption (UNCAC) with arms diversion efforts.
- Strengthen international coordination between states on corruption-fueled arms diversion** – Several multilateral and regional arms control agreements, including the ATT and Nairobi Protocol, push states to share information on corruption to better understand and prevent the illicit trafficking or diversion of arms. States should strengthen these efforts by putting the role of corruption in arms diversion on the agenda for future meetings or establishing separate working groups to better address the issue. It would be critical for states to develop mechanisms or guidelines for sharing active information on corruption risks to help prevent corruption-fueled diversion before it happens. States should also discuss specific challenges in identifying corruption risks and effectively curbing such corruption.



8.3 Support Research and Reforms to Curb Corruption-Fueled Arms Diversion

There is an urgent need for more study on corruption-fueled diversion and support for national efforts to strengthen defense and security institution efforts to curb such diversion. We recommend that states take the following actions:

- **Expand support for research grants on issues related to corruption-fueled diversion** – This study examined several of the stronger defense and security institutional gaps that complicate efforts to curb arms diversion. There, however, is a need for additional research on the issues we raised to further identify some of the nuances of these gaps. It would also be helpful to support studies on the conflict of interest risks of security institutions both regulating the import and civilian ownership of firearms and selling such firearms for profit such as the above case study on Thailand mentions. While we have identified many of the global indices that can help states answer key arms diversion risk assessment questions, states should consider supporting research grants for organizations to create new indices that periodically review states' income, interest, and asset disclosure systems as well as arms stockpile inventory and recordkeeping systems and checks.
- **Increase financial and technical support for states engaged in strengthening the integrity of key defense and security institutions** – Many states are actively engaged in supporting defense and security sector reform efforts bilaterally and multilaterally. This study reinforces the need for states to continue to support efforts that can help identify and curb corruption-fueled diversion. In particular, states should find ways to effectively improve states' income, interest, and asset disclosure systems, inventory and recordkeeping of arms stockpiles, and military and police systems for ensuring salaries are paid on time and personnel are treated fairly in selection of posts and promotions. States should continue to support oversight of and integrity in weapons procurement disposal systems. There is also a clear need for efforts to strengthen whistleblower protections and media personnel exposing corruption-fueled diversion. Lastly, states should continue to support internal and external audit bodies and judicial authorities that can fully investigate corruption issues within defense and security institutions. The status and results of these investigations and related prosecutions should be regularly updated for the public.



Transparency International Defence & Security
10 Queen Street Place
London
EC4R 1BE

ti-defence.org
[twitter.com/@TI_Defence](https://twitter.com/TI_Defence)

Transparency International UK
Registered charity number 1112842
Company number 2903386

Transparency International US
c/o Open Gov Hub
1100 13th St NW, Suite 800
Washington, DC
20005

us.transparency.org