

BU\$IN€SS AS USUAL

Analysis of the Spanish arms trade
in 2022-23 and the case for an arms
embargo on Israel

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EXECUTIVE SUMMARY

Spanish arms exports have increased by 24% in 2022 compared to 2021, the second highest percentage ever recorded of Spanish arms exports, only slightly surpassed in 2017. Moreover, the only data made public by the Spanish government on defence and dual-use material exports in 2023, show that in the first half of 2023 alone, exports already reached 1,754 million euros, suggesting that all in all in 2023 a record number of exports could be reached in one year. In this way, Spain continues to hold the first positions in the world ranking of arms exports. It is no wonder that Stockholm International Peace Research Institute (SIPRI) places Spain eighth in world ranking arms exports in 2022 and ninth in 2023.

In the last ten years, the five most sold Spanish defence equipment are military aircrafts (75%), war ships (7%), ammunitions (4%), military land vehicles (4%), bombs, missiles, and torpedoes (2%). In humanitarian terms, the level of seriousness is high when we acknowledge that the third most exported product is ammunition and the fifth is bombs and missiles.

As usual, in 2022, 62.1% (€2,542.5 million) of Spanish military equipment exports were sent to EU and NATO countries. Exports related to military equipment and cooperation programmes include the A400M aircraft worth €231.2 million, the Eurofighter combat aircraft worth €162.2 million and the Meteor missile worth €29.4 million.

Attention should be paid to exports made to regions of high conflict and political tension:

- 23% of Spanish military equipment exports from 2022 were sent to Middle East, reaching a value of €947.4 million and in the first half of 2023 alone they came to €334.3 million, 19% of total exports for the period.
- Spanish military industry exports to Asian countries in 2022 amounted to €396.3 million, representing 10% of the total.
- Arms exported to Ukraine in 2022 reached €31.3 million, and €102.7 million in the first half of 2023.

The governmental body in charge of authorizing exportations, the Inter-ministerial Regulatory Board for Foreign Trade in Defence and Dual-Use Materiel (JIM-DDU for its Spanish acronym) gave 2,048 authorisations for defence material exports in 2022 and only refused 1 (the export to Pakistan of 670 sporting pistols and their magazines, due to a diversion risk). The low number of refusals can only be explained as a lack of political will to rigorously implement the Spanish Law 53/2007 on the control of exports of defence and dual-use material and the criteria set out in EU Common Position 2008/944/CFSP.

SPANISH ARMS TRADE WITH ISRAEL AFTER OCTOBER 7

Despite the extreme gravity of Israel's actions in the Gaza strip, military relations between Spain and Israel have essentially remained as they were before October 7, 2023.

These relations are not limited to imports and exports of defence equipment between both countries but are also carried out in the following fields: 1) Exports: defence material exported from Spain to Israel; 2) Imports: defence material imported from Israel to Spain; 3) the awarding to Israeli companies of contracts for products and services for the armed forces or security forces in Spain; 4) Business collaboration between Spanish and Israeli companies to get to third markets; 5) Collaboration between universities, companies and institutions in research and training projects, within the framework of the European Union (UE) or at the institutional level in both countries or in third markets; 6) The bilateral collaboration between both countries

in intelligence and security matters, and in the broader framework of the EU and NATO.

Military relations have only been affected in terms of Spanish exports. Spanish authorities have assured that no new licences for exports have been granted since October 7, 2023. Nevertheless, exports have continued. In November 2023, the company Nammo Palencia exported from Spain 987,000 euros worth of ammunitions to Israel. Defence material under categories 93 ("arms and ammunitions") and 8710 ("tanks and armored combat vehicles; parts") have also been exported to Israel, according to the Spanish Trade Database its destination is the Philippines.

As opposed to exports, there is no annual official report for imports by the State secretariat for trade. An important part of the defence equipment with Israeli patent is manufactured in Spain by subsidiaries of Israeli companies or other companies producing through technology transfer agreement from the Israeli companies. Spain continued allocating contracts to Israeli military companies and their subsidiaries in Spain, or other Spanish companies that produce Israeli products under technology transfer agreement.

The authorization of arms exports to Israel is contrary to the relevant legislation. Based on Article 6.3 of the Arms Trade Treaty, the Spanish government should refuse to grant new authorisations and revoke, or at least suspend, exports to Israel authorised prior to October 7, 2023, and still in force. Because it is very likely that Israel is committing a genocide in the Gaza strip; the Convention for the prevention and sanction of genocide imposes an obligation on States to prevent genocides. Moreover, Israel is, without a doubt, committing crimes against humanity and war crimes.

Considering this particularly serious situation, the government could adopt an arms embargo on Israel. Although Law 53/2007 does not foresee the possibility of the Spanish state to impose an embargo on weapons, this could be done by means of a regulation with the status of law, including decrees passed by the government. Law 53/2007 expressly recognizes the possibility of denying, suspending or revoking authorisations to export defence material (Article 8).



INTRODUCTION

The first part of this report analyses defence material exports made in 2022 and in the first half of 2023, based on the information made public by the Spanish government for the periods in question, and putting a particular emphasis on exports to Middle East, Asia, and Ukraine. The second part of this paper analyses military relations between Spain and Israel, which have barely changed since October 7, 2023. Finally, authors bring attention to the legality of the arms trade with Israel and to whether is possible to impose an arms embargo on Israel, putting forward some proposals for the modification of Spanish legislation on arms trade control.



1. SPANISH EXPORTS OF DEFENCE EQUIPMENT

1.1 EXPORTS TRENDS

Spanish arms exports in 2022 amounted to €4,091 million, 24% higher than exports in 2021, knowing that those two years were the hardest years of the pandemic, we can affirm that the pandemic did not negatively impact the defence industry. Just as other industrial sectors suffered from the COVID standstill, the military industry was not affected. On a global level and based on the SIPRI database, we could come to the same conclusion: COVID did not reduce either the production or the export of military equipment. Exports in the first half of 2023 amounted to 1,754 million euros, which suggests that they will not be lower than in 2022 (see figure 1).

According to SIPRI, Spain ranked eighth in the world ranking of arms exporters in 2022 and ninth in 2023. Exports in 2022 represent 2.6% of the world military equipment market and 1% of Spain's total trade balance.

If we take into consideration the period 2013-2023 according to SIPRI, the first position in the ranking would

be occupied by the United States with 37% of world exports, followed by the European Union with 25%, Russia in third place with 17% and China with 6%. In short, 85% of the market would be controlled by the United States, the European Union (through France), Russia and China, which are members of the United Nations Security Council and have the right of veto, in short, those whose mission is to supervise peace in the world have control over the production and export of armaments.

1.2 EXPORTED PRODUCTS¹

Over the last ten years the two most sold categories of Spanish defence material continue to be military aircraft and warships. Military aircraft represent 75% of the total for the period studied and have accounted for €29,925.8 million (€2,573.3 million in 2022); warships have accounted for 7%, with €2,650.4 million (€800.5 million in 2022); third place goes to munitions with 4% with €1,619.8 million (€148.9 million in 2022), fourth place goes to exports of military land vehicles with 4% for a value of €1,461.9 million (€98.0 million

1. If you want to know the Spanish exports by category and year, you can consult the database of the Centre Delàs de Estudis per la Pau (Delàs Centre for Peace Studies). Available at: <https://database.centredelas.org/exportacio-armes/1>



in 2022) and fifth place to the category of bombs, missiles, torpedoes with 2% of exports amounting to €935.2 million (€128.4 million in 2022).

It's important to note that the third most exported product is ammunition, and the fifth most exported product is bombs and missiles, as this is very bad news in humanitarian terms. Ammunition and projectiles are responsible for the deaths of countless people in countries in conflict situations, as we have seen in Ukraine and Palestine.

1.3 MAIN RECIPIENTS OF SPANISH MILITARY EQUIPMENT EXPORTS²

In 2022, 62.1% (€2,542.5 million) of Spanish exports of military equipment were sent to EU and NATO countries; in short, the main destinations are industrialised

countries. Exports within the EU accounted for 48.4% of total exports (1,980.2 million euros), mostly transfers associated with cooperation and development programmes for European arms projects carried out between France (779.5 million euros), Germany (596.5 million euros), Italy (56.5 million euros) and Great Britain (393.9 million euros). These exports together with those to the Netherlands (418.8 million €) account for almost the totality.

In 2022, the exported products related to military equipment cooperation programmes that stand out for their amount are: the A400M military transport aircraft worth €231.2 million, the EUROFIGHTER combat aircraft worth €162.2 million, the Meteor missile worth €29.4 million. The EU's commitment to the unification of European-produced armaments continues and the number of projects is increasing. With the new industrial policy and support for EU member states to acquire new European production capabilities, it can be expected that the number of projects and the volume of transfers between EU countries will increase.

2. To find out about Spanish exports to a given country and in a given year, the database of the Delàs Centre for Peace Studies can be consulted. Available at: <https://database.centredelas.org/exportacio-armes/2>

Table 1. Spanish exports of military defence material 2013-2023 1st semester
Thousands of current euros

Countries	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 1-5	Total
Germany	167,569.85	272,448.95	646,981.15	771,701.05	1,213,006.92	1,237,785.46	1,033,013.90	659,407.88	432,623.22	596,470.83	82,551.64	7,113,560.85
United Kingdom	546,144.69	862,685.36	474,378.76	1,346,682.42	949,883.49	412,648.82	189,889.84	398,770.87	527,887.17	393,882.92	275,523.87	6,378,378.21
France	402,333.48	520,669.01	326,688.89	183,429.87	422,090.25	362,021.58	493,400.87	414,754.10	654,270.38	779,536.04	464,630.75	5,023,825.22
Saudi Arabia	406,437.36	292,861.79	545,979.75	116,192.04	270,165.80	235,268.86	35,366.48	48,262.76	109,087.70	858,298.24	279,382.11	3,197,302.89
Australia	609,132.64	139,688.56	94,372.51	22,905.80	159,335.22	23,040.52	264,211.23	256,009.24	278,708.38	12,432.58	11,124.87	1,870,961.55
Turkey	7,501.76	243,673.49	167,954.97	84,995.69	301,455.57	319,535.16	307,100.48	32,015.31	20,730.46	131,840.91	9,416.25	1,626,220.05
Netherlands	51.7	402.51	1,766.50	8,254.16	2,749.82	3,389.98	6,222.32	668,472.46	407,568.31	418,815.89	1,672.42	1,519,366.07
United Arab Emirates	717,047.17		3,942.91	26,738.86	52,928.20	13,883.51	179,190.70	27,682.38	73,660.65	20,493.51	4,928.01	1,120,495.90
Singapore	845.73	2,330.09	5,031.05	4,356.74	7,982.80	406,256.53	342,022.16	179,020.58	21,945.19	108,609.17	8,511.82	1,086,911.86
South Korea	70.04		14,394.92	16,901.10	8,334.05	214,192.41	588,425.47	11,219.50	13,122.65	17,942.06	5,641.70	890,243.90
Italy	117,304.17	96,126.32	71,461.62	138,293.75	90,330.02	61,096.66	52,527.06	79,739.83	100,031.25	56,543.79	19,656.17	883,110.64
Oman	98,036.16	64,893.48	161,335.79	208,281.73	72,832.10	55,346.95	23,012.99	31,052.83	33,357.38	53,380.35	15,730.13	817,259.89
Malaysia	5,490.81	2,515.28	297,522.27	167,632.50	170,628.12	30,643.67	10,820.11	15,252.05	16,728.00	88,411.26	8,561.12	814,205.19
United States	84,615.81	34,026.19	65,350.25	67,174.77	80,773.52	74,069.32	52,594.47	131,212.07	33,972.33	23,193.02	13,756.12	660,737.87
Egypt	126,653.09	107,951.05	106,412.58	219,288.23	12,570.31	12,885.76	7,823.45	11,278.99	27,575.96	10,933.94	13,856.75	657,230.11
Brazil	114,523.77	28,867.08	31,995.67	16,751.46	26,316.66	7,916.07	53,756.00	51,604.33	15,037.63	14,495.17	10,371.82	371,635.66
Indonesia	85,709.62	112,030.58	21,861.81	65,911.35	14,853.66	35,476.51	13,226.12	2,145.75	3,464.87	5,216.74	1,866.26	361,763.27
Philippines			102,089.57	12,379.46	11,969.82	780.29	56,899.10	4,133.51	51,317.76	55,799.15	41,820.72	337,189.38
Belgium	4,225.11	7,248.41	8,799.65	2,111.91	4,237.72	4,194.01	42,103.61	155,256.48	17,726.66	25,757.56	7,443.26	279,104.38
Greece	97,380.34	47,443.85	18,652.25	10,834.00	38,457.37	16,716.76	9,392.08	218.19	754.78	714.23	1,259.00	241,822.85
Canada	1,969.88	3,310.79	4,792.40	2,627.58	2,066.54	1,917.75	2,789.81	67,826.69	106,577.08	5,999.93	39,221.81	239,100.26
Kazakhstan	1,479.89	53,895.55	21,990.26	73,320.16	54,624.32	1,149.65	431.58	29,284.90	414.35	1,002.57	837.05	238,430.28
Uzbekistan		54,750.11	49,229.07	192.25	174	141.42	388.33	236.37	163.81	201.56	105,476.90	210,953.82
Total	3,907,901.36	3,203,248.42	3,720,310.87	4,051,785.43	4,346,748.38	3,720,395.95	4,042,291.85	3,622,456.08	3,290,204.46	4,091,318.10	1,753,912.89	

Source: Own elaboration based on Subdirectorato General for Foreign Trade of Defense and Dual-Use Material

1.4 EXPORTS TO MIDDLE EAST

In 2022, 23% of military exports were sent to the Middle East, reaching a value of €947.4 million, and in the first half of 2023 they amounted to €334.3 million, representing 19% of total exports. Given that it is a region of high conflict and political tension, it's morally and ethically condemnable to contribute to increasing this tension; armed conflict in Yemen, militias in Syria, attacks in Palestine, the Kurdish issue and the attacks undergoing in Turkey or Iraq, to which must be added the competition or fight for regional hegemony between Iran and Saudi Arabia.

Looking at the period 2013-2023, the main recipients of Spanish military material have been:

Saudi Arabia: in the period 2013-2023 the State received arms worth €3,197.3 million, in 2022 they received arms worth €858.3 million and in the first half of 2023 €279.4 million. In 2022, 3 corvettes (valued at €793.3 million), spare parts for military transport aircraft and combat aircraft, armoured vehicles, remote control systems for weapons, 14,000 105mm projectiles, 25,000 projectile charges and 15,000 fuses (ammunition valued at €13.7 million) were delivered. In 2023, 2 warships valued at €513.1 million were authorised for export, of which 1 warship valued at €264.6 million was exported.

United Arab Emirates: in the period 2013-2023 the State acquired Spanish arms worth €1,120.5 million. In 2022 they received weapons worth €20.5 million and in the first half of 2023 €4.9 million. The material purchased in 2022 consists of aircraft parts, spare parts and engines, remote control systems and ammunition and projectiles. In 2023, 30mm calibre weapon remote control systems valued at €309.6 million were authorised for export.

Oman: in the period 2013-2023 the State received Spanish armament valued at €817.3 million, in 2022 they received material worth €53.4 million and during the first half of 2023 they received €15.7 million. In 2022 they purchased aircraft parts and engines, remote control systems for weapons and projectiles of various calibres.

Egypt: in the period 2013-2023 the State purchased Spanish arms worth €657.2 million. In 2022 they received arms worth €10.9 million and in the first half of 2023 €13.9 million. The material purchased consisted of spare parts for aircraft, armoured vehicles, and electrical modules for ships.

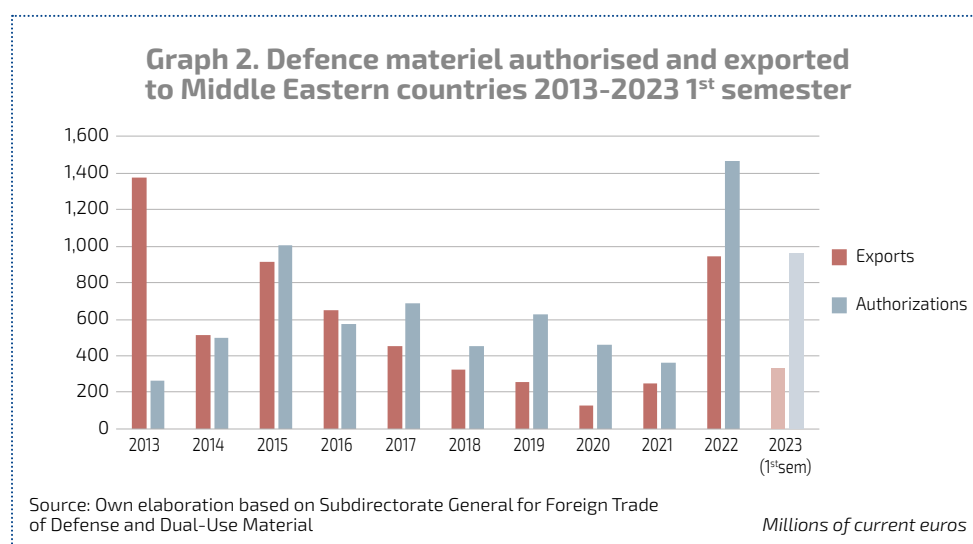
Between 2015 and 2020 military equipment was exported to **Iraq** under the fight against ISIS umbrella, military equipment valued at €171 million was exported.

Table 2. Spanish defence exports to Middle Eastern countries 2013-2023 1st semester

Thousands of current euros

Countries	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 1-5
Saudi Arabia	406,437.36	292,861.79	545,979.75	116,192.04	270,165.80	235,268.86	35,366.48	48,262.76	109,087.70	858,298.24	279,382.11
Bahrain	24,129.99	39,931.56	3,238.88	19,080.82	33.55	0.00	3,253.09	7,870.82	41.00		
Qatar		666.77	289.67	66.13	8,056.31	2,078.83			2,362.26		
Egypt	126,653.09	107,951.05	106,412.58	219,288.23	12,570.31	12,885.76	7,823.45	11,278.99	27,575.96	10,933.94	13,856.75
Emiratos Árabes Unidos	717,047.17		3,942.91	26,738.86	52,928.20	13,883.51	179,190.70	27,682.38	73,660.65	20,493.51	4,928.01
Iraq			85,420.83	52,690.81	33,313.15			874.05			
Iran											
Israel	4,884	3,428.09	2,187.27	530.93	1,386.56	619.33	2,114.48	477.29	3,452.97	2,346.21	713.40
Jordan	608.97	190.21	1,394.11	5,096.95	888.49	3,117.36	3,665.22	174.74	419.27	199.84	216.7
Kuwait		817.80	834.00			0.00	14.40			1,771.18	19,681.47
Lebanon											
Oman	98,036.16	64,893.48	161,335.79	208,281.73	72,832.10	55,346.95	23,012.99	31,052.83	33,357.38	53,380.35	15,730.13
Palestine											
Syria											
Yemen											
Total	1,377,797.20	510,740.75	911,035.79	647,966.50	452,174.48	323,200.59	254,440.81	127,673.85	249,957.19	947,423.26	334,313.53

Source: Own elaboration based on Subdirectorate General for Foreign Trade of Defense and Dual-Use Material



In political and geostrategic terms, it is relevant to consider that not all the countries that shape the region receive European or Western Spanish arms, as we can see in Table 2, neither Spain nor the EU sells arms to Iran, Lebanon, Palestine, Syria or Yemen,

which shows that arms exports are not only based on economic or commercial criteria; geopolitical criteria or positioning or national interests are of great importance.

1.5 EXPORTS TO ASIA

The competition for world hegemony between the United States and China is and will be accompanied by an increase in regional conflict. The rearmament of many of these countries is conditioned by China's militaristic policy, North Korea's hostility, the instability of the conflict between India and Pakistan, territorial disputes in the waters of the China Seas, the melting of Antarctica and fear of Chinese economic and military supremacy. Fear of Chinese hegemony drives arms purchases in the region. This leads to consider-

able increases in new acquisitions of military capabilities. Spanish industry is no stranger to the demand and is trying to obtain good market shares.

Exports to Asian countries in 2022 amounted to €396.3 million and represented 10% of total exports of the Spanish military industry. Export authorisations amounted to €751.7 million and represented 7% of the authorisations granted by the Spanish government.

The main destinations of these exports were, for the period 2013-2023:

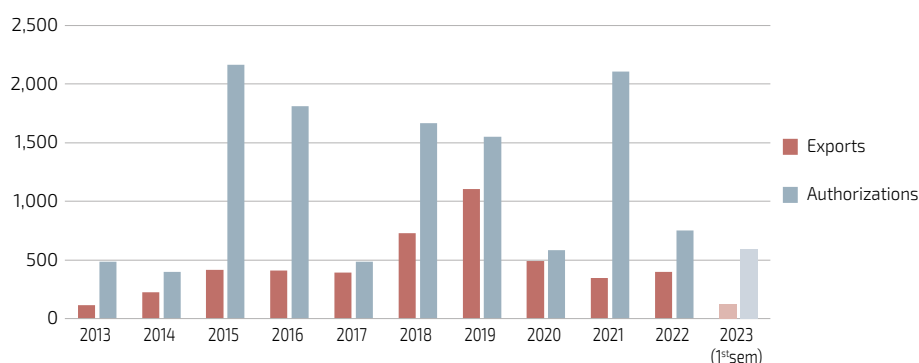
Table 3. Spanish exports of defense material to Asian countries 2013-2023 1st semester

Thousands of current euros

Countries	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 1-S	Total
Singapore	845.73	2,330.09	5,031.05	4,356.74	7,982.80	406,256.53	342,022.16	179,020.58	21,945.19	108,609.17	8,511.82	1,086,911.86
South Korea	70.04		14,394.92	16,901.10	8,334.05	214,192.41	588,425.47	11,219.50	13,122.65	17,942.06	5,641.70	890,243.90
Malaysia	5,490.81	2,515.28	297,522.27	167,632.50	170,628.12	30,643.67	10,820.11	15,252.05	16,728.00	88,411.26	8,561.12	814,205.19
Indonesia	85,709.62	112,030.58	21,861.81	65,911.35	14,853.66	35,476.51	13,226.12	2,145.75	3,464.87	5,216.74	1,866.26	361,763.26
Philippines			102,089.57	12,379.46	11,969.82	780.29	56,899.10	4,133.51	51,317.76	55,799.15	41,820.72	337,189.38
Kazakhstan	1,479.89	53,895.55	21,990.26	73,320.16	54,624.32	1,149.65	431.58	29,284.90	414.35	1,002.57	837.05	238,430.28
Pakistan	4,018.03	1,441.97	2,076.58	8,437.73	27,598.19	27,517.79	24,898.94	5,962.18	40,244.10	41,553.02	9,704.17	193,452.69
Vietnam		36,491.58	60,588.14	2,874.90	3,501.18	4,773.34	7,175.70	1,862.59	246.47	18,503.80	21,675.29	157,692.99
Thailand	2,310.16	3,431.53	3,591.12	36,114.06	52,844.02	3,790.61	36,294.18	3,978.79	1,695.32	1,246.87	749.76	146,046.41
India	12,053.72	14,783.37	8,775.76	17,903.99	6,180.67	3,507.91	6,652.82	3,295.80	7,165.30	13,392.52	14,575.90	108,287.75
Bangladesh		0.71			30,240.32	811.40	15,091.98	1,563.58	9,958.59	39,005.71	1,902.29	98,574.57
Japan				5,766.00	5,766.89	16.00	931.84	2,035.00	1,800.00	5,373.16	5,038.00	26,726.89
Brunei						350.00	594.63	2.96	4,794.25	38.37	29.10	5,809.30
Afghanistan	2,257.73	572.59	149.30	102.25								3,081.87
Uzbekistan						174.00		388.33	236.37	163.81	201.56	1,164.06
Taiwan								852.58			166.95	1,019.53
Turkmenistan									780.00			780.00
Kyrgyzstan			5.10			9.10	28.00					42.20
Total	114,235.73	227,493.24	538,075.88	411,700.23	394,524.04	729,449.20	1,103,492.62	260,998.08	173,913.22	396,258.21	121,281.69	

Source: Own elaboration based on Subdirectorate General for Foreign Trade of Defense and Dual-Use Material

Graph 3. Defense material exported and authorized to Asian countries 2013-2023 1st semester



Source: Own elaboration based on Subdirectorate General for Foreign Trade of Defense and Dual-Use Material

Millions of current euros

Singapore: In the last decade they have received Spanish defence material worth €1,086.9 million (in 2022 they received €108.6 million and in the first half of 2023 €8.5 million). The material received in 2022 in components and spare parts in ground equipment, ships and aircraft, electric detonators, aviation bomb bodies, etc., is worth €1,086.9 million.

South Korea: In the last decade, they received Spanish defence material worth €890.2 million (in 2022 they received €17.9 million and €5.6 million in the first half of 2023)

Malaysia: In the last decade, they received equipment worth €814.2 million (in 2022 €88.4 million and in the first half of 2023 €1.9 million). The material received in 2022 corresponds to a simulator, transport aircraft documentation under the European cooperation programme, parts and spare parts. But also fuses, night vision equipment, drones, and mortars.

Indonesia: In the last decade, they received equipment worth €361.8 million (in 2022 €5.2 million and €1.9 million in the first half of 2023). The material received in 2022 consisted of parts and spare parts for transport aircraft, aviation bombs, projectiles, night vision equipment and drones.

The Philippines: In the last decade, they have received Spanish defence equipment worth €337.2 million (in 2022 they received €55.8 million and €41.8 million in the first half of 2023). The material received in 2022 included a transport aircraft, aircraft parts and spare parts, various projectiles and armoured accessories.

Kazakhstan: In the last decade, they have received Spanish defence equipment worth €238.4 million (in 2022 they received €1.0 million and €0.8 million in the first half of 2023). The material consisted in aircraft spare parts.

Pakistan: In the last decade, they have received Spanish defence equipment worth €193.5 million (in 2022 they received €41.6 million and €9.7 million in the first half of 2023). The material received in 2022 included parts of an integrated electronic warfare mission data verification system, 182 firing directions, guns for individuals (valued at €183,000), spare electronic equipment for combat aircraft and various components.

Vietnam: In the last decade, they have received Spanish defence equipment worth €157.7 million (in 2022 they received €18.5 million and €21.7 million in the first half of 2023). The material received consisted of parts and spare parts of aircraft and electronic intelligence system.

Thailand: In the last decade, they have received Spanish defence equipment worth €146.0 million (in 2022 they received €1.2 million and 0.7million in the first half of 2023). The material received corresponded to aircraft sparts parts, cartridges, software, night vision equipment and image sensors.

India: In the last decade, they have received Spanish defence equipment worth €108.3 million (in 2022 they received €13.4 million and €14.6 million in the first half of 2023). The material received in 2022 consisted of documentation and technology to manufacture Spanish and US-origin transport aircraft, aviation bombs, gunfire, electronic intelligence system, countermeasures equipment and ship radar parts.

1.6 EXPORTS TO UKRAINE

Spanish industry has carried out exports to Ukraine in 2022, worth €31.3 million in grenade launchers, 120mm mortars grenades, howitzers, 7.62mm machine guns and their rounds, 155mm projectiles, 12.7mm rounds, remote control systems, transport vehicles and tyres. The same year, the government authorised exports to Ukraine worth €309.8 million. Mostly in categories 1, 2, 3 and 4 of ammunition, projectiles, bombs, and missiles, specifically 44,000 155mm projectiles worth €118.4 million were authorised.

In the first half of 2023, €102.7 million worth of material were exported to Ukraine, mainly projectiles and ammunition, specifically 32,700 155 mm projectiles valued at €34.2 million, and €206.1 million worth of exports were authorised. In the first half of 2023, six battle tanks, 7.62 mm cartridges and battle tank spare parts were donated to the Ukrainian army.

1.7 AUTHORISATIONS FOR EXPORTS

It is surprising that authorisations to exports are systematically disproportionate to actual exports. In the last 10 years, on average only 30% of the authorised material for exports has been exported. If we add to this that in 2022 and in the first half of 2023, only one export was denied, respectively, it gives an idea of the politics followed by the government; promoting the defence industry and facilitating exports as much as possible; sending a very clear message to the defence industry; there will be no obstacles or limitations to the export of military material (see figure 2).

It is possible that the Israeli-Palestinian conflict spreads throughout the region and other countries could get involved. For this reason, it's extremely worrying that in the first half of 2023, 55% of the total authorisations for the export of military equipment were

sent to Middle Eastern countries and especially Saudi Arabia with €534 million, the United Arab Emirates with €321 million, Israel with €44 million and Oman with €40 million. In 2022, authorisations for military equipment represented 36% of total authorisations, led by Saudi Arabia with €1.1 billion, Egypt with €236 million, Oman with €54 million and the United Arab Emirates with €49 million. Regarding exports to Middle East in 2022, they accounted for 9% of total exports, with Saudi Arabia being the main recipient of Spanish military equipment to the value of €858 million, followed by Oman with €53 million, the United Arab Emirates with €20 million and Egypt with €10 million. In the first half of 2023, 3% of exports were sent to countries in this region with Saudi Arabia in the lead again with €279 million, Kuwait with €20 million, Oman with €16 million and Egypt with €14 million.

1.8 REJECTED EXPORT AUTHORISATIONS

In 2022, the Interministerial Board for Defense and Dual-Use Material granted 2,048 export licenses for defense material and denied only 1. In the first half of

2023, it granted 927 export licenses and also denied only 1. In the first case, an export to Pakistan of 670 sporting pistols and their magazines was denied on the grounds of risk of diversion; the second was an export to Serbia of 32 Tn of trinitrotoluene.

Translated with DeepL.com (free version)

The low number of refusals can be interpreted as lack of political will to rigorously apply law 53/2007 on the control of foreign trade in defence and dual use equipment, and the criteria set out in EU common position 2008/944/PESC of the European Union.

The national and European legislation is being underused, the criteria established in the Common Position regarding refusals of arms exports licences, if applied more restrictively, could have a greater impact on the sales that are finally made.

Noting that there haven't been any denials of defence exports to Saudi Arabia, while other EU countries have. The same can be said about exports and exchanges of military equipment with Israel.

Table 4. Value of defense material exported and authorized 2013-2023 1st semester

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 1-S
Authorized	4,321.28	3,666.40	10,676.90	5,550.00	21,084.96	11,403.95	10,090.46	26,551.89	14,580.16	10,555.19	13,172.55
Exported	3,907.90	3,203.25	3,720.31	4,051.80	4,346.75	3,720.40	4,042.29	3,622.46	3,290.20	4,091.32	1,753.91
% exported	90	87	35	73	21	33	40	14	23	39	13

Source: Own elaboration based on Subdirectorato General for Foreign Trade of Defense and Dual-Use Material





2. ARMS TRADE WITH ISRAEL. WHAT HAS CHANGED SINCE OCTOBER 7?

Spain and Israel have maintained important arms relations for decades. These relations have not been significantly affected by Israel's various military campaigns in the Gaza Strip in the 21st century. On October 7, 2023, Palestinian armed groups carried out attacks against military and civilians in Israel. On that day, another crime was brought on, one unprecedented in recent history in its hostility, injustice and, for the time being, impunity.

The perception in the aftermath of 7 October is that Spain stopped its arms relations with Israel. This chapter asks how much of these relations have really changed and concludes that, while on the surface there have been changes that are to be recognised and applauded, ultimately military cooperation between both countries continues as it used to.

Military relations between Spain and Israel include the following components:

1. Exports. Defence equipment exported from Spain to Israel
2. Imports. Defence equipment imported from Israel to Spain
3. Allocation to Israeli companies of services and products contracts for the Spanish armed forces or the security body
4. Business collaboration between Spanish and Israeli companies to access third markets.
5. Collaboration between universities, companies and institutions in research and training projects, within the European Union (UE) or institutional framework in both countries or in third markets.
6. Bilateral collaboration between both countries in the field of intelligence and security and in a broader framework than EU and NATO.

The Spanish authorities have assured that no new export licenses have been granted. However, the whole of all these arms and military relations has remained unchanged after October 7, 2023.

2.1 EXPORTS FROM SPAIN TO ISRAEL

The minister of Foreign Affairs, José Manuel Albares, assured on 5 December 2023, in the plenary session of the Deputies Congress, that, as of 7 October, there hadn't been "export operations of Spanish arms to Israel". Albares also replied to Àngels Barceló the following 23 January on Cadena SER that the arms embargo the journalist was talking about "had already taken place" and in the Congressional Foreign Affairs Committee he assured that no "arms sales" had taken place. On 28 February, he insisted in Congress that "no arm export licences will be given" defending the fact that the government can do a little more on this matter.

We cannot know what arms Spain has exported to Israel since 7 October. The official export report prepared by the Secretary of State for Trade is not yet available for the year 2023 (only the one that corresponds to exports in the first half of the year is available) and the official EU report for 2023 will not be available until December 2024. However, these reports will not make it possible to know which exports took place between 7 October and 31 December

and to differentiate them from the rest. The Foreign Trade database and the DataComex portal of the State Secretariat for Trade do provide information on the economic quantity and weight exported each month, but only some of the categories used in the arms export report are clearly identified. Code 93 (arms and ammunition) used by these databases generally include the economic volume exported in relation to the first four categories and category 6 (land vehicles and components) may correspond to a greater or lesser extent with code 8710 ("tanks and armoured combat vehicles, whether or not fitted with weapons; parts"), although they may not coincide. The same is true for category 9 and 89060010 ("warships"), which only partially overlap (category 9 is more extensive). The rest of the categories are very difficult to identify in the databases in terms of their clear determination as "defence material", due to lack of knowledge of the product.³ There are at least five other categories that Israel has received from Spain in the last five years:

3. For example, optical devices are not listed under code 93 when they do not accompany the weapons on which they are mounted (they are recorded under 90) or, in the case of military aircraft (code 88), it cannot be clearly determined which parts are for a military purpose.

Table 5. Spain's exports to Israel, 2018-2023 1st Semester

Current euros						
Category*	2018	2019	2020	2021	2022	2023 (1 st Semester)
1		9,424		9,900		
3	295,000	674,350		74,800	11,400	
4			15,500	498,090	314,345	76,760
5		256,854	384,048	237,275	1,363,545	636,637
6				2,374,550	9,900	
9		1,000,000		130,000		
10	6,127	2,055	77,740	33,551	14,087	
11	318,207	171,800				
15				94,804	632,930	
Total	619,334	2,114,483	477,288	3,452,969	2,346,206	713,397

Source: Own elaboration based on data provided by the Export Reports of the Ministry of Economy and Trade.

* Category 1: Smooth-bore firearms with a calibre of less than 20 mm and automatic firearms with a calibre of 12.7 mm

Category 3: Ammunition and devices for setting off explosive charges

Category 4: Bombs, torpedoes, rockets, missiles, and other explosive devices and charges

Category 5: Fire control systems

Category 6: Ground vehicles and components

Category 9: Warships (surface or submersible)

Category 10: Aircraft, lighter-than-air vehicles, unmanned aerial vehicles (UAVs), and engines

Category 11: Electronic equipment, spacecraft, and components

Category 15: Imaging or countermeasure equipment

CARTRIDGE EXPORTS

The first two declarations mentioned by the Minister proved to be untrue. In November 2023, 987,000 euros worth of ammunition was exported from Spain to Israel.⁴ This was done by Nammo Palencia, the subsidiary of the Norwegian-Finnish multinational Nammo. In Spain, Nammo Palencia did not respond to Spanish media who asked for explanations, but in Norway it's a public company and there is a public debate related to arms exports made by Norwegian companies abroad. Norway had forbidden exports to Israel, but these transfers are made through subsidiaries companies in the United States or Spain. The State Secretariat for Trade in Spain assured the media that what had been shipped was "ammunition without explosive", "of medium calibre", but Nammo acknowledged⁵ that at least 200 of these cartridges were "normal", i.e., complete, with their explosive charge. These 200 rounds represent 1.5 per cent of the total exported. According to Nammo, the recipient of the Palencia exports was Elbit Systems, the leading Israeli company, the 24th largest in the world in terms of sales.⁶ According to the DIMSE database⁷ of Israeli defence and security exports, Elbit has supplied most of the ground equipment and drones used by the Israeli army, drones that the company openly advertises as 'combat proven'.⁸ Elbit also produces the Iron Sting guided mortar, which was "put into combat operation" for the first time in October in the Gaza Strip.⁹ Elbit also supplies the Spanish Army with the Cardom mortar system (which is used to fire the Iron Sting, and which has also been tested in combat),¹⁰ as well as rocket launchers, transmission equipment, thermal imagers, and laser designators. The Army formalised the contract for the maintenance and purchase of items for the Cardom on 14 November, for 496,000 euros.¹¹ Elbit was excluded from Norway's Global Pension Fund in 2009 for its "conduct" "in contravention of

international law" and its role in the West Bank separation barrier and the "associated control regime".¹² However, it is welcomed with open arms in the Spanish market.

According to the above figures, each of the cartridges exported in November to Israel cost about 74 euros. The average calibre is at least 20 mm, although in some publications it starts at 12.7 mm (half an inch). It is most likely that these were 30mm x 173 ammunition, for the following reasons: 1) in 2022 the official export report prepared by the Secretariat of Commerce stated, among the products exported to Israel, "30mm.x173 test rounds", while in 2021 they were "inert 30mm. x173 test fire";¹³ and 2) Nammo Palencia is the only manufacturer in Spain of the 30mm.x173 calibre and, as stated by the Defence.com portal in May 2023, represents Spain in the NATO Expert Team in charge of defining and agreeing on the technical aspects of this calibre.¹⁴ Elbit also manufactures ammunition of this calibre, but its catalogue only lists two versions: M201 HE-T and M200 TP-T, the latter for training.¹⁵ The "training" TP-T can "get into armoured vehicles". This cartridge is used to test the previous one (HE-T, "high explosive, with tracer").

ARMOURED VEHICLES EXPORTS

Between October and February, Spain has exported defence material to Israel every month. In December, 125,240 euros were exported from Madrid corresponding to the category 93069010: "bombs, grenades, torpedoes, mines, missiles and other munitions and projectiles, and their parts (excluding cartridges)", also "of war". When consulting DataComex, a message appears next to the statistical information: "This operation is for re-export to a third destination, specifically the Philippines, which is its final destination".

4. Pol Pareja and Olga Rodríguez, "Spain sent ammunition to Israel despite announcing that it had suspended arms exports", *eldiario.es*, 11 February 2024, https://www.eldiario.es/internacional/espana-mando-municion-israel-pese-haber-anunciado-tenia-suspendidas-exportaciones-armamento-cat_1_10909622.html

5. Bjørgulv K. Bjåen, "Norwegian Nammo delivered ammunition to Israel during the Gaza war", *Vårt Land*, 20 February 2024, <https://www.vl.no/nyheter/2024/02/20/norske-nammo-leverte-ammunisjon-til-israel-under-gaza-krigen/>

6. "The SIPRI Top 100 arms-producing and military services companies in the world, 2022", *SIPRI*, <https://www.sipri.org/visualizations/2023/sipri-top-100-arms-producing-and-military-services-companies-world-2022>

7. "Elbit Systems", The Database of Israeli Military and Security Export, <https://www.dimse.info/elbit-systems/#r+10562+1+16>

8. "Hermes 450", *Elbit Systems*, <https://elbitsystems.com/product/hermes-450/>

9. "Meet the IDF's newly operational 'Iron Sting' GPS and laser-guided mortar munition", *Israel Defense Forces*, 16 November 2023, <https://www.idf.il/en/mini-sites/hamas-israel-war-24/all-articles/meet-the-idf-s-newly-operational-iron-sting-gps-and-laser-guided-mortar-munition/>

10. "Artillery systems", *Elbit Systems*, <https://elbitsystems.com/products/artillery-systems/>

11. Plataforma de Contratación del Sector Público, <https://contrataciondelestado.es/>

12. "Supplier of surveillance equipment for the separation barrier in the West Bank excluded from the Government Pension Fund – Global", *Ministerio de Finanzas de Noruega*, 3 September 2009, <https://www.regjeringen.no/en/historical-archive/Stoltenbergs-2nd-Government/Ministry-of-Finance/Nyheter-og-pressemeldinger/pressemeldinger/2009/supplier-of-surveillance-equipment-for-t/id575444/>

13. See the history of defence equipment export reports available at: https://comercio.gob.es/ImportacionExportacion/Informes_Estadisticas/Paginas/Historico_Material_Defensa.aspx

14. "Nammo Palencia, a key player in the supply of ammunition to the Spanish Armed Forces", *Defensa.com*, 18 May 2023, <https://www.defensa.com/espana/nammo-palencia-clave-fabricacion-abastecimiento-municiones>

15. See Elbit Systems' data sheets "M201 HE-T 30x173mm" and "M200 TP-T 30x173mm", available, respectively, at: <https://elbitsystems.com/media/M201-HE-T-30x173mm.pdf> and <https://elbitsystems.com/media/M200-TP-T-30x173mm.pdf>

It is very likely that this export is from the arms company Santa Bárbara Sistemas, a subsidiary in Spain of the US giant General Dynamics, the fifth largest arms company in the world according to SIPRI¹⁶ and one of the largest suppliers of arms and ammunition to Israel. At the very least, it would be related to the \$172 million contract for the delivery of "light" armoured vehicles (30 tons), signed between the armed forces of the Philippines and Elbit Systems, with whom Santa Barbara has an agreement.¹⁷ The vehicle is an adapted version of the ASCOD (called "Pizarro" in Spain), which incorporates a command-and-control tower and a 105 mm gun. The ASCOD is produced by Santa Bárbara at the Trubia Arms Factory near Oviedo, and the turret and gun are from Elbit. The set is called "Sabrah" and, according to the promotion used, is "combat proven".¹⁸ According to the Infodefensa portal, these vehicles "before going to the island nation, they passed through Israel, where Elbit installed its weapons systems".¹⁹ In the first half of 2023, 22 licences had been authorised for Israel for a total value of 44,371,000 euros, all from category 6 ("ground vehicles and components"). According to what the State Secretariat for Trade told El País in December, these authorisations were for the export of 18 armoured vehicles that would be re-exported by Israel to the Philippines.²⁰ 17 armoured vehicles were shipped to Israel in July and the last one in September. All of this is consistent with DataComex statistics for category 8710 ("armoured combat vehicles, whether or not armed; parts"):

According to official export reports, in 2021 (the year immediately following the signing of the Elbit contract) Spain sent to Israel "an armoured vehicle for re-export to the Armed Forces of the Philippines", computed in category 6 (vehicles) at a value of 2.4 million euros, a figure compatible with the cost of a Pizarro and almost coinciding in price with the one sent in September. However, in 2022 the value of the same category 6 was only 9,900 euros, while in category 5 it was 1.4 million euros. This category 5 corresponds to "fire control systems", and the narrative of exports to Israel indicates: "parts and pieces of armoured vehicles for re-export to the Armed Forces of the Philippines". 237,000 euros of category 5 were also exported in 2021.

Exports to Israel under this category 8710 have continued after 7 October: in October, November, January and February. When consulting the data for January and February, the same warning appears pointing to the Philippines as the final destination. However, this message does not appear prior to December, in other months or years, neither for the Philippines nor for any other country, despite the fact that examples of exports to Israel for re-export to a third country are numerous. For example, India, the Philippines, the USA and Spain (return) in 2021, or the USA, Indonesia and Spain in 2013. The explanation seems to lie in the scandal surrounding Nammo's exports in November, when the Spanish government had claimed that there had been no exports since 7 October.²¹ However, the exports in October (65,300 euros) and November (698,910 euros) are still unexplained.

According to DataComex data, Spain was, with 1.1 million euros, the fifth EU country that exported the most category 93 material (arms and ammunition) to Israel after 7 October. According to DataComex, Belgium, Bulgaria, Cyprus, Denmark, Estonia, Greece, Ireland, Latvia, Lithuania, Luxembourg, Malta, Poland and Slovenia have not exported anything of category 93.

16. "The SIPRI Top 100 arms-producing and military services companies in the world, 2022", *Op. Cit.*
17. Arí Hashomer, "Ejército de Filipinas recibirá tanques ligeros Sabrah de fabricación israelí", *Noticias de Israel*, 23 de diciembre de 2021, <https://israelnoticias.com/militar/ejercito-de-filipinas-recibira-tanques-ligeros-sabrah-de-fabricacion-israeli/>
18. Arí Hashomer, "Filipinas adopta el vehículo de mando ASCOD en su ejército", *Noticias de Israel*, 26 de diciembre de 2023, <https://israelnoticias.com/militar/filipinas-adopta-el-vehiculo-de-mando-ascod-en-su-ejercito/>
19. "España ha suspendido las autorizaciones de exportación de armas a Israel desde el 7 de octubre", *Infodefensa*, 22 de febrero de 2024, <https://www.infodefensa.com/texto-diario/mostrar/4729628/espana-suspendido-autorizaciones-venta-armas-israel-desde-7-octubre>
20. Miguel González, "La inestabilidad mundial dispara la exportación de armas españolas más del 35%", *El País*, 23 de diciembre de 2023, <https://elpais.com/espana/2023-12-23/la-inestabilidad-mundial-dispara-la-exportacion-de-armas-espanolas-mas-del-35.html>

21. Pol Pareja y Olga Rodríguez, *Op. Cit.*

Table 6. Spanish exports of defense material to Israel 2019 - February 2024 according to Taric code 8710

Thousands of euros

2019	2020	2021	2022	2023										2024	
				Total	Jan.	Mar.	June	July	Aug.	Sept.	Oct.	Nov.	Jan.	Feb.	
40.07	74.60	2,374.55	803.84	4,4824.10	700.00	11.55	7.17	40,969.23	0.21	2,371.68	65.30	698.91	11.57	4.20	

Source: Own elaboration based on DataComex

Table 7. Defense material exports to Israel from category 93 of EU countries (October 2023 - March 2024)

Thousands of euros

	October '23	November '23	December '23	January '24	February '24	March '24	Total
Czech Republic	411.12	566.63	1,088.97		6,266.27	352.43	8,685.42
Romania				1,480.27	1,725.11	2,474.08	5,679.46
Slovakia	1,230.16	153.65	863.54	773.19	1,216.37	1,267.64	5,504.55
Italy	233.03	437.39	373.82	64.22	158.07	49.31	1,315.84
Spain		987.00	125.24				1,112.24
Portugal	97.25	209.72	237.38	159.10	156.44	216.86	1,076.73
Croatia	60.42	45.96	59.20		101.78	66.96	334.32
Austria			35.37	161.81	6.28	69.86	273.33
Sweden	193.17						193.17
Germany	76.95	2.72	12.54	28.04	2.28	11.93	134.46
Netherlands	70.00	0.18			0.19		70.37
Hungary			9.05			0.01	9.07
France	2.94	0.46				0.12	3.52
Finland		0.05		0.05			0.10
	2,375.04	2,403.75	2,805.11	2,666.68	9,632.79	4,509.21	24,392.58

Source: Own elaboration based on DataComex

However, it should be remembered that this code 93 only applies to arms and ammunition, and not to the majority of what is called 'defence material' and is included in official reports. In the case of Germany, for example, it is estimated that it approved arms export licences to Israel worth around 353 million dollars, while exports under category 93 between October and February amounted to just 122,530 euros.²²

2.2 IMPORTS TO SPAIN FROM ISRAEL AND DEFENCE CONTRACTS

As opposed to exports, there is no official annual report on imports by the Secretary of state for Trade. The Ministry of Defence produces an annual report called "The Defence Industry in Spain",²³ but this report only lists the top ten countries of origin of imports into Spain each year. For example, in the 2019, 2018, 2015, 2014 and 2013 reports, Israel did not appear in this list of the top ten importers, so the officially declared quantity imported is not known. In 2021, the latest available report, Israel was ranked sixth, with €45 million or 1.7% of 'defence imports', behind Germany (40.5%), France (33.2%), the US (6.2%), the UK (4%) and Canada (3.7%).

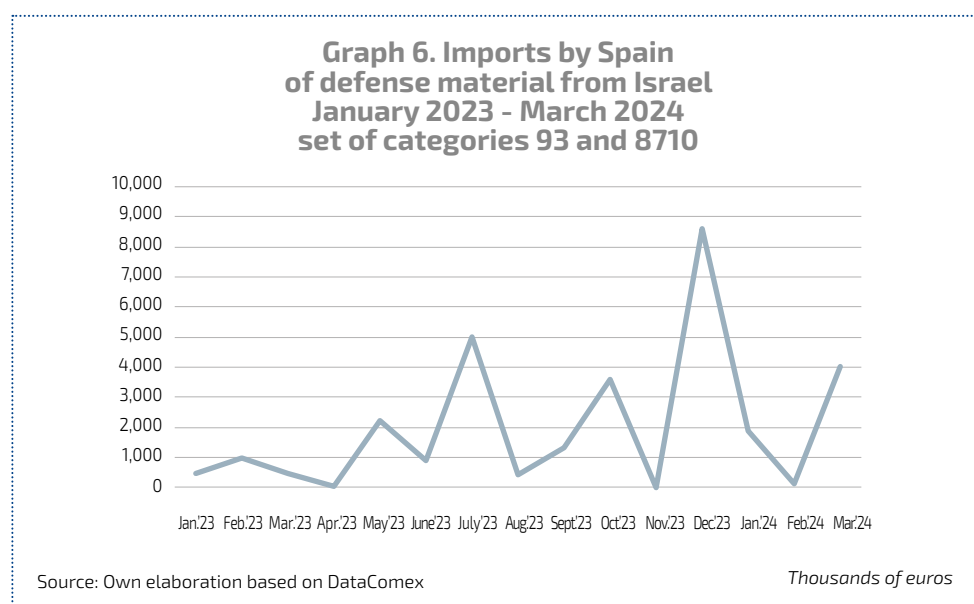
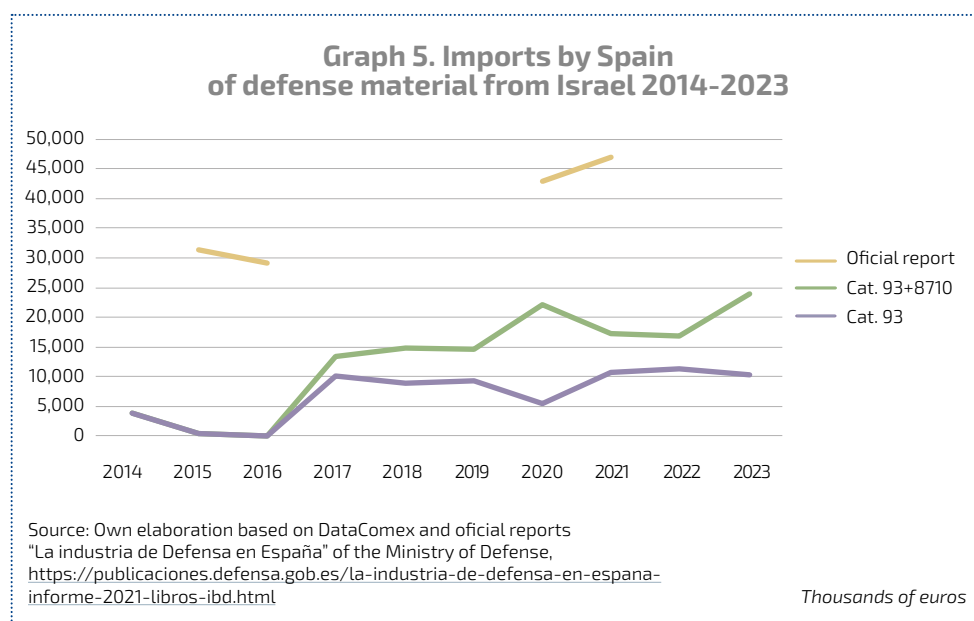
According to the Diario de Sesiones del Congreso de los Diputados of 10 April 2024, President Pedro Sánchez responded to an interpellation by the ERC spokesman in Congress, Gabriel Rufián, by saying: "Rest assured that since 7 October Spain has not carried out any arms purchase or sale operation with Israel, not a single one. I want you to be clear about this so that, logically, it is also clear for all Spanish citizens". Whether it was a slip of the tongue or not, it was not true. Obviously because, as we saw, munitions were exported in November and December, but also because Spain has not stopped acquiring arms from Israeli companies as it had been doing before 7 October. The Secretary of State for Trade acknowledged to elDiario.es in February that imports have not been suspended.²⁴

Article 6.3 of the Arms Trade Treaty specifies:

"A State Party shall not authorise any transfer of conventional arms covered by Article 2, paragraph 1, or of items covered by Article 3 or Article 4, if it knows at the time of authorisation that the arms or items could be used to commit genocide, crimes against humanity, grave breaches of the Geneva Conventions of 1949, attacks directed against civilian objects or civilians protected as civilians, or other war crimes as defined in international agreements to which it is a party."²⁵

22. Lara Jakes, "For Many Western Allies, Sending Weapons to Israel Gets Dicey", *The New York Times*, 13 April 2024, <https://www.nytimes.com/2024/04/13/world/europe/israel-weapons-sales-genocide.html>
23. *The Defence Industry in Spain. Informe 2021*, Ministry of Defence, May 2023, <https://publicaciones.defensa.gob.es/la-industria-de-defensa-en-espana-informe-2021-libros-ibd.html>

24. Pol Pareja and Olga Rodríguez, *Op. Cit.*
25. *Arms Trade Treaty*, United Nations, <https://thearmstradetreaty.org/hyper-images/file/TratadosobreelComerciodeArmas/TratadosobreelComerciodeArmas.pdf?templateId=137280>



Article 2 details that: "For the purposes of this Treaty, international trade activities shall include export, import, transit, transshipment, and brokering, hereinafter referred to as 'transfers'".

The Arms Trade Treaty is part of Spanish law and, by now, even the US has acknowledged that it is "reasonable to assess" that Israel has violated international law in Gaza.²⁶

Nevertheless, the import statistics may give a wrong perception of the real economic volume of Israeli arms acquired by Spain. On the one hand, it should be re-

membered that DataComex only includes a small part of "defence material" in code 93. On the other hand, a large part of these products is manufactured in Spain by subsidiaries of Israeli companies or by other companies that produce them through a technology transfer agreement with Israeli companies. As a result, there is a large difference between the volumes of Israeli arms "imports" and "acquisitions".

Spain has continued to allocate contracts to Israeli military companies, their subsidiaries in Spain or other Spanish companies manufacturing Israeli products under technology transfer agreements. Annex 3 contains a selection of contracts allocated after 7 October 2023.

26. Antònia Crespí Ferrer, "US concludes that Israel may have violated international law in Gaza, but maintains the flow of weapons", *eldiario.es*, 10 May 2024, https://www.eldiario.es/internacional/estados-unidos-asegura-israel-armas-estadounidenses-forma-inconsistente-derecho-internacional_1_11358573.html

The companies allocating the contracts are, among others, Elbit Systems and Rafael (PAP Tecnos is its subsidiary in Spain), respectively the first and third largest Israeli companies and the 24th and 42nd largest in the world in terms of arms sales.²⁷ Rafael is an Israeli public company and, although private, Elbit has a very close and highly strategic link with the Israeli armed forces. These two companies have profited the most from military operations in the Gaza Strip, where they have frequently tested and used the same products they offer to the Spanish armed forces. These contracts also show the dependence of these companies. On the one hand, if specific products were purchased from these companies, it is they themselves who are best positioned (perhaps without an alternative) to carry out maintenance and modernisation to higher standards. This is reflected in the motivation for the allocation. On the other hand, leaving communications, including sensitive ones, and strategic products to Israeli companies limits the options of saying "no" to Israel at times, such as nowadays, limiting sovereignty.

The list in Annex 3 is not exhaustive. In addition, other contracts allocated to companies heavily involved in the ongoing military operation in Gaza should also be considered. Of particular concern is Palantir Technologies Inc, whose subsidiary in Spain, Palantir Technologies Spain, was allocated on 10 October 2023 (formalised on 6 November) a contract for "an intel-

ligence fusion and analysis solution in the field of the Armed Forces Intelligence System", with a base tender budget of 20,013,400 euros and an estimated contract value (excluding taxes) of 16,540,000 euros, according to the Public Procurement Platform (Plataforma de Contratación del Sector Público). Palantir has Israeli capital and "special" relations with its military team. The two main owners, apart from tycoon Peter Thiel, are Vanguard and Blackrock. Palantir provides artificial intelligence models for military applications and signed a 'strategic partnership' with the Israeli Ministry of Defence to provide technology to support its 'war missions'.²⁸ According to Josh Harris, its vice president: "This strategic partnership is intended to significantly assist the Israeli Ministry of Defence in addressing the current situation in Israel". According to Palantir CEO Alex Karp, its products have been in "high demand" in Israel since 7 October.²⁹ Karp has been grotesquely defensive of the Israeli army's performance in Gaza, to the point of losing employees for this reason: "I am extremely proud that after 7 October, in a few weeks, we will be on the ground and involved in crucial operations in Israel".³⁰

27. "The SIPRI Top 100 arms-producing and military services companies in the world, 2022", *Op. Cit.*

28. Marissa Newman, "Thiel's Palantir, Israel Agree Strategic Partnership for Battle Tech", *Bloomberg*, 12 January 2024, <https://www.bloomberg.com/news/articles/2024-01-12/palantir-israel-agree-to-strategic-partnership-for-battle-tech?leadSource=uverify%20wall>

29. Marissa Newman, "Palantir Supplying Israel With New Tools Since Hamas War Started", *Bloomberg*, 10 January 2024, <https://www.bloomberg.com/news/articles/2024-01-10/palantir-supplying-israel-with-new-tools-since-hamas-war-started>

30. Alex Koller, "Palantir CEO says his outspoken pro-Israel views have caused employees to leave company", *CNBC*, 13 March 2024, <https://www.cnbc.com/2024/03/13/palantir-ceo-says-outspoken-pro-israel-views-led-employees-to-leave-.htm>



3. LEGAL AND POLICY REGULATION OF CONTROL FOR DEFENCE MATERIAL TRANSFERS

3.1 DEVELOPMENT POLICY OF DEFENCE MATERIAL EXPORTS: THE STATE FINANCIAL SUPPORT

The different Spanish governments have maintained an active policy of promoting defence exports.³¹ In her appearance before the Defence Committee of the Congress of Deputies on 19 March 2024, the Secretary of State for Trade, Xiana Margarida Méndez Bértolo, mentioned some elements of this policy.³²

She referred to the participation in international defence sector fairs through the public business entity ICEX España Exportación e Inversiones, including

the Spanish International Defence and Security Fair, FEINDEF. As well as the role played by the Ministry of Defence's Foreign Support Office in promoting exports, visibility and opening the defence industry to international markets, as well as being responsible for negotiating government-to-government agreements.

Special mention should be made of the financial instruments that the State makes available to the defence industry, expressly stating that "With instruments such as CESCE or Supercari, we approve many financing operations in support of the defence industry each year".

The Compañía Española de Seguros de Crédito a la Exportación, S.A., Compañía de Seguros y Reaseguros, Sociedad Mercantil Estatal (CESCE) is a company 50.25% owned by the Spanish State. The other shareholders are the Santander Group (23.88%), the BBVA Group (13.6%), other banks (5.67%) and insurance companies (3.9%).³³

31. For an overview of this policy, see the chapter "The government's policy to promote arms exports". Tica Font and Eduardo Melero (coords.): *Armas, negocio, política y opacidad. Exportaciones españolas de armamento 2005-2007*, Icaria, Barcelona, 2020, pp. 107-126.

32. Diario de Sesiones del Congreso de los Diputados, XV Legislature, Committees, Defence, 19 March 2024, pp. 16-17.

33. <https://www.cesce.es/es/corporativo/quienes-somos>

So-called "Supercari financing" is used as a mechanism to favour exports of defence equipment and dual-use goods and technologies. This form of financing allows the application of two instruments simultaneously. The first instrument is a credit insurance granted by CESCE, through which the State assumes up to 99% of the political or commercial risks of the operation. There are two types of insurance: 1) the so-called "Buyer Credit" which insures financial institutions against the risk of non-payment of credits granted to foreign debtors,³⁴ and 2) the so-called "supplier credit" which insures the Spanish exporting company against the risk of non-payment or termination of the contract by its foreign client.³⁵ Coverage can reach 100% of the operation, as opposed to the 85% that is usual in other export operations. On the other hand, the instrument known as the Reciprocal Interest Adjustment Agreement (CARI) is used to encourage private financing entities to grant long-term export credits at minimum fixed interest rates.³⁶ The CARI Agreement is concluded with the Instituto de Crédito Oficial (ICO). The ICO is a public business entity attached to the Ministry of Economy, Trade and Enterprise, through the State Secretariat for Economy and Business Support; it has the legal status of a credit institution and is considered a State Financial Agency.³⁷ Through the Supercari financing, the Spanish State assumes the risk of operations of defence material and dual-use products and technologies covered by this instrument.

All this export promotion policy remains hidden from public opinion. And it is not mentioned in any section of the "Spanish statistics on exports of defence material, other material and dual-use products and technologies".

3.2 CURRENT LEGISLATIVE FRAMEWORK REGARDING ARMS TRADE IN SPAIN

The latest modification of the Regulation on the control of foreign trade in defence material, other material and dual-use products and technologies was carried out by Order ICT/534/2023 of 26 May (BOE of 31 May 2023).

Annexes I.1, III.2 and III.5 of the Regulation were amended. Thus, the title of the generic categories of defence material was reformed (Annex I.1), the title of the Annex referring to firearms was changed (Annex III.2), and the title relating to dual-use products not subject to authorisation according to EU regulations was modified, including products related to quantum computers (Annex III.5).

Previously, the Regulation had also been amended by Royal Decree 414/2022 (BOE of 25 June 2022). The most important reforms are set out below.

1. The content of the Agreement between the Kingdom of Spain, the Federal Republic of Germany and the French Republic on export controls in the field of defence, signed in Paris on 17 September 2021, is incorporated. This facilitates exports to third countries of: 1) armaments produced in the framework of intergovernmental defence programmes and their subsystems, and 2) defence-related products from industrial cooperation projects, in the framework of strengthening the integration of their defence industries (see the new article 30 of the Regulation).
2. A new General Licence applicable to Intra-Community Transfers of Defence Materiel is also created for programmes financed by the European Defence Fund (new Article 28(4) of the Regulation).
3. Reference is made to the new EU regulation on dual-use items and technologies: Regulation (EU) 2021/821 of the European Parliament and of the Council of 20 May 2021 setting up a Union regime for the control of exports, brokering, technical assistance, transit, and transfer of dual-use items.
4. The regulation on transits is amended (new Article 10 of the Regulation).
5. Finally, the composition of the Inter-ministerial Regulatory Board for Foreign Trade in Defence and Dual-Use Goods (JIMDDU) is modified in accordance with the new organisational structure of the ministries (new article 17.1 of the Regulation).

In 2022, the ex-post verification instrument introduced by Royal Decree 494/2020 of 28 April was implemented. This Royal Decree established a new control document, the "certificate of last ex post control destination", which includes a clause for verification at destination. This allows the possibility of carrying out on-site inspections to verify that the defence material is dedicated to the use for which it was exported. This certificate can also include an undertaking that the product will not be used outside the territory of the importing country. The decision to

34. CESCE, Compañía de seguros por cuenta propia y del Estado, <https://www.cesce.es/es/w/cuenta-del-estado/entidades-financieras/credito-comprador>.

35. CESCE, Compañía de seguros por cuenta propia y del Estado, <https://www.cesce.es/es/w/cuenta-del-estado/empresas/credito-suministrador>.

36. On the supercari financing system, see the Resolution of 27 February 2019, adopted by the Joint Committee for Relations with the Court of Auditors, in relation to the Audit Report on the Reserve Fund for Internationalisation Risks, financial year 2017, BOE of 30 April 2019, p. 46101.

37. Instituto de Crédito Oficial, ICO, https://www.ico.es/web/guest/quienes_somos_ico/que_es_el_ico. And Article 1 of Royal Decree 706/1999, of 30 April 1999, adapting the Instituto de Crédito Oficial to Law 6/1997, of 14 April 1997, on the organisation and functioning of the General State Administration and approving its Statutes.

require these ex-post verification mechanisms is left to the JIMDDU, which has full discretion. According to the Secretary of State for Trade, in 2022 the ex-post certificate of last destination was required in nine export licences to seven countries and in 2023 in sixteen operations in eleven countries, in a further eight cases companies voluntarily provided certificates with ex post verification.³⁸

3.3 ILLEGAL DEFENCE MATERIAL EXPORTS IN ISRAEL AND THE PLAUSIBLE ESTABLISHMENT OF A WEAPON EMBARGO

From October 2023, defence exports to Israel must be presumed to be against the law. In general, the regulations governing arms exports do not establish clear prohibitions but, rather, the obligation to consider different issues: respect for human rights, the internal situation of the destination country, the existence of armed conflicts, etc. Due to the extraordinary gravity of Israel's military response to the Hamas terrorist attacks of 7 October, it must be considered that the legally established criteria for authorising arms exports to Israel are not being complied with.

In any case, such exports are contrary to the Arms Trade Treaty. This treaty does establish some clear prohibitions on arms exports in particularly serious cases (Article 6). Thus, according to Article 6.3 of this treaty: "A State Party shall not authorise any transfer of conventional arms [...] if, at the time of authorisation, it has knowledge that the arms or items could be used to commit genocide, crimes against humanity, grave breaches of the Geneva Conventions of 1949, attacks directed against civilian objects or protected civilians, or other war crimes as defined in international agreements to which it is a party".

It's obvious that this ban should apply to arms exports to Israel. The International Court of Justice has not yet ruled on whether Israel is committing genocide in Gaza. In any case, Article 6.3 of the Arms Trade Treaty also includes crimes against humanity and war crimes. Crimes against humanity include murder when committed as part of a widespread or systematic attack against a civilian population.³⁹ War crimes include intentionally directing attacks against the civilian population or intentionally directing attacks against civilian objects.⁴⁰

The Report of the Special Rapporteur on the Situation of Human Rights in the Palestinian Territories Occupied since 1967, Francesca Albanese, is entitled "Anatomy of a Genocide".⁴¹ The Special Rapporteur considers that there are "reasonable grounds to believe" that Israel has committed acts of genocide against Palestinians in Gaza (paragraph 93). Amongst the actions listed in the report are indiscriminate attacks on the population (paragraph 25), death by starvation (paragraph 26), torture of children of all ages (paragraph 33), destruction or serious damage to most vital infrastructure (paragraph 35), the de facto abolition of the distinction between civilian and military targets (paragraph 67) and the systematic targeting of medical facilities and personnel (paragraph 87). Although the Special Rapporteur reports from the perspective of the crime of genocide, these actions also involve the commission of crimes against humanity or war crimes. One of the Special Rapporteur's recommendations to UN member states is to immediately establish an arms embargo on Israel (paragraph 97(a))

On 20 May 2024, the Prosecutor of the International Criminal Court, Karim A.A. Khan, has filed an application for arrest warrants against the Prime Minister of Israel, Benjamin Netanyahu, and the Minister of Defence of Israel, Yoav Gallant, for crimes against humanity and war crimes.⁴² The crimes against humanity charged are extermination and murder [Article 7(1)(a) and (b) of the ICC Statute], persecution of a distinct group or community [Article 7(1)(h)] and other inhumane acts [Article 7(1)(k)]; all as part of a widespread or systematic attack against the civilian population. The war crimes attributed are intentional starvation of the civilian population as a method of warfare [Article 8(2)(b)(xxv)], wilfully causing great suffering or serious injury to body or health [Article 8(2)(a)(iii)], cruel treatment [Article 8(2)(c)(i)], intentional murder [Article 8(2)(a)(i)], murder [Article 8(2)(c)(i)], intentionally directing attacks against a civilian population [Article 8(2)(b)(i) and Article 8(2)(e)(i)].

Due to the government's policy of lack of transparency on arms trade, we do not know whether the Spanish authorities are implementing Article 6.3 of the Arms Trade Treaty. As it has already been made clear in this report, there have been defence exports to Israel based on export authorisations granted before 7 October 2023. At face value, Article 6.3 of the Treaty

38. Diario de Sesiones del Congreso de los Diputados, XV Legislature, Committees, Defence, 19 March 2024, pp. 14-15.

39. Article 7.1 of the Rome Statute of the International Criminal Court.

40. Article 8.2 of the Rome Statute of the International Criminal Court.

41. "Anatomy of a Genocide. Report of the Special Rapporteur on the situation of human rights in the Palestinian territories occupied since 1967, Francesca Albanese", 25 March 2024, document A/HCR/55/73 (unreviewed early release).

42. Statement by the Prosecutor of the International Criminal Court Karim A.A. Khan KC "Applications for arrest warrants in the situation in the State of Palestine", 20 May 2024, <https://www.icc-cpi.int/news/statement-icc-prosecutor-karim-aa-khan-kc-applications-arrest-warrants-situation-state>

refers only to the granting of authorisations. However, in view of the purpose of that provision, it should be interpreted as requiring the revocation, or at least the suspension, of administrative authorisations for exports to Israel that were in force.

The Spanish Government may also be understood to be in breach of the Convention on the Prevention and Punishment of the Crime of Genocide. This international treaty imposes an obligation to prevent genocide (Article I). In any case, the obligation to prevent genocide must be seen in connection with Article 6.3 of the Arms Trade Treaty.

In the European Union, account should also be taken of Council Common Position 2008/944/CFSP of 8 December 2008 defining common rules governing the control of exports of military technology and equipment, which applies only to arms exports. This Common Position sets out eight criteria to be considered by EU states when granting or denying export authorisations for defence equipment.

The Common Position does not establish clear prohibitions on arms exports, except where the United Nations or the European Union has established an arms embargo (rule 1). The other criteria allow national authorities a certain margin of interpretation when applying the Common Position. National authorities will have to consider and weigh different circumstances when authorising or denying defence exports. However, the "overwhelming nature and scale of Israel's assault on Gaza" should lead to a presumption that some of the criteria of the Common Position are not being met.⁴³

In the case of arms exports to Israel, the criteria that can be understood to be breached are: Respect for human rights in the country of final destination and respect for international humanitarian law by that country (rule 2); Internal situation of the country of final destination, in relation to the existence of tensions or armed conflicts (rule 3); Maintenance of regional peace, security and stability (rule 4); and Behaviour of the purchasing country towards the international community, in particular with regard to its attitude towards terrorism, the nature of its alliances and respect for international law (rule 6). The Spanish authorities are interpreting these criteria very roughly in relation to export authorisations

granted before 7 October 2023. As discussed below, Spanish law allows such authorisations to be suspended or revoked.

Law 53/2007 of 28 December 2007 on the control of foreign trade in defence and dual-use material does not foresee the possibility of adopting an arms embargo. An embargo is understood to be a general prohibition affecting all exports of defence material to a given country, a prohibition that, in principle, would be agreed by the government. This does not mean that an arms embargo on Israel cannot be agreed in Spain, but it must be done by means of a regulation with the status of law (a law passed by the Cortes Generales or a decree law issued by the government and validated by the Congress of Deputies).⁴⁴

Law 53/2007 does expressly recognise the possibility of denying, suspending or revoking authorisations to export defence material (Article 8). These decisions will be taken by the Secretary of State for Trade, following a favourable report by the Inter-ministerial Board for the Regulation of Foreign Trade in Defence and Dual-Use Material, after following a prior administrative procedure.

On 23 February 2024, the Palestinian Community of Catalonia submitted a request to the Secretary of State for Trade to initiate a procedure to revoke all existing authorisations for defence and dual-use material destined for or originating in the State of Israel, including both export authorisations and import authorisations. This request was submitted on the basis of Article 8 of Law 53/2007. In the absence of a reply from the Secretary of State for Trade, the Palestinian Community of Catalonia filed a contentious administrative appeal with the National High Court on 31 May 2024.

The government's position on arms exports to Israel is unclear. On 12 February 2024, the Ministry of Foreign Affairs, European Union, and Cooperation issued the following statement: "In view of the information appearing in some media, the Ministry of Foreign Affairs, European Union and Cooperation informs that since 7 October 2023 no arms sales to Israel have been authorised".⁴⁵ It would appear, therefore, that no new authorisations for the export of defence

43. The quoted expression is from the Special Rapporteur on the Situation of Human Rights in the Palestinian Territories Occupied since 1967, Francesca Albanese, see paragraph 93 of her report of 25 March 2024, cited above.

44. Eduardo Melero Alonso: "Legal measures that can be taken in relation to arms trade to Israel", *mientrastanto.e*, n. 232, March 2024. <https://mientrastanto.org/232/notas/medidas-legales-que-se-pueden-adaptar-en-relacion-con-el-comercio-de-armamento-a-israel/>

45. Ministry of Foreign Affairs, Statement on the sale of arms to Israel, 12 February 2024, https://www.exteriores.gob.es/es/Comunicacion/Comunicados/Paginas/2024_COMUNICADOS/20240212_COMU006.aspx

equipment to Israel have been granted since October 2023.⁴⁶

But current authorisations granted before 7 October 2023 would not have been suspended or revoked. Thus, giving priority to the legal security of arms exporting companies and the Israeli government over the protection of the human rights of the Palestinian population. The Spanish government has not been clear on whether it has suspended or revoked existing authorisations and has even refused to answer requests for access to public information on the matter.⁴⁷ Proof that arms export authorisations granted before 7 October 2023 have not been suspended or revoked is the fact that, according to the official DataComex database, 987,000 euros worth of defence material was exported to Israel in November 2023. Specifically, it was material corresponding to category 9306 "Bombs, grenades, torpedoes, mines, missiles, cartridges and other ammunition and projectiles, and parts thereof, including shot, pellets and cartridge cases"; within the subcategory 9306303000 which refers to cartridges and parts thereof intended for use in weapons of war. This would be ammunition manufactured by the Nammo Palencia company.⁴⁸

In this way, the government has chosen to give legal certainty to arms exporting companies by not suspending or revoking authorisations to export to Israel granted before 7 October 2023. This gives priority to defence exports over compliance with the Arms Trade Treaty or EU Common Position 2008/944/CFSP. A decision that is consistent with the government policy of promoting defence exports that Spanish governments have maintained and continue to maintain.

46. It is striking that the Ministry of Economy, Trade and Enterprise, which is the competent department, has not made a statement. Economy, Trade and Enterprise, which is the competent department since the Secretariat of State for Trade is the competent administrative body to grant export authorizations for defense material. The competence of the Secretariat of State for Trade to grant authorizations for the export of defense material is set out in article 5 of Royal Decree 679/2014, of 1 August, which approves the Regulation on the control of foreign trade of defense material, other material and dual-use products and technologies.

47. By Resolution of February 18, 2024, the Directorate General for Trade Policy of the Ministry of Economy, Trade and Enterprise refused to answer the question whether the Spanish Government, the Ministry of Economy, Trade and Enterprise, the Secretary of State for Trade or any other Spanish authority has agreed to temporarily suspend authorizations for the export of defense material destined for Israel (resolution of the request for information number 00001-00085969). By Resolution dated April 11, 2024, the Directorate General of Trade Policy refused to answer the question on whether the Secretary of State for Trade, or the General Subdirector for International Trade of Defense and Dual Use Material, have initiated any administrative procedure to suspend or revoke the authorizations for the export of defense material destined to Israel (resolution of the request for information number 00001-00088110). Both questions were formulated based on Law 19/2013, of December 9, on transparency, access to public information and good governance.

48. Alejandro Pozo Marín: "Did Minister Albares tell the truth about arms sales to Israel?", *elDiario.es*, 12 February 2024, https://www.eldiario.es/internacional/dijo-ministro-albares-ventas-armas-israel_129_10916558.html.

3.4 ISRAELI ARMS IMPORTS AND THEIR TREATMENT BY LEGISLATION

Israel's military aggression on Gaza highlights the importance of imports in maintaining peace and security. The Spanish government's purchases of Israeli defence material are much more important, both quantitatively and qualitatively, than arms exports to Israel. Israeli arms purchases promote the viability of the Israeli defence industry and favour the militarisation and military occupation of Palestine.⁴⁹

It is not only defence exports that require administrative authorisation, but also imports of defence equipment that are included in the War Weapons List.⁵⁰ Therefore, imports of Israeli defence material must have an administrative authorisation granted by the Secretary of State for Trade, following a favourable report by the JIMDDU.

When authorising imports, national authorities have a large range of liberty. This is because the legally established criteria generally apply only to defence exports. This is the case with the criteria set out in EU Common Position 2008/944/CFSP.

As for Spanish legislation, the only rule applicable to imports is that they "contravene the general interests of national defence and the State's foreign policy".⁵¹ This rule grants a large range of liberty to the administration when granting or denying authorisations to import defence material. This means that the government is practically free to adopt decisions in this area.

The legislation doesn't require the publication of data on defence imports either.⁵² In fact, the "Spanish export statistics for defence, other equipment and dual-use items and technologies" prepared by the Secretary of State for Trade does not include any information on the Spanish government's arms imports.

Therefore, the current regulations are not very demanding in relation to the control of defence imports. There is clearly room for improvement in this area. The objectives of the regulation of the arms trade include respect for human rights, the prevention of armed conflict and the promotion of peace and security. These objectives can be achieved not only by controlling arms exports but also by controlling defence imports. Therefore, there should be a case for prohibiting the import of arms in certain circum-

49. Alejandro Pozo Marín: *Who arms Israel? The embargo is a moral and legal imperative*, Icaria, Barcelona, 2024, p. 27.

50. Article 2.1.a).3.o and Annex III.1 of Royal Decree 679/2014.

51. Article 8(1)(b) of Law 53/2007, of 28 December 2007, on the control of foreign trade in defence and dual-use material.

52. Article 16 of Law 53/2007 only obliges the government to send information to the Congress of Deputies information on exports of defence and dual-use material.

stances. For example, imports of defence equipment manufactured in countries that have committed genocide, crimes against humanity or have committed war crimes by attacking civilians or civilian objects should be prohibited.

3.5 SUGGESTIONS TO MODIFY SPANISH REGULATIONS ON THE CONTROL OF ARMS TRADE

1. Expressly include in Law 53/2007 of 28 December 2007 on the control of foreign trade in defence and dual-use material the possibility of the government agreeing an embargo on arms exports to a given country. The embargo would be of a general nature, applying to both existing export authorisations and export requests. It should be able to apply to defence equipment, dual-use goods and technologies, or police and riot control equipment. Including not only export, but also technical advice, brokering or financing of these activities. It should also include the possibility for the embargo to affect imports of arms from that country. The competence to impose the embargo would lie with the government. However, it could also be possible for the Congress of Deputies to agree by a simple majority.

2. Improve the content of the control documents to be completed by the authorities of the country of destination of the arms export. In this regard, the use of non-re-export clauses should be generalised.⁵³ In this way, to try to prevent arms from reaching unwanted countries.

3. Establish a more restrictive regulation of defence imports in Law 53/2007, to limit the enormous freedom that the government has in this area. A first step in this direction would be to legally prohibit the Spanish government from acquiring defence material from countries that have committed genocide, crimes against humanity or have attacked civilians or civilian objects, in line with the provisions of Article 6.3 of the Arms Trade Treaty.

53. An example of this type of clauses is: "The products specified in section B, shall not be re-exported or resold or transferred, either temporarily or definitively, without the prior consent of the authorities of [...]". This clause is included in the model regulatory model of Certificate of Last Destination completed by the Spanish Ministry of Defense for imports of defense material destined for Spanish territory (see Annex VI.18 of Real Decreto 679/2014, of August 1, approving the Regulation on the control of foreign trade of defense material, other material and dual-use products and technologies). Please note that this model is not the one that has to be completed by the authorities of the countries of destination of Spanish exports.



4. CONCLUSIONS

Spanish arms exports in 2022 reached €4,091 million, 24% more than in 2021. In the first half of 2023, exports amounted to €1,754 million. According to SIPRI, in 2022 Spain ranked eighth in the world ranking of arms exporters and in 2023 ninth exporting defence material to, at least, 109 countries in this period.

Over the last ten years, the five most sold categories of Spanish defence material are military aircraft (75% of the total), warships (7% of the total), ammunition (4% of the total), military land vehicles (4% of the total) and bombs, missiles, torpedoes (2% of the total). It is important to note that the third most exported product is ammunition, and the fifth most exported product is bombs and missiles, as this is very bad news in humanitarian terms.

In 2022, 62.1% (€2,542.5 million) of Spanish exports of military equipment are destined for EU and NATO countries. The exported products related to military material cooperation programmes that stand out for

their amount are the A400M military transport aircraft worth €231.2 million, the Eurofighter combat aircraft worth €162.2 million and the Meteor missile worth €29.4 million.

In 2022, 23% of military exports were destined for the Middle East, reaching a value of €947.4 million, and in the first half of 2023 they amounted to €334.3 million, representing 19% of total exports. This is even though it is a region of high conflict and political tension. Exports to the countries that make up Asia in 2022 amounted to €396.3 million and represented 10% of total exports of the Spanish military industry. Spanish industry has carried out exports in 2022 to Ukraine for a value of €31.3 million; during the first half of 2023 exports reached a value of €102.7 million.

The Inter-ministerial Regulatory Board for Foreign Trade in Defence and Dual-Use Material (JIMDDU) in 2022 granted 2,048 authorisations for the export of defence material and denied only 1 (the export to Pakistan of 670 sporting pistols and their magazines on the grounds of risk of diversion). The low number of

denials can only be interpreted as a lack of political will to rigorously apply Law 53/2007 on the control of foreign trade in defence and dual-use material and the criteria established by EU Common Position 2008/944/CFSP.

In 2022 and the first half of 2023 there have been no significant changes in the number of arms exports.

Arms relations between Spain and Israel have generally not experienced significant differences before and after 7 October. The only alterations have been the temporary freezing of new export authorisations to Israel and the denial of transit in a Spanish port to a ship carrying arms for that country.⁵⁴ However:

- existing licences have not been revoked or suspended.
- exports based on previously granted authorisations have continued to take place.
- Israeli companies and their subsidiaries in Spain have been allocated many public contracts in Spain, perpetuating the military's dependence on Israeli products, both in terms of their maintenance and modernisation and in terms of Israel's access to sensitive communications and privileged information.
- Spain has continued to import arms from Israel as it used to.
- none of the military and security agreements between Spain and Israel are known to have been altered.
- Israeli industry and institutions continue to collaborate with universities and public institutions on arms and security matters; and
- Spanish territory has been used to transfer arms from other countries to Israel.⁵⁵

54. Alejandro Pozo Marín, "Where do the weapons that pass through Spain end up?", *eldiario.es*, 16 May 2024, https://www.eldiario.es/internacional/terminan-armas-pasan-espana_129_11371318.html

55. Alejandro Pozo Marín, "Why more ships carrying weapons to Israel are likely to pass through Spain", *eldiario.es*, 4 June 2024, https://www.eldiario.es/internacional/probable-barcos-armas-israel-pasen-espana_129_11421887.html

Spain exported ammunition when it said it did not; it imports arms and allocates contracts to the same Israeli companies that profit from the Israeli army's actions in the Gaza Strip, as it used to do before 7 October, as it has done during decades of occupation, repression and military operations against the entire Palestinian population.

There are still no official statistics on exports to Israel since 7 October 2023. According to the government, no new export authorisations for exports to Israel have been granted since that date. Contrary to the Foreign Minister's assertion, in November 2023 the Nammo Palencia company exported 987,000 euros worth of ammunition to Israel. It appears, therefore, that export authorisations granted before 7 October have not been revoked. The government has thus prioritised the legal security of arms companies over the guarantee of human rights. Article 6.3 of the Arms Trade Treaty requires the revocation, or at least suspension, of authorisations to export arms to countries that commit genocide, crimes against humanity and war crimes.

Consequently, the following amendments to the Spanish arms trade control regulation (Law 53/2007) would be advisable:

1. To expressly include the possibility of the Government agreeing an arms embargo on a given country (both for exports and imports).
2. To improve the content and make more common the use of control documents to be completed by the authorities of the country of destination.
3. To establish a more restrictive regulation of imports of defense material to limit the enormous discretion that the government has in this matter, and explicitly prohibiting the acquisition of defense material from countries that have committed genocide, crimes against humanity or have attacked civilians or civilian goods.

ANNEXES

TARIC CODES

- 8710.** Tanks and other armoured fighting vehicles, motorised, whether fitted with weapons; parts thereof.
- 9301.** Weapons of war, other than revolvers, pistols, and edged weapons of heading 9307.
- 9302.** Revolvers and pistols, other than those of heading 9303 or 9304.
- 9303.** Other firearms and similar devices using the deflagration of gunpowder (for example, hunting weapons, muzzle-loading weapons, rocket launching pistols and other devices designed solely to launch signal rockets, blank pistols and revolvers, butcher's pistols, line-throwing guns).
- 9304.** Other weapons (for example, spring, compressed air or gas guns and pistols, truncheons), other than those of heading 9307.
- 9305.** Parts and accessories of the articles of headings 9301 to 9304.
- 9306.** Bombs, grenades, torpedoes, mines, missiles, cartridges and other ammunition and projectiles, and parts thereof, including shot, shotshells and cartridge cases.
- 9307.** Sabres, swords, bayonets, lances and other bladed weapons, their parts, and sheath.

ANNEX 1. EXPORTS FROM SPAIN TO ISRAEL AND FROM NAMMO PALENCIA (TARIC 93 AND 8710)

Table 8. Annual exports from Spain to Israel by category 93 and 8710

Thousands of euros

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 (1 st Semester)
Official report	3.428,09	2.187,27	530,93	1.386,56	619,33	2.114,48	477,29	3.452,97	2.346,20	713,40
DataComex (from Spain)										
8710						40,07	745,60	2.374,55	803,84	44.824,10
Total 93	6.025,57	1.144,64	230,55	703,67	458,34	2.126,61	698,89	709,86	442,66	1.607,05
9301										253,31
9302								9,19		
9303									0,36	
9304	0,32		0,02	0,28	0,06	6,52	1,32	0,10	0,27	4,90
9305	1.460,20	1.076,47	26,18	0,15		1241,85		1,36	0,26	14,82
9306	4.565,05	68,17	204,32	703,21	458,13	878,23	697,57	699,21	441,77	1.333,92
9307			0,03	0,03	0,14					0,10
DataComex (from Palencia)										
93 (amount)				600,70	222,25	730,67	376,2	525,35	198,87	987,00
93 (%)				85,40	48,50	34,40	53,80	74,00	44,90	61,40
9306 (%)				85,40	48,50	83,20	53,90	75,10	45,00	74,00

Source: Own elaboration based on DataComex

Table 9. Monthly exports from Spain to Israel by category 93 and 8710 between January 2023 and February 2024

Thousands of euros

	2023													2024	
	Total	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.
DataComex															
8710	44.824,10	700,00		11,55			7,17	40.969,23	0,21	2.371,68	65,30	698,91		11,57	4,20
Total 93	1.607,05	263,20	76,76	3,31		0,34	5,90	145,30				987,00	125,24		
9301	253,31	250,00		3,31											
9302															
9303															
9304	4,90							4,90							
9305	14,82	13,20				0,34	0,86	0,43							
9306	1.333,92		76,76				4,94	139,98				987,00	125,24		
9307	0,10						0,10								

Source: Own elaboration based on DataComex

ANNEX 2. IMPORTS FROM SPAIN TO ISRAEL

Table 10. Annual imports from Spain to Israel by category 93 and 8710, and according to the reports "The defence industry in Spain"

Thousands of euros

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
DataComex										
Official report		31.270,00	29.150,00				43.000,00	47.000,00		
8710				3.256,23	5.987,71	5.170,58	16.695,46	6.551,77	5.481,48	13.748,20
Total 93	3.856,59	344,63	82,04	10.208,40	8.853,94	9.377,33	5556,43	10.826,71	11.423,42	10.288,50
9301				1.873,02		365,20	267,83	1,54	2.541,47	4.301,23
9302				13,44	19,60	28,01	19,85	863,50	890,02	877,78
9303										
9304				2,34	0,49		20,66		2,66	0,88
9305	1.763,13	342,82	81,64	2.037,25	2.892,55	3.872,55	815,19	1.746,50	11,26	4.223,8
9306	2.093,17	1,80		6.282,34	5.941,30	5.111,56	4.430,15	8.215,17	7978	884,85
9307	0,28		0,40				2,76			

Source: Own elaboration based on DataComex

Table 11. Monthly imports from Spain to Israel by category 93 and 8710 between January 2023 and February 2024

Thousands of euros

	2023												2024		
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
DataComex															
8710	412,62	988,7	368,59	37,6	2084,84	69,43	2.543,44	425,32	522,52	3611,03		2.684,09		124,04	4.017,92
Total 93	51,71	0,64	97,54	0,59	137,10	826,62	2.461,34	0,44	777,05	0,15	0,29	5.935,07	1.856,61		0,15
9301	0,30				137,10		2.449,65					1714,17			
9302	51,41					826,37									
9303															
9304		0,24	0,58							0,06					0,15
9305		0,40	0,21	0,59		0,25	0,68	0,44	0,05		0,29	4.220,89	1.856,61		
9306			96,75				11,00		777,00	0,09					
9307															

Source: Own elaboration based on DataComex

ANNEX 3. SPANISH PUBLIC CONTRACTS WITH ISRAELI SECURITY AND DEFENCE COMPANIES OR THEIR SUBSIDIARIES IN SPAIN FROM OCTOBER 2023 (until the 5th of May 2024)

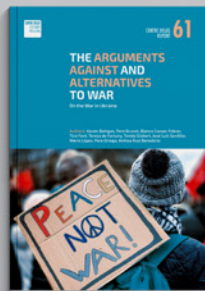
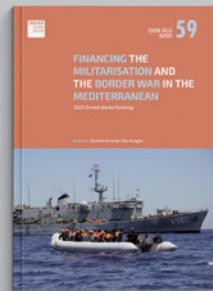
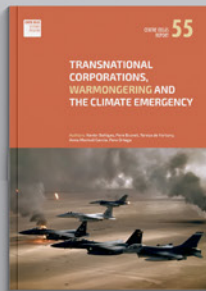
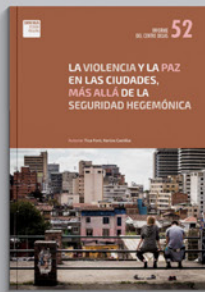
Contractor	Description	Estimated value of the contract (excluding taxes) (€)	Base budget for the tender (€)	Date of formalization	Award Agreement Date	Motivation and procedure
Escribano - EXPAL (consortium with Elbit Systems)	Contract for the supply of the high mobility rocket launcher system mobility rocket launcher system (SILAM)	576,449,112	697,503,425		15/12/2023	"Considering that [...] is the only company technically capable of developing the project from a technical standpoint, and improvements of interest to the administration have been negotiated." Procedure: Negotiated without advertising
ELBIT Systems C4I& Cyber Solutions	Maintenance and Acquisition of Spare Parts for Radio Link Systems	3,719,008	4,500,000	15/01/2024	28/11/2023	"Most advantageous offer" "The contract can only be awarded to a specific economic operator due to the absence of competition for technical reasons." Procedure: Negotiated without public advertising
Elbit Systems Land & C4T Ltd	Maintenance and acquisition of Class IX items for the Cardom mounted mortar	82,644	100	13/12/2023	13/12/2023	"Most advantageous offer" Procedure: Open
Elbit Systems Land Ltd	Maintenance and acquisition of Class IX items for the Cardom mounted mortar	496,000	600,160 (máx. 744,000)	14/11/2023	05/10/2023	"Best value for money"
PAP Tecnos Innovacion SAU	Comprehensive maintenance support service for the RCWS Mini Samson tower for the Spanish Army.	82,644	100,000	23/11/2023	23/11/2023	"Being the awardee of the Framework Agreement" Procedure: Based on Framework Agreement
PAP Tecnos Innovacion SAU	Supply of 168 SPIKE LR2 anti-tank missile systems	237,558,439	287,445,712		22/11/2023	"Considering that [...] is the only company technically capable of developing the project from a technical standpoint, and improvements of interest to the administration have been negotiated."
Netline Communications Technologies (NCT) Ltd	Acquisition of complementary goods for the vehicle frequency jamming systems of the Armed Forces (2023)	1,447,631	1,592,395		22/11/2023	"Considering that [...] is the only company technically capable of developing the project from a technical standpoint, and improvements of interest to the administration have been negotiated." Procedure: Negotiated without advertising
Guardian Homeland Security S.A.	Portable X-ray system for EOD (Explosive Ordnance Disposal)	190,350	230,323	13/12/2023	13/12/2023	"Being the awardee of the Framework Agreement" Procedure: Based on Framework Agreement
Guardian Homeland Security S.A.	Acquisition of a minimum of 920 individual UV lighting devices and 90 individual IR lighting devices for the National Police.	59,530	72,031	20/11/2023	15/11/2023	"For being the only bidding company and meeting the requirements established in the Tender Documents" Procedure: Simplified Open

Contractor	Description	Estimated value of the contract (excluding taxes) (€)	Base budget for the tender (€)	Date of formalization	Award Agreement Date	Motivation and procedure
Guardian Homeland Security S.A.	Supply of one hundred personal protection vests against knife and firearm threats for the Local Police officers of the City Council of Ourense.	69,000	83,490	23/10/2023	19/10/2023	Procedure: Simplified Open
Guardian Homeland Security S.A.	Minor contract for supply of battery elements	2,250	2,722		30/10/2023	For the Navy
Guardian Homeland Security S.A.	50 HK pistol holsters	2,150	2,601		18/10/2023	(3 offers received) Air Force
Rafael Advanced Defense Systems LTD	POD Designator for air combat systems	207,414,102	207,414,102	29/04/2024	15/03/2024	(2 offers received) "The only [company] technically qualified for the development of the project from a technical standpoint"

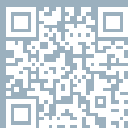
Source: Public Sector Contracting Platform

Note: in all cases only a single bid was received in the tender (except in the last case, which is indicated)

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