Rough Seas

Maritime Transport and Arms Shipments

Sergio Finardi and Peter Danssaert

Transport Services under an Arms Trade Treaty Series

International Peace Information Service and TransArms-Research

July 10 2012

Rough Seas

Editorial

Title: *Rough Seas – Maritime Transport and Arms Shipments - Transport Services under an Arms Trade Treaty*

Authors: Sergio Finardi and Peter Danssaert

Issued: July 10, 2012

Acknowledgement: The authors take full responsibility for the final text and views expressed in this report but wish to thank Brian Wood (Amnesty International) for his inputs and advice.

Caption: MV Thor Emilie bound to Mombasa with battle tanks for South Sudan April 1999. Copyright Fotoflite.com, published with permission.

By the same authors
available at: http://www.ipisresearch.be/search_publications.php

The Arms Flyers
Commercial Aviation, Human Rights, and the Business of War and Arms
IPIS/TA, June 2011

Transparency and Accountability
Monitoring and Reporting Methods Under An Arms Trade Treaty
IPIS/TA, February 2012

For further information please contact:

Sergio Finardi – TransArms Research (Chicago, USA) +1-773-327-1431, transarms@logitai.com
Peter Danssaert - IPIS (Antwerp, Belgium) +32 3 225 00 22, peter.danssaert@ipisresearch.be

TABLE OF CONTENTS

1. The Report - Executive Summary

As stated by the authors in their report "Transparency and Accountability" (February 2012),[1] the *Chairman's Draft Paper* (14 July 2011) presented by the Arms Trade Treaty's Preparatory Committee (ATT PrepCom) included within the ATT's scope certain activities that should fall under the category of "Services", such as transport and brokering. However, no provision has been envisaged for the monitoring and ATT-related regulations of arms transport services.

Monitoring transport services may instead be the key to provision for the implementation and enforcement of the Arms Trade Treaty. TransArms and IPIS vzw have since 1999[2] advocated the monitoring of arms transport networks as one of the most effective activities for the control of arms transfers, in particular toward war zones and countries at risk of serious violations of human rights.

Transportation services for the international transfers of conventional arms[3] are performed by logistics companies, shipping agents, freight forwarders, and carriers who organize and carry out the transportation from or across the territory of one State to another.

This report wil demonstrate how arms shipments may be monitored and reported when there is a substantial risk that the shipments could contribute to fuelling armed conflicts, dissent repression, and other human rights violations. The report provides examples of the monitoring of actual conventional arms shipments to Egypt and Syria in 2011 and 2012 and of suspected conventional arms shipments to Syria in 2012 by sea.

The report also shows that where there is an open society, or at least a fair degree of access to government activities, such as in the United States, arms transfers - which most often receive financial and business support from programs enacted with tax-payers money - can be monitored and discussed without jeopardizing legitimate security policies; however all too often "national security" is invoked as a mean to cover up military support to human rights abusers all over the world.

---

[1] Finardi, S., P. Danssaert, *Transparency and Accountability. Monitoring and Reporting Methods Under An Arms Trade Treaty*,http://www.ipisresearch.be/search_publications.php, IPIS vzw and TransArms-Research, February 2012

[2] Finardi, S., C. Tombola, *Ariadne's thread: the transport networks of arms trade*, Program Global Security and Sustainability, J.D. and C.T. MacArthur Foundation, Chicago, November 1999; Finardi, S., C. Tombola, *The Matchmakers: how legal and illegal trade meet at ports and airports*, Program on Global Security and Sustainability, J.D. and C.T. MacArthur Foundation, Chicago, January 2002. TransArms and the International Peace Information Service have maintained a databank on transport companies and brokers involved in defense logistics and international transport of conventional and non-conventional arms since 2003. The databank is hosted by TransArms Europe, an affiliated NGO based in Italy. The databank project and its design were initially developed by TransArms with the research contribution of the Peace Research Institute of Oslo (PRIO) in 2003 and then further modified in 2006, when it passed to TransArms Europe. It presently includes information about 2,500 transport companies, thousands of aircraft and ships, as well as events related to the transport of arms, accompanied by relevant original documentation. See also: TransArms/IPIS presentations in conferences and seminars in 2006 (*Melding Defense and Commercial Logistics*, United Nations, New York; *The Freight Transport Industry and the Arms Supply Chain*, European Commission, Brussels) and most recently "*Controlling arms supply-chains for an effective Arms Trade Treaty*", UN Biennial Meeting of States on Small Arms, United Nations, New York, June 16, 2010.

[3] "Conventional arms" means here all types of military and non-military weapons, munitions, armaments and related parts and technology (including such items destined for use by internal security forces), while "international transfers" means the physical movement of equipment and the tangible or intangible movement of technology into or from national territory.

2. Introduction - Arms Transport by Sea

2.1 General Cargo, Roll on / Roll off, and Containerships

Maritime transport is the main modality used for the international transport of conventional arms. The typical vessels that carry military cargo are "general cargo" ships (including roll on/roll off vessels and vehicles carriers) and containerships.

In 2011[4] the world fleet of general cargo ships (including ro/ro ships) reached 21,399 units, with a total transport capacity of 108,971,000 Dwt.[5] Containerships reached 9,688 units, with a total transport capacity of 16,253,988 TEUs.[6] Out of that total, fully cellular containerships reached 4,897 units (of which, 2,656 vessels were registered in the top ten open registries or flags of convenience), with a total transport capacity of 14,081,957 TEUs

The most requested ships for heavy military equipment are the ro/ro (roll-on roll-off) vessels, where wheeled vehicles (trucks, trailers, armored and tracked vehicles, etc.) can drive straight on and off the ship.

P1. Syrian tanks off-load in the port city of Yanbu, Saudi Arabia on Sunday, Nov. 4, 1990

Credit: AP Photo/Diether Endlicher.

Containerships are the most requested vessels for routine shipments of military equipment. These vessels are the most advanced segment of the maritime transport industry, usually operated by major maritime companies capable of meeting their high maintenance costs.

[4] UNCTAD, Review of Maritime Transport 2011, Geneva, 2011.
[5] Dead Weight Tonnage.
[6] A standard container, Twenty-foot Equivalent Unit

P2. Emma Maersk, owned by A.P. Moller-Maersk Group

Credit: Santiago Mena Saez, 19 October 2010

It is worth noting that the eight E-class containerships - the world's largest – owned by the Danish company A.P. Moller-Maersk Group, have a capacity of 14,000/15,000 standard containers (TEU) and can transport 156,000 tons each, about 1.5 times the cargo weight that the world fleet of air freighters in civilian use can move.[7]

2.2 Maritime transport markets[8]

Transport markets are nowadays organized on the basis of specialization (either for routes or means of transport), so the outsourcing by governments of defense logistics services for international transport is becoming limited to two main options: (i) chartering sea vessels (usually with their crews) over a period of time or (ii) maintaining a system for which a defense agency has a guaranteed space on vessels run by commercial carriers with a global network of routes.

In general, the first approach is the most common, but the world leader in outsourcing defense logistics services, the U.S. military, has increasingly chosen to use the second approach and its cargo can be loaded at virtually anytime for all the destinations covered by the system, including war zones.

[7] Danssaert, P., S. Finardi, *Arms Flyers: Commercial Aviation, Human Rights, and the Business of War and Arms,* http://www.ipisresearch.be/publications_detail.php?id=368, TransArms Research & IPIS vzw, Antwerp, June 2011.
[8] See: Amnesty International and TransArms, *Dead on Time: arms transportation, brokering, and the threat to human rights,* http://www.amnesty.org/en/library/info/ACT30/008/2006, Amnesty International, London.

2.2.1 Tramp (voyage / time charter) ships

For a single large transfer of conventional arms, the most common method is to use companies that operate tramp ships, i.e. ships that take the cargo when and where it is offered. The following examples may provide an illustration of tramp ships used to export heavy military equipment. The cases refer to shipments destined for the Sudanese government in 1999 (who used them against South Sudanese rebels)[9] and destined for the South Sudan rebel "government"[10] in 2007/2008.[11]

2.2.1.1 - Case 1 - Tanks for the Sudanese Government.

On April 1999, a Danish-flagged ship, MV Thor Emilie**,** sailed with a cargo of 20 T-55 tanks from Poland. The ship[12] belonged to a Danish company, T&C Thor Chartering A/S, based in Svendborg, and was chartered by a British company. According to Danish media, another similar shipment was planned for later in 1999, to be transported by another Thor Chartering ship, but was suspended because of export document irregularities.[13]

P3. Thor Emilie en route to Port Sudan, April 30, 1999

Credit: www.fotoflite.com

As the 1999-2000 debate in the Danish Parliament[14] made clear, technically speaking the shipment did not violate the EU embargo, due to the fact that it was carried out

[9] Søren Søndergaard, MF, "Nol: Forbyd Vaabentransporter", Politiken, June 9, 2001
[10] South Sudan became an independent state only on 9 July 2011.
[11] Mutuma Mathiu, "Sudan: How Kenya Was Left Stranded With Tanks Meant for South", Nation, December 9, 2010.
[12] The ship (IMO 7431674), with a cargo capacity of 2,130 DWT, was previously named Mosel (1975) and Freja (1987) and had as registered owner a company based in Denmark, P/R Thor Emilie (IMO 1733539).
[13] "Rederi undskylder brud på embargo", Politiken, June 26, 2000.
[14] www.ft.dk/Search.aspx?tab=3&btn=1&q=thor+emilie&samling=19991&udvalgsomraade=&dokumenttyper=. See, among many other MP interventions, Spm. nr. S 3146, Til justitsministeren (30/6 2000) af: Søren Søndergaard, Besv 14/7/200.

between two non-EU State and no laws forbade the Danish company to provide the transport service. Strangely, when the shipment was exposed, Thor Chartering's CEO Per Nykjær Jensen nevertheless apologized for having violated the embargo.[15]

The ship was at that time controlled by a Danish company, T.& C. Thor Chartering A/S, based in Svendborg and sold to Clipper Group in 2003. Its CEO and co-founder (1996), has also been managing director (2008)[16] of another Danish company specializing in fissil materials (INF, Class 1 and 2), explosives (IMO Class 1) and arms transport, Shipcraft A/S, whose questionable behavior and shipments recently came under the spotlight of the Danish media.[17] Later on the ship encountered a tragic fate, due to a mislabeled cargo that it was transporting.[18]

2.2.1.2 – Case 2 - Tanks for the Government of South Sudan

Between September 14 2007 and September 1 2008, three ships – the Ukraine-flagged Radomyshl, the Antigua & Barbuda-flagged Beluga Endurance, and the Belize-flagged Faina - loaded hundred of tons of military equipment at the Ukrainian port of Oktyabrsk/Nikolayev.

According to documents provided by Mike Lewis and Oliver Sprague, who first researched these cases,[19] the shipments were destined for (and delivered to) the Government of South Sudan. In the cargo manifests of MV Faina and MV Beluga Endurance the consignee was reported as the "Ministry of Defence – Republic of Kenya", but the contracts related to the cargo and named in the documents were titled

[15] "Rederi undskylder brud på embargo", Politiken, June 26, 2000.
[16] Wayback, Schipcraft website, November 11, 2008
[17] The company practically abandoned (Julian Isherwood, "Shipcraft complaint filed in hostage case", Politiken, June 29, 2011) the crew of one of its ships, the MV Leopard, assaulted by Somali pirates January 12, 2010, and then abandoned with its military cargo. The company sent another crew to service the ship soon after it was rescued by the Indian and Italian Navy and instructed the captain to deliver the cargo to the Vietnamese military. The ship arrived in Haiphong March 29, 2011. See Ekstra Bladet/TransArms, K. Kornø, T. G. Svensson, D. Rebouh, "Gidslerne Kan Vente" (Hostages Can Wait), June 4, 2012.
[18] On February 9, 2000 the ship was sailing from Dunkerque (France) to Porto Vesme (Sardinia, Italy). Its cargo (2,000 tons) was owned and shipped by Glencore – based in Baar, Switzerland and one of the world leaders in the production and marketing of raw materials (http://www.glencore.com). Glencore hired the brokering company Polyship, based in Marseille (France), to charter the Thor Emilie. The cargo was initially labeled as a non-IMO Oxide Zinc Ore, despite the fact that Glencore knew it was actually Zinc Skimmings, an IMO dangerous cargo (Class 4.3, UN No 1435). The cargo was loaded in Dunkerque without the precautions reserved for Zinc Skimmings that "*in contact with moisture or water, liable to give off hydrogen, a flamable gas, and toxic gases*." The Thor Emilie was not qualified for the transport of such IMO cargo. Just before the ship departed from Dunkerque a final Bill of Lading arrived with the right labeling, but the document was never received by the ship Master. February 17, when it was passing between the island of Ibiza and the Algerian coast the cargo exploded. The ship sank immediately and only the Master, captain Torben Matz, survived, and was rescued at sea the same day by a passing ship, the Maltese-flagged Italian ship MV Verdi (see from Danish Maritime Authority, "The report on the loss of Thor Emilie on 17 February, 2000", by K. Skaareberg and Eriksen Niels Mogensen). The Swiss authorities, after five years of "inquiry", did not find "ground" to indict Glencore and the charges were dropped. For the dangerous cargo specific provisions see International Maritime Organization (IMO), Code of Safe Practice for Solid Bulk Cargoes. See also:SOLAS, Chapter VI (Carriage of cargoes), Part A (General provisions), Regulation 2 (Cargo information): "The shipper shall provide the master or his representative with appropriate information on the cargo sufficiently in advance of loading to enable the precautions which may be necessary for proper stowage and safe carriage of the cargo to be put into effect.", as reported by "The report on the loss of Thor Emilie", quoted. Other sources: See: "Eftersogning Indstillet", Politiken, February 20, 2000; Nouzille Vincent, "Glencore; Les flibustiers du management", L'Express, March 27, 2003; Peter Suppli Benson, "Mistaenkt Gaar Fri Efter Soefolks Doed I Eksplosion", Politiken, October 26, 2005.
[19] Oliver Sprague (Amnesty International UK) and Mike Lewis (then at Omega Foundation). TransArms/IPIS contributed to their research. See Lewis, M., "Skirting the Law: Sudan's Post-CPA Arms Flows", Small Arms Survey, Graduate Institute of International and Development Studies, Geneva, September 2009.

"DOD/GOSS", followed by a date and number. On October 8, 2008, the BBC published the cargo manifest of MV Faina and stated that "GOSS" was an acronym for "Government of South Sudan", while the Kenyan authorities said that GOSS meant "General Ordinance Supplies and Security".[20]

P4. Excerpt from MV Faina cargo manifest

FREIGHT/CARGO MANIFEST

Shipper: Waterlux AG		Vessel: FAINA		Port of loading: OKTYABRSK			Sailing date: 01.09.2008.						
Agent: MA "ATLANTIC MARITIME"		Captain: VLADIMIR KOLOBKOV		Port of discharge: MOMBASA			Final destination: KENYA						
№ п/п B/L №	№ поруч. Order №	Отправитель Shipper	Получатель Consignee	Марки и номера Marks and numbers	Наименование груза и упаковка Kind of packages and description of goods	Число мест Number of pieces	Масса брутто Gross weight KGS	Объем Measurement	Ставка Rate	Сумма Amount	Скидки Rebates	Надбавки Surcharge	Уплачено при отправке Prepaid
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1	1	SSSFTF"UKRINMASH" 36, DEGTYARIVSKA STREET, 04119 KYIV, UKRAINE	Consignee: MINISTRY OF DEFENCE REPUBLIC OF KENYA. Notify address: MOD REPUBLIC OF KENYA. TEL: + 254-202-71-41-63		CONTRACT No. MOD/GOSS/T-72/06-07-5/9-1K DATED 15/02/07 T-72M1, T-72M1K ITEMS UNPACKED SPARE PARTS TO T-72M1, T-72M1K ITEMS PACKED TOTAL:	33 73 106	1 353 000 11 900 1 364 900						FREIGHT PAYABLE AS PER C/P
2	2	SSSFTF"UKRINMASH" 36, DEGTYARIVSKA STREET, 04119 KYIV, UKRAINE			CONTRACT No. MOD/GOSS/ARMS/06-07-3/87- K DATED 29/12/06								FREIGHT PAYABLE AS PER C/P

Source: "Kenya dismisses tanks 'evidence' ", BBC, October 8, 2008

P5. A U.S. Department of State "Background" document shows that the acronym GOSS was in use to indicate the government of South Sudan

CONFIDENTIAL
DECL: 04/01/2018

Background

The special authority that we requested and was included in Section 666(e) of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2008 (Div. J, P.L. 110-161) (SFOAA) permits us to overcome legal restrictions to the provision of assistance to the Government of Southern Sudan (GOSS), particularly due to Sudan's status as a state sponsor of terrorism. The authority also provides assistance in the SFOAA to the GOSS, notwithstanding any other provision of law, to provide "non-lethal military assistance, military education and training, and defense services controlled under the International Traffic in Arms Regulations (ITAR)" if the Secretary determines that this assistance is in the national interest of the United States and notifies the Congress of such a determination 15 days prior to the provision of any such assistance. Pursuant to Delegation of Authority 245, you are also authorized to make this determination.

Source: IPIS vzw, obtained through FOIA.

US diplomatic cables leaked to Wikileaks revealed that the US was aware not only of the real destination of the cargo, but had approved the first two shipments to South Sudan.[21] The publicity that the case of MV Faina received and a change in the US

[20] "Kenya dismisses tanks 'evidence' ", BBC, October 8, 2008
[21] See among others: US Embassy of Khartoum, cable dated July 29, 2009, confidential section, Wikileaks, 09KHARTOUM881; US Embassy Kyiv, 09KYIV1942 dated November 9, 2009, Secret. See also: Mutuma Mathiu, "Sudan: How Kenya Was Left Stranded With Tanks Meant for South", Nation, December 9, 2010.

Administration led to a reversal in the US position on arms shipments to South Sudan. This left the Kenyan government in an embarrassing situation and with tanks that it did not need, despite its official statements.[22]

In addition to the Ukrainian arms manufacturer Ukrinmash, various private companies (British, Kenyan, German, and Ukrainian), the Government of Southern Sudan and the Government of Kenya (as consignee of convenience) were directly involved in the operations. As the records of movements show, the three ships were classic tramp ships, with calls in the Black Sea, the Mediterranean, the Middle East, the Indian Ocean, and Southern African ports.

MV Radomyshl. On September 14 2007, the Ukraine-flagged general cargo ship MV Radomyshl[23] departed the Ukrainian port of Nikolayev (72 miles east of Odessa) after loading military cargo at the nearby port of Oktyabrsk.

The cargo was the first in a row of three arms shipments[24] destined for South Sudan via Mombasa port (Kenya). The ship sailed to Port Said and arrived at Suez (Red Sea) on October 2, 2007, docking at the port of Mombasa in the late afternoon of October 29th. Three days later the ship continued South to reach Maputo and later cross the Indian Ocean to Aden and Mumbai.

At the time of the shipment to Mombasa, the MV Radomyshl was owned and managed by a Ukrainian-registered and Izmail-based company, Ukrainian Danube Shipping. The ship was broken up at Mumbai (India) on September 2009.

P6. MV Radomyshl movements - February 2007-February 2008

Place	Country	Area	Arrival		Sailed		Details
Mumbai	India	Indian Sub (	1-Feb-08				Detention
Djibouti	Djibouti	S & E Africa	13-Dec-07		27-Dec-07		
Aden	Yemen	Red Sea	12-Dec-07		12-Dec-07		
Maputo	Mozambique	S & E Africa	11-Nov-07		14-Nov-07		
Mombasa	Kenya	S & E Africa	29-Oct-07	17:55	1-Nov-07	19:25	
Suez	Egypt	N Africa	2-Oct-07		2-Oct-07		Passed South
Port Said	Egypt	N Africa	30-Sep-07		2-Oct-07		
Dardanelles	Turkey	Black Sea	21-Sep-07	19:50	21-Sep-07	19:50	Passed West
Istanbul	Turkey	Black Sea	18-Sep-07	18:10	18-Sep-07	18:10	Passed West
Nikolayev	Ukraine	Black Sea	8-Sep-07		14-Sep-07		
Sulina	Romania	Black Sea	6-Sep-07		6-Sep-07		Passed East
Izmail	Ukraine	Black Sea	Black Sea		22-May-07		
Bourgas	Bulgaria	Black Sea	28-Apr-07		30-Apr-07		
Kerchenskiy	Ukraine	Black Sea	25-Apr-07	8:52	25-Apr-07	8:52	Passed South
Mariupol	Ukraine	Black Sea	20-Apr-07		24-Apr-07		
Kerchenskiy	Ukraine	Black Sea	18-Apr-07	16:07	18-Apr-07	16:07	Passed North
Istanbul	Turkey	Black Sea	5-Apr-07	12:16	5-Apr-07	12:16	Passed East
Diliskelesi	Turkey	Black Sea	29-Mar-07		31-Mar-07		
Istanbul	Turkey	Black Sea	29-Mar-07	20:40	29-Mar-07	20:40	Passed West
Illichivsk	Ukraine	Black Sea	9-Mar-07		28-Mar-07		
Istanbul	Turkey	Black Sea	6-Mar-07	9:22	6-Mar-07	9:22	Passed East
Dardanelles	Turkey	Black Sea	4-Mar-07	21:20	4-Mar-07	21:20	Passed East
Ashdod	Israel	E Mediterrar	25-Feb-07		1-Mar-07		

Source: TransArms/IPIS databank, October 2008.

[22] Mutuma Mathiu 2010, quoted.
[23] The ship (IMO 7415527) has a cargo capacity of 5,657 DWT.
[24] The shipments stemmed from three contracts signed on 29 December 2006, 15 February 2007, and 5 May 2008. See "Skirting the Law: Sudan's Post-CPA Arms Flows".

P7. MV Radomyshl at Castellón June 10, 2006

Credit: Jose' Miralles, www.shipspotting.com

Beluga Endurance. After docking at the port of Nikolayev December 15, the Antigua & Barbuda-flagged MV Beluga Endurance ("Martin" since March 2011) sailed North to the Oktyabrsk port, where it loaded 1,771 tons of heavy military equipment, including 42 battle tanks and AKM assault rifles[25], officially destined for the Government of Kenya and actually delivered to South Sudan.

P8. MV Beluga Endurance movements – October 2007/April 2008

Place	Country	Area	Arrival		Sailed		
Panama Canal	Panama	Central America	4/6/08	4:57	04/06/08	4:57	Passed East
Singapore	Singapore	Far East - Asean	2/23/08	5:30	02/23/08	18:10	
Mumbai	India	Indian Sub Continent	2/1/08		02/05/08		
Mombasa	Kenya	S & E Africa	1/20/08	10:55	01/20/08	17:40	
					Before		
Mombasa	Kenya	S & E Africa	1/8/08	10:20	01/20/08		
Suez	Egypt	N Africa	12/28/07		12/28/07		Passed South
			After		Before		
Ashdod	Israel	E Mediterranean	12/20/07		12/28/07		
Istanbul	Turkey	Black Sea	12/20/07	17:00	12/20/07	17:00	Passed West
					Before		
Nikolayev	Ukraine	Black Sea	12/15/07		12/20/07		
Istanbul	Turkey	Black Sea	12/12/07	2:10	12/12/07	2:10	Passed East
Bandirma	Turkey	Black Sea	12/9/07		12/10/07		
Dardanelles	Turkey	Black Sea	12/8/07	22:00	12/08/07	22:00	Passed East
Augusta	Italy	S Europe	12/4/07		12/07/07		
Dardanelles	Turkey	Black Sea	12/2/07	20:45	12/02/07	20:45	Passed West
Tekirdag	Turkey	Black Sea	12/2/07		12/02/07		
Dardanelles	Turkey	Black Sea	12/1/07	10:38	12/01/07	10:38	Passed East
Tarifa	Spain	Iberian Atlantic	11/25/07		11/25/07		Passed East
Vigo	Spain	Iberian Atlantic	11/21/07		11/23/07		
Gibraltar	Gibraltar	S Europe	11/20/07	0:38	11/20/07	0:38	Passed West
Marina di Carrara	Italy	S Europe	11/16/07		11/17/07		
Messina Strait	Italy	S Europe	11/14/07	19:52	11/14/07	19:52	Passed North
Port Said	Egypt	N Africa	11/11/07		11/11/07		Passed North
Beira	Mozambique	S & E Africa	10/26/07		10/27/07		
Richards Bay	South Africa	S & E Africa	10/20/07		10/25/07		
					Before		
Walvis Bay	Namibia	S & E Africa	10/11/07	18:12	10/20/07		

Source: TransArms/IPIS databank, October 2008.

[25] Lewis (2009), quoted.

P9. MV Martin (formerly Beluga Endurance), May 19, 2011

Credit: www.fotoflite.com

MV Faina. On August 20, 2008, the Belize-flagged ro/ro cargo ship MV Faina[26] departed the Ukrainian port of Illicivsk (Ilyichevsk, south of Odessa), sailing North-East to the ports of Nikolayev (72 miles east of Odessa) and Oktyabrsk. In Oktyabrsk the ship loaded the last cargo destined for Southern Sudanese rebels, via Mombasa port (Kenya).

On September 1, 2008 the ship sailed to Suez, where it arrived on September 15. Ten days later the ship was attacked by Somali pirates and seized. The content of its heavy military cargo was widely exposed.[27] The crew that survived (the captain, Vladimir Kolobkov, died soon after the attack) were set free after four months, on February 5, 2009, allegedly after a US$3.2 million ransom was paid.[28]

Once the cargo was unloaded from the ship in Mombasa, the Kenya government ordered that the tanks be temporarily stored at the Kahawa Barracks (Nairobi). The cargo eventually reached Juba (South Sudan).[29]

---

[26] The ship (IMO 7419377), with a cargo capacity of 9,019 DWT, was previously named Vallmo ((1978), Matina (1983), Loverval (1989), and Marabou (2003).

[27] "Skirting the Law: Sudan's Post-CPA Arms Flows" reports the description of the cargo manifest: "33 T-72M1 and T-72M1K tanks with Kontakt-1 explosive reactive armor; 8,926 rounds of VOF-36 high explosive fragmentation (HE-FRAG) 125 mm tank ammunition; 5,000 rounds of VDK-10 high explosive anti-tank (HEAT); 125 mm tank ammunition; 73 packages of spare parts for T-72M1 and T-72M1K tanks; 6 ZPU-4 anti-aircraft guns; 36 packages of spare parts for ZPU-4 anti-aircraft guns; 36 packages (2,818 kg) of RPG-7V launchers and spare parts; 6 BM-21 122 mm multiple launch rocket launchers on Ural wheelbase".

[28] After paying the ransom, the owner of the ship deducted the cost of the crew telephone calls to families from their salaries! See: "Faina owner deducts telephone charges from crew salaries", Itar-Tass, February 8, 2009.

[29] US Embassy Kyiv, 09KYIV1942 dated November 9, 2009, Secret; Gelfand, Lauren and Allison Puccioni, "IMINT Tracks T-72 Tanks towards South Sudan" *Jane's Defence Weekly*, London, July 3, 2009 (firstly quoted in M. Lewis, 2009).

P10. MV Faina movements - April/September 2008

Place	Country	Area	Arrival	Time	Sailed	Time	Details
Suez	Egypt	N Africa	15-Sep-08		15-Sep-08		Casualty
Istanbul	Turkey	Black Sea	3-Sep-08	21:55	3-Sep-08	21:55	Passed West
Nikolayev	Ukraine	Black Sea	29-Aug-08		1-Sep-08		
Illichivsk	Ukraine	Black Sea	19-Aug-08		20-Aug-08		
Istanbul	Turkey	Black Sea	17-Aug-08	13:45	17-Aug-08	13:45	Passed East
Dardanelles	Turkey	Black Sea	15-Aug-08	1:05	15-Aug-08	1:05	Passed East
Tartous	Syria	E Mediterranean	10-Aug-08		12-Aug-08		
Dardanelles	Turkey	Black Sea	5-Aug-08	20:15	5-Aug-08	20:15	Passed West
Istanbul	Turkey	Black Sea	4-Aug-08	17:00	4-Aug-08	17:00	Passed West
Sevastopol	Ukraine	Black Sea	1-Aug-08		4-Aug-08		
Illichivsk	Ukraine	Black Sea	27-Jun-08		28-Jun-08		
Istanbul	Turkey	Black Sea	26-Jun-08	11:34	26-Jun-08	11:34	Passed East
Istanbul	Turkey	Black Sea	25-Jun-08	5:18	25-Jun-08	5:18	Passed East
Dardanelles	Turkey	Black Sea	23-Jun-08	9:35	23-Jun-08	9:35	Passed East
Tartous	Syria	E Mediterranean	19-Jun-08		20-Jun-08		
Dardanelles	Turkey	Black Sea	19-May-08	19:10	19-May-08	19:10	Passed West
Derince	Turkey	Black Sea	11-May-08		13-May-08		
Istanbul	Turkey	Black Sea	11-May-08	11:15	11-May-08	11:15	Passed West
Illichivsk	Ukraine	Black Sea	8-May-08		9-May-08		
Istanbul	Turkey	Black Sea	7-May-08	11:38	7-May-08	11:38	Passed East
Dardanelles	Turkey	Black Sea	6-May-08	5:45	6-May-08	5:45	Passed East
Alexandria(EGY)	Egypt	N Africa	2-May-08		3-May-08		
Tartous	Syria	E Mediterranean	30-Apr-08		1-May-08		
Dardanelles	Turkey	Black Sea	27-Apr-08	6:10	27-Apr-08	6:10	Passed West
Istanbul	Turkey	Black Sea	26-Apr-08	14:00	26-Apr-08	14:00	Passed West
Illichivsk	Ukraine	Black Sea	25-Apr-08		25-Apr-08		

Source: TransArms/IPIS databank, October 2008.

P11. Tanks in the hull of the MV Faina, February 13, 2009

Credit: AP Photo Sayyid Azim 090213017602

P12. A tank from the MV Faina is loaded onto a rail wagon at Mombasa, Feb. 15, 2009

Credit: AP Photo, 09021504605

P13. Kenya Railways wagons with tanks from MV Faina leave Mombasa, Feb 18, 2009

Credit: AP Photo 090218021740

At the time of the shipment to Mombasa, the MV Faina was controlled by a Ukraine-registered and Odessa-based company, Tomex Team Inc., an operator of ro/ro and car carrier vessels[30] owned by Vadim Alperin, an Israeli citizen based in Ukraine and a former deputy of the Odessa City Council.[31] The ship registered owner was a company based in Panama City (Panama), called Waterlux AG and the ship manager was another company based in Odessa, called the Almar.[32] However, it is likely that the ship's previous owner, the Odessa-based Phoenix Logistics Ltd (until March 16, 2008),[33] had played a role in securing the contract.

2.2.1.3 – Case 3 - Dangerous military cargo

A segment of the voyage/time charter market is a prerogative of companies whose ships qualify for the transport of explosives (including ammunition), fissile materials and other dangerous cargo. One of these companies, this report will show, is the Copenhagen-based H. Folmer & C., whose fleet is mainly composed of ships qualified to transport those types of dangerous cargoes. One example is the recent voyage of the Danish International Ship Register-flagged **Danica Brown**,[34] a special cargo ship - IMO 1 and special bulk cargo-fitted, with a service speed of 11 knots - managed by H. Folmer & C.[35], with the safety manager Erria A/S.[36]

P14. Danica Brown, ca. 1987

Credit: www.fotoflite.com

[30] Lloyd's Seasearcher, Beneficial Owner, MV Faina.
[31] Nataliya Bugayova, "Pirates' Prison", Kyiv Post, Jan 28, 2009.
[32] Equasis database, MV Faina, Management Detail.
[33] Lloyd's Seasearcher, Previous Owner, MV Faina. Under Phoenix, the ship registered owner was a company registered in Monrovia, Liberia, the Redrick Co.
[34] IMO number 8421872. The ship has a capacity (DWT) of 1,563 t and 49 TEUs. Its registered owner is Invest VII, domiciled at Care of H. Folmer & Co., Fredericiagade 57, 1310 Copenhagen, K, Denmark.
[35] Domiciled at Fredericiagade 57, 1310 Copenhagen, K, Denmark
[36] Domiciled at Marstal, domiciled at Enighedsstraede 1, 5960 Marstal, Denmark.

The ship sailed from Wilmington (North Caroline, USA) on March 21, 2012 and arrived at the military port of Sunny Point Terminal on March 21 to load military cargo. The ship sailed March 26, initially northbound to Wilmington (Delaware/Philadelphia) where other cargo had to be collected.

The ship left Wilmington (DE) on April 2, directed to the military port of Cherbourg (France), where it arrived on April 19. It sailed from Cherbourg on April 20 and reached the British port of Portland on April 21. On April 25, apparently in distress, the ship was near the Spanish port of Santander, well-known for its military shipping activity, and docked at the port on April 27.

The ship sailed from Santander to the South Portuguese port of Hueva, where it docked on May 3. From Hueva, the ship sailed to Italy, arriving on May 9 at the port of Talamone, Italy, a small deep-water harbor on the Tuscany coast used by the US and Italian military. It continued to Port Sultan Qaboos (May 30, Oman), Abu Dhabi (June 1, United Arab Emirates), and Khalifa Bin Salman Port (Bahrain), where it arrived in the early morning of June 4.

According to various bills of lading, the cargo loaded in the US had an estimated value of about US$12.2 million and a combined weight of 657 tons. This included:

- 414 tons of 5.56mm ammunition and small arms destined for Andorra and shipped by the military mission of the French Embassy in Washington.
- 13.9 tons of 120mm cartridges and propelling cartridge destined for Denmark (Esbjerg), shipped by the freightforwarder Blue Water Shipping, based in Union, New Jersey, on behalf of an unknown customer.
- 107 tons of cartridges for weapons destined for Italy and shipped by the US company Alliant Techsystem Inc. with final destination Ravenna (delivered in Talamone).
- 401 kg of fuses and detonators destined for Oman and shipped by the military mission of the Embassy of Oman in the US.
- 32 tons of cutter cable, explosive and rocket motors plus 12 tons of guided missiles (six) destined for the United Arab Emirates and shipped by the UAE Embassy in the US.
- 34 tons of rocket motors destined for Bahrain and shipped by the Embassy of Bahrain in the US.
- 696 kg of charges, explosive, and blasting chords destined for Singapore and shipped by Ensign Bickford Aerospace and Defense, based in Simsbury (CT).
- 43 tons of smokeless propellant powders destined for the Philippines and shipped by two US companies, St. Marks Powder (FL) and Hogdon Powder Company (KS).

2.2.2 - Shipping Lines.

For regular international transfers of large consignments of arms and other military or security equipment the companies of choice are usually shipping lines, whose regular services have state-of-the-art technologies for tracking and controlling the deliveries and are integrated with other modalities of transport (by rail, road, air etc.).

In 2011, the 20 top operators of containerships controlled 2,849 vessels or 29% of the world fleet of containerships, but nearly 70% of the world containership capacity (in TEU), making them the most suitable candidates for military contracts. The first five operators in terms of TEU capacity were the Danish Maersk Line, the Swiss MSC, the French CMA CGM Group, the Taiwanese Evergreen Line, and the Singaporean APL (American President Lines). The first five operators controlled 35.9% of the world total TEU capacity.[37]

[37] Source: UNCTAD, Review of Maritime Transport 2011, Geneva, 2011.

The other 15 operators were: COSCON, China; Hapag-Lloyd Group, Germany; CSCL, China; Hanjin, Republic of Korea; CSAV, Chile; OOCL, China, Hong Kong SAR; MOL, Japan; NYK, Japan; K Line, Japan; Hamburg Sud, Germany; Yang Ming, Taiwan; HMM, Republic of Korea; Zim, Israel; PIL, Singapore; UASC, Kuwait.

A typical maritime container (FEU)[38] can be loaded, for example, with:

- 65 cubic meters of ammunition up to 26 tons, or
- 25,000 revolvers (with packaging), or
- 6,000 automatic rifles (with packaging).

In May 2011, one FEU loaded with such a cargo could have been transported on the TransPacific route for around $2,415 (for 1 FEU).

In 1980, the most modern containerships had a capacity of 3,100 TEUs. Containership with an capacity of 18,000 TEUs will enter in service by 2015.

P15. Containership APL Agate, Kill Van Kill Strait (NJ), November 28, 2011

Credit: Joe Becker, www.shipspotting.com

[38] Forty-foot Equivalent Unit

3. US arms shipments to Egypt 2011-2012

3.1 - Overview of arms shipments to Egypt

According to Amnesty International, during Egypt's "25 January" protests, which lasted 18 days, "at least 840 people were killed and 6,467 others were injured and thousands were detained, many of them tortured."[39]

Egypt's security forces used tear gas, water cannons, firearms including shotguns and automatic weapons, lethal shotgun ammunition, rubber bullets, live ammunition, helicopters and armored vehicles, including tanks, to control and disperse the crowds. Since then, further protests have been met with similar brute force.[40]

In addition to government-to-government arms transfers, various governments have licensed their arms manufacturers and dealers to export substantial quantities of weapons to Egypt during the last year, despite clear signals that such goods may be used to perpetrate severe human rights violations by an increasingly repressive regime. According to the UN database COMTRADE, after the 2011 "January Revolution", Egypt was permitted to import infantry weapons that included armored vehicles, shotgun ammunition, and grenade launchers. Among these permissive States were the United States (providing US$248 million of goods, mostly armored vehicles, parts for military weapons and non-self propelled artillery), Montenegro (UIS$13.2 million, ammunition and parts), the Czech Republic (US$4.2 million, cartridges), the Slovak Republic (US$3.5 million, armored vehicles), and the Republic of Korea (US$1.4 million, shotgun ammunition).

The United States has been the main supporter of the Egyptian regime and military. Since the March 1979 Egyptian-Israeli peace treaty (Camp David), Egypt has been the second largest recipient of US military aid. Starting from 1985, military aid represented the largest portion of the overall aid provided by the US to Egypt.[41] In 2011, Egypt received US$1,297 million in military assistance, from US$1,300 million in 2009 and 2010. In 2010, US Direct Commercial Sales (DCS) to Egypt reached US$891 million.[42]

Some of the arms transfers from the United States to Egypt were carried out using commercial ships. Some ships were under contract with the US Department of Defense (DoD) and only included military items directed for the Egyptian army. The precise content of these shipments is usually reported in related DoD contracts, but most of the time contracts do not refer to specific ships and it is therefore difficult to link ship voyages with particular contracts. Some other ships were instead transporting a mix of civilian goods and military items and, as such, had their bill of lading listed in industry databases. An inquiry carried out for this report shows that, between March 2011 and May 2012, the Egyptian Procurement Office (EPO, representing the Armament Authority of Egypt's Ministry of Defence in Washington D.C.[43]) and a US arms manufacturer were licensed to ship 4,123 tons of military equipment and spare parts (including a few civilian vehicles) in over 41 voyages carried out by 16 different ships, for an estimated value of US$182 million.

---

[39] "Egypt Rises, Killings, detentions, and torture in the '25 January Revolution' ", Amnesty International Index : MDE 12/027/2011

[40] See: "USA repeatedly shipped arms supplies to Egyptian security forces", Amnesty International, Press release, December 7, 2011

[41] Sharp, J. M., "*Egypt in Transition*", Congressional Research Service, February 8, 2012, Washington, DC

[42] US DSCA, Historical Facts Book, September 2010; Report by the Department of State Pursuant to Section 655 of the Foreign Assistance Act of 1961, Direct Commercial Sales Authorizations for Fiscal Year 2010.

[43] EPO, 5500 16th Street N.W. Washington, DC 20011.

Table 1 – From EPO and US companies to Egypt March 2011-May 2012 - Military Equipment

Date of departure	Vessel Name	Date of departure	Vessel Name
March 11, 2011	FREEDOM	December 28, 2011	APL CORAL
April 8, 2011	DANICA BROWN	January 2, 2012	APL CYPRINE
May 29, 2011	APL PEARL	January 8, 2012	PRESIDENT JACKSON
June 9, 2011	LIBERTY PRIDE	January 23, 2012	APL JAPAN
July 11, 2011	LIBERTY PROMISE	February 5, 2012	APL PEARL
July 12, 2011	NEW DELHI EXPRESS	February 23, 2012	LIBERTY PRIDE
July 17, 2011	APL JAPAN	February 26, 2012	APL CORAL
July 21, 2011	COURAGE	March 5, 2012	APL CYPRINE
September 11, 2011	LIBERTY PRIDE	March 11, 2012	PRESIDENT JACKSON
October 9, 2011	PRESIDENT POLK	March 20, 2012	PRESIDENT TRUMAN
October 10, 2011	MARIANNE DANICA	March 29, 2012	LIBERTY PROMISE
October 23, 2011	APL CORAL	April 2, 2012	PRESIDENT ADAMS
October 30, 2011	APL CYPRINE	April 8, 2012	APL PEARL
November 6, 2011	PRESIDENT JACKSON	April 13, 2012	PRESIDENT POLK
November 20, 2011	APL JAPAN	April 19, 2012	APL AGATE
November 25, 2011	FREEDOM	April 27, 2012	APL CORAL
November 25, 2011	LIBERTY PRIDE	May 7, 2012	APL CYPRINE
November 27, 2011	PRESIDENT ADAMS	May 10, 2012	PRESIDENT JACKSON
December 4, 2011	APL PEARL	May 17, 2012	PRESIDENT TRUMAN
December 11, 2011	PRESIDENT POLK	May 24, 2012	APL JAPAN
December 18, 2011	APL AGATE		

Source: TransArms/IPIS database

EPO also shipped 2,076 tons of "Diplomatic Cargo"[44] in 23 voyages, all performed by Maersk Line (US) and an associated carrier. "Diplomatic cargo" does not need to be described further and enjoys a fast lane at Customs borders.

Table 2 – From EPO (Washington) to Egypt, March 2011-March 2012: "Diplomatic Cargo"

Date of departure	Vessel Name	Date of departure	Vessel Name
March 19, 2011	MAERSK KENTUCKY	October 24, 2011	MAERSK MONTANA
April 2, 2011	MAERSK IOWA	November 3, 2011	MAERSK IDAHO
April 7, 2011	MAERSK VIRGINIA	November 17, 2011	MAERSK OHIO
April 30, 2011	MAERSK OHIO	December 10, 2011	MAERSK IOWA
May 14, 2011	MAERSK KENTUCKY	December 23, 2011	MAERSK VIRGINIA
May 28, 2011	MAERSK IOWA	January 21, 2012	MAERSK OHIO
June 11, 2011	MAERSK VIRGINIA	February 4, 2012	MAERSK IDAHO
June 16, 2011	MAERSK MONTANA	February 18, 2012	MAERSK IOWA
June 30, 2011	MAERSK OHIO	February 23, 2012	MAERSK VIRGINIA
July 23, 2011	MAERSK KENTUCKY	March 8, 2012	MAERSK MONTANA
September 11, 2011	MAERSK OHIO	March 26, 2012	MAERSK OHIO
October 16, 2011	MAERSK VIRGINIA		

Source: TransArms/IPIS database

[44] Excluding diplomatic cargo with general merchandise and personal effects.

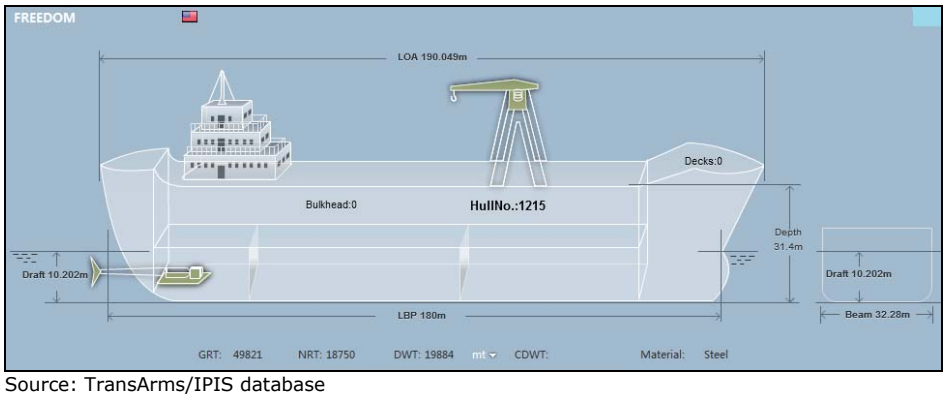
3.2 - US arms shipments

The content of the 4,123 tons of cargo transported in over 41 voyages varied widely, and included (but was not limited to):

- cartridges and ammunition
- crowd-control gas
- tactical and support vehicles
- spare parts and components for military HMMWV and HMMWV ambulances
- spare parts and components for armored vehicles and tanks (M1A1, M60/A3)
- spare parts and components for howitzers
- spare parts (some hazardous) for AH-64 Apache, H-3 and SH-2G(E) helicopters[45]
- components for Buffalo aircraft, spares parts for C130H, F-4, and F-16 aircraft[46]
- spare parts and components for military electronic equipment and SPS-48E radars
- parts and components for missiles (Avenger, Harpoon, TOW missiles) and AMOUN launchers.

The ships APL AGATE (2 voyages), APL CYPRINE (4), APL PEARL (4), APL JAPAN (4), PRESIDENT JACKSON (4), PRESIDENT POLK (3), PRESIDENT ADAMS (2), and PRESIDENT TRUMAN (2) were managed by American President Lines (APL) Maritime Ltd,[47] and owned by APL,[48] a US-based subsidiary of the Singapore-based Neptun Orient Lines (NOL) Group. The ship AP CORAL (4 voyages) was managed by Neptune Ship Management Services (Pte) Ltd.[49] The cargo vehicle ships COURAGE (IMO 8919922) and FREEDOM (IMO 9129706) were managed by ARC.[50] The vehicle carrier ships LIBERTY PRIDE (4 voyages, IMO 9448114) and LIBERTY PROMISE (2, IMO 9448425) were managed by Liberty Maritime.[51]

P16. Vehicles carrier Freedom, details



Source: TransArms/IPIS database

[45] YouTube, "Low flying helicopter over Tahrir Square, Cairo, 30 January 2011 #jan25 egypt"
[46] "Egypt Tense As Protests Continue", National Public Radio, US, "In a show of force, F-16 jets flew repeatedly fast and low over Tahrir Square, the epicenter of the demonstrations against Egyptian President Hosni Mubarak." January 30, 2011; "Military aircraft flying low over Cairo rally", January 30, 2011, www.euronews.com,: "In Egypt, the authorities are apparently ramping up their scare tactics, with military fighter planes and helicopters buzzing over the heads of anti-government protesters gathered in Tahrir Square."; "Military Fighter Jets fly low over Egypt's capital Cairo - Protesters chant "The People want to overthrow the Regime" in Tahrir Square", http://films7.com/ January 30, 2011 , Al Jazeera.
[47] Domiciled at Suite 200, 6901, Rockledge Drive, Bethesda MD 20817-1822, USA.
[48] Based in Scottsdale (AZ). The company is one of the oldest in the United States, its orgin dating back to 1848 (as Pacific Mail Steamship Co.), subsequently acquired by Dollar Steamship Lines, passed under the US government control in 1938 and renamed APL. APL was bought by NOL in 1997.
[49] Based at 456 Alexandra Road #07-00, NOL Building, Singapore 119962.
[50] Based in One Maynard Drive, Park Ridge, NJ 07656
[51] Based in Lake Success, NY.

The Hong-Kong-flagged containership NEW DELHI EXPRESS (1 voyage, IMO 9301770) was managed by the Hamburg-based Hapag-Lloyd. The special ships Danica Brown (IMO 8421872, 1 voyage) and Marianne Danica (IMO 9006241, 1 voyage) were managed by the Danish company H. Folmer & C.[52]

3.2.1 – Case 4 -April 8, 2011

On April 8 2011, the US company Combined Systems, Inc., owned by the Carlyle Group[53], shipped 19,067 kg of ammunition[54] (for an estimated value of US$1.3 million) to Adabiya (Red Sea) in Egypt.

The voyage was performed by special cargo ship **Danica Brown,**[55] IMO 1 fitted and special bulk cargo fitted,[56] with a capacity (DWT) of 1,563 t (49 TEUs), and a service speed of 11 knots. The ship had arrived in Wilmington on March 28, 2011 from Haifa, Israel, with a cargo of 2,507 kg of ammunition for small arms and other weapons manufactured by Israel Military Industries for General Dynamics Ordnance and Tactical Systems (St. Petersburg, FL) and a cargo of 24,282 kg of explosives (UN 0482, 1.5D) manufactured by Rafael Advanced Defense Systems (Israel) for General Dynamics Armament. The ship left Wilmington on April 3, 2011.

The actual route was as follows:

- April 3, US Military Ocean Terminal Sunny Point, NC
- April 8, departed from Sunny Point, NC
- April 30, moored at Borg Havn, Fredrikstad
- May 6, moored at Cliffe Jetty (Thames mouth, UK)
- May 7, moored at Cherbourg (France, military port)
- May 22, passed Gibraltar, developed problems at engines, towed to Gibraltar[57]
- May 26, departed Gibraltar
- May 29, moored at Algiers
- June 7, arrived at Port Said
- June 9, moored at Adabiya (on the Red Sea);[58] and
- June 13, moored at Jeddah (Saudi Arabia).

The reason for the stop-overs was that the ship had to deliver other cargo destined for Norway (Fredrikstad), France (Cherbourg), Algeria (Algiers), Oman (Sultan Qaboos), and Saudi Arabia (Jeddah). The cargo included the following:

- 23,754 kg of explosives destined for Norway (for an estimated value of US$0.81 million), shipped by freight forwarder DSV Sea Air Inc. based in New Jersey.
- 206 kg for 2 missiles destined for France (for an estimated value of US$2,885), shipped by France's US embassy.

[52] Domiciled at Fredericiagade 57, 1310 Copenhagen, K, Denmark
[53] The Carlyle Group "believe it is important to consider the environmental, social and governance (ESG) implications of our investments." http://www.carlyle.com/Company/item10633.html Last Accessed 12 March 2012.
[54] The HS code 930690 includes "Bombs, grenades, torpedoes, mines and similar munitions of war; other ammunition and projectiles; Parts for guided missiles; Parts for bombs, grenades, torpedoes, mines and similar munitions of war; parts of other ammunition and projectiles."
[55] Registered owner Invest VII, Care of H. Folmer & Co., Fredericiagade 57, 1310 Copenhagen, K, Denmark
[56] Safety manager Erria A/S, domiciled at Marstal, domiciled at Enighedsstraede 1, 5960 Marstal, Denmark.
[57] See: Vox Gibraltar News, "*Ship with cargo of explosives inside port for days*", May 22, 2011.
[58] Same port where Marianne Danica unloaded its cargo.

- 12,663 kg of ammunition destined for Algeria (for an estimated value of US$0.86 million), shipped by the US company Combined Systems Inc.[59]
- 29,524 kg of cartridges destined for Oman (for an estimated value of US$0.47 million), shipped by Federal Cartridge, based in Minnesota.
- 475,067 kg of explosives destined for Saudi Arabia (for an estimated value of US$9.2 million), shipped by the Saudi Arabia US embassy.

3.2.2 – Case 5 –June 9 and July 12, 2011

On June 9, 2011, the vehicles carrier **Liberty Pride** left Charleston (SC) to Alexandria (Egypt) with a cargo of 433 tons of military vehicles of various type (including HMMWVs), for an estimated value of about US$13 million. The cargo included 114 tons of tank turrets, for an estimated value of about US$7 million.

P17. Liberty Pride, December 9, 2011, Philadelphia

Credit: Dawid Malinowski, shipspotting.com

On July 12, 2011, the Hong Kong-flagged containership, **New Delhi Express** - owned by the Vancouver-based shipping company Seaspan Ship Management – under charter by Hapag-Lloyd – departed Charleston, in the US East Coast, to Port Said, in Egypt, with a cargo of 3.8 tons of parts for shotguns.[60] It arrived at Port Said on 26 July 2011.

3.2.3 - Case 6 – October 10 and November 27, 2011

On 10 October 2011, the US company Combined Systems shipped 479 drums (7.2 tons) of "ammunition smoke", which includes chemical irritants and riot control agents

[59] At that time domiciled at 98, Cuttermill Road, Great Neck, NY, 110121. Same company that shipped ammunition and tear gas to Adabyia in Egypt in October 2011 (see ship Marianne Danica in Amnesty International press release in December 2011. It is owned by the Carlyle Group.http://www.amnesty.org/en/news/usa-repeatedly-shipped-arms-supplies-egyptian-security-forces-2011-12-06

[60] HS 930521 shotgun barrels.

such as tear gas, from Wilmington (NC) to Adabiya port, for the Egyptian Ministry of Interior.[61] The shipment was organized by Nico Shipping Corp.,[62] a defense logistics company,[63] and left the US Military Ocean Terminal Sunny Point in North Carolina, where the munitions were loaded, on October 13.

This shipment was part of a larger cargo of military equipment that initially had to be loaded onto the MV Hanjin Shanghai. A ship change occurred and the cargo was actually loaded onto the **MV Marianne Danica**, (IMO number 9006241),[64] a IMO 1 fitted and special bulk cargo fitted ship with a capacity (DWT) of 2,200 t (and 78 TEUs) and a service speed of 12.5 knots.

P18. Marianne Danica, November 2, 2011, Papenburg, Germany.

Credit: Jochen Wegener, www.shipspotting.com

The Marianne Danica followed the route initially set for the Hanjin Shanghai deliveries, berthing at the following ports:

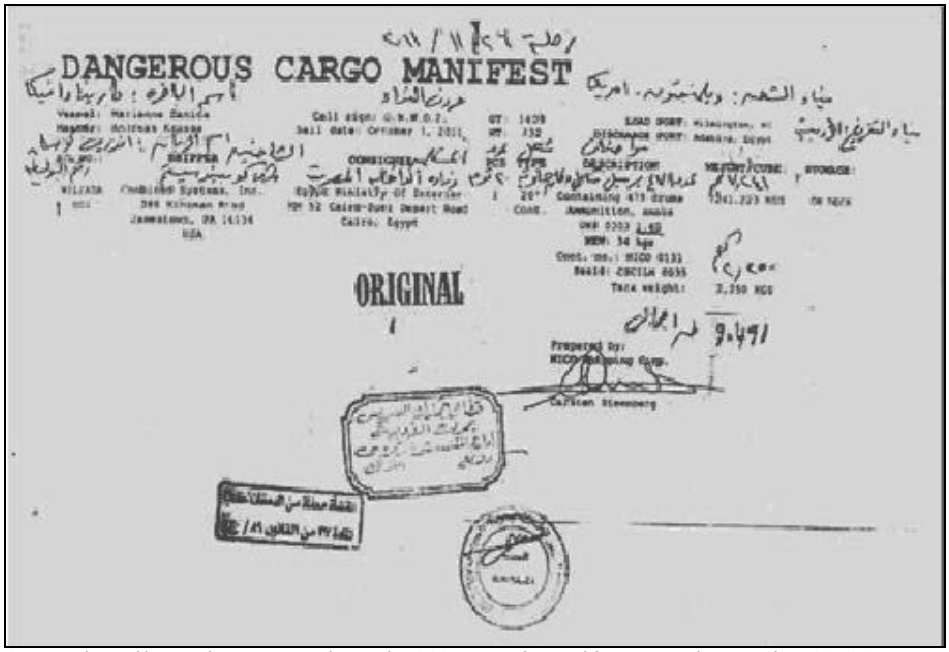
- October 31, Cherbourg (France), with a cargo shipped by the military mission of France (ODCA) in Washington and destined for "Andorra", including 177 tons of ammunition and 1.6 tons of training missiles, for an estimated total value of US$2.5 million.
- November 2, Papenburg, cargo operation not known
- November 13 (approximately, no AIS data), Rades (Tunis, Tunisia), with a cargo shipped by Tunisia's US embassy in Washington, including 6.3 tons of cartridges.

[61] See "USA repeatedly shipped arms supplies to Egyptian security forces", Amnesty International, 7 December 2011. Information by Neil Cornet, Omega Foundation, Manchester; industry database.
[62] Domiciled in Wilmington (NC).
[63] TransArms/IPIS database, Questionnaire dated June 19, 2001, answer by Carsten Steenberg.
[64] Registered owner Danica XV, Danica Care of H. Folmer & Co., Fredericiagade 57, 1310 Copenhagen, K, Denmark; safety manager Erria A/S, domiciled at Marstal, domiciled at Enighedsstraede 1, 5960 Marstal, Denmark.

- November 14, Cagliari (Italy), with a cargo shipped by a US-based freighforwarder (Serra Shipping) including 25 tons of bombs and charges, for an estimated value of US$282,000
- November 15 (approximate, no AIS data). Talamone (Italy), cargo operation not known
- November 20, Izmir (Turkey), cargo operation not known
- November 26, Adabiya (Egypt), with "ammunition smoke"
- November 28 (approximate, no AIS data), Aqaba (Jordan), with a cargo shipped by two US companies, Hornady Manufacturing Co. (Nebraska) and Modern Arms Company LLC (Washington, WA), including 27 tons of cartridges
- December 10 (approximate, no AIS data), Port Sultan Qaboos (Oman), with a cargo shipped by the US company Federal Cartridge Co. (a Minnesota-based subsidiary of Techsystems) including 87 tons of cartridges, for an estimated value of US$1.4 million
- December 14, Khalifa bin Salman (Bahrain), with a cargo shipped by Bahrain's US embassy, including 59 tons of rocket launcher pods
- December 16, Abu Dhabi (UAE), with a cargo shipped by the UAE US embassy, including 275 tons of missiles and guided missiles (US$1.9 million); 93 tons of rockets and rocket motors (US$2.7 million), and 21 tons of cartridges for miniguns
- December 22, Karachi (Pakistan), with a cargo of 2 tons of detonating fuses, shipped by the US company Kaman Precision Products Inc. (Florida).

On November 27 2011, the US-flagged containership, **President Adams** (IMO 8616934), managed by American President Lines Maritime Limited of the Singapore-based Neptune Orient Lines (NOL) Group, departed Norfolk International Terminal, in the USA, for Alexandria and Port Said in Egypt, where it moored on 10 December 2011.[65] The cargo shipped by the EPO included more than 13 tons of spare parts for armored vehicles, planes and helicopters (for an estimated value of about US$2 million).

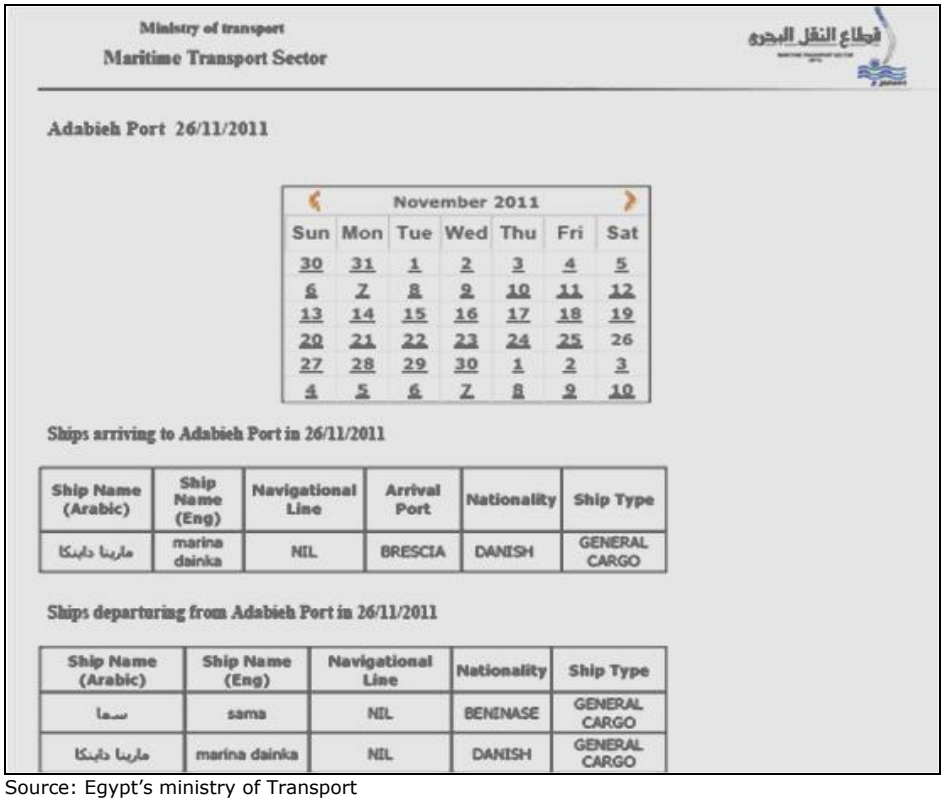
P19. Marianne Danica, Cargo manifest for the Adabiya shipment



Source: http://gate.ahram.org.eg/News/142894.aspx (in Arab), retrieved November 30, 2011

[65] The ship then went to Jebel Ali in the UAE and Karachi in Pakistan.

P20. Adabiya port movements for November 26, 2011 (misspelled Marina Dainka)



Ministry of transport
Maritime Transport Sector

قطاع النقل البحرى

Adabieh Port 26/11/2011

November 2011

Sun	Mon	Tue	Wed	Thu	Fri	Sat
30	31	1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	1	2	3
4	5	6	7	8	9	10

Ships arriving to Adabieh Port in 26/11/2011

Ship Name (Arabic)	Ship Name (Eng)	Navigational Line	Arrival Port	Nationality	Ship Type
مارينا دابنكا	marina dainka	NIL	BRESCIA	DANISH	GENERAL CARGO

Ships departuring from Adabieh Port in 26/11/2011

Ship Name (Arabic)	Ship Name (Eng)	Navigational Line	Nationality	Ship Type
سما	sama	NIL	BENINASE	GENERAL CARGO
مارينا دابنكا	marina dainka	NIL	DANISH	GENERAL CARGO

Source: Egypt's ministry of Transport

3.2.4 - Case 7 - December, 2011

Containership **President Polk**[66] departed Norfolk, Virginia, on December 11 and arrived at Damietta (Egypt), on December 23, 2011. The ship delivered 37.2 tons of military equipment (5 containers) for an estimated value of US$399,000.

The cargo, shipped by EPO, included spare parts and components for the following equipment: tactical and support vehicles, trucks, aeromedic equipment, armored vehicles and tanks (M1A1, M60/A3, M88A1), howitzers, combat vehicles, military HMMWV and HMMWV ambulances, radar components, frigate spare and repair parts, AH-64 Apache helicopters, Buffalo aircraft, C130 Hercules, F-4 and F16 aircraft, Avenger guided missile, HAWK missile systems, Harpoon missile, and a short-range air defense Chaparral missile.

On December 18, containership **APL Agate**[67] departed Norfolk and arrived at Damietta (Egypt), on December 30, 2011. The ship delivered 98 tons of military equipment (11 containers), for an estimated value of US$8.5 million.

The Cargo included spare parts and components for the following equipment: tactical and support vehicles, trucks, armored vehicles and tanks (M1A1, M60/A3, M88A1), military HMMWV, combat vehicles, fuel tanker vehicles, electronic equipment, AH-64 Apache helicopters, H-3 and SH-2G(E) helicopters, Buffalo aircraft, C130 Hercules,

[66] IMO 8616922; DWT 56,700. Registered owner: Wilmington Trust Co. domiciled at Wilmington Trust Center, 1100, N Market Street, Wilmington DE 19801-1243, USA, www.wilmingtontrust.com/
[67] IMO 9139713; DWT 63,693. Registered owner: Wilmington Trust Co.

1900C, F-4 and F16 aircraft, Avenger guided missile, HAWK missile and TOW missile vehicles.

P21. Containership President Polk passing Suez Canal, June 2, 2010

Credit: Andreas Spörri, shipspotting.com

P22. Containership APL Coral, Passing the Suez Canal, October 5, 2011

Credit: Ivan Meshkov, www.shipspotting.com

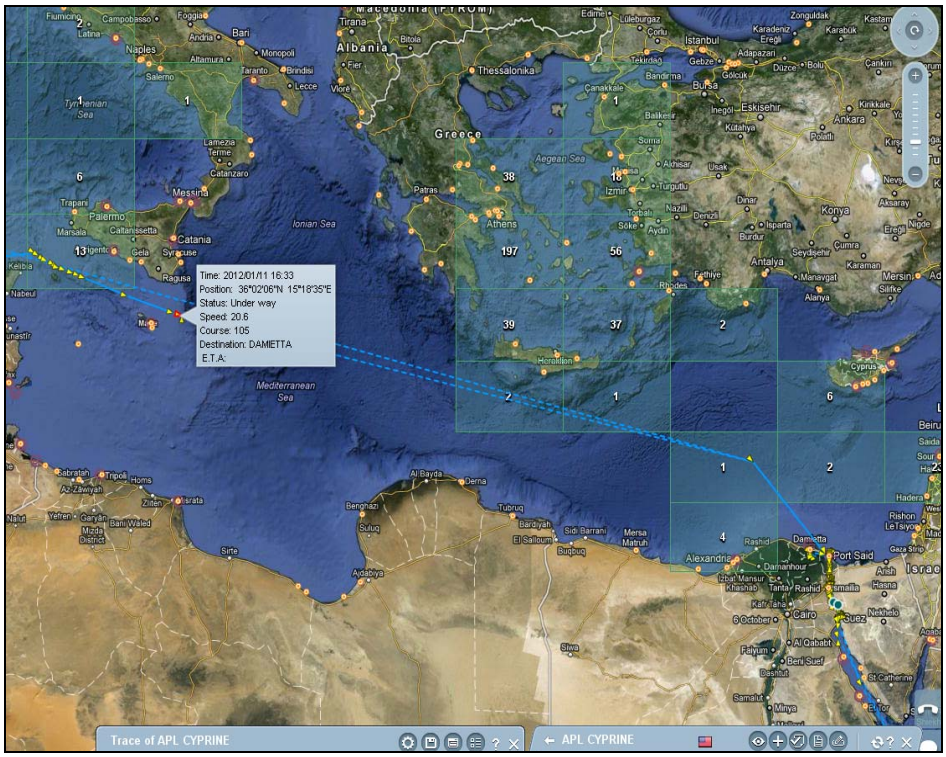
On December 28, 2011, the containership **APL Coral**[68] departed Norfolk and arrived at Damietta, on January 7, 2012. The ship delivered 59.5 tons of military equipment.

The cargo included spare parts and components for: tactical and support vehicles, trucks, aeromedic equipment, armored vehicles and tanks (M1A1, M60/A3, M88A1), howitzers, combat vehicles, military HMMWV and HMMWV ambulances, AH-64 Apache and H-3 helicopters, Buffalo aircraft, C130 Hercules, 1900C, F-4 and F16 aircraft, TOW and HAWK missile systems, SPS-48E radar system, and an AMOUN launcher.

3.2.5 – Case 8 – January 2012

Containership **APL Cyprine**[69] departed Norfolk on January 3, 2012, with Egypt as the destination country of the EPO cargo. The ship was near Malta on January 16 and after docking at Damietta passed the Suez Canal, with the stated destination Jebel Ali (UAE), where it moored January 22. On February 1, the ship arrived at Singapore.

P23. APL Cyprine, AIS traces, January 11, 2011, subsequent lines are forecast



Source: TransArms/IPIS database

The ship was scheduled to arrive in Damietta on January 13 and in Port Said on January 15. The ship had to deliver 32.8 tons of military cargo, for an estimated value of about US$384,000. Cargo included spare parts and components for: tactical and support vehicles, trucks, armored vehicles and tanks (M1A1, M60/A3, M88A1), combat

[68] IMO 9139749; DWT 64,145, registered owner APL Bermuda Ltd., domiciled in Singapore, http://www.nsspl.com/; ship manager Neptune Shipmanagement Services (PTE) LTD, domiciled at 456 Alexandra Road #07-00, NOL Building, Singapore 119962.
[69] IMO 9139725; DWT 64,157.

vehicles, military HMMWV, naval spare parts, AH-64 Apache helicopters, Buffalo aircraft, C130 Hercules, F-4 and F16 aircraft, HAWK missile systems, and SH-2G(E) helicopters.

Containership **President Jackson**[70] departed Norfolk for Damietta on January 8, 2012 and arrived in Damietta on January 20, 2012. The ship delivered 20.5 tons (4 containers) of military equipment, for an estimated value of US$8,7 million.

Cargo included spare parts and components for: tactical and support vehicles, trucks, armored vehicles and tanks (M1A1, M60/A3, M88A1), military HMMWV, combat vehicles, fuel tanker vehicles, navigation and communication equipment, AH-64 Apache helicopters, SH-2G(E) and CH-47D CHINOOK helicopters, Buffalo aircraft, C130 Hercules, 1900C, F-4 and F16 aircraft, and HAWK missiles.

P24. President Jackson, Northbound in the Suez Canal, April 24, 2010

Credit: The late Mara, www.shipspotting.com

Containership **APL Japan**[71] left Norfolk on January 24, 2012 and reached Damietta on February 5. The ship delivered 35.8 tons of military equipment (7 containers), for an estimated value of US$5 million.

Cargo included spare parts and components for: tactical and support vehicles, armored vehicles and tanks (M1A1, M60/A3, M88A1), electrical Apache AH-64 helicopter spare parts, truck and tanker vehicles, TJL Jeeps, CH-47D CHINOOK helicopters, SH-2G(E) helicopters, HAWK missile, C130 Hercules, F-4 and F16 aircraft, and a SPS-48E radar system.

[70] IMO 8616300; DWT 54,665.
[71] IMO 9074391; DWT 66,520 t.

3.2.6 - Case 9 - February and March 2012

Containership **APL Pearl**[72] departed Norfolk on February 5, 2012 and arrived in Damietta on February 15, 2012. The ship delivered 55.3 tons of military equipment (8 containers), for an estimated value of US$11.2 million.

Cargo included spare parts and components for: tactical and support vehicles, armored vehicles and tanks (M1A1, M60/A3, M88A1), truck and tanker vehicles, military HMMWV, CH-47D CHINOOK helicopters, SH-2G(E) helicopters, HAWK missile, Buffalo, C130 Hercules, F-4 and F16 and E-2C aircraft, short-range radio, and communication and navigation equipment.

Containership President Jackson departed again from Norfolk to Damietta on March 11, 2012 and arrived in Damietta on March 23. The ship delivered 40 tons (4 containers) of parts and components of tactical and support vehicles, armored vehicles and tanks (M60/A3), HMMWV ambulances, radar spare parts, various military helicopters and aircraft spare parts, radio communication and navigation, and inflatable boats.

Containership **APL Cyprine** departed again from Norfolk to Danietta on March 6, 2012 and arrived Damietta on March 17, delivering 33 tons of cargo (for an estimated value of US$17.2 million), briefly described as mainly aircraft and helicopter components and parts.

A standard description of the cargo in two separate bills of lading,

MISC SPARE PARS CH-47D AIRCRAFT PARTS AH-64 APACHE HELICOPTER SPARE PARTS VEHICLE SPARE PARTS, SUPPORT EQUIPMENT 1900C AIRCRART T6A-65B ENGINES SUPPORT FOR AH-64 APACHE HELICOPTER HMMWVS SUPPORT, SPARE PARTS SEARCH AND RESCUE MISSION HELICOPTER AIRCRAFT COMM. & NAVIGATION SPARE PARTS AIRCRAFT PARTS SUPPORT FOR THE PACER CHARIOT, A/C PARTS (EAF) VEHICLE SPARE PARTS SPARES PARTS FOR C130H,F-4 AIRCRAFT SUPPORT OF F-16 AIRCRAFT, PARTS SUPPORT FOR AIRCRAFT FIGHTER F-16C SH-2G E HELICOPTER SPARE PARTS H-3 HELICOPTERS SPARE PARTSS, ACCESSORIES SUPP. EQUIP.FOR SH-2G(E) HELICOPTER R/R, RESHIPMENT OF E-2C AIRCARFT EQUIP. E-2C AIRCRAFT, SPARE AND REPAIR PARTS FREIGHT PREPAID (78 pcs, 12.7 tons)
MISC SPARE PARS AH-64 APACHE HELICOPTER SPARE PARTS TACTICAL AND SUPP. VEHICLE SPARE PARTS OPERATION AND MAINTENANCE OF NAVAL EQUIPMENT ENGINEERING EQUIPMENT RECOVERY VEHICLES, SUPPORT M60A3 TANKS (TURRET) SPARE PARTS M1A1 TANKS, SPARE PARTS APACHE HELICOPTER SPARE PARTS HMMWV VEHICLE AND SPARE PARTS CH-47D CHINOOK HELICOPTER SPARE PARTS SPARE PARTS HAWK MISSILE SYSTEM HAWK MISSILE SYSTEM SPARE PARTS REPAIR AND RETURN FOR HAWK MISSILE ITEMS M1A1 TANK HULL AND TURRETS REP SUPPORT FOR AH-64 APACHE HELICOPTER BUFFALO AIRCRAFT SUPPORT HAWK TRMF SUPPORT AIRCRAFT COMM. & NAVIGATION SPARE PARTS C-130H AIRCRAFT SPARE PARTS AIRCRAFT COMP. PARTS, ACCESSORIES AIRCRAFT PARTS COMMUNICATION, NAVIGATION SYSTEM SUPPORT, SUPPORT FOR THE PACER CHARIOT, A/C PARTS (EAF) VEHICLE SPARE PARTS SUPPORT OF F-16 AIRCRAFT, PARTS SUPPORT FOR AIRCRAFT FIGHTER F-16C H-3 HELICOPTERS SPARE PARTS, ACCESSORIES SPS-48E RADAR SPARE PARTS SUPP.EQUIP. FOR SH-2G(E) HELICOPTER (HF) MESSENGER FLYAWAY BRIEFCASES MISC AIRCRAFT PARTS FREIGHT PREPAID (88 pcs, 20.7 tons).

Source: TransArms/IPIS database

Containership **President Truman** (APL) departed Norfolk for Damietta on March 20, 2012 and arrived at Damietta on April 2, 2012, delivering 37 tons of cargo (for an estimated value of about US$12 million), including parts and components of: tactical and support vehicles, armored vehicles and tanks (M1A1, M60/A3), combat vehicles, HMMWV vehicles and spare parts, ambulances, radar spare parts, various military helicopters and aircraft spare parts, radio communication and navigation, accessories of previous US Foreign Military Sales, and inflatable boats.

[72] IMO 9139737; DWT 64,050 t

3.2.7 - Case 10 - April and May 2012

The flow of military cargo shipped from the US to Egypt continued unabated in April and May 2012, again involving shipping lines. Containership APL Agate, APL Coral, APL Cyprine, APL Japan, APL Pearl, President Adams, President Jackson, President Polk, President Truman and ro/ro ship Liberty Promise, delivered 1,247 tons of military cargo (for an estimated value of US$53.5 million) shipped by the Egyptian Procurement Office (EPO) in Washington (D.C.) to Damietta or Alexandria.

It is worth noting that the US Administration has continued to license the export of commercial items procured by EPO in 2011 and in 2012, thereby supporting the Egyptian military through commercial sales during a period of uncertain US Foreign Military Sales and military aid. Due to the particular role the Egyptian army is playing in Egypt's political development (and on the streets), the thousands of tons of military equipment and much needed components and spare parts have allowed Egypt's military and Interior ministry forces to remain efficient and equipped for the role they have chosen to adopt, including repressive behavior, intimidation and torture of demonstrators, eventually claiming an ultimate veto power.[73]

P25. Field Marshal Hussein Tantawi and Gen. Martin Dempsey, February 11, 2012, Cairo

February 11, 2012 - U.S. Chairman of the Joint Chiefs of Staff, Gen. Martin Dempsey, left, shakes hands with Field Marshal Mohamed Hussein Tantawi, head of Egypt's ruling military council, during a meeting at the Ministry of Defense in Cairo, Egypt, Saturday, Feb. 11, 2012. The Pentagon's top general is in Egypt for security talks amid tensions over Cairo's move to bring criminal charges against 19 American pro-democracy workers. Gen. Martin Dempsey, chairman of the Joint Chiefs of Staff, met with counterpart Lt. Gen. Sami Anan and top Egyptian military leader, Field Marshal Hussein Tantawi

Credit: Khalil Hamra, Pool AP
120211113374

Source: TransArms/IPIS database

[73] Noha El-Hennawy, "A coup by law: SCAF consolidates power", *Egypt Independent*, June 18, 2006

4. Secrecy and defense logistics

4.1 - Case 11 - MV Schippersgracht

The Dutch-flagged general cargo ship MV Schippersgracht[74] - managed by the Dutch company Spliethoff's Bevrachtingskantoor BV, a contractor of the US Military Sealift Command[75] - arrived at Baltimore (MD) on January 25, 2012 from Eemshaven (Groningen, Netherlands).

The ship left Baltimore on the 26th and reached Jacksonville (FL) on the 28th. The Schippersgracht left Jacksonville nearly one month later, on February 23, and sailed North, to the Military Ocean Terminal Sunny Point (MOTSU, Sunny Point), where the ship arrived on the 24th. MOTSU is "the key ammunition shipping point on the Atlantic Coast for the Department of Defense"[76] and for military explosives, as well as a logistics hub for intermodal military cargo movements by rail, trucks, and ships.

The ship – with a cargo capacity of about 21,000 tons and 1,110 twenty-foot (TEU) containers - left Sunny Point on March 3, with a cargo that included IMO Cat. C goods, such as cartridges, fuses and other detonators (HazMat Division 4.1). The captain indicated **Port Said** to be the ship's first destination.

P26. MV Schippersgracht, departing Kotka to Rauma on May 18, 2005.

[74] IMO 9197363; DWT 21,402 t. Registered owner Schippersgracht II, domiciled at Radarweg 36, 1042 AA Amsterdam, Netherlands.
[75] For example: N0003306C5219, February 6, 2006 (MSC); N0003306C5502, October 20, 2005 (MSC).
[76] http://www.globalsecurity.org/military/facility/sunny-point.htm

Credit: Pekka Laakso, www.shipspotting.com

Unlike the ships mentioned in Chapter 3, the Schippersgracht was not listed in the commercial movements of US East Coast ports and its last port of call in the US was Sunny Point, indicating that the ship was transporting military cargo only. In these cases, no bill of lading or government shipping documents are publicly available.

Despite being previously awarded contracts by the US Sealift Command, no public announcement was made or contracts awarded in relation to the service that the ship was evidently performing. No bill of lading, or at least a generic description of the cargo and/or the service (as is customary when US Government agencies award contracts to commercial entities), was ever provided.

Based on the ship's final destination, the cargo was apparently shipped to US military entities in the Middle East, Bahrain, Kuwait, and/or Qatar. While a certain degree of discretion before and during the voyage may be acceptable for security reasons, what the ship was transporting, particularly the dangerous portion of its cargo, was completely obscured from record. This is unacceptable and should not be permitted in ATT-related provisions.

There are two reasons for questioning the total secrecy surrounding shipments of military equipment, and in particular dangerous goods, on board commercial ships totally dedicated to military cargo. These are outlined below.

4.1.1 - Danger posed by secrecy: population and environment

Firstly, complete secrecy poses a potential threat to the population and the environment if a ship develops severe problems that affect the cargo and its security.

As shown below, at a certain point the Schippersgracht actually developed severe navigation problems (engines?) and stopped for a number of days in the middle of one of the busiest commercial routes in the world - near the Strait of Hormuz. Its AIS signal was transmitting the "not under command" warning. This signal appears if severe problems develop in the engine room or the propulsion system in general, as well as for other major causes. The warning means the ship could not maneuver and the other ships have to move around it.

The Strait of Hormuz is very dangerous to navigate. Besides the threat of piracy, danger comes mostly from the physical features of the Strait area, the weather conditions (in particular during Spring/Summer) and the constant flow of ships.

As stated in a recent study on the strategic consequences of a closure of the Strait:

"*due to the narrowness of the Strait, all vessels must follow the Traffic Separation Scheme (TSS). The TSS is designed to prevent collisions in the Strait and has two equal lanes, one inbound and one outbound, both of which are two miles wide.*

The Strait experiences swells and tidal currents throughout the year, when these are combined with reduced visibility due to fog or sandstorms, navigation through the Strait can be a challenging experience, especially during the summer months. Long transits in a narrow, crowded waterway, with areas of shallow water conducive to running aground, and unpredictable weather and current conditions, make navigating the Strait of Hormuz a complicated operation, which is undertaken by over a dozen vessels every day."[77]

[77] Schnars, Brenna L., "The idle threat? an assessment of the economic, military and strategic consequences of an Iranian closure of the Strait of Hormuz", Monterey, California Naval Postgraduate School, Seprember 2010

The timeline of the voyage to Hormuz was as follows:

- March 18. After crossing the Atlantic and entering the Mediterranean, the ship moored at Crete's southern port of Kali Limenes (known as a major bunkering hub with a refueling terminal) in the early morning and left in the late evening of the same day. US prepositioning ships have harbored at Kali Limenes in the past.[78]
- March 20, at 11:45 UTC the ship was about 30 nautical miles from Port Said and at 16:00 it was 10 nautical miles from the north entrance of the Canal (about 1 hour from the entrance). At 19:02 it was near the entrance.
- March 21. At 1:06 UTC the ship was travelling south, about 5 nautical miles from the North entrance. The elapsed time was 6 hours, not justified by the distance but possibly justified by the Canal shifts.
- March 21. At 5:40 UTC the ship was traveling South after passing Ismailia.
- March 21. At 9:39 UTC the ship was at anchorage at the Great Bitter Lake, about 61 nautical miles from the North entrance of the Canal. At this point, the captain signaled the destination to be Qatar.
- March 21. At 12:15 UTC the ship was traveling South, some 10 miles from the previous anchorage. At 14:37 UTC, the ship exited the Canal.
- March 22-March 25. At 2:07 UTC the ship had passed Aden and was traveling along the Yemen coast.
- March 29. At 12:40 the ship was near Muscat and the captain set up the signal "not under command". The ship started to go in a circle.

P27. Position of Schippersgracht when it started to develop navigation problems

Source: TransArms/IPIS database

The ship – possibly assisted by nearby US bases – was able to continue its voyage but was likely to have been repaired in one of the naval facilities in the Gulf where it later

[78] http://www.msc.navy.mil/sealift/2006/April/bobo.htm

docked before returning to the United States (see below). The problems were apparently solved and no major incident occurred.

4.1.2 Danger posed by secrecy: "internal flows" and military balance

After passing Hormuz the ship's voyage timeline was as follows:

- April 1. At 9:35 UTC the ship moves North.
- April 2. At 11:46 the ship passes the Doha (Qatar) latitude, its supposed destination after Suez. The ship changes destination to Bahrain.
- April 3. The ship arrives near the Al Manamah (Bahrain) port and at 20:09 is at anchor outside the port.
- April 4. At 4:42 the ship moved to one of the berths. Danica Red (one of the H. Folmer ships that regularly transport military cargo) arrives at the same time and docks at Al Manamah, carrying IMO Cat. A cargo (explosives).
- April 5. At 17:03 the Schippersgracht leaves the port.
- Aprl 6. At 12:30 UTC the ship is leaving the Bahrain area. At 2:42 UTC the ship is en route for a new destination, the Qatar port of Mesaieed (Umm Said).
- April 6. At 3:28 UTC the ship stops and anchors near Doha.
- April 6. At 15:28 UTC the ship reaches Umm Said and moors at one of the berths. The US Central Command maintain the Logistics Support Station there.
- April 7. The ship leaves Umm Said, with the new destination of Kuwait.
- April 9. At 18:33 UTC the ship stops at a US/Kuwait Naval base where military ships are docked, near the city of Al-Julaia's, on the Southern coast of Kuwait and the Ras al-Qulayah Naval Base Heliport (Kuwejt-Baza Marynarky Wojennej).
- April 14. The ship leaves the port and posts its new destination as Suez.
- April 17. The ship sails along the coast of Oman and switches off the transponder.
- April 20-24. The ship enters the Red Sea, arriving at Port Said on April 24.
- May 21. After crossing the Mediterranean, the ship sails North and reaches Bremerhaven on May 9. After other stopovers, the ship returns to Sunny Point where it docks – for another military cargo – on May 21.
- May 30. The ship arrives at the port of Altamira, Mexico.
- June 20. Re-crossing the Atlantic, Shippersgracht arrives in Antwerp, Belgium, on June 16 and at Rauma (where the Olkiluoto Nuclear Power Plant is located), Finland, on June 20, to return to Philadelphia.

No information was available about the cargo that the ship transported to the Middle East, then non-stop from Sunny Point to Altamira, and to Antwerp (where US military cargo is often loaded and unloaded) or Rauma.

Significant international movements of conventional arms destined for foreign outposts of the same country (so-called "internal flows") should be made public under the ATT regime, even if they are not part of the arms trade. Better knowledge of what type of military equipment is available in a certain area or region should be a goal that an ATT could gradually help to reach.

If - as in the case of the Schippersgracht - "internal flows"[79] are not reported, this will occasion a significant distortion of the assessment of the military balance of a certain area or region. Several countries already explicitly record as exports (or authorization to permanent exports) equipment sent abroad for the use of their troops, allies, or multinational missions. Those practices must be adopted by all States and by the ATT.

[79] See Part III Proposal and Recommendations. See for the discussion on "internal flows": "*Continuing operation of the United Nations Register of Conventional Arms and its further development*", A/64/296, 14 August 2009, §15.

5. The media game: arms shipments to Syria in 2012

5.1 The Arms Trade Treaty and transport services

The present lack of binding provisions on transparency in arms transport – transparency that few rules could make compatible with security – is at the heart of the difficulties faced in tracking and exposing highly questionable or patently irresponsible government-sponsored arms shipments, most recently in support or contradiction of "regime change" strategies in Syria and Libya.

This chapter aims to show how an ATT that includes within its scope the regulation and monitoring of, and reporting on, arms transport services, could narrow the window of opportunity for irresponsible and illegal arms shipments.

5.2 Ships of (many) convenience(s)

In the last months, media reports indicate several cargo- or container ships rumoured to transport arms to Syrian government or opposition forces. For all these ships - except Letfallah II and Grande Sicilia, with weapons intended for the Syrian opposition - there were no shipping documents, or other evidence such as photographs or visual observations, documenting their cargo as a military cargo.

Several sources, however, claimed, on the basis of far or less confidential information and anonymous "sources", that the ships were transporting arms intended for the Bashar al-Assad regime.

While there is evidence that those ships docked or intended to dock in relevant Syrian ports, and there is evidence that one of them transported IMO cargo (dangerous goods) and engaged in disguising practices, no other information was actually available, despite dozens of media reports. These reports usually quoted each other without providing any evidence in support of their statements.

Most of the claims pointed to the role of Russia as the main arms supplier to Syria and to the role played by Rosoboronexport, the state-controlled company that manages Russia's arms exports. Paradoxically, the only confirmation that ships from Russia were transporting arms to Syria came from the Russian government itself. Weapons sent to Syria – the Russian government stated - were related to the fulfilment of old contracts and of a type solely fitted for use against an external aggressor.[80]

In all cases, however, the lack of binding provisions relating to the publicly availability

[80] Grove T., and E. Solomon, "Russia boosts arms sales to Syria despite world Pressure" Thomson Reuters, February 21 2012: "Russia's ambassador to the United Nations, Vitaly Churkin, denied Moscow had a hand in aggravating the conflict in Syria, 'especially when what we are delivering is not that which can be used to shoot demonstrators' ". See also: RT Agency (Russia), "Fly the flag: Russian ship with Syrian bound choppers returns home", June 24, 2012, http://on.rt.com/7huabm; Dr. Marc Lynch, George Washington University and the Center for a New American Security, Prepared Statement for "Confronting Damascus: U.S. Policy toward the Evolving Situation in Syria, Part II." April 25, 2012. House Committee on Foreign Affairs, Subcommittee on the Middle East and South Asia; and Schmitt, E., "C.I.A. Said to Aid in Steering Arms to Syrian Opposition", New York Times, June 21, 2012.

of arms transport documents (even if delayed for security reasons), fostered an information environment in which rumours and anonymous or unverifiable sources substituted fact-finding and fact-checking procedures, in a typical info-war routinely waged by the intelligence communities in a never ending re-play of the Cold War era.

Among the ships said to transport weapons, there were:

1) Four cases of mis-information of cargo said to be for the Syrian government:

- **MV Odai** - May 26 in Latakia, allegedly with weapons "from North Korea", paid for by Iran.
- **Four anonymous ships** - from December 2011 departing from the Black Sea port of Oktyabrsk destined for Syria, allegedly with weapons shipped by the Russian arms export agency Rosobornonexport.
- **MV Atlantic Cruiser** - from Djibouti, on April 6, allegedly with weapons from Iran via Djibouti.
- **MV Professor Katsman** - from Port Baltyisk, on May 1, to Tartous, on May 26, allegedly with weapons.

2) One case in which the precise content of the cargo was not publicly available but official statements pointed to weapon shipments for the Syrian government:

- **MV Chariot** - from St. Petersburg, on December 9, 2001 to Tartous, on January 12, allegedly with weapons from Rosobornonexport.

3) Two cases of proved illegal shipments to Syrian opposition forces:

1) **MV Letfallah II** – allegedly from Benghazi, ca. April 26 to (forced) Selaata (Lebanon), April 28, with three containers of weapons.
2) **MV Grande Sicilia** - from Hamburg, April 12, to Tripoli (Tarabulus), May 7, with 60,000 rounds.

4) One case of attempted shipment to the Syrian government:

- **MV Alaed** - from St. Petersburg, on June 8, to Port Baltyisk, June 11, to North Sea, June 18, to Barents Sea, June 24, with three refurbished Mil Mi-25 attack helicopters.

5.2.1 - Case 12 - MV Odai and the "North Korean weapons"

May 25, 2012, Reuters/Al Arabiya News published a news release in which was revealed that – according to an unspecified "Western" source reporting to Al Arabiya – a Russian ship "*carrying a large amount of weapons*" planned to "*unload its cargo in the Syrian port of Tartus".*[81] The information added that unspecified *"Western diplomats in New York"* believed the Al Arabiya report *"was credible"*. The ship in question was the MV Professor Katsman (see below).

On May 26, 2012, an Israeli newspaper, Haaretz, published another article[82] titled "*Russian, North Korean arms ships to dock in Syria as bloody crackdown continues*". Quoting "Arab media", the article referred to the MV Professor Katsman but added: "*the two ships – Odai from North Korea and the 5000-ton Professor Katsman from Russia, are scheduled to dock today in Latakiya and Tartus ports on the eastern coast of the Mediterranea*n". The article also stated that "*a very senior figure in the Syrian opposition said that 'North Korea is also continuing to send arms to Syria. The*

[81] "Russian arms shipment en route to Syria, plans to dock in Tartus soon**",** Al Arabiya News with Reuters, May 25, 2012.
[82] Pfeffer, A., "Russian, North Korean arms ships to dock in Syria as bloody crackdown continues", Haaretz, May 26, 2012.

shipments arrive by air and sea and they are being paid by a special slush fund that the Iranian government set up for this purpose."

P28. MV Odai at Tartous, May 14, 2010

Credit: Mahmoud Shd, www.shipspotting.com

It is not known what prompted the journalist to add a ship "from North Korea" to the ship "from Russia", both loaded with arms. However, available data on the "North Korean" ship and its movements reveals a quite different reality:

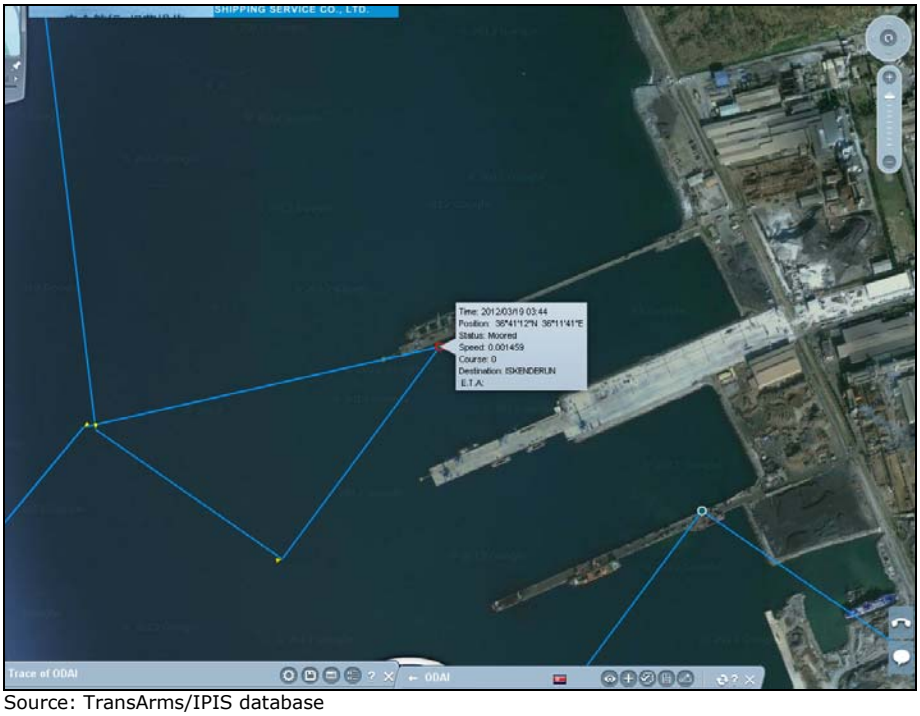
- The MV Odai (IMO 8992675) is a general cargo ship registered under the North Korean shipping registry, a flag of convenience that offers – as do many other flags of convenience - favourable fiscal and registration conditions. **Otherwise, the ship has nothing to do with North Korea.** It is controlled by a Syrian company, ISM Group Ltd, based in Tartous, as is the ship itself. The ISM Group is also the controlling interest for the ship Letfallah II, caught (see Letfallah II below) smuggling weapons into Lebanon destined for the Syrian opposition.

- In the last years, the vessel's routes have been limited to the Eastern Mediterranean - from and to Tartous to ports in Lebanon, such as Tripoli (Tarabulus) and Bayrut, in Syria (Latakia/Al Ladhiqiyah), in Turkey (Iskenderum and Mersin Free Zone), in Egypt (Port Said, Arish) – and to the United Arab Emirates (Dubai, Ajman, Sharjah). Most recently, the ship left Tartous to Mersin ((June, 20).

- Just before "coming from North Korea" the ship docked in various of the above-mentioned ports and, on March 19, at the isolated port of Azganlik (15 km north of Iskenderum), near the facilities of the steel manufacturing company Isdemir and 45 km from the North-Western Syrian border.[83]

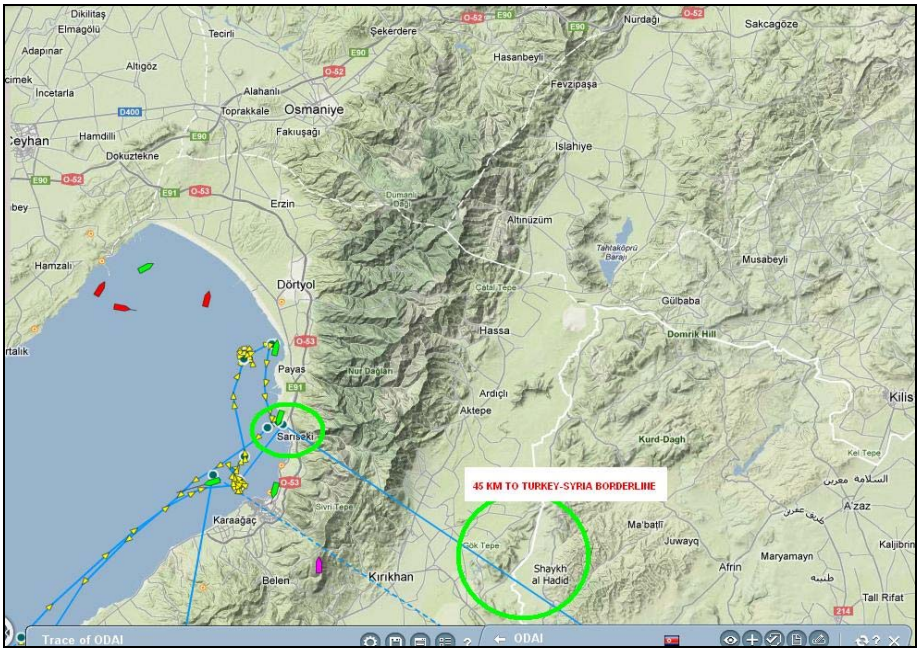
[83] Macfarquhar, N., "Turkish Border Is Crucial Link in Syrian Conflict", New York Times, June 25, 2012

P29. MV Odai at Azganlik, March 19, 2012



Source: TransArms/IPIS database

P30. Azganlik is about 45 km from Turkey-Syria borderline



Source: TransArms/IPIS database

5.2.2 - Case 13 - Four anonymous vessels and the port of Okyabrs

On February 21, 2012, the Thomson-Reuters agency published an article[84] that included the following information: "***Thomson-Reuters shipping data*** *shows at least four cargo ships since December that left the Black Sea port of Oktyabrsk - used by Russian arms exporter Rosoboronexport for arms shipments - have headed for or reached the Syrian port of Tartous."*

The article did not state explicitly that the four ships carried weapons, but stated that the port of Oktyabrsk is used by Rosoboronexport to ship arms. Some weeks later that statement was slightly altered. In a letter addressed to Rosoboronexport's general director, Anatoly Isaikin, by the US-based Human Rights Watch[85] on "Syrian weapons supplies", the organization stated: "*Press reports have featured accounts of alleged recent weapons deliveries from Rosoboronexport to Syria.* ***According to shipping records collected by ThomsonReuters, at least four cargo ships have left Russia's Black Sea port of Oktyabrsk*** *- reportedly used by Rosoboronexport for weapons shipment - for the Syrian port of Tartus since December 2011*."

The wording of the HRW letter was carefully chosen and nowhere does it explicitly say that the four ships carried weapons. Similarly to the Reuters article, it was the obvious inference that substituted a clearer, but legally problematic, statement. **Not least because Oktyabrsk was said to be a "Russia's Black Sea port"** and Rosoboronexport is a Russian state agency**.**

Actually, the USSR ceased its existence in 1991 and since that year Oktyabrsk has been a **Ukrainian Black Sea port.** Therefore, Rosoboronexport has no direct access to the port and sending weapons – "heavy weapons" according to "Western diplomats" – would need Ukrainian **transit permits**, "shipping records" that Thomson-Reuters could easily have checked (or an ATT that will include transport services in its scope could have easily revealed).

Apparently, neither Thomson-Reuters nor HRW did attempt to ascertain whether Rosoboronexport was actually using Oktyabrsk for its arms shipments. As shown in several of their articles, Thomson-Reuters "shipping records" are invariably AIS signals available from shiptracking companies such as Lloyd/IHS Fairplay.[86]

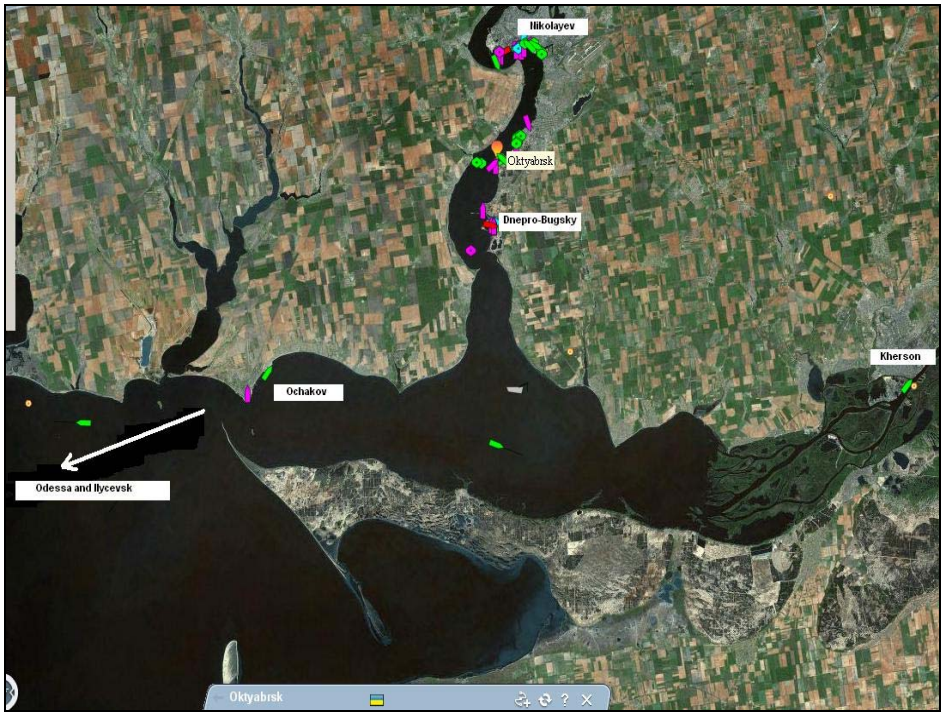
Shiptracking systems do not include any information on the cargo transported by the ships they track, except for generic warnings about cargoes that include IMO classes of dangerous goods.[87] Of course, in the commodity trades, the use of certain types of ships and other indicators provide information on the potential cargo (such as oil, oil products, and specialized bulk commodity ships, etc.).

The port of Oktyabrsk (not to be confused with the town Oktyabrsk in the Samara Oblast) is located near the mouth of the Ingul River (Southern Bug), on the left bank. The mouths of Ingul and Dnepr (Dnipro in Ukrainian) are closely connected and form the Bugsky Estuary.

Oktyabrsk is part of a complex of four ports that includes Nikolayev (some miles north of Oktyabrsk along the Ingul), Dnepro-Bugsky Seaport (located just 10 km South of Oktyabrsk and specialized in the movement of bauxite), and Kherson (on the right bank of the Dnepr, near the mouth).

[84] Grove T., E. Solomon, "Russia boosts arms sales to Syria despite world Pressure", Thomson Reuters, February 21 2012.
[85] "Letter to Rosoboronexport on Syrian Weapons Supplies", HRW, April 6, 2012.
[86] Johnson, Ch, P. Mackey, "Exclusive: Iran ships 'off radar' as Tehran conceals oil sales", Thomson/Reuters, April 13, 2012. See also Reuters's Freight Fundamentals Database.
[87] The only military or police items classified as dangerous by IMO are explosives, gas, and ammunition. The warnings from the AIS signals only include the generic category.

P31. Location of Oktyabrsk, Ukraine, and river ports Kherson, Nikolayev, D.Bugsky, and Ochakov.



Source: TransArms/IPIS database

On June 11, the French newspaper "Le Monde" published an article on the participation of Rosoboronexport in the arms fair Eurosatory 2012.[88] The article argued "*…mais elle ne contrainten rien la Russie, qui se considère dans son bon droit pour poursuivre des* ***déchargements d'armes dans le port syrien de Tartous,*** *où elle dispose d'une base militaire.* ***Au moins quatre livraisons de ce type ont eu lieu depuis décembre 2011*** *– la dernière datant du lendemain du massacre de Houla, commis le 25 mai.*" […unloading of arms at the port of Tartous…at least four deliveries of this type occurred since December 2011]

In a relatively short time, a news release that reported on four ships allegedly leaving the port of Oktyabrsk, allegedly used by Russia arms export agency, allegedly going to Syrian ports, became a unquestionable matter of fact: four ships left Oktyabrsk to Syria loaded with arms for the Syrian government.

While it is not known whether or not Rosoboronexport used Oktyabrsk for arms shipments, it is a fact that it used the Baltic ports to ship military and dangerous cargo (MV Alaed and MV Chariot). It is also well-known that the Ukrainian arms export agency, Ukrspetsexport, regularly uses Oktyabrsk for arms shipments.[89]

Records of ships docking at Oktyabrsk and Nikolayev from December 2011 reveal that only a few ships have sailed – more or less regularly – to Latakia and Tartous (and sometimes Benghazi). Among them there were the following cargo ships (dates are for

[88] Nougayrède, N., "Pendant les massacres syriens, les affaires continuent à Paris", Le Monde, June 11, 2012; see also "NGO wants Rosoboronexport out of international show", The Moscow Times, June 12, 2012.
[89] See the case of shipments to South Sudan in this report and the case of MV Ann Scan, from Oktyabrsk to Dar es Salaam, June 24, 2008, with 1,000 tons of ammunitions destined to Uganda MoD.

the Thomson-Reuters period December 2011-February 2012, various other voyages to/from Syria have been recorded):

- **MV Ghada D** (IMO 7715989), IMO Class 1-fitted (explosives), Moldova-flagged, controlled by a Lebanese company, Barhoum, based in Beirut. The ship was in Oktyabrsk December 23. 2011.
- **MV Oceanic Star** (IMO 7818353), Cambodia-flagged, controlled by a Syrian company, UFC Shipmanagement, based in Tartous. The ship was in Oktyabrsk January 16.
- **MV Amar Muhieddine** (8413942), Panama-flagged, controlled by Greek company, Lidmar Shipping & Trading, based in Athens. The ship was in Otyabrsk on January 10/12 and arrived at Tartous on January 26. The same ship was also in Djibouti on the same days in which the MV Atlantic Cruise docked there, supposedly to load a cargo of arms from an Iranian ship (see below).
- **MV Ismael Mehieddine** (IMO 7616171), Comoros-flagged, controlled by a Lebanese company, MTM United, based in Bayrut. The ship was in Mariupol (Ukraine, Black Sea) December 21, sailing to Tartous (arrived in Tartous January 1). The ship was in Oktyabrsk on February 22.
- **MV Zara** (IMO 8206284), Panama-flegged, controlled by a Lebanese company, Rasha Shipping, based in Byblos. The ship was in Oktyabrsk on January 21 and arrived in Tartous on January 30.

Did these ships transport Russian arms destined for the Syrian government? Did they transport arms for Syrian opposition forces? Only cargo manifests, chartering contracts, transit permits and visual observations in the port could tell, but none of these are publicly available.

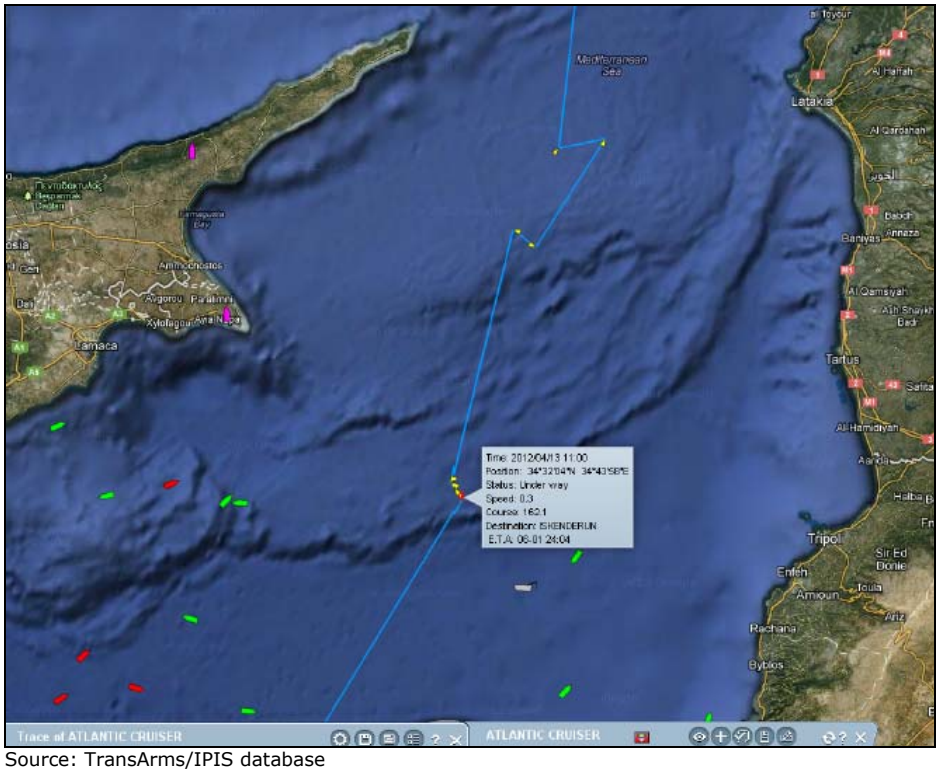
5.2.3 - Case 14 "Spiegel has obtained information…": MV Atlantic Cruiser

On April 14, the German magazine Spiegel published the first in a series of articles on the multi-purpose cargo ship Atlantic Cruiser[90] (formerly BBC Italy): *"….A German-owned freighter loaded with weapons from Iran was stopped on Friday near the Syrian port of Tartus in the Mediterranean Sea, SPIEGEL has learned. A few days prior, the Atlantic Cruiser, owned by the Emden carrier Bockstiegel, had allegedly picked up heavy military equipment and munitions meant for Syrian dictator Bashar Assad's regime from an Iranian freighter at the Djibouti port"*[91]

The previous day, the company that owns the ship, Bockstiegel Reederei, based in Emden (Germany), had received an e-mail from an unknown "Syrian Revolution Naval Force", threatening to assault the ship if it docked – as expected by its voyage plan - in Tartous. The SRNF was also Spiegel's source, the magazine later admitted.[92] The German owner ordered the captain to stop the ship and inspect the cargo as far as possible during navigation.[93] The ship was at that point not far from Tartous and, fearing attacks, switched off the transponder. This move was interpreted by the media as an attempt to hide its position before docking in Tartous and delivering the "Iranian weapons". The ship had been chartered by a Ukrainian company, White Whale Shipping, based in Odessa, who had however denied that the ship was carrying weapons.

[90] The Atlantic Cruiser (IMO 9210347), Antigua & Barbuda-flagged, sailed from Djibouti, April 6, 2012 and was expected at Tartous April 13.
[91] "German Ship Carrying Weapons Stopped Near Syria", Spiegel Online International, April 14, 2012 [Original: Iranisches Militärgerät für Assad-Regime. Deutscher Waffe nfrachter vor Syrien gestoppt].
[92] "Mystery Surrounding 'Atlantic Cruiser' Ends: German Freight Ship Wasn't Carrying Weapons for Syria", Spiegel Online International, April 25, 2012.
[93] **"**Contradictory Claims: Cargo on German Freighter Remains a Mystery". Spiegel Online International, April 17, 2012.

P32. Location of Atlantic Cruiser April 13, 2012



Source: TransArms/IPIS database

Spiegel's article was widely commentated upon and started a saga of inquiries and questions addressed to the companies involved in the ship's voyage and, due to the nationality of the shipowner, to German authorities. To make things worse, the ship's AIS signal carried a warning – as is mandatory for dangerous goods – of IMO Cat. D goods (chemical pollutants).

The article continued: "*The route between Djibouti and Tartus is known as a path for transporting weapons, according to intelligence experts. In January another ship out of Russia was halted with munitions in Cyprus, but later continued its journey with the cargo to Syria after the captain declared he would head to a different port than initially planned.*"

The article referred to the case of the MV Chariot, that had transported "dangerous cargo" from St. Petersburg, on December 9, 2011, arriving at Tartous on January 12, 2012. The arms "route" Djibouti-Tartous, well known to "intelligence experts", remained unexplained, but no arms on board ships coming from Djibouti to Tartous have ever been detected in the last years. Also unexplained was the reference to the case of the MV Chariot (see below) that never went to Djibouti. Moreover, no checks were apparently performed on the presence of an Iranian ship at Djibouti.

Indeed, Djibouti was hardly a credible place for transfering containers full of weapons from an "Iranian" ship to a north-bound ship. One of the most guarded ports in the world, Djibouti has a constant presence of European and US military ships and personnel, as well as observers from Israel and other nations, for international anti-piracy operations. As shown in the table above, Atlantic Cruiser arrived in Djibouti on April 5 and departed April 6, being preceded by various ships.

P33. Djibouti port movements March 11/April 10, 2012

Name	IMO	Country	Type of ship	In	Out
Florida II	8001799	Saint Kitts Nevis	Cargo Ship	11.03	4.04
Lady Sadika	8307040	Malta	Cargo Ship	19.03	4.04
Liberty Eagle	9278753	USA	Cargo Ship	27.03	12.04
Rising Eagle	9073672	Saint Vincent Gr.	Cargo Ship	28.03	11.04
Amar Muhieddine	8413942	Panama	Cargo Ship	29.03	10.04
Abbay Wonz	8303018	Ethiopia	Other Ship	1.04	4.04
Al-Balad	8310671	Saudi Arabia	Tankship	1.04	3.04
Kota Kaya	9307401	Singapore	Cargo Ship	2.04	3.04
Sagitta	9401166	Marshall Islands	Cargo Ship	3.04	4.04
APL Kaohsiung	9235074	Antigua Bar.	Cargo Ship	3.04	4.04
APL Shenzhen	9309289	Cyprus	Cargo Ship	3.04	4.04
Prisco Alexandra	9397547	Cyprus	Tankship	4.04	6.04
Ras Syan	9540429	Djibouti	Towing Vessel	4.04	4.04
Madura	9080405	Liberia	Cargo Ship	4.04	5.04
EU Warship F831		Netherlands	Military	4.04	6.04
MSC Reunion	9007831	Liberia	Cargo Ship	4.04	5.04
EU Warship A-14		Spain	Military	4.04	7.04
Virgo Leader	9273894	Panama	Cargo Ship	4.04	5.04
Captain V.Mazurenko	9554664	Liberia	Cargo Ship	4.04	4.04
SFL Yukon	9600839	Hong Kong	Cargo Ship	4.04	16.04
Morning Lucy	9383431	Panama	Cargo Ship	4.04	5.04
Kota Gunawan	9259408	Singapore	Cargo Ship	5.04	6.04
Atlantic Cruiser	9210347	Antigua Bar.	Cargo Ship	5.04	6.04
Taiba	7708807	Sierra Leone	Cargo Ship	5.04	8.04
Jolly Nero	7361233	Italy	Cargo Ship	6.04	7.04
Khamsin	9540431	Saint Vincent Gr.	Tug	6.04	6.04
Kota Lagu	9322308	Singapore	Cargo Ship	6.04	7.04

Source TransArms/IPIS database

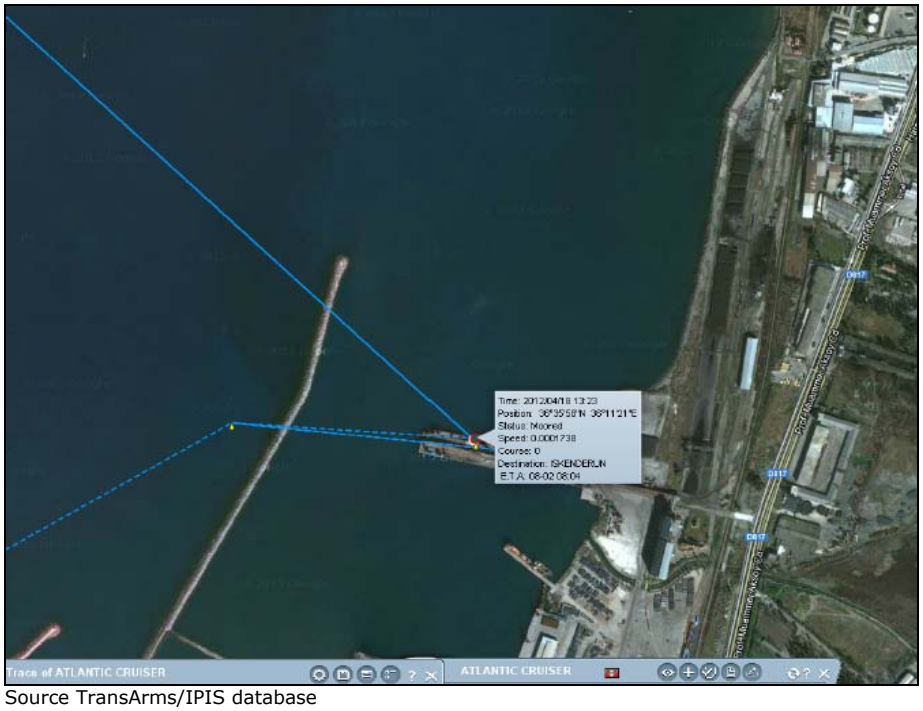
Due to the anti-sanctions strategies followed by Iranian ships,[94] it would have been necessary to check the docked ships to ascertain whether they had connections with Iran. A check performed for this report on the history of the owners and shipmanagers of the docked ships did not reveal any connection with Iran.

An additional check on the IMO numbers (permanent identifiers) of the docked ships and the IMO numbers of the 123 Iranian ships sanctioned by the United States[95] did not reveal any matching number.

Whilst possible in theory, the foreseeable reality was that no-Iran related ships docked at Djibouti in that timeframe and Spiegel's sources were wrong.[96]
The saga ended when, April 18, the shipowner ordered the ship to skip Tartous and approach the port of Iskenderun, where the ship docked the same day.[97] The ship was then inspected by Turkish Customs and special police units.

[94] Armstrong, R., S. Grey, H. Ojha, "Iran's Global Cat-And-Mouse Game On Sanctions", Reuters Special Report, February 2012.
[95] http://www.iranwatch.org/enforcementnotebook/irislreport.htm
[96] "Mystery Surrounding 'Atlantic Cruiser' Ends: German Freight Ship Wasn't Carrying Weapons for Syria", Spiegel Online International, April 25, 2012; "The Mystery of the Atlantic Cruiser: Questions Surround German Ship Bound for Syria", Spiegel Online International, April 16, 2012.
[97] "Turkey authorities inspect German-owned Atlantic Cruiser", Maritime Connector, April 19, 2012.

P34. Atlantic Cruiser docking at Iskenderun, April 18, 2012



Source TransArms/IPIS database

The inspection resulted in a report sent to the German authorities in which the Atlantic Cruiser was cleared. According to the Turkish Anadolu News Agency, the cargo manifest showed that the ship was transporting "*313 tons of civilian-purpose explosives, fuse and capsules destined for six different Turkish receivers as well as a separate pack of 31-ton civilian-purpose explosives headed for Croatia. The list also shows the ship carried 68 tons of oil-refinery equipment for Russia as well as 945 tons of parts of a coal plant project bound for Syria's Tartus port.*" [98]

The cargo for Syria consisted of parts for a thermal plant (Tishreen Thermal Power Station Extension Project) shipped, according to the shipowner, "by an Indian power plant manufacturer to the Syrian Ministry of Electricity"[99] in Mumbai. 313 tons of civilian explosives destined for Turkey, Croatia, and Montenegro were also loaded in Mumbai. Some cargo was unloaded in Djibouti, where the ship remained for about 33 hours. The ship left Iskenderum on April 28, 2012 and arrived in Bar, Montenegro, on May 4.

Spiegel eventually had to publish a "correction": "*After several days of inspections, Turkish authorities have informed government officials in Berlin that the German freight ship Atlantic Cruiser, is not carrying weapons bound for Syria after all. The ship's cargo is legal, and its loading papers have been correctly presented, officials say.*"[100]

[98] Syria-bound ship has civilian-purpose explosives", Anadolu News Agency, April 19, 2012. http://www.aa.com.tr/en/s/46407--syria-has-not-kept-its-promises; Abbas, T. "Turkey intercepts Syria-bound ship possibly carrying weapons", Asharq Alawsat , April 19, 2012, http://www.asharq-e.com/news.asp?section=1&id=29319

[99] http://maritime-connector.com/news/security-and-piracy/turkey-authorities-inspect-german-owned-atlantic-cruiser/

[100] "Mystery Surrounding 'Atlantic Cruiser' Ends: German Freight Ship Wasn't Carrying Weapons for Syria", Spiegel Online International, April 25, 2012.

P35. Atlantic Cruiser - From Abu Dhabi to Mumbai, Djibouti, Iskenderun, and Bar.

Source TransArms/IPIS database

5.2.4 - Case 15 - MV Professor Katsman

As already noted, on May 25, 2012, Reuters/Al-Arabya News released a news report on a Russian ship "*carrying a large amount of weapons*" planning to "*unload its cargo in the Syrian port of Tartus".* The news report added that unspecified *"Western diplomats in New York"* believed the Al-Arabya report *"was credible*". The ship was the MV Professor Katsman.

The Al-Arabya/Reuters report[101] was widely quoted as the source for this claim.[102] As with other cases, a conjecture became a matter of fact.[103] The Reuters/Al-Arabyia article does not mention a specific source for its claims, other than stating vaguely that "Al-Arabiya have learned", citing "a Western source". The UAE-based media actually published the "report" on its website on May 24.

The US-based organization "Human Rights First" (HRF) immediately waged a campaign, in the media and US Congress, denouncing "the large amount of weapons" being transported to the Syrian government and confirmed – following AIS signals - that the ship had docked in Tartous before sailing to Greece.[104] The organization called

[101] "Russian arms shipment en route to Syria, plans to dock in Tartus soon", Al Arabiya News with Reuters, May 25, 2012; Charbonneau, L., "Russian arms shipment en route to Syria: report", Reuters, May 25 2012.
[102] See, for example: "Rysk vapenlast till Syrien passerade Sverige:, Dagens Nyheter (Stockholm), May 29, 2012. http://www.dn.se/nyheter/varlden/rysk-vapenlast-till-syrien-passerade-sverige
[103] See, for example: "Siria: Russia e Nordcorea riforniscono di armi regime Assad", AGI press agency, May 26, 2012; "Siria: Haaretz, Russia e Nordcorea mandano armi e munizioni a Damasco", ADNkronos press agency, May 26, 2012.
[104] "Rights group: Russia arms shipment sent to Syria", Reuters, May 31, 2012.

for an investigation of the owner and shipmanager of MV Professor Katsman by the international courts.

Reuters wrote that "*Western officials confirmed information from Human Rights First that the ship arrived on Saturday, bringing to the Syrian port of Tartus a cache of heavy weapons for Syrian President Bashar Assad.*"[105] Reporting from the United Nations, the agency's article continued by emphasizing that "*the United States described Moscow's latest **arms sale** to Syria as 'reprehensible' after a rights group reported on Thursday that a Russian cargo ship **heavily laden with weapons** arrived in Syria last weekend.*" [106] This reference was to statements made by Susan Rice, US ambassador to the United Nations.

However, on May 25, the German magazine Spiegel and the Venezuelan El Universal (Caracas) published articles in which they stated that the source of information (as in other cases) was a forum of the Syrian "Revolutionary Committees".[107] This was somehow confirmed in a press release by HRF, dated June 4, in which the organization stated: "*Human Rights First began tracking a vessel called Professor Katsman after reports on Twitter that the vessel may be carrying arms to Syria. News agencies broke the story of this suspected arms shipment, citing undisclosed western sources including a diplomat, who believed this vessel was in fact carrying weapons intended for the Syrian regime. **We began tracking the Professor Katsman, flying under a Russian flag, off the coast of Greece on May 23**…*"[108] The press release added (June 4): "***Human Rights First has not been able to verify that this ship was carrying weapons.***"

HRF's statement raises two questions:

- Is a "Twitter" source sufficient to start a campaign (in both the media and US Congress) on a ship "carrying a large amount of weapons" on May 25, just to acknowledge on June 4 that HRF was not able "*to verify that this ship was carrying weapons*"? In the past it was a standard for respectable media and civil society organizations to verify the credibility of information and sources **before**, **not after**, publishing them.

- If HRF "started to follow" the ship movements the 23th May (on the basis of information from "Twitter"?), what then was the real source of the Al-Arabiya "report"?

5.2.4.1 - The companies "behind" MV Professor Katsman

One of the favorite features in articles and reports on real or alleged arms shipments by sea is the description of the Matryoshka dolls in which the targeted ships are entangled in terms of ownership or management, subsidiaries and parent companies. The readership is left to believe that those webs of intertwined companies are a special and clear sign of practices aimed at creating smokescreens around the business of the companies involved. Actually, 90% of all vessels have a similar ownership structure. Such ownership structure does not imply wrongdoing as implied by the various articles.

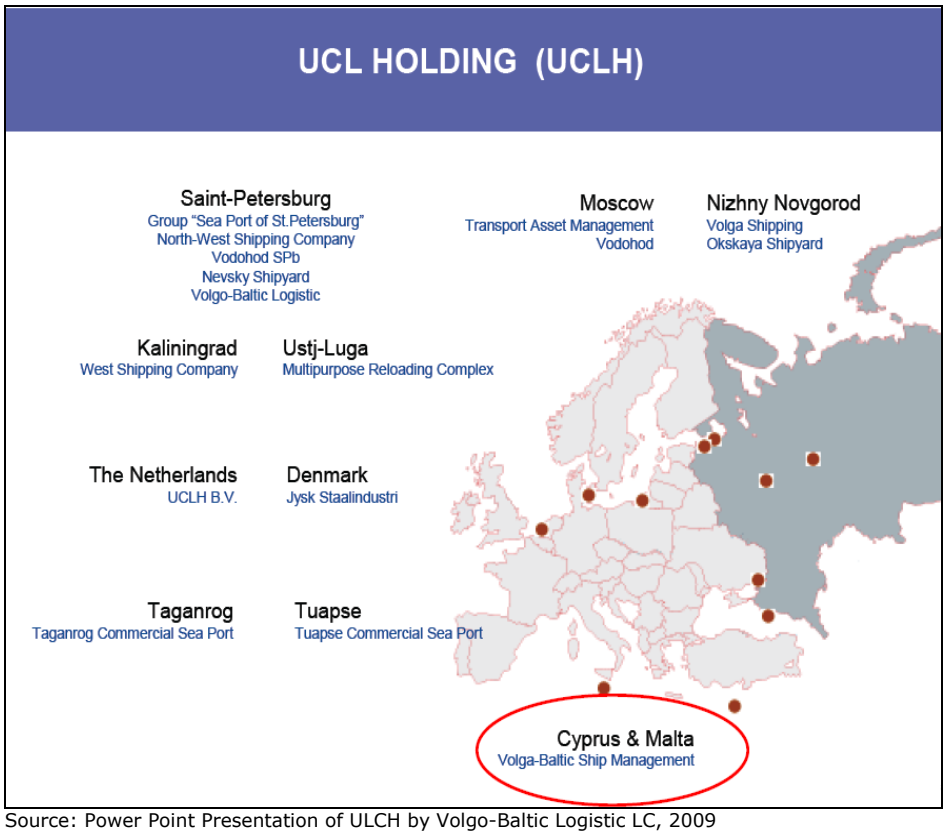
---

[105] "US condemns reported Russian arms ship to Syria", Reuters, June 1, 2012.
[106] "US condemns reported Russian arms ship to Syria", Reuters, June 1, 2012.
[107] "Aumenta las protestas contra Al Assad ante viaje de Annan a Damasco", El Universal, May 25, 2012; "Proteste in Syrien Tausende gehen gegen Assad auf die Straße", Spiegel, Beirut/New York, May 25, 2012. *"Y mientras, los opositores Comités de la Revolución Siria informaron de que el barco "Professor Katsman", con bandera rusa, navega de camino al puerto de Tartus, con armas y munición rusa para las tropas del presidente Bashar al Assad." "Nach Informationen der sogenannten Revolutionskomitees ist ein Schiff mit russischen Waffen und Munition für die Truppen von Assad auf dem Weg zum syrischen Hafen Tartus. In den Diskussionsforen der Aktivisten hieß es am Freitag, die "Professor Katsman" fahre unter russischer Flagge".*
[108] Hameed, S., "Tracking Confirms Russian Ship Docked in Syria" June 4, 2012, HRF, Crimes Against Humanity Program

Practically all the articles on MV Professor Katsman had a section dedicated to illustrate that "*the vessel, which is called Professor Katsman, is owned by a Maltese firm, which is owned by a Cypriot company that is owned by Russian firm.*"[109] On May 28, the newspaper MaltaToday published an article confirming that a "*ship register search of the ownership of the Professor Katsman lists the company Ruish* [sic] *12 Ltd as the ship's owner in Malta.*"[110]

Some days later, Michael Weiss, a journalist (the British Telegraph) and analyst (at the conservative London-based institute "The Henry Jackson Society") posted information on the companies that were "behind" the ship.[111] He pointed to a Russian company called North Western Shipping, controlled by Universal Cargo Logistics Holding, based in Moscow and Amsterdam and owned by Vladimir Lisin, "*Russia's second wealthiest businessman*". Weiss added that the ship was "*technically registered by a Maltese company called Rusich 12 Ltd., owned by a Cypriot one called Russich-NW Shipholding, which belong to North Western Shipping.*" Rusich 12 Ltd's "annual return" declaration for fiscal year 2010/2011 was posted online.

P36. Universal Cargo Logistics Holding structure



Source: Power Point Presentation of ULCH by Volgo-Baltic Logistic LC, 2009

[109] Charbonneau, L., "Russian arms shipment en route to Syria: report", Reuters, May 25 2012.
[110] "Maltese' ship implicated in Russian arms cargo for Syria", Maltatoday, May 28, 2012
[111] Weiss, M., "Russian oligarch who owns priciest property in Britain owns the ship that allegedly sent weapons to Bashar al-Assad last week", June 1, 2012, http://blogs.telegraph.co.uk

P37. Destination served by North-Western S.C.

Source: Power Point Presentation of ULCH by Volgo-Baltic Logistic LC, 2009

North Western Shipping Company[112] is one of the oldest and most important river/sea transport and shipbuilding companies in Russia, whose origins date back to 1923. The company manages 125 vessels (of which 99 are river/sea going such as the Professor Katsman), serving in particular Russia's vast river/canal network.

The company's subsidiaries include OJSC North Western Fleet (based in St. Petersburg) and JSC Volgo-Baltic Logistic (based in St. Petersburg), whose shipmanagement outfit in Cyprus, Volgo-Baltic Shipmanagement Ltd is listed as one of the directors of the registered owner of Professor Katsman, the already mentioned Rusich 12 Ltd. OJSC North Western Fleet is the 100% shareholder of the Russich-NW Shipholding Limited, based in Cyprus (at thee same fiscal address of the Volgo-Baltic Shipmanagement Ltd).[113] The company is listed in the Rusich 12 Ltd "tax return" as the owner of the Rusich 12 Ltd.

Through this link, the chain of companies links the Professor Katsman to UCLH. The Rusich 12 Ltd (IMO Number: 5428221, registered in Malta), is however domiciled c/o INOK NV, based in Antwerp ((Verbindingsdok Oostkaai 5/7), Belgium. The other director of the "company" is Mr. Adrian D. Pace, managing director of a Maltese company called Phax Services Company Ltd, whose activity is the registration of vessels under the Maltese flag.

[112] See company website: http://www.nwsc.spb.ru/company/companyen.html
[113] See: http://www.spbgid.ru/index.php?com=6221 (in Russian)

5.2.4.2 - The ship and its name

The motor ship Professor Katsman (IMO 9368261) is a vessel of the Rusich type (there are various vessels named Rusich followed by a number, each with a registered owner with the same name and number). Rusich (a Russian person) are ship adapted to the transport of project cargo, such as heavy-lift and over-size component of industrial projects. This explains the name of the ship's registered owner.

P38. MV Professor Katsman, passing Dover Strait, July 19, 2010

Source: Fotoflite, www.fotoflite.com

5.2.4.3 The voyage

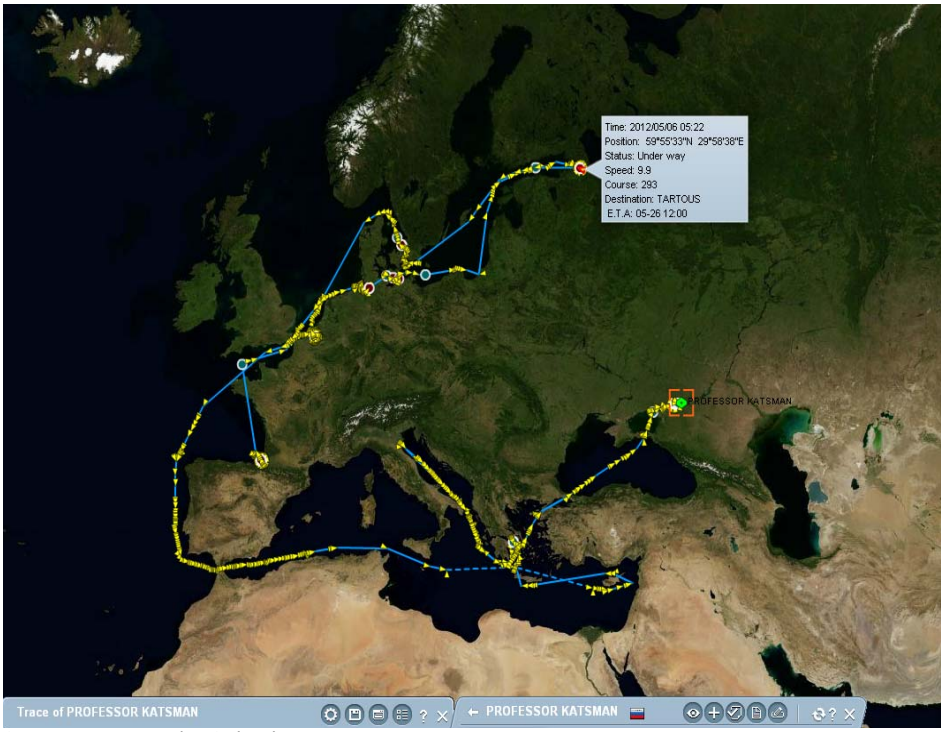
The ship – according to UCLH[114] - started the journey to Tartous from St. Petersburg on May 6, 2012. The ship had arrived at St. Petersburg May 4, after other port calls at Bayonne (France, near the border with Spain) on March 31, at Riem and Ghent (Belgium) April 23 and 24, and at Kaliningrad (Port Baltiysk) April 30.

The voyage from St. Petersburg was apparently without stopovers, indicating that the ship was fully loaded and not in a tramp voyage before Tartous. The ship crossed the Mediterranean and on May 25 at 18:31 (UTC) the shipr-tracking system indicated that it was at the border of Syria's territorial water, between 30 and 40 nautical miles from Tartous. The same system signaled that May 26, at 12:00 (UTC) the ship had docked in Tartous. May 30 the ship docked at Perama (Western terminus of the Piraeus, Greece)[115], en route to Ravenna (Italy), where it arrived June 4.

[114] UCL Holding Press Releases, Official statement, 16 June 2012, http://www.uclholding.ru/en/press/pressrelease/603.phtml

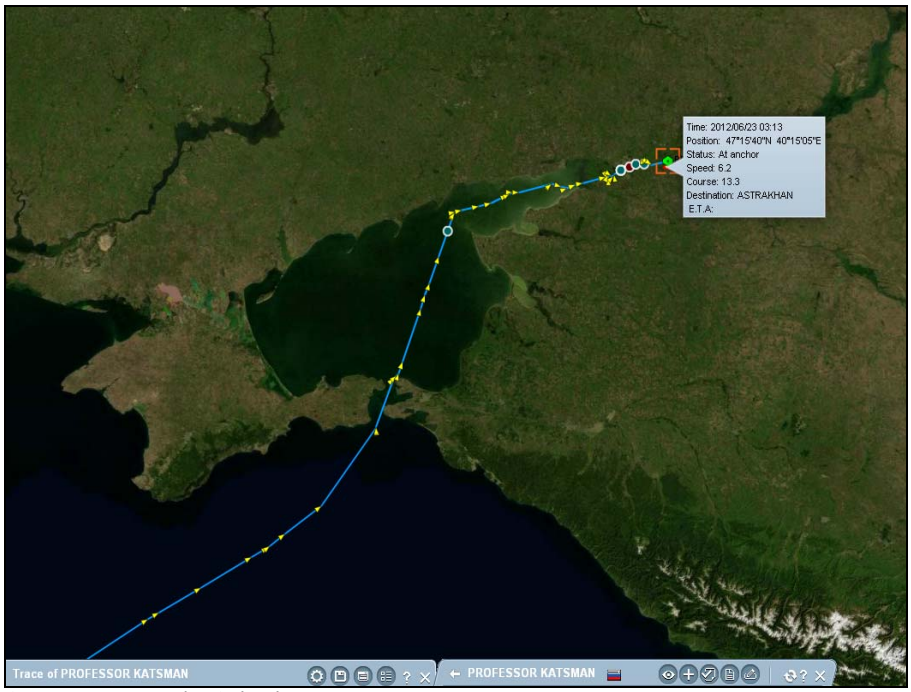
[115] The port of Perama hosted once a flourishing shipbuilding and shiprepair. The economic and financial crisis has destroyed the economy of the port (Perama has a 60% rate of unemployment). The port is also used for discharging fuel oil.

P39. MV Professor Katsman, itinerary from Port Baltiysk (Kaliningrad) and St. Petersburg



Source TransArms/IPIS database

P40. MV Professor Katsman bound to Astrakhan, via Don and Don-Volga Canal, June 23, 2012



Source TransArms/IPIS database

From Ravenna the ship returned to the Black Sea, crossing the Azov Sea and arriving at Rostov-on-Don June 23, directed to Astrakhan (Caspian Sea) *via* the "Volgo-Donskoy Imeni Vladimira Illicha Lenina" (inaugurated in 1953), the riverway that connects the Don and the Volga rivers.[116]

P41. Russian Inland Waterways served by North-Western S.C

Source: Power Point Presentation of ULCH by Volgo-Baltic Logistic LC, 2009

5.2.4.4 The cargo, according to UCLH

On June 16, UCLH issued an "official statement" [117] that included information based on an internal inquiry on the ship's positions, the cargo, and the owner of the cargo. The company denied any involvement in shipping arms to Syria and accused media and government officials to have created a "Cold War-like" case without even fact-checking the alarming information published by "human rights organizations". The company stated: "*We are not surprised that human rights organizations strongly react to the news from the conflict regions. It is natural and logical for them to react in that way, to any incident that can cause human casualties.*"

- The company statements on the ship positions were correct. Speculations on the "disappearance" of the ship from the "screen" during the approach and stop at Tartous

[116] For a description of the history and future project of the canal see: "Volga-Don Ship Canal" at GlobalSecurity, http://www.globalsecurity.org/military/world/russia/volga-don-canal.htm
[117] UCL Holding Press Releases, Official statement, 16 June 2012. http://www.uclholding.ru/en/press/pressrelease/603.phtml. See also Rapoza, K., "Russian Billionaire Says Not Shipping Weapons to Syria", Forbes, June 16, 2012

were baseless and derived by the use of non-professional ship-tracking systems (shiptracking systems available for free are based on "coastal stations" that capture the signals and transmit the positions with a substantial delay, while professional systems are a mix of coastal and real-time satellite communication).

- Correct was also the description of the chain of responsibilities for the contents and knowledge of the cargo: "*According to the applicable international laws regulating sea cargo shipping, information relating to the exact composition of every item in the cargo load is known only by* ***exporter, receiver, customs*** *or any other governmental bodies, authorized to control the shipping process. The carrier (and/or ship-owner) is not included in this list, and thus the ship-owner, as far as the captain and his crew, knows about the type of cargo only from consignment note*."

The company statement highlights a problem that the authors of this report have emphasized in "Transparency and Accountability": if the cargo is not an IMO (dangerous goods) and is either containerized or in crates, the carrier, the captain and the crew have no possibility to check the content of what they transport beyond the consignment note. As described in this report, this situation may cause severe problems and losses of life if the cargo is misdescribed and mislabeled and develops problems during navigation or in the load/unload process. Countless accidents happen every year because the cargo is not properly described.

- The company added: "*By the applicable international laws regulating sea cargo shipping,* ***each country had the full right to demand the information about the cargo*** *from the captain and his crew and stop the vessel for the further investigation in case of any doubts about legal foundation of the cargo shipping to Syria*". The captain did not receive any requests.

Once again, the problem is how far the cargo manifest goes in describing the goods. National authorities do not intervene - except if they receive a tip – if the electronic information they receive describes the cargo – for example – as "mechanical parts" or similarly vague expressions. Interventions in ports or open seas are costly and no authorities will waste money and resources for attempting to stop a cargo on which they have no indication or suspicion that could be illegal.

- Eventually, the company named the owner of the cargo as "LIRA LLC". UCLH requested the company information about the content of the cargo and the LIRA LLC answered "in detail". UCLH summarized the "detailed description" in terms of "a general cargo of non-military purpose featuring electrical equipment and repair parts (rotor blades) in containers and wooden crates".

There is no reason to believe that UCLH or LIRA have lied. However, the statement invites the following questions: 1) why not post online the cargo manifest, with commercially sensitive details (consignor, consignee, etc.) blackened? Why were no other details added to the name of the owner of the cargo?

In the Russian Federation there are thousands of "LIRA LLC" or the equivalent "OOO LIRA",[118] in dozens of Oblast, mostly trading wholesale companies, logistic companies or freightforwarding companies, and very few are manufacturers. For a Russian company who knows the situation, reveiling the name of that company without further details would have been like saying that the cargo owner was "John".[119]

In an answer - dated June 18 - to the UCL press release, HRF stated: "*Human Rights First has already called for Russian authorities to disclose cargo manifests detailing the equipment and weapons transferred to Syria from Russia in order to verify that none of these materials could be used in civilian attacks*." It added that the company

[118] See: http://www.k-agent.ru/en/

[119] On the basis of the description of the cargo and other elements related to the voyage, the authors of this report tracked some LIRA LLC that could be the owner of that cargo.

"*should make all internal investigation findings public, including the details of the cargo contents provided to you by Lira LLC. In addition to the information about the journey of Professor Katsman, including where it loaded the cargo, details of the shipment route, and what cargo it unloaded in Tartus, Syria on May 26, 2012*."

HRF also added concerns about what exactly were the mentioned "rotor blades", parts that can be used in many types of machine, helicopters, and wind mills. In effect, the most simple way to defuse suspicions would have been to just publish the cargo manifest and, possibly, the photographs that are often taken of the disposition of cargo inside the ship for insurance purposes or future liability claims.

HRF's request was in theory more than legitimate if based on something more than "Twitter" exchanges (if competitors of a company start to send out messages on "suspected arms shipments" by that same company, a ruinous process of "verification" could bring to a halt the activities of dozens of carriers).

TransArms and IPIS – mostly as consultants to Amnesty International – have at different times addressed similar requests to companies and governments of various countries, including in particular the United States (the case of MV Wehr Elbe, consigning white phosphorous and explosives to US depots based in Israel during the uprising of Gaza, for example). No answers - or answers so generic to be useless - were ever received.

Simply stated, neither the governments, nor the companies consider those type of documents "public documents", as instead they formally are (or should be) for the portions involving government agencies (such as for example the Customs declaration, the Master's declaration, etc.), agencies that are financed by tax-payer money.

The reality is that without an ATT with a Scope that includes provisions for monitoring and reporting on arms transport services, neither governments, nor companies will release information other than on a vololuntary basis. However, for example, the UN Security Council Group of Experts, working on arms embargo sanctions,[120] regularly (even if with difficulties) obtain cargo manifests upon request, and the ATT could include similar verification units formed inside the United Nations.

It is finally worth noting that every captain must inform the ship agent and port authorities and Customs of the ship estimated arrival time 48, 24, and 12 hours prior to arrival.

The messages must include details on the ship characteristics, information on cargo, in particular if IMO, health conditions of the crew and possible stowaway. The port authorities and Customs must receive copies of:
1) ship's particulars,
2) training certificates,
3) Master health declaration
4) Master declaration related to disposal of bunkers
5) a form detailing identities of all crew on board
6) load line certificate
7) no stowaway declaration,
8) ship's stored declaration,
9) declaration on personal effects of captain and crew,
10) Master declaration for bunkers and cargo on board.

120 Including the authors of this report .

5.2.5 - Case 16 - MV Chariot

TransArms and IPIS have researched the case of the MV Chariot (IMO 8302882, St. Vincent & Grenadines-flagged, controlled by the Russian company Westberg Management AG based in St. Petersburg.[121] The case is extensively described in an ongoing publication by Amnesty International and will not be reported here. January 12, 2012, the ship delivered in Tartous four containers, with 59 tons and 422 kg of dangerous cargo.

After leaving Iskenderum, the ship continued its chartered voyages. On April 5 it docked at Karachi (Pakistan), then on April 15 in Mumbai (India), on May 21 in Djibouti, and on May 30 at El-Adabyia (Egypt), a port used by the Egyptian military (see the case of the MV Marianne Danica). The ship docked at Oktyabrsk on June 13 and at the time of writing, on June 26, passed the Dardanelles back to the Mediterranean, with its stated destination being Bar (Montenegro).

5.2.6 - Case 17 - MV Letfallah II

April 27 and 28, 2012, the Lebanese newspapers *L'Orient-Le Jour* and *Al-Akhbar* reported that the Lebanese Army had seized a ship when it was near the northern coast of the country, apparently bound for the port of Tripoli. The ship was escorted to the near port of Selaata, around 30 km south of Tripoli.[122]

For unknown reasons, the name of the ship was wrongly reported, from that time on, by most of the newspapers and official sources as Lutfallah II. The real name was Letfallah II. The ship was suspected to transport weapons destined to Syrian armed opposition. April 28, *Al-Akhbar* revealed that three containers onboard the ship were full of machineguns, RPG's, air and anti-tank missiles and a huge amount of explosives.

According to Lebanese media's first reports, the ship had departed some days before from Benghazi, Libya, and called at Alexandria (Egypt) before sailing north to Lebanon. The cargo weight was reported as "150 tons" loaded into three containers.[123] The fact that three containers, even if FEU maritime containers, could not hold such a weight was not noted. One FEU can hold a maximum net cargo weight of 26/28 tons.

The TV channel OTV[124] reported that the – according to Lebanese intelligence sources – the ship had required permission to dock in Tripoli and was expected by Syrian personnel. The same source reported that a politician from Tripoli had traveled to Libya to negotiate the arms deal.

On April 29, *Ma'an News Agency* reported[125] that the shipowner, Capt. Mohammad Khafaji, "*said he was told the craft was carrying engine oil, and was unaware of any weapons. '*The law doesn't allow me to open and inspect the containers*,' he said by telephone from Egypt. Khafaji said a broker from Lebanon had made contact, asking originally for a shipment of 12 containers of "general cargo" to be shipped from Libya*

[121] Управляющая компания: Судно Chariot везло груз от Рособоронэкспорта, 11 января 2012, http://www.vz.ru/news/2012/1/11/552696.html.
[122] "Un navire soupçonné d'acheminer des armes en Syrie intercepté au Liban". L'Orient-Le Jour, Liban, Avril 27, 2012; "Des armes destinées aux rebelles syriens saisies à bord d'un bateau intercepté au Liban", L'Orient-Le Jour, Liban, Avril 28, 2012; "Un navire soupçonné d'acheminer des armes en Syrie arraisonné et contraint d'accoster à Selaata, L'Orient-Le Jour, Liban, Avril 28, 2012; "Syrian clashes continue as UN observer head arrives", Al-Akhbar, Lebanon, April 28, 2012 .
[123] "Des armes qui seraient destinées à la Syrie saisies à bord d'un bateau intercepté au Liban", L'Orient-Le Jour, Liban, April 30, 2012.
[124] The television channel OTV, quoted by L'Orient-Le Jour, Liban, April 30, 2012.
[125] "Lebanon impounds ship carrying Libyan weapons", April 29, 2012. www.maannews.net/eng/ViewDetails.aspx?ID=480477

to Lebanon. In the end, after two days' delay, the ship left with just the three containers, he said. It sailed to Turkey and then the Egyptian port of Alexandria before heading for Tripoli in Lebanon, but as it was completing formalities for docking there the crew was told to take the ship to another port, Selaata, to unload the cargo. 'After that we lost contact with the crew,' *he said."*

P42. Letfallah II: army trucks carrying the three containers, Selaata April 28, 2012

Source: AP Photo/Hussein Malla, 12042818590.

The Syrian Arab News Agency *Sana* reported on the same day that the shipowner had been arrested along with the ship commission agent in Lebanon, Ahmad Bernard.[126] The agency also wrote that – contrary to the account of the OTV - al-Akhbar had reported that a "*Lebanese figure from Tripoli went last March to Egypt and held several meetings with leaders of one of the armed groups in Libya in the presence of members from the so-called 'Istanbul Council', at which they agreed to supply the armed groups in Syria with antitank missiles at half of the price available in the market."*

On April 30, the Lebanese *Daily Star*[127] reported that the military prosecutor, Judge Saqr Saqr, ordered the arrest of the captain of the ship, the crew, and a Customs official, who were then questioned by a military tribunal in Tripoli with other individuals. The same source stated that the cargo manifest only referred to "metal items".

On May 4, the newspaper reported that 21 suspects were charged of "*forming an evil group ... with the intention of carrying out terrorist acts by means of these weapons."* The suspects were "*13 Syrians (8 of them detained), four Lebanese (three of them detained), two Egyptians, an Indian and an unidentified Libyan."*[128]

[126] "Three Containers Loaded with Weapons in Lutfallah II Ship", Sana Arab Syrian Agency, April 29, 2012
[127] "More summoned for questioning over Syria arms Shipment", Daily Star, April 30, 2012.
[128] "Lebanon charges 21 suspects in Syria-bound arms case", Daily Star, Lebanon, May 4, 2012

P43. Letfallah II: a crane loads one of the containers onto a truck, Selaata April 28, 2012

Credit: AP Photo/Hussein Malla 12042819633.

Soon after, doubts about the modality of the seizure and the real goal of the ship voyage surfaced in Lebanese media, who argued that sending arms to Syrian opposition forces through Lebanese ports when there was a strict control exercised by both the Lebanese Navy and the UN Interim Force in Lebanon (UNIFIL) on the maritime boundaries seemed too disingenuous.[129]

It was actually the UNIFIL that alerted the Lebanese Navy, as later confirmed by the United Nations.[130] Representatives of the Free Syrian Army (Armée Syrienne Libre) declared that the case was a covert operation by the Syrian intelligence services.[131]

On May 2, the *Daily Star* reported that "*Syrian Ambassador to Lebanon Ali Abdel-Karim Ali accused Gulf countries, including Qatar and Saudi Arabia, Wednesday of being behind the Syria-bound arms shipments that was intercepted recently by the Lebanese Army.*"[132] The accusations were rejected by Qatar and Saudi Arabia.[133]

[129] Abi-Akl, P, "L'énigme » du Lutfallah II : décision internationale d'armer l'opposition ou prétexte pour relancer l'ingérence syrienne?", L'Orient-Le Jour, Liban, May 1, 2012
[130] Abi-Akl, P, "L'énigme » du Lutfallah II : décision internationale d'armer l'opposition ou prétexte pour relancer l'ingérence syrienne?", L'Orient-Le Jour, Liban, May 1, 2012; Zehl, S., "Affaire Lutfallah II et MV Grande Sicilia: comment agit la force maritime de la Finul", L'Orient-Le Jour, Liban May 12, 2012.
[131] "Pour un responsable de l'ASL, l'affaire du Lutfallah II est une 'machination' du régime syrien", L'Orient-Le Jour, Liban, May 2, 2012.
[132] "Ali: Gulf states behind Syria-bound arms shipments seized by Lebanon", Daily Star, Lebanon, May 2, 2012.
[133] "Asiri slams Syrian ambassador over arms cargo Accusations", Daily Star, Lebanon, May 3, 2012.

P44. Letfallah II: the "Matson" container

Source: AP Photo/Lebanese Army Media Department, 120428112730

P45. Letfallah II, details: cases of ammunition, one from North Korea to Libya

Source: AP Photo/Lebanese Army Media Department, 120428112730

On May 4, the military prosecutor charged 21 individuals of attempting to smuggle arms to Syria and prepare acts of sabotage.[134] On May 8, the Daily Star reported that Syrian's ambassador to the U.N., Bashar Jaafari, had stated the seized arms "*to be smuggled to Syria by Salafist groups through the border between the two countries*" and that the ship actually transported 70 tons of "*dangerous weapons, anti-aircraft Stinger rockets and LAW rockets, along with Israeli arms.*"[135]

5.2.6.1 The ship and the owners

MV Letfallah II (IMO 7126114), Sierra Leone-flagged), is a general cargo ship with a cargo capacity of 2,510 DWT and 160 TEUs, built in 1972. The ship changed name, flag, and ownership several times, initially called Ostebank and then variously Scol Action, again Ostebank, Oslobank, Stevnsland, Donna Khadijeh, and Ezzat Allah. The ship had a certification for the transport of IMO cargo, dated January 30, 2012 and valid for 3 months.[136] ISM Group is also the company that manages the MV Odai (see above). In addition to Letfallah II, Khafaji Shipping owns three other ships, MV Letfallah 4, MV Alexandretta, and MV Uni-k.

P46. Letfallah II at Ploce, Croatia, August 25, 2011

Credit: Helen Krmic, www.shipspotting.com

The registered owner of the ship is a Honduran company, Khafaji Shipping Co. SA, based in Tegucigalpa.[137] The shipmanager is ISM Group LTD, based in Tartous, Syria,[138] with offices in Lebanon. However, in the insurance document for the ship,

[134] "Liban: 21 personnes accusées de trafic d'armes dans l'affaire Lutfallah II", L'Orient-Le Jour, Liban, May 4, 2012; "Selon al-Akhbar, des experts en explosifs venant du Liban sont arrivés en Syrie", L'Orient-Le Jour, Liban, May 4, 2012.
[135] "Syria says seized arms were to be smuggled over Border", Daily Star, May, 9, 2012
[136] All documents related to Khafaji Shipping fleet are available online at the company website: http://khafaji-maritime.com/fleet.htm
[137] Located at Apdo 5627, Tegucigalpa, MDF, Honduras
[138] Located at 2nd Floor, Abdullah Yahia Building, BP 83, ath-Thawra Street, Tartous, Syria.

dated January 24, 2012, the ship manager is reported as Alpha Marine Ltd, based in Tartous.

The company that has insured the ship is Investflot based in Moscow and Samara. On its website, Khafaji Shipping Co. (a different entity from the registered owner of Letfallah II) gives as addresses a Syrian one in Tartous and an Egyptian one in New Damietta.

P47. First page of Letfallah II insurance document, dated January 24 2012 (signature 2nd page)

M-017/O-13

INVESTFLOT
INSURANCE COMPANY

119, Maxim Gorky Str., Samara, Russia, 443099
Tel./Fax.: +007 (846) 279 2084, 279 2085
e-mail: info@investflot.com

2, 3-Yamskogo Polya Str., Bldg.7, off.12 , Moscow, Russia, 125124
Tel/Fax: +007 (495) 637 66 45; 637 66 49
e-mail: investflot2@parusa.info

CERTIFICATE OF INSURANCE (POLICY) No. M-017/O-13
ДОГОВОР СТРАХОВАНИЯ (ПОЛИС)

CLASS: OWNER`S PROTECTION & INDEMNITY INSURANCE

ВИД СТРАХОВАНИЯ: ОТВЕТСТВЕННОСТЬ СУДОВЛАДЕЛЬЦЕВ ПЕРЕД ТРЕТЬИМИ ЛИЦАМИ

THIS IS TO CERTIFY THAT:
INSURED:
KHAFAJI SHIPPING CO. S.A., Apartado Postal 5646, Tegucigalpa, Honduras, C.A. as Owners and/or ALFA MARINE LTD SYRIA/TARTOUS, as Manager.

НАСТОЯЩИМ УДОСТОВЕРЯЕТСЯ, ЧТО:
СТРАХОВАТЕЛЬ:
KHAFAJI SHIPPING CO. S.A., Apartado Postal 5646, Tegucigalpa, Honduras, C.A. – как Судовладелец и/или ALFA MARINE LTD SYRIA/TARTOUS, как Менеджер.

IS/ARE INSURED IN RESPECT OF THE SHIP:

ЗАСТРАХОВАН(Ы) В ОТНОШЕНИЕ СУДНА:

"LETFALLAH-II"		**IMO:**	7126114	**"LETFALLAH-II"**		**ИМО:**	7126114
Year of built:	1972	**FLAG:**	Sierra Leone	**Год постройки:**	1972	**ФЛАГ:**	Сьерра-Леоне
GT:	2433	**TYPE:**	GGC	**БРТ:**	2433	**ТИП:**	Сухогруз
REGISTER:	I.R.S			**РЕГИСТР:**	I.R.S		

WITH EFFECT FROM:
24.01.2012 00:00 Hours Moscow Time
To : 23.01.2013 24:00 Hours Moscow Time

ПЕРИОД СТРАХОВАНИЯ:
с 24.01.2012 00:00 часов московского времени
по 23.01.2013 24:00 часов московского времени

SUBJECT TO THE P&I RULES OF THE INVESTFLOT INSURANCE CO, redaction 06.06.05 (http://investflot.com)

СОГЛАСНО ПРАВИЛ СТРАХОВАНИЯ ОТВЕТСТВЕННОСТИ ВЛАДЕЛЬЦЕВ СРЕДСТВ ВОДНОГО ТРАНСПОРТА ПЕРЕД ТРЕТЬИМИ ЛИЦАМИ ООО СК «ИНВЕСТФЛОТ», редакция от 06.06.05 (http://investflot.ru)

The following risks are covered:

Pollution risks (This insurance cover liability for bunker oil pollution damage only);
Wreck removal;
Cargo liabilities.

От следующих рисков:
Ущерб, причиненный загрязнением окружающей природной среде (в отношении загрязнения бункерным топливом только);
Удаление остатков кораблекрушения;
Ущерб, причиненный грузу.

Institute Radioactive Contamination Exclusion Clause (1/10/1990)
Seepage and Pollution Exclusion Clause (1/10/1990)
Political Risks, Financial Guarantee and Credit Risks Exclusion Clause.

Institute Radioactive Contamination Exclusion Clause (1/10/1990)
Seepage and Pollution Exclusion Clause (1/10/1990)
Political Risks, Financial Guarantee and Credit Risks Exclusion Clause

Subject to:
Warranted Classed and Class maintained;
Warranted ISM Compliance;
Warranted SOLAS, MORPOL, ISPS Compliance;
Satisfactory claims record;
Information and technical details of the vessel submitted by the Insurer to be correct;
Register, ship's, ISM documents to be provided to the Insurer.
Terrorism exclusion clause;
Premium payment warranty.
War exclusion clause;

При условии:
Гарантии наличия класса классификационного общества, сохранение класса в период страхового покрытия;
Гарантии наличия ISM сертификации;
Гарантии соответствия требованиям SOLAS, MORPOL, ISPS;
Удовлетворительной статистики убытков;
Информация и технические детали судна, предоставленные страхователем должны быть истинными;
Регистровые, судовые, ISM документы, должны быть предоставлены Страховщику.
Оговорки об исключении террористических рисков.
Оговорка об исключении военных рисков.
Оговорка об оплате страховой премии.

Trading: Within the limits of existing Class.

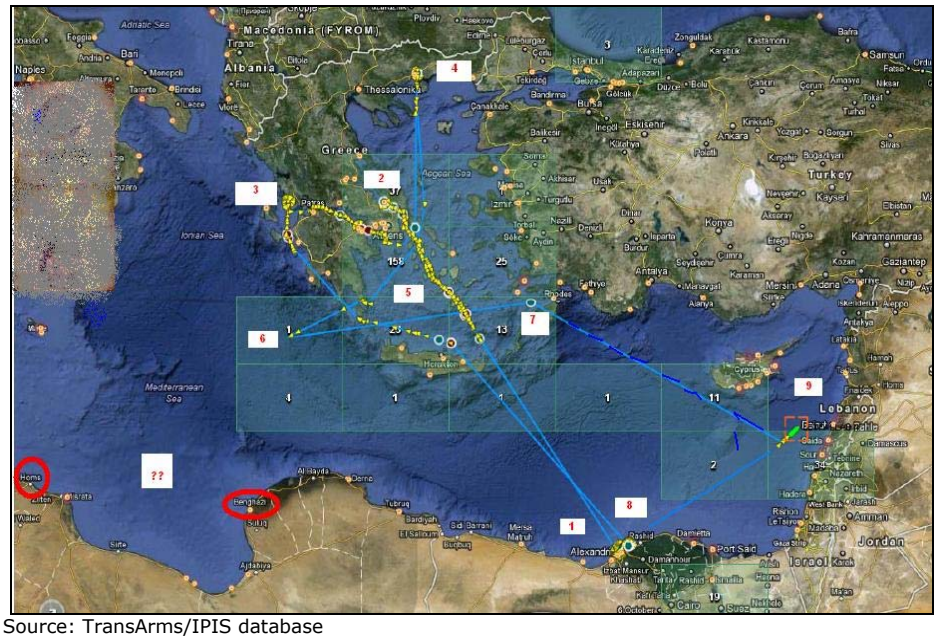
Район эксплуатации: В соответствии с ограничениями Классом Регистра.

Source: http://khafaji-maritime.com/fleet.htm

5.2.6.2 The strange voyage of Letfallah II

The voyages of Letfallah II between February and April 2012 are hardly understandable in commercial terms, even for a tramp ship. The map below illustrates some of the port calls made by the ship, from Alexandria in early February to Tripoli April 26, when the ship was seized by the Lebanese Navy and UNIFIL.

P48. The strange voyages of Letfallah II between February and April 2012



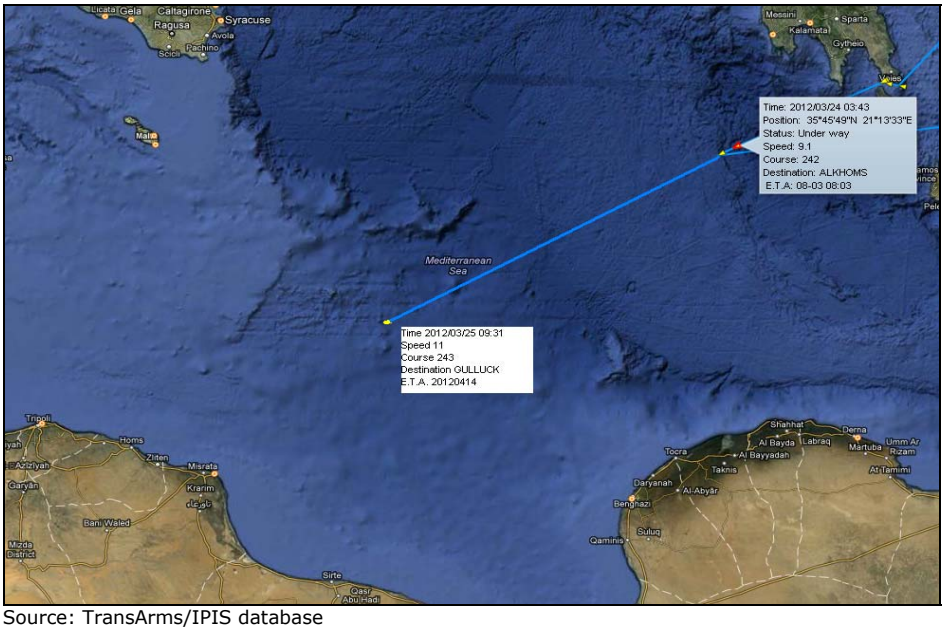
Source: TransArms/IPIS database

N. ON MAP	MOVEMENTS
1	ALEXANDRIA (EGYPT) FEBRUARY 1
2	CHALKIS (GREECE), FEBRUARY 6
2	CHALKIS, FEBRUARY 7, TO ALEXANDRIA
1	ALEXANDRIA, FEBRUARY 19 TO ABU QIR PORT MARCH 4
3	NAVIPE PLATIYIALI, ASTAKOS COMMERCIAL PORT, MARCH 12
3	LEAVING ASTAKOS MARCH 14
4	NEA KARVALA (NORTHERN GREECE), INDUSTRIAL PORT, MARCH 19
4	LEAVING NEA KARVALA MARCH 22 TO AL-KHOMS (LIBYA)
5	SOUTH OF MAINLAND GREECE, MARCH 23
6	LAST TRANSMITTED SIGNALS, MARCH 24 AND 25
?	AL-KHOMS (ON THE LEFT), BENGHAZI (ON THE RIGHT)
?	DIRECTION GULLUCK (TURKEY), APRIL 9,
8	ALEXANDRIA, APRIL 20
8	DEPARTING TO TRIPOLI APRIL 22
9	ARRIVING 30 MILES SOUTH OF TRIPOLI APRIL 26 AT 23:53 UTC
9	SEIZED AND ESCORTED TO SELAATA MARCH 27
9	ESCORTED TO BEIRUT APRIL 28

The sequence of the port calls indicate that the ship initially made a trip Alexandria-Chaklis-Alexandria, then waited two weeks for a new assignment and sailed North West with destination Astakos. From Astakos the ship moved in the opposite direction, passing the Corinth canal and sailing North-East to a small industrial port near Kavala, where there is a large fertilizer factory.

From Kavala the ship sailed South-East, apparently directed to Libya where it disappeared from the radar. It is not known what happened to the ship between that point and its resurfacing near the Turkish South Western coast. Also not known are details of its voyage from the Turkish port of Gulluck and its arrival in Alexandria some ten days later. There are no traces also for the real route taken by the ship from Alexandria to Beirut and Tripoli.

P48bis. Letfallah II- detail, last transmitted position on March 25, 2012



Source: TransArms/IPIS database

Based on the itinerary the main question is: where were the arms as found in the three containers loaded?

5.2.6.3 - Were the arms containers loaded in Benghazi?

As mentioned above, the newspaper Al-Akhbar had reported that a *"Lebanese figure from Tripoli went last March to Egypt and held several meetings with leaders of one of the armed groups in Libya in the presence of members from the so-called 'Istanbul Council', at which they agreed to supply the armed groups in Syria with antitank missiles at half of the price available in the market."* Other sources stated that a Lebanese politician went to Libya, not Egypt, to make the deal.

From photographic evidence, there is no doubt that the containers included ammunition cases destined for Libya from North Korea and other cases appear to contain Eastern European or Soviet-made equipment. The Lebanese Army released photographs of partially unloaded containers, but no photographs were released which had been taken upon the opening of the containers.

If the last estimate of the cargo weight was correct, 70 tons, each FEU (40' maritime container) included about 23 ton of armament. The available photographs (there are other in addition to what is shown in this report) cannot document for that weight. The Syrian ambassador at the UN stated that the containers included "Israeli arms", but no further details were provided. However the photographs released by the Lebanese Army do not underpin his argument. As far as we are aware there are no photographs of Israeli arms inside these containers.

Moreover, there is no documentary evidence that the ship arrived in Libya, either at Al-Khoms (the destination transmitted by AIS) or at Benghazi, as stated in media sources (see below). After Astakos the ship called at Kavala, then – after the black-out - reappeared near the Turkish coast, about 700 nautical miles from the Libyan coast, with stated destination the port of Gulluck and then the port of Alexandria. We are told to believe that the vessel made **all those port calls with 70 tons of clandestine weapons on board!**

P49. The correct name, Letfallah II, and the ship IMO number is well visible on the ship

Source: http://khafaji-maritime.com/fleet.htm (Batumi was the formal home port of the ship until January 2012, when it passed from the Georgia to the Sierra Leone flag).

On the May 4-6 issue, the US magazine CounterPunch[139] published an article by a human rights lawyer based in Lebanon, Franklin Lamb, titled "*Another Watergate unfolding? The Lutfallah II Arms-Smuggling Scandal*". The article reported that – according to eyewitnesses - the ship actually loaded the containers in Benghazi.

The "original plan" was to load 15 containers, according to the article and above-mentioned statements by the shipowner. According to Lamb – who was interviewed by the Iranian television Presstv.ir, April 30, on the same issue[140] -, "*eyewitness Hassan Diab is a Libyan researcher who has been working with a group of American and*

[139] http://www.counterpunch.org/, directed by Alexander Cockburn and Jeffrey St. Clair
[140] "Nato, Al Qaeda Caught Shipping Weapons To FSA by Sea Via Benghazi", April 30, 2012, http://www.presstv.ir/

International lawyers preparing a case against NATO to be filed with the International Criminal Court. Hassan and three of his friends actually saw the ship Lutfallah II being loaded in Benghazi, Libya. Hassan claims that it is well known at the docks that Qatar and Saudi Arabia control a total of five warehouses in the area of Benghazi & Misrata and supplied the weapons and money to hire the Lutfallah II container vessel." […] *"Libyans and foreign dock workers at Benghazi Port, who observed the Lutfallah II being loaded, saw three containers filled with 150 tons of weapons put onboard, although the initial plan, according to the owner of the boat was to ship as many as 15 containers. It is estimated that they would have carried more than 2000 tons of weapons."* The eyewitnesses – or at least the author – seemed neither aware that the name of the ship was not Lutfallah II (the name is written in large characters on the front and rear of the ship) nor that three containers could not load 150 tons, as the eyewitnesses supposedly reported. Fact is that the alleged 150 tons was reported April 27 in Lebanese media, along with the wrong name of the ship.

Lamb's article is the only available source of information on Letfallah's arrival in Libya and on eyewitness accounts on the ship being loaded with the weapons in Benghazi. Phone calls and e-mails addressed to the author for clarification on the sources and, possibly, evidence of his statements, were not yet answered at the time of writing.

5.2.6.4 - Or were the arms containers loaded in Astakos?

The recently built NAVIPE Platiyiali commercial port near Astakos (Naval Industrial Area) has been a frequent destination or stopover for commercial ships hired by the US Department of Defense to transport military equipment and ammunition for trans-shipment and re-distribution in the Eastern Mediterranean area (see the case of MV Wehr Elbe).[141] At the NAVIPE port there is also a Free Trade and industrial Zone.[142]

P50. NAVIPE port near Astakos

Source: http://www.akarport.com/maps.htm and MarineTraffic.com

According to sources close to the port authority – interviewed for this report by Greek

[141] See: "US arms shipment reaches Israel, president Obama urged to halt further exports", Amnesty International, April 2, 2009.
[142] Research carried out by TransArms and IPIS for Amnesty International, March 2009.

journalist Pavlos Nerantzis[143] - MV Letfallah II docked at the port March 12 and declared to have on board a cargo of "potatoes". The ship did not request to load or unload any cargo, making even less understandable its voyage from Alexandria.

The ship departed the same day, but remained at anchor in the area for two days before bringing its "potatoes" to the industrial port near Nea Karvala, 400 nautical miles North East of Astakos.

Why did the ship dock at Astakos? If the weapons were loaded at Astakos, were the Libya destination and the docking at Benghazi just planted stories to cover up the real origin of the shipments? The same Astakos sources interviewed for this report stated that the port was witnessing an intense traffic of military equipment.

5.2.7 - Case 18 - MV Grande Sicilia

On May 8, 2012, soon after the seizure of Letfallah II, various Lebanese media and Reuters reported[144] that the Lebanese Navy (again alerted by the UNIFIL)[145] had "inspected" one container transported to Tripoli by the vehicles carrier MV Grande Sicilia (IMO 9312092, Italy-flagged),[146] belonging to the Italian company Grimaldi, based in Naples. According to the same media, the container was inspected May 7 at the arrival of the ship in Tripoli.

The container was found to hold two Renault Rapid and "*60,000 bullets including rounds for 9mm pistols and Kalashnikov (AK-47) rifles*", according to a "security source" Reuters quoted. The same source stated that the Grande Sicilia took the cars on board at Alexandria and that the arms were destined to Syrian opposition forces.

Some day later, May 12, the Lebanese newspaper L'Orient-Le Jour reported that, on April 30, UNIFIL had demanded the Lebanese Navy to board the ship when it was still near Beirut and inspect the cargo.[147] In fact, the ship did not arrive at Tripoli May 7, as stated by the first accounts, but May 1, after a brief stop in Beirut. May 7, the ship was already at Gemlik, near the Dardanelles.

Grimaldi Group, a long-standing contractor for the US military[148] gave however another version of the event. As confirmed by the ship movements, the Grande Sicilia arrived in Tripoli May 1 and the two cars were unloaded at the Tripoli terminal, where they remained for five days before being inspected.[149] The company also stated that in Hamburg the cargo was carefully inspected by the German authorities and the Grimaldi's personnel. The company also denied that the cars and/or the weapons were loaded in Alexandria, but refused to give the name of the shipper of the cars.

The ship had departed from Hamburg April 12 and had docked in Antwerp the 14th, then in various British ports, then in Valencia April 23, Leghorn April 25, Civitavecchia and Salerno April 26 and 27 and eventually Alexandria April 30. The ship docked in

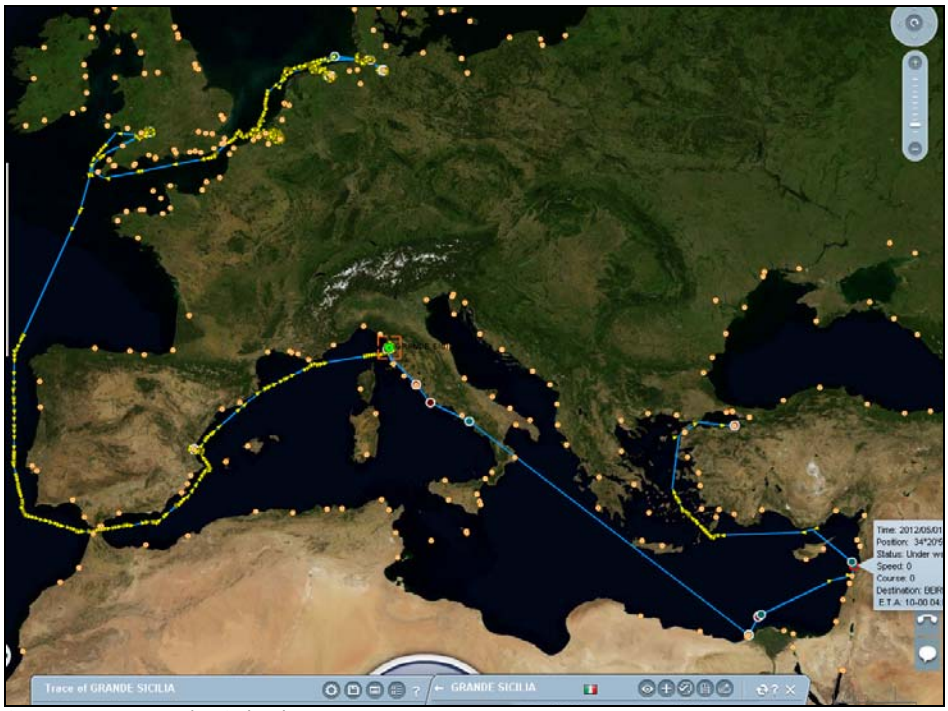
[143] Director General of Greece's Public Radio Network ERT3.
[144] "Liban : Des armes saisies à bord d'un navire italien à Tripoli", L'Orient-Le Jour, Liban, May 8, 2012, quoting the as-Safir; Holmes, O., "Lebanon seizes smuggled ammunition on Italian ship", Reuters May 8, 2012.
[145] Zehl, S., "Affaire Lutfallah II et MV Grande Sicilia: comment agit la force maritime de la Finul", L'Orient-Le Jour, Liban May 12, 2012
[146] Registered owner ACL Shipholding, Care of Grimaldi, based in Naples, with a capacity of 12,353 DWT.
[147] Zehl, S., "Affaire Lutfallah II et MV Grande Sicilia: comment agit la force maritime de la Finul", L'Orient-Le Jour, Liban May 12, 2012
[148] See: "*Dead on Time: arms transportation, brokering, and the threat to human rights*", Amnesty International, TransArms and IPIS vzw London
[149] Palladino, "Carico di munizioni sul cargo Grimaldi. Sequestro nel porto di Tripoli", Il Fatto Quotidiano, May 10, 2012.

Beirut and then in Tripoli May 1 and left May 2 to the port of Gemlik where it arrived May 6.

P51. Vehicles carrier MV Grande Sicilia, Southampton, July 30, 2011

Credit: Wim van der Moolen, www.shipspotting.com

P52. Itinerary of Grande Sicilia



Source: TransArms/IPIS database

5.2.8 - Case 19 - MV Alaed

5.2.8.1 Geopolitical games

On June 12, while speaking at the Washington-based Brookings Institution, alongside with Israeli president Shimon Peres,[150] US Secretary of State Hillary Clinton told the audience that the US government was "*concerned about the latest information we have that there are attack helicopters on the way from Russia to Syria, which will escalate the conflict quite dramatically.*" [151] On June 14, CNN[152] reported that Russia's Foreign Minister, Sergey Lavrov, speaking during a meeting in Iran with his counterpart, stated that Russia was "*completing right now the implementation of contracts that were signed and paid for a long time ago… All these contracts concern exclusively anti-aircraft defense*". CNN also reported that another Russian official has mentioned a ship en route to Syria that was carrying disassembled helicopters.

Two days after Mrs. Clinton's declarations, a spokeperson for the US State Department acknowledged that the old helicopters could hardly "escalate the conflict dramatically" and that they "have been out of the fight for some six months or longer. They are freshly refurbished".[153] Foreign Minister, Sergey Lavrov, reiterated in Tehran that Russia was supplying Syria "*only with things that Syria would need in the event of an armed attack on it from without.*" [154]

The "dialogue" between Mrs. Clinton and Mr. Lavrov curiously echoed other similar statements made on occasions in which the US government was accused to provide military support to the governments of Egypt and Bahrain during and long after the "Arab Springs" and the violent repression of demonstrations for democratic reforms.[155] As defense against the accusations, the US State Department claimed that the equipment supplied could only be used against an external attack.

As this report has shown in the case of Egypt, part of the equipment the Egyptian Ministry of Defense's Procurement Office in Washington was allowed to ship could have directly influenced the capacity and efficiency of the Egyptian military on the street.

Neither the US Government nor the Russia Government were apparently able – when they were accused of irresponsible arms shipments to repressive regimes - to counter the obvious consideration that no matter if the equipment could be or had been specifically used to repress opposition forces or commit severe violations of human rights, the arms shipments were a display of support and an effective way to keep those regimes viable.

Russian authorities recognized that the shipment Mrs. Clinton was referring to was actually ongoing and it included "*air defense systems* [and] *three Soviet-era helicopters which had been repaired* [in Kaliningrad] *under contracts signed in 2008* [and still to be] *assembled after delivery.*" "*The entire process will take no less than three months*", Russian Foreign Minister Sergei Lavrov stated.[156]

---

[150] http://www.brookings.edu/events/2012/06/12-saban-clinton-peres#ref-id=20120612_Clinton_Syria
[151] Benson, P., "U.S. says Russian attack helicopters on way to Syria", CNN, June 12, 2012
[152] Dougherty, J., "Russia: No new choppers for Syria", CNN, June 14, 2012
[153] "Clinton misfires on Russian helicopters to Syria charge", RT Online, June 15, 2012
[154] "Clinton misfires on Russian helicopters to Syria charge", RT Online, June 15, 2012
[155] See: "Ships of Shame", Amnesty International, July 2012.
[156] "Ship bound for Syria was carrying 3 old helicopters repaired in Russia – Lavrov", RT Online, June 21, 2012; Kudenko, A., "Russian Ship Carrying Syrian Attack Helicopters Returns Home", Ria Novosti, June 21, 2012. See: http://www.mid.ru/brp_4.nsf/newsline, "Брифинг официального представителя МИД России А.К.Лукашевича, 21 июня 2012 года (Briefing by the Spokesman of Russia A.K.Lukashevicha, June 21, 2012).

Respecting "contractual obligations" was frequently mentioned in the debate on the arms shipment to Syria by Russian analysts, who maintained that the shipment on board the ship bound to Syria could not be considered strategically important, seemingly with any perception of the nature of the issue.

For example, Vasily Kashin, of the Moscow-based CAST (Centre for Analysis of Strategies and Technologies, the most authoritative source on Russia defense industry and issues), stated – RT Online reported[157] - that the work performed by Russia on those helicopters belonging to Syria "*was a very limited and cheap repair. The price was really low; Syria could not even afford to replace engines.*" "*The shipment was the fulfillment of contact obligations agreed between Russia and Syria in 2009, long before all this Syrian unrest started. The contract covered the repair of Soviet MI25 helicopters, which Syria owed. The county initially had more than 30 of them, but the inventory was in such a bad shape that they could not be repaired anymore.*"

On the other side, it is obvious that a popular uprising against a multi-decade authoritarian regime for seeking "regime change"[158] - and possibly supported by NATO force as in Libya - could not be perceived by Russia other than as an implicit threat to its share of influence in the Middle East's delicate balance of power. Arms shipments to support Syrian Army need to be seen in the "Libya-model" context.

In the context of Syria's opposition forces' uprising and repression, and attempts to transform the struggle for democracy in a civil war, every arms shipment was bound to make the situation worst. Open or covert, to the Syrian government or to armed opposition forces, arms shipments have the effect to modify the perception each side has of the level of threat it faces, even before the arms will modify the balance of power among the involved parties.

Arms shipments also contribute to sink possible peace road-plans because they implicitly show that the parties and their allies do not believe in a political solution.[159] As the UN Secretary General, Ban Ki-moon, wrote in a letter to the U.N. Security Council, "*Encouragement to any party in Syria to pursue objectives through the use of violence is inconsistent with our common effort. Those who may contemplate supporting any side with weapons, military training or other military assistance, must reconsider such options to enable a sustained cessation of all forms of violence. It is essential that all parties, and those that may be providing them with support, act to halt the further repression of the population and to prevent the further militarization of the conflict*."[160]

5.2.8.2 - The risk of …risks insurance, the Standard P & I Club

On June 16, the British newspaper Telegraph wrote[161] that the US government had asked British officials "to help stop" the ship that was carrying attack helicopters and munitions, naming it as the bulk carrier MV Alaed, owned by a Russian company, FEMCO, based in Vladivostok. The case was widely reported.[162]

The Telegraph's article reported that "*the MV Alaed, a Russian-operated cargo vessel, is currently thought to be sailing through the North Sea after allegedly picking up a consignment of munitions and MI25 helicopters - known as "flying tanks" - from the*

[157] "'US helicopter con puts Russia-brokered Syria solution on ice", RT Online, June 20, 2012
[158] See again: Schmitt, E., "C.I.A. Said to Aid in Steering Arms to Syrian Opposition", New York Times, June 21, 2012.
[159] Manna, H., "Foreign influence and arms have split Syria's civil movement, making peace ever more remote", The Guardian, June 22, 2012
[160] UN Secuirty Council, S/2012/363, dated May 25, 2012.
[161] Sherlock, R., R. Oliphant, C. Freeman, "US enlists Britain's help to stop ship 'carrying Russian attack helicopters' to Syria", The Telegraph (UK), June 16, 2012
[162] "Media ship-storm over Russian vessels 'bound for Syria' ", RT Online, June 19, 2012

Russian Baltic port of Kaliningrad. Washington, which last week condemned Moscow for continuing to arm the Syrian regime, has asked British officials to help stop the Alaed delivering its alleged cargo by using sanctions legislation to force its London-based insurer to withdraw its cover."

The newspaper stated that the ship's insurance had been provided by a well-known UK company, "*Standard P and I Club, which is managed by Charles Taylor and Co Ltd of London"*. One of the directors of the company – according to the newspaper – declared that there were "*exclusion clauses in our cover, and for anyone involved in improper or unlawful trade, we can cancel cover. We are investigating whether or not to do so in this case."*

Another EU-based company, United Nordic Shipping, based in Copenhagen, was a possible target of EU sanctions, being apparently the shipmanager, responsible for marketing the ship cargo capacity.

The company, however, denied any involvement with the charter voyage related to the shipment of the helicopters. It was later revealed that its contract with FEMCO had not been finalized and was cancelled June 18.[163] As recognized by United Nordic Shipping managers, "officials" from the Danish government had visited the company some days before the news appeared in the media.

On May 18, *Standard P and I Club* announced to have cancelled the insurance, [164] making it impossible for the ship to continue its voyage without facing substantial risks in terms of uncovered accidents or seizures by countries whose territorial waters and ports the ship could enter. When the insurance company made its announcement the ship was "less than 55 miles off the coast of the Port of Ness village in the Isle of Lewis," the Scottish STV.TV stated. [165]

The ship was recalled by FEMCO and on June 19[166] the Alaed inverted its direction and started its voyage to the Arctic port of Murmansk (Russian Federation, Kola Peninsula),[167] where it entered on June 23.[168]

After MV Alaed's arrival at Murmansk, FEMCO decided to change the flag under which the ship operates, and opted for the Russian Registry, "*as it awaited orders in a naval port to possibly make a second attempt* […], according to media reports. [169] "*The move should help the Alaed avoid security inspections that come when sailing under the flag of a third country*". The owner "*was awaiting further instructions from the contractors - whom it did not name - about which way to sail next*." In a June 24 press release, the company stated that all personnel crewing the ship were Russian. [170]

[163] "British Insurer Pulls Cover on Russian Arms Ship" Ria Novosti, June, 19, 2012. "*In a statement on its website [FEMCO stated] that the contract with United Nordic Shipping had been cancelled. "By mutual agreement, the contract between the ship owner and United Nordic Shipping A/S for the commercial management of the MV Alaed was annulled today, on Monday June 18, without actually coming into force*."
[164] "Alaed Stripped of Insurance", The Center for International Maritime Security, June 18, 2012.
[165] Lister, T., "Syria-bound Russian cargo ship loses insurance", CNN, June 19, 2012.
[166] Kemp, D., "Russian ship turns back after Syria arms claims: UK". AFP June 20, 2012; Kudenko, A., "Russian Ship Carrying Syrian Attack Helicopters Returns Home", Ria Novosti, June 21, 2012; "Ship to carry Russian helicopters back to Syria: Ifax", Reuters, June 24, 2012.
[167] Staalesen, A., "Syria weapons ship heading towards Murmansk", Barents Observer, June 22, 2012.
[168] "Fly the flag: Russian ship with Syrian bound choppers returns home", RT Online, June 24, 2012 http://on.rt.com/7huabm.
[169] "Ship with Syrian choppers raises Russian flag: report", Agence France-Presse, June 23, 2012.
[170] FEMCO Press Release, June 24, 2012

5.2.8.3 The ship, its owner, and the EU sanctions against Syria

MV Alaed (IMO 9574999) is a recently built (2010), 122 m-long general cargo ship, with a capacity of 9,000 DWT and a cruise speed of 12 knots, fitted for the transport of containers and most categories of dangerous goods. The ship was initially named "Ao Li 8" and was briefly Hong Kong- and Belize-flagged, to adopt the Netherlands Antilles flag when it was bought by FEMCO Group in November 2011 and christened in Shanghai.[171]

FEMCO Holding Company LLC is based in Moscow, but MV Alaed's operations are managed by FEMCO in St. Petersburg. The Group has also another main location and subsidiary in Yuzhno-Sakhalinsk (in the southern part of Sakhalin Island, Sakhalinskaya Oblast), FEMCO Management LLC (IMO 5148367). The latter provides the security management (ISM) of MV Alaed. MV Alaed's registered owner is a company based in Curacao, Volcano Shipping (IMO 5639199).

According to FEMCO's website, the company's core activity is the "*provision of shipping services to marine drilling and producing platforms*", "*management of transport and towing fleet*" and "*technical management of other types of vessels*".[172] In addition to the MV Alaed, the company controls a fleet of 12 offshore support vessels, with a variety of specializations (towing, oil recovery, etc.).[173]

P53. "Towage of bulker Taviland by AHTS 'Neftegaz-61' (Algeciras to Tuzla March 2009)"

Source: FEMCO website

As mentioned in the previous paragraph, United Nordic Shipping, based in Virum, Denmark, was supposed to provide the management of the ship capacity before the contract was cancelled by "mutual agreement". However, a November 2011 FEMCO press release[174] stated that FEMCO had bought a 50% interest in United Nordic Shipping. On June 24, FEMCO's press release stated that "*United Nordic Shipping A/S, Copenhagen, which has the commercial cooperation agreement in shipping with*

[171] "FEMCO entered into General Cargo Market", FEMCO press release, November 20, 2011.
[172] http://www.femco.ru/eng.php
[173] Customers range from BP Sakhalin to Oil & Gas Corporation of South Africa, JV «Vietsovpetro», Exxon Neftegas Ltd., Gazprom Neft Shelf, and PETROBRAS
[174] "FEMCO entered into General Cargo Market", FEMCO press release, November 20, 2011.

FEMCO Company, decided to terminate any business relations also based upon 'the request of Danish secret services'." [175] The company stated in addition that the "*insurance cover was cancelled by virtue of 'requests of secret services of the United Kingdom'."* [176]
Fact is that, as FEMCO stated, the actions by the European and US government sanctioned the "*Owner, which is not the Cargo Owner, but the Carrier and, in accordance with the International law norms, is not responsible for the nature of the cargo and its description in the shipping documents."* [177]

On January 18, 2012, the European Council adopted Regulation (EU) 36/2012, [178] repealing Regulation (EC) 442/2011 and stating "*a prohibition on trade in equipment which might be used for internal repression; equipment, technology or software which may be used for monitoring or interception of internet or telephone communication; a prohibition on trade in key equipment and technology for the Syrian oil and gas industry; a prohibition on the import of crude oil and petroleum products into the European Union that originated or had been exported from Syria; a prohibition on the participation in electrical infrastructure projects; a prohibition on transfers of funds to and from Syria; a prohibition on the sale, supply, transfer or export of new Syrian banknotes or coinage to the Central Bank of Syria; restrictions concerning the Syrian banking sector and freezing of assets or funds against designated entities."* This was the resolution that was in force when the voyage happened.

Did the EU sanctions really compel the British insurance company and the Danish shipmanager to withdraw their agreement with FEMCO? The Regulation, in its article 26, states:

"*1. It shall be prohibited:*
(a) to provide insurance or re-insurance to:
(i) the State of Syria, its Government, its public bodies, corporations or agencies; or
(ii) any natural or legal person, entity or body when acting on behalf or at the direction of a legal person, entity or body referred to in (i);
…..
"Point (ii) of paragraph 1(a) ***shall not prevent the provision of insurance*** *or re-insurance to the owner of a vessel, aircraft or vehicle chartered by a person, entity or body referred to in point (i) of paragraph 1(a) and which is not listed in Annex II or IIa.*
For the purpose of point (ii) of paragraph 1(a), a person, entity or body shall not be considered to act at the direction of a person, entity or body referred to in point (i) of paragraph 1(a) where that direction is for the purposes of docking, loading, unloading or safe transit of a vessel or aircraft temporarily in Syrian waters or airspace.
4. This Article prohibits the extension or renewal of insurance and re-insurance agreements concluded before 19 January 2012 (save where there is a prior contractual obligation on the part of the insurer or re-insurer to accept an extension or renewal of a policy), but, without prejudice to Article 14(2), it does not prohibit compliance with agreements concluded before that date." [179]

According to these provisions, the insurance company **had no reason to withdraw the insurance because of EU sanctions** and could only refer to some breach of contract. FEMCO was not acting on behalf of any person or entities listed in Annex II or IIa of the Resolution. FEMCO's customer was the shipper and (temporarily) owner of the cargo, i.e. the Russian company that provided the repair works and the one (Rosoboronexport?) that provided the munitions. As in the case of MV Professor Katsman, an attentive reading of the Regulations - the Council Regulation (EU) No 442/2011 of 9 May 2011) in the case of MV Professor Katsman – poses more than one

[175] FEMCO Press Release, June 24, 2012
[176] FEMCO Press Release, June 24, 2012
[177] FEMCO Press Release, June 24, 2012
[178] Official Journal of the European Union on 19 January 2012 (O.J. L016, 19.01.2012, p1)
[179] Official Journal of the European Union on 19 January 2012 (O.J. L016, 19.01.2012, p1)

doubt on the applicability of the EU sanctions regime to insurance or brokering services to MV Alaed.

5.2.8.4 The voyage

In an article published on June 20,[180] the Russian newspaper Kommersant wrote that "*a source close to the [US] State Department said that the Russian vessel had attracted the attention of US authorities since nearly six weeks. Alaed left Gibraltar on May 2 and, according to the ship's voyage papers, it went to St. Petersburg. The Americans drew attention to the fact that the Russian cargo ship arrived at the port of destination only on June 4, despite the fact that such a voyage could have normally last less than ten days* […] *According to U.S. intelligence officials, the delay was due to the fact that the ship has made a secret stop in Syria, where the U.S. believes that Alaed loaded aboard the helicopter gunships in need of repair*. […] *Instead of one and a half weeks the voyage took more than a month.* […]"

Evidently, the "US intelligence services" (or the Kommersant) do not apparently have many skills in tracking ships and did not consult the company. In fact, the explanation for the time lapsed between the presence of the ship in Gibraltar and the arrival in St. Petersburg was very simple "to find out", as shown in the map below. The vessel had departed from the Far East in early February. After docking at Gibraltar on May 2, the MV Alaed **sailed south-west to the Canary Islands (passing on May 5) and then Porto de Praia (Cape Verde), where it arrived on May 9.** The ship departed from Porto de Praia May 21, to arrive in St. Petersburg on June 4**.**

P54. MV Alaed itinerary from February 8 (Nakhodka) to Murmansk, June 23, 2012

Source: TransArms/IPIS database

[180] Belyanin , C. S. Strokan, I. Safronov, "Вертолетам не дают плыть спокойно", Kommersant, June 20, 2012, http://www.kommersant.ru/doc/1962156?isSearch=True

From St. Petersburg, the ship sailed to Port Baltiysk (Kaliningrad, on June 11) and then to the North Sea (on June 18) and Murmansk (June 23). In the Mediterranean, the ship stopped at Alexandria (Egypt) and Djen Djen (Algeria).

According to a FEMCO press release dated June 20[181] - issued in response to the Kommersant article – the vessel went to Cape Verde on a mission on behalf of the National Agency for Food Security of the Republic of Cape-Verde. "*The National Agency for Food Security of the Republic of Cape-Verde – wrote FEMCO - was specially created within fight against food crises in the countries of Sahel zone and of the Western Africa* […] *The support in the activity of this network is provided, inter alia, by the European Union*."

In the days in which – according to the Kommersant - MV Alaed was "detected" by the US intelligence services secretly loading the helicopters in Syria, **the vessel was at about 3,628 nautical miles from Tartous.** The log book published by the company in its press release matches the traces available from shiptracking systems. The company's press release was accompanied by photographic evidence of the ship and its cargo in Porto de Praia.

According to FEMCO's website, the MV Alaed is bound to St. Petersburg and the company "*is seeking part cargoes Far East destination*."

P55. FEMCO's ship Alaed – Trans-shipment into another vessel, Porto do Praia. May 12, 2012

Source: Courtesy of FEMCO – Photo's mark "Taken 5/12/2012, 9:45 AM"

[181] Femco Press Release, June 20, 2012, http://www.femco.ru/eng.php

6. Recommendations

Under an Arms Trade Treaty

- **States should**:

1. Require the registration of transport service providers operating within their territory and engaged in transport of conventional arms (as already required by some States).

2. Require a request of authorization for each proposed arms transport service used by the shipper and/or freightforwarder, with the vessel/s details and the intended route, including stopovers and trans-shipment points. The request should be presented at least 48 hours in advance of the departure, after which the authorization will be implicitly granted by a silence/consent mechanism, or refused by a specific intervention by the State authorities.

- **Transport service providers should**:

3. Maintain comprehensive and verifiable documentation, including cargo manifests, airway bills, bills of lading and invoices, which at a minimum should contain details of the export authorization, the consignee/consignor, end-user and the relevant customs tariff codes identifying each movement of the items;

4. Comply with existing national legislation or international agreements relating to the transport of weapons by air, land or sea and relevant U.N. arms embargoes.

- **States that ratify the ATT should:**

5. Engage in a monitoring program for arms in transit, trans-shipment and re-transfers.

6. Engage in efforts to set international standards and rules for international arms transfers that involve items entering or leaving Free trade zones and similar entities.

7. Engage in efforts to set international rules aimed at defining which commercial and industrial processes may be allowed in free trade zones when conventional arms are involved.

8. Gradually involve transport industry companies, shippers, and seller/buyer in a program aimed at promoting the use of DDP Incoterm in commercial arms contracts, thus making the exporter responsible for the consignment at the importer's port of discharge or importer/agent's facilities.

- **The United Nations and its relevant agencies, should:**

9. Implement a program for collecting, monitoring, and reporting arms shipment documentation in international ports of entry (in whatever modality of transport) that it deems necessary for enforcing its sanction regimes and other policies aimed at the control of arms proliferation, respect for human rights and human rights law, and to maintain peace.

Antwerp and Chicago, July 10, 2012

Appendix 1 - Arms Trade: What We Know

The total value of actual international transfers (deliveries) of conventional military arms[182] as recorded in national statistics was about **US$59.2 billion** in 2010 (Last YEAR available for most countries, Table 1).

This value does not include deliveries by a number of major to medium arms exporting countries, such as for example Australia, Belgium, Canada, Greece, Poland, Serbia, and United Kingdom for lack of data on actual deliveries in 2010.

Considering the value of authorizations (licenses) for definitive export or export orders for 2009 and 2010, the world total could be significantly higher (near the **US$72 billion)** if all those licensed or agreed sales became actual deliveries.

Civilian arms and parts thereof are excluded by States' annual reports, which deal with military weapons only. Available data on exports of civilian arms and parts thereof in 2010 (Comtrade, SITC codes 89131, 89139, 89193, 89195) show a world total of nearly **2 billion dollars** (see Table 3), with Italy, United States, Germany, Brazil, and Czech Republic in the first fifth positions. Ammunitions for civilian firearms are not included in this figure because the level of specification publicly available does not allow for a distinction between civilian and military ammunition.

Out of about 40 countries that have a substantial defense production (and additional 60 countries that manufacture arms and ammunition on a smaller scale), only 35 countries make their reports on international transfers of conventional arms publicly available[183] and only 25 provide data on actual exports.

The "arms trade reports" by Belarus, Belgium, Denmark, Ireland, Poland, Ukraine, and the United Kingdom do not provide any data of the actual deliveries, only data on the number and value of licenses for export or imports, basically failing - despite the appearance of "reporting" on their arms trade - to unveil the value and destination of what the country really transferred internationally in each year.[184] Some countries delay their reports by years and, for example, Australia's last arms trade report covers export up to 2004![185]

Several countries include in their arms trade reports considerations on export of dual-use items, but very few actually report value and direction of their trade in dual-use items (Table 2). Among the latter, Ireland holds a prominent position, with exports authorizations valued at US$9.5 and US$2 billion in 2009 and 2010,[186] respectively.

Major arms producers and exporters, such as the Russian Federation and China, as well as many medium to small producers of military equipment[187] do not publish official accounts on their international transfers of conventional arms at all.

Statistics on international transfers of infantry weapons and civilian arms (and parts thereof) are available from the UN database Comtrade,[188] as reported by States and based on Customs and other official sources. Around 100 countries have reported to Comtrade their 2009 and 2010 exports and imports of military infantry weapons and civilian arms[189], but other 52 countries with sizeable economies and militaries did not.

A robust Arms Trade Treaty, in addition to binding States to respect international human rights law and international humanitarian law in connection with their export decisions, should include an obligation for signatory States to report publicly on their international transfer of conventional arms.

Table 1 - All Military Equipment as officially reported, in million US$[190]
Rankings is an evaluation of actual and potential deliveries

Exporter	Authorizations/Licenses/Orders		Deliveries	
	2009	2010	2009	2010
USA, of which:	153,060.4	170,114.9	na	18,829.4
FMS[191]	29,886.3	24,447.1	12,440.4	13,619.2
DCS[192]	35,863.3	34,084.9	na	5,210.3
DCS SERVICES[193]	87,310.8	111,582.9	na	na
Russia[194]	37,000.0	40,000.0	8,350.0	10,400.0
France[195]	17,669.3	14,843.9	5,143.8	4,916.9
U.K. MoD[196]	11,357.2	9,010.4	na	na
U.K. EU[197]	4,824.8	3,765.9	na	na
Israel[198]	na	na	6,900.0	7,200.0
Italy[199]	9,338.5	4,316.3	3,073.4	3,656.3
Germany[200]	7,029.0	6,311.1	1,866.2	2,813.0
China[201]	na	na	1,700.0	2,200.0
Sweden[202]	1,529.5	1,861.4	1,808.6	1,934.7
Spain[203]	4,450.7	2,971.5	1,876.6	1,497.8
South Africa[204]	10,243.1	3,797.6	935.9	1,141.1
Belgium[205]	1,536.0	1,331.2	na	na
Ukraine[206]	na	na	799.0	957.9
Netherlands[207]	1,832.3	1,211.5	790.7	897.9
Switzerland[208]	na	na	671.8	615.5
Poland[209]	1,938.9	606.8	na	na
Norway[210]	na	na	718.7	605.2
Austria[211]	3,135.9	2,347.5	485.7	494.7
Canada[212] [213]	na	na	476.6	na
Denmark[214]	351.8	499.1	na	na
Bulgaria[215]	439.8	392.7	198.6	342.3
Czech R.	543.8	598.8	244.1	288.1
Greece[216]	317.0	391.7	na	na
Romania[217]	230.6	201.6	136.2	163.1
Serbia[218]	467.0	na	145.5	na
Finland[219]	260.4	81.3	121.0	78.0
Croatia[220]	na	na	311.3	74.2
Bosnia-H.[221]	94.0	na	94.9	na
Ireland[222]	62.2	32.3	na	na
Portugal[223]	38.4	27.9	22.1	26.6
Hungary [224]	177.7	183.4	23.9	25.3
Slovakia[225]	149.4	76.7	61.1	20.4
Lithuania[226]	110.4	31.1	61.2	19.3
Latvia[227]	0.6	10.2	0.6	10.2
Slovenia[228]	16.1	14.5	7.5	7.7
Albania[229]	na	na	2.6	5.3
Estonia[230]	10.8	2.6	4.4	0.8
Malta[231]	1.2	0.6	1.1	0.6
Montenegro[232]	10.6	na	11.2	na
Cyprus[233]	0.8	na	0.8	na
Luxembourg[234]	0.06	0.3	0.06	0.05

- National currencies exchange rates: see Note 190. Data on 2009 for EU countries have been corrected according to EU *"Corrigendum to the Twelfth Annual Report"*, Official Journal of the European Union, December 3, 2011. Source: Listed countries annual report and EU annual reports for 2009 and 2010.

Table 2 – Dual-use technology as officially reported - in million US$*

Exporter	Authorizations/Licenses/Orders		Deliveries	
	2009	2010	2009	2010
Ireland[235]	9,459.0	2,008.2	na	na
Spain[236]	293.1	345.1	138.1	129.2
Bulgaria[237]	10.1	14.9	6.1	17.2
Norway[238]	na	na	5,954,995	1,877,040
Serbia[239]	0.6	na	0.6	na
Bosnia-Herzegovina[240]	28.3	na	na	na
Estonia[241]	na	na	0.9	0.9
Montenegro[242]	0.1	na	0.1	na

Source: Listed countries' annual reports. National currencies exchange rates: see Note 190.

Table 3 – Civilian firearms, ammunition, and parts, in S$

Exporter	Deliveries	
	2009	2010
Italy	286,985,772	275,747,778
USA	204,942,632	237,712,344
Germany	220,942,000	204,581,241
Brazil	187,081,335	176,047,364
Czech Republic	130,898,728	153,968,876
Total	1,030,852,476	1,048,059,613
Total with others	1,804,863,695	1,847,749,335

Source: U.N. Comtrade, SITC codes Rev. 3, 89131, 89139, 89193, and 89195

---

[182] Conventional military arms means here all types of military weapons, munitions, armaments and related parts and technology (including such items destined for use by internal security forces), while "international transfers" means the physical movement of equipment and the tangible or intangible movement of technology into or from national territory and includes the transfer of title to and control over the equipment and technology. See: Finardi, S., P. Danssaert, "Transparency and Accountability. Monitoring and Reporting Methods Under An Arms Trade Treaty", TransArms/IPIS Reports, February 2012, http://www.ipisresearch.be/arms-trade.php

[183] Out of those 36 countries, 21 are European Union countries, while 6 EU countries (Cyprus, Greece, Latvia, Lithuania, Luxembourg, and Malta) do not publish national reports, but communicate their data to the EU annual report. In addition to the 21 EU countries, national reports are published by 14 other countries - Albania, Australia, Belarus, Bosnia-Herzegovina, Canada, Croatia, Macedonia, Montenegro, Norway, Serbia, South Africa, Switzerland, Ukraine, and United States.

[184] The fact that an item has been licensed for export does not mean it is exported or will be exported. Data on licenses are not data on trade but on potential trade that may or may not become exports. The value of licenses granted every year is unrelated with what has been exported in that same year because most licenses are valid for two to four years.
[185] http://www.defence.gov.au/strategy/deco/reports.htm
[186] According to Amnesty International Ireland executive director Colm O'Gorman "*Irish companies and individuals have previously been involved in supplying weapons used by Israel in Lebanon and the Occupied Palestinian Territories, and by Iraqi paramilitary forces accused of torture and unlawful killing*." See: Smyth, J., *Irish exports with potential military application exceeded €1.45bn in 2010*, Irish Times, May 6, 2011.
[187] Such as Argentina, Bangladesh, Brazil, Chile, Colombia, Egypt, India, Indonesia, Iran, Israel, Kazakhstan, Mexico, Moldova, Myanmar, Pakistan, Peru', South Korea, Thailand, Turkey, Singapore, Uganda, Venezuela, and Zimbabwe
[188] On the basis of commodity classification systems, the U.N. Statistical Division maintains a database (COMTRADE) on international trade that includes data on imports, exports, re-imports and re-exports for all the commodities traded in the world from 1962, as reported by States, Territories, and Dependencies.
[189] Comtrade data on aircraft and ships lack a level of specification that can allow for distinguishing between military and civilian items.
[190] Current values, converted in US$ at exchange rates of the year. British pound, 2009: 1.5663; 2010: 1.5458. Canadian dollar, 2009: 0.8793. Euro: 2009: 1.3937; 2010: 1.3275; Norwegian krona: 2009: 0.1596; 2010: 0.1650. South Africa Rand, 2009: 0.1198; 2010: 0.137. Swiss Franc, 2009: 0.9232; 2010: 0.9610
[191] US Dept. of Defense, Defense Security Cooperation Agency (DSCA), Fiscal Year Series, as of September 30 2010.
[192] U.S. Dept. of State (Sec. 655 of the Foreign Assistance Act), Direct Commercial Sales Authorizations for Fiscal Year 2009 and 2010.
[193] U.S. Dept. of State (Sec. 655 of the Foreign Assistance Act), Direct Commercial Sales Authorizations for Fiscal Year 2009 and 2010
[194] Russia & CIS Defense Industry Weekly, Russian military exports to exceed $13.5 billion 2012 - agency, February 24, 2012; Russia & CIS Defense Industry Weekly, Russia's arms exports were worth $13.2 billion in 2011 – FSVTS, February 17, 2012; RIA-NOVOSTI, Russia's arms export in 2011 to be 1 billion dollars higher than in 2010, December 7, 2011; Interfax - AVN Military News Agency, Russian arms trader has orders worth 36 billion dollars – official, December 7, 2011; RIA-NOVOSTI, Russian arms exporter's sales in 2010 to be record-high, November 19, 2010; Ilia Pitalev, Russia to boost arms sales 12% in 2010, RIA Novosti, April 21, 2010; ITAR-TASS, Russian official says arms exports agreed in 2009 worth 15 billion dollars, January 28, 2010; Interfax - AVN Military News Agency, Russian arms exporter says 2009 sales up 10 per cent year on year, January 28, 2010.
[195] European Union, Thirteenth and Twelfth annual reports according to article 8(2) of Council common position 2008/944/cfsp defining common rules governing control of exports of military technology and equipment.
[196] Ministry of Defence, Defence Analytical Service Agency, United Kingdom Defence Statistics, 2011, Chapter 1 – Finance, Trade, Table 1.13 Estimates of Identified Export Orders: Defence Equipment & Services. In comparison with the reports of previous years, the 2011 report significantly restricted the detail of information. Since at least the beginning of March, the website of the Defense Analytical Service Agency is unavailable and all links to UK Defence Statistics Factsheets and other reports (for example "Background Quality Report - Trade Statistics") are broken. See also: Ministry of Defence, Annual Report and Accounts 2010-11, for the year ended 31 March 2011, pursuant to section 6(4) of the Government Resources and Accounts Act 2000, 18 July 2011; FCO, DFID, BIS, MOD, United Kingdom Strategic Export Controls, Annual Report 2009 and 2010, presented to the House of Commons pursuant to article (10), Section (1) (a) (b) and (2) of the Export Control Act 2002, 27 July 2010 and 18 July 2011. The "Strategic Export Control Quarterly Reports" include detailed information for licenses granted and country of destination, but not on actual exports. The Strategic Export control site provides a database that repeats the information included in the quarterly reports
[197] The United Kingdom does not provide data on actual exports to the EU annual report. See: European Union, Thirteenth and Twelfth annual reports according to article 8(2) of Council common position 2008/944/cfsp defining common rules governing control of exports of military technology and equipment
[198] UPI, Israel hits 7.2 billion in arms exports, June 17, 2011; Dagoni R., "Israel arms exports topped $7.3b in 2010. Defense Ministry: The coming years will be harder", Globes (Israel), April 4, 2011. Data based on figures supplied by Israel's Foreign Defence Assistance and Defence Export Organization (SIBAT).
http://www.globes.co.il/serveen/globes/docview.asp?did=1000635747&fid=1725
[199] Presidenza del Consiglio dei Ministri, "Relazione sulle operazioni autorizzate e svolte per il controllo dell'esportazione, importazione e transito dei materiali di armamento nonché

dell'esportazione e del transito dei prodotti ad alta tecnologia", 2011. The EU reported deliveries for a value of €615,772,364 in 2010.
[200] Bericht der Bundesregierung über ihre Exportpolitik für konventionelle Rüstungsgüter im Jahre 2010. The EU report does not included data on deliveries.
[201] Grimmett, R. C., Conventional Arms Transfers to Developing Nations, 2003-2010, US Congressional Research Service, September 22, 2011
[202] European Union, Thirteenth and Twelfth annual reports, quoted.
[203] European Union, Thirteenth and Twelfth annual reports, quoted
[204] South Africa National Conventional Arms Control Committee (NCACC) Annual Report for 2010 and 2009.
[205] European Union, Thirteenth and Twelfth annual reports, quoted.
[206] ITAR-TASS, Ukrspetsexport earns $1 billion in 2011, February 7, 2012: "Ukrspetsexport, the Ukrainian company exporting and importing military and specialized hardware, earned $1 billion in 2011. Export-import operations of Ukrspetsexport enlarged by a fourth in the past three years and hit $1 billion in 2011, Holding General Director Dmitry Peregudov said. The revenues stood at $799 million in 2009 and $957 million in 2010." Ukraine annual report does not provide values for the licensed items, but only their quantities. Data are for exports only, broken down by categories, including small arms and light weapons. Total number of licenses granted for weapons and dual-use items are provided only in the 2004 and 2005 reports.
[207] European Union, Thirteenth and Twelfth annual reports, quoted.
[208] Confédération Suisse, Exportations de matériel de guerre par catégorie et pays de destination (01.01. - 31.12.2010, 2009), Département fédéral de l'économie DFE, Secrétariat d'Etat à l'économie SECO, Communication. In 2011, Switzerland exported military equipment for a value of US$987,530,340 (Swiss Franc/US$: 1.1316)
[209] Ministry of Foreign Affairs of the Republic of Poland, Exports of Arms and Military Equipment from Poland,
Report for 2010, Warsaw, 2011.
[210] Norway, Meld. St. 25 (2010–2011, 2009-2010), Melding til Stortinget, Eksport av forsvarsmateriell fra Norge i 2010, eksportkontroll og internasjonalt ikke-spredningssamarbeid, June 10, 2011, June 18, 2010.
[211] European Union, Thirteenth and Twelfth annual reports, quoted.
[212] Export Controls Division, Trade Controls and Technical Barriers Bureau, Foreign Affairs and International Trade Canada, Report on Exports of Military Goods from Canada, 2007-2009.
[213] Do not include exports to the United States.
[214] Denmark, Udførsel af våben og produkter med dobbelt anvendelse fra Danmark 2010, Udenrigministeriet, October 2011
[215] European Union, Thirteenth and Twelfth annual reports, quoted.
[216] European Union, Thirteenth and Twelfth annual reports, quoted.
[217] European Union, Thirteenth and Twelfth annual reports, quoted.
[218] Serbia Ministry of Economy and Regional Development, Annual Report on the Transfers of Controlled Goods In 2009, June 2011.
[219] European Union, Thirteenth and Twelfth annual reports, quoted.
[220] Croatia's Ministry of Economy, Annual Report on Export and Import of Military Goods and Non-Military Lethal Goods for 2010 and 2009. Export of military goods are reported in the currency earned, converted here in US$. Differences in reporting licenses in the concerned years do not allow for comparison.
[221] Bosnia-Herzegovina, Ministry of Foreign Trade and Economic Relations, Report on Licences Issued for Transfers of Arms, Military Equipment and Dual-Use Products in 2009, May 2010. Figures in the table include dual-use items
[222] Minister for Jobs, Enterprise & Innovation, Ireland, Annual Report under the Control of Exports Act 2008 Covering the period 2008-2010
[223] European Union, Thirteenth and Twelfth annual reports, quoted.
[224] European Union, Thirteenth and Twelfth annual reports, quoted
[225] European Union, Thirteenth and Twelfth annual reports, quoted.
[226] European Union, Thirteenth and Twelfth annual reports, quoted.
[227] European Union, Thirteenth and Twelfth annual reports, quoted.
[228] European Union, Thirteenth and Twelfth annual reports, quoted.
[229] Albanian State Export Control Authority, Annual report on export control for 2010 and 2009.
[230] European Union, Thirteenth and Twelfth annual reports, quoted and Estonia Strategic Goods Commission Activity Report 2010.
[231] Figure corrected by Malta's ministry of Foreign Affairs, communication with Andrew Rettman (EUObserver, May 2011)
[232] Montenegro Ministry of Economy, 2009 Annual Report on Foreign Trade in Controlled Goods, 2010.
[233] European Union, Thirteenth and Twelfth annual reports, quoted.
[234] European Union, Thirteenth and Twelfth annual reports, quoted.

[235] Ireland, Minister for Jobs, Enterprise & Innovation, Ireland, Annual Report under the Control of Exports Act 2008 Covering the period 2008-2010.
[236] European Union, Thirteenth and Twelfth annual reports, quoted
[237] Bulgaria with the Minister of Economy and Energy, Interministerial Commission for Export Control and Non-Proliferation of Weapons of Mass Destruction for the implementation of the Export Control Act of weapons and items and dual-use technologies for 2009 and 2010 [in Bulgarian], Appendix 3.
[238] Norway, Meld. St. 25 (2010–2011, 2009-2010), Melding til Stortinget, Eksport av forsvarsmateriell fra Norge i 2010, eksportkontroll og internasjonalt ikke-spredningssamarbeid, June 10, 2011, June 18, 2010.
[239] Serbia Ministry of Economy and Regional Development, Annual Report on the Transfers of Controlled Goods In 2009, June 2011.
[240] Bosnia-Herzegovina, Ministry of Foreign Trade and Economic Relations, Report on Licences Issued for Transfers of Arms, Military Equipment and Dual-Use Products in 2009, May 2010. Figures in the table include dual-use items
[241] Estonia Strategic Goods Commission Activity Report 2010 and 2009
[242] Montenegro Ministry of Economy, 2009 Annual Report on Foreign Trade in Controlled Goods, 2010.