

**Group of Governmental Experts
on problems arising from the accumulation of
conventional ammunition stockpiles in surplus**

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**Matters relevant to problems arising from the
accumulation of conventional ammunition stockpiles in
surplus, taking into account the exchanges in the open,
informal consultations held in 2018 and 2019**

Diversion typology

Paper submitted on behalf of the Chair

I. Introduction

1. The present paper has been produced on behalf of the Chair of the Group of Governmental Experts on problems arising from the accumulation of conventional ammunition stockpiles in surplus, established pursuant to General Assembly resolution 72/55, at the request of participating experts. The objective of the paper is to inform the process by presenting an ammunition diversion typology.

2. A paper by the United Nations Institute for Disarmament Research on the topic of diversion, published in 2019, points out that:

Diversion poses a significant threat to societies around the globe, limiting the effectiveness of arms control initiatives and frustrating attempts to regulate or catalogue flows of conventional arms, ammunition and parts and components... [Yet] None of the international treaties designed to regulate the trade in conventional arms [and ammunition] contain a definition of diversion, but rather describe various forms of diversion and so it falls to States to define diversion in their national laws.¹

3. The present paper is an attempt to define and classify ammunition diversion according to documented modalities of how it happens. While the classification intends to be comprehensive, it might not necessarily be exhaustive. The typology presented in the paper should be understood as a living framework subject to review and update, particularly in the light of the fact that diversion is a challenge that is continuously evolving. The typology discussed below does not explore the dimension, frequency or impact of each category, nor does it suggest that the categories are

¹ See United Nations Institute for Disarmament Research, “Enhancing the understanding of roles and responsibilities of industry and States to prevent diversion”, 2019, p. 1.



necessarily equal in the aforementioned criteria. It rather presents a framework that outlines possible diversion incident points throughout the supply chain ² of ammunition, based on a body of evidence of past occurrences. Accordingly, the typology presented below should be considered as a conceptual systematization of documented diversion cases. Four annexes are provided to elaborate further on the typology presented below, relevant definitions, the typology of legal transfers, and a “twin-track” approach to conventional ammunition management.

II. Diversion typology

4. Recognizing that there is no universally agreed definition, the present paper considers diversion as the movement – either physical, administrative or otherwise – of ammunition from the legal to the illicit realm, in defiance of national and/or international law,³ to an unauthorized end user or for unlawful end use.⁴ Diversion can occur at any of the stages of the ammunition life cycle,⁵ and might entail, for example, the appropriation and/or physical rerouting leading to a potential change in the effective control or ownership of ammunition to actors, groups or entities that have not been authorized by competent national authorities.⁶

5. The diversion typology outlined below is divided into the following two main components: supply chain security stages, and incident points, the latter more specific than the former.

A. Supply chain security stages

6. Supply chain security stages represent five risk phases, throughout the life cycle of ammunition, where counter-diversion measures could be implemented.⁷ It is crucial that these stages capture the entire life cycle of ammunition because diversion can happen at any point, whether at manufacture, before or during a transfer, afterwards, or otherwise. The proposed stages are intended to serve as the basis for an ammunition diversion typology.⁸ These stages mirror the ones depicted in a twin-track approach to safety and security in conventional ammunition management (see annex IV), as follows:

- **Stage 1.** Manufacture
- **Stage 2.** Before the transfer

² For the purposes of the present paper, the supply chain will be divided into different security stages.

³ See United Nations, “Modular Small-arms-control Implementation Compendium (MOSAIC) 01.20: glossary of terms, definitions and abbreviations”, 30 April 2018.

⁴ See United Nations Institute for Disarmament Research, “Enhancing the understanding of roles”, pp. 14–15.

⁵ See United Nations Institute for Disarmament Research, “Conventional ammunition management: gap analysis”, 2019.

⁶ Definition based on Paul Holtom and Benjamin Jongleux, “Preventing diversion: comparing ATT and African measures for importing States”, August 2019, p. 3. See also United Nations Institute for Disarmament Research, “Enhancing the understanding of roles”, pp. 14–15.

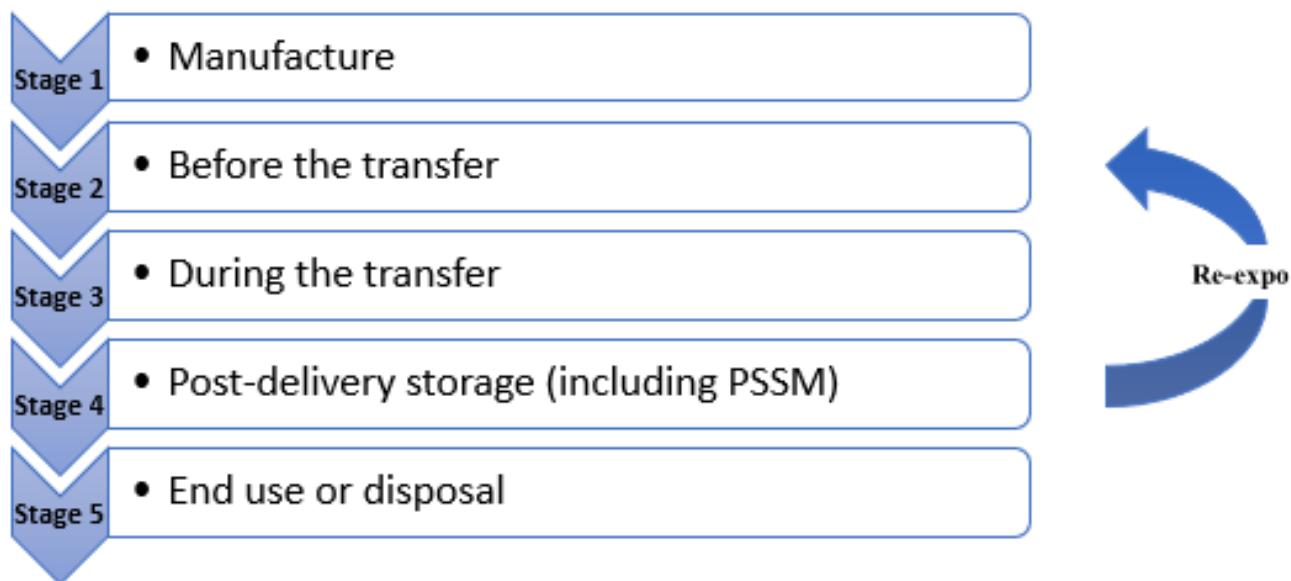
⁷ For a detailed description of the stages, see Holtom and Jongleux, “Preventing diversion”, p. 4.

⁸ The Arms Trade Treaty working group on effective treaty implementation created a sub-working group focused on preventing and addressing diversion, in line with the Treaty’s provisions. Responding to States’ requests, the sub-working group released a document on “Possible measures to prevent and address diversion”, which identified four general stages where measures could be taken to prevent diversion, following the transfer chain of conventional arms. See Arms Trade Treaty, document ATT/CSP4.WGETI/2018/CHAIR/355/Conf.Rep, annex D.

- **Stage 3.** During the transfer
- **Stage 4.** Post-delivery storage, including physical security and stockpile management
- **Stage 5.** End use or disposal

7. It is important to note that the above-mentioned supply chain security stages are not necessarily linear. That is, should a re-export occur after an item has been held in storage, the chain reverts back to an earlier point in the life cycle, since the ammunition in question will be subject to a new transfer, as opposed to remaining in the post-delivery storage stage (see figure).

Re-export in the supply chain security stages



Abbreviation: PSSM, physical security and stockpile management.

B. Incident points

8. The supply chain security stages offer a conceptual base for a diversion typology. To build on the conceptual basis, more precise diversion incident points within and throughout the life cycle of ammunition can be identified. Each diversion incident point has unique primary features. Nonetheless, the diversion incident points are interrelated and often have overlapping characteristics. In addition, they may also have relevance to one or more of the supply chain security stages. In the present paper, the following incident points have been identified:

- Diversion from manufacture
- State-sponsored unauthorized retransfers
- En route
- Capture
- Fraudulent actions
- Breakdown of active forces
- State collapse
- Ineffective physical security and stockpile management

- Leaks from private actors
- Non-regularization
- Cross-border trafficking
- Unclear (including State loss by undetermined means)

9. The description of the diversion incident points that follows is based on existing literature focused on diversion monitoring and a body of evidence of recorded cases of diversion. When possible, the description of the incident points has been retrieved verbatim from research organizations with wide recognition in the field. In the present paper, it is recognized that the diversion incident points outlined below might be interrelated and/or might overlap. The subcategories are intended to provide further granularity, as follows:

(a) **Diversion from manufacture.** Accidental or deliberate leakage or direct supply of ammunition from private or State-owned manufacturers, or private or State-owned assemblers, to unauthorized users from the point of production. This could be the result of insufficient security or accountability measures, negligence, or complicit or sponsored unlawful direct supply mechanisms. Examples of such diversion are as follows:⁹

(i) **Distributing parts and components.** The act of distributing ammunition-related material, that was once legal, into the unauthorized realm to facilitate illicit manufacture;

(ii) **Illicit overproduction.** Production of ammunition, whether in small or large amounts, without proper authorization, above authorized quantities or in defiance of national legislation;

(b) **State-sponsored unauthorized retransfer.** A process by which a State backs the retransfer of imported items to unauthorized or unlawful users.⁹ A State-sponsored unauthorized retransfer might happen in violation of end-user control assurances immediately upon acquisition or years after the acquisition, inclusive of legacy stocks;

(c) **En route.** The partial or complete loss, leakage, theft and/or unauthorized rerouting of ammunition during the transfer (transport, transit, transloading or trans-shipment) and prior to the receipt by the authorized end user. En route also includes the case of a completely licit transaction on paper that does not happen (in part or in whole) and the ammunition disappears to an unknown destination;¹⁰

(d) **Capture.** Seizure from national or security forces, inclusive of private security, by unauthorized users during violent confrontation, the threat of use of force and/or unauthorized removal;¹¹

(e) **Violent capture.** The capture of ammunition through the use of force might be incidental or deliberate. Ammunition capture could be a by-product of fighting, or an attack could have been planned around the primary objective of capturing ammunition. Violent capture can happen against stocks from: (i) military forces; (ii) police and security forces; (iii) private security companies; and/or (iv) authorized private end users;

(f) **Fraudulent actions.** The use of forged or altered import or export licences, end-user or end-use certificates, false declarations of stolen, used or destroyed goods or falsified registries, by States, private actors, groups and/or any

⁹ Definition based on Conflict Armament Research, “Diversion digest”, No. 1, August 2018, p. 8.

¹⁰ Definition based on Ernesto U. Savona and Marina Mancuso, eds., *Fighting Illicit Firearms Trafficking Routes and Actors at European Level: Final Report of Project Fire* (Project Fire, 2017), p. 26.

¹¹ See Conflict Armament Research, “Diversion digest”, No. 1, p. 8.

entities involved in any of the life cycle stages, for the unlawful manufacture, shipment, import, acquisition, export or re-export of ammunition.¹² In addition, the use of front companies, illicit straw purchases and/or improper use and exploitation of legitimate documents to acquire ammunition would also constitute diversion by fraudulent actions;

(g) **Breakdown of active forces.** Partial breakdown or fracture of an armed unit, units or custodians, resulting in the loss or illicit transfer, partial or complete, of their ammunition. Causes include:¹³

- (i) Loss/leakages after dissolution/re-organization of security forces;
- (ii) Defection (voluntarily joining a group);
- (iii) Surrender (outside of an active engagement, no voluntary joining);
- (iv) Abandoned (outside of active engagement);
- (v) Loss in other ways;

(h) **State collapse.** Total or partial collapse of a governing authority, resulting in the dissolution of the security forces, including their command structures, leading to the substantial loss or illicit transfer of their ammunition;¹¹

(i) **Ineffective physical security and stockpile management.** Ammunition diversion due to ineffective physical security and stockpile management, that is, accidental, negligent or deliberate ammunition diversion from national stocks as a result of insufficient security or accountability measures.¹¹ This incident point could also apply to stocks from peace operations. Causes include:

- (i) Corruption;
- (ii) Theft;
- (iii) Loss;
- (iv) Leakage;
- (v) Unauthorized reloading using spent cartridges and/or parts and components;
- (vi) Diversion of parts and components;

(j) **Leakage from private actors.** Accidental, negligent or deliberate leakage from private dealers, companies, traders or private end users, including security companies,¹⁴ to unauthorized hands, through theft, loss, embezzlement, illicit sale and/or lending, gifting or any other form of unauthorized distribution in defiance of domestic legislation and/or international law;⁴

(k) **Non-regularization.** The situation in which: (i) persons, groups or entities possess ammunition or its explosive components as a result of historic legacies, gaps or events, such as a recent armed conflict, without appropriate national authorization; or (ii) persons, groups or entities have not applied for the necessary authorization after a change in legislation;¹²

(l) **Cross-border trafficking.** The situation in which a person, group or entity possesses, controls or owns ammunition in line with domestic legislation but the items

¹² Definition based on that provided by Project Divert of the Flemish Peace Institute. See vlaamsvredesinstituut.eu/en/divert/.

¹³ See Conflict Armament Research, “Diversion digest”, No. 1, p. 8. The subcategorization presented is based on discussions held with Conflict Armament Research experts.

¹⁴ This incident point excludes private manufacturers, since these actors are included in diversion incident point (a), Diversion from manufacture.

are diverted to the illicit realm when the goods are deliberately moved across borders or otherwise acquired without appropriate authorization;

(m) **Ant trade.** Numerous shipments of small amounts of ammunition that, over time, result in the accumulation of large amounts held by unauthorized end users;¹⁵

(n) **Large shipments.** Large amounts of ammunition moved illicitly across borders, usually with a certain degree of organization;

(o) **Unclear.** Diversion is confirmed at some point during the supply chain, but the cause cannot be identified with any certainty.¹¹

State loss by undetermined means. Diversion of items that were last recorded in the custody of a national authority, but the precise cause of diversion remains to be identified. This determination could be made, for example, when: (i) the items bear import or arsenal marks that were applied by an importing national authority; or (ii) monitoring entities have been notified of an end-user certificate or other documentation that restricts the use of the items to an importing national authority.¹¹

10. Several of the diversion incident points discussed above are relevant throughout different supply chain security stages. The table below maps the interplay between the supply chain security stages and the incident points, merging the two to create a diversion typology. In the table, an “X” is used to identify the critical diversion points in relation to the specific supply chain security stages of the ammunition life cycle.

Diversion typology: incident points throughout supply chain security stages

<i>Incident points</i>	<i>Stage 1 Manufacture</i>	<i>Stage 2 Before the transfer</i>	<i>Stage 3 During the transfer</i>	<i>Stage 4 Post-delivery storage (physical security and stockpile management)</i>	<i>Stage 5 End use/disposal</i>
Diversion from manufacture	X				
State-sponsored unauthorized retransfer			X	X	
En route			X		
Capture	X	X	X	X	X
Breakdown of active forces				X	X
Fraudulent actions	X	X	X	X	X
State collapse	X	X	X	X	X
Ineffective physical security and stockpile management				X	X
Leakage from private actors		X	X	X	X
Non-regularization				X	X
Cross-border trafficking				X	X
Unclear	X	X	X	X	X

¹⁵ Based on the Small Arms Survey’s definition of “ant trade”. See www.smallarmssurvey.org/weapons-and-markets/transfers/illicit-trafficking.html.

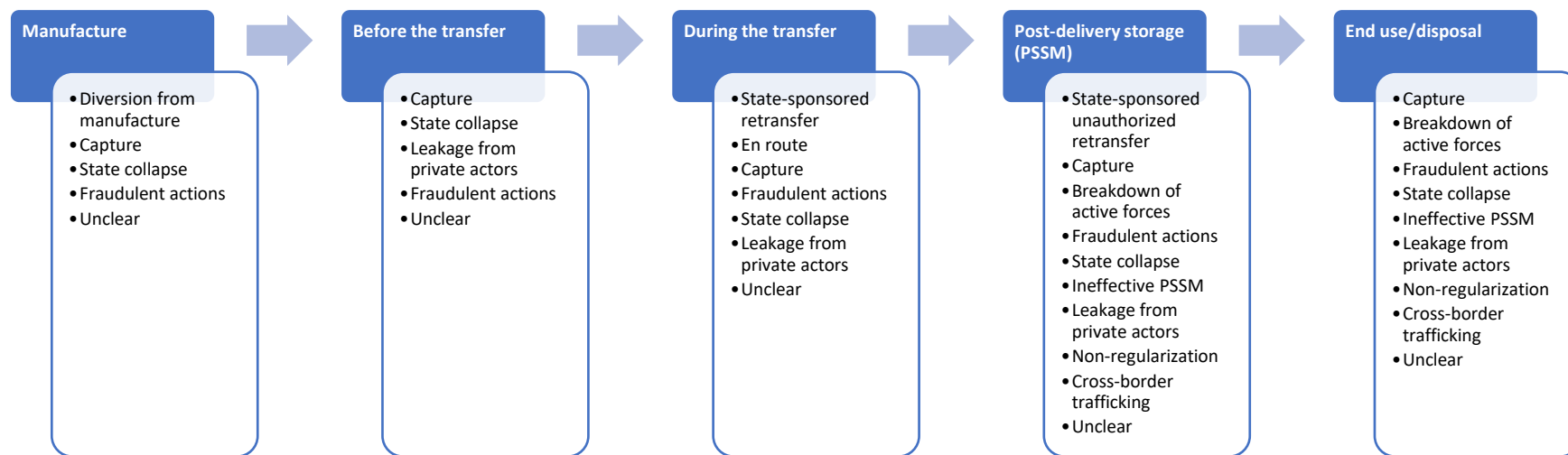
11. In addition to the typology described above, there are some factors that facilitate ammunition proliferation in the illicit realm that do not necessarily constitute diversion but contribute to the acquisition of ammunition by unauthorized users. While it is beyond the scope of the present paper to describe them, it seems important to shed light in these dynamics: illicit manufacturing (handcraft and cottage production); unauthorized reloading; and illicit trafficking.

12. Among these factors, it is important to emphasize illicit trafficking because it facilitates the continuation of the diversion chain to other unauthorized users across borders.

13. Therefore, to prevent unauthorized users from acquiring ammunition, it is crucial to consider counter-diversion measures at each supply chain security stage, paying particular attention to the documented diversion points, while considering the factors that facilitate the undesirable end result of ammunition proliferation across illicit circles. In addition, as presented in the introduction, it is important to periodically update the typology as the body of evidence continues to document new diversion modalities. Since diversion is not a static phenomenon, effective measures must be dynamic and comprehensive and account for the full life cycle of ammunition while integrating local, national, regional and international responses.

Annex I

Diversion typology process chart: diversion incident points in each supply chain security stage



Abbreviation: PSSM, physical security and stockpile management.

Annex II

Definitions

The definitions included in the present paper, mostly retrieved verbatim from authoritative sources, are intended to provide clarity and guidance with regard to the typology presented.

- **Ammunition.** A complete device (e.g. missile, shell, mine, demolition store, etc.) charged with explosives, propellants, pyrotechnics, initiating composition or nuclear, biological or chemical material for use in connection with offence, or defence, or training, or non-operational purposes, including those parts of weapons systems containing explosives.¹
- **Broker.** Person or entity acting as an intermediary that brings together relevant parties and arranges or facilitates a potential transaction ... in return for some form of benefit, whether financial or otherwise (see [A/62/163](#), para. 8).
- **Diversión.** Movement – either physical, administrative or otherwise – of ammunition from the legal to the illicit realm, in defiance of national and/or international law,² to an unauthorized end user or for unlawful end use.³ Diversion could entail appropriation and/or physical rerouting leading to a potential change in the effective control or ownership of ammunition to actors, groups or entities that have not been authorized by competent national authorities.⁴ Diversion could occur at any of the stages of the ammunition life cycle.
 - Diverting ammunition to an “unauthorized end user” could refer to a sale, gift, lease, loan or barter exchange of ammunition throughout any of the stages of the life cycle to the armed forces, law enforcement agencies or other security forces of a particular State that has not been specifically authorized by a competent national authority of an exporting and importing State, through licensing arrangements and end-use undertakings. It could also refer to a natural or legal person (an individual, group or corporate entity) not authorized by such an authority.⁵
 - Diverting ammunition for an “unlawful end use” could imply that the end-use assurances will not be observed.
- **End-use assurance.** Commitment to circumscribe, limit or specify the use of imported ammunition, or to rule out certain uses.

Note: usually included in an end-user certificate or end-user statement.²

- **End use, authorized.** End use agreed to by the exporting and importing States.

Note: an exporting State authorizes an end use by specifying it in an export authorization. An importing State does so by (a) specifying it in an end-user

¹ See United Nations, “International Ammunition Technical Guideline 01.40: glossary of terms, definitions, and abbreviations”, 1 February 2015.

² See United Nations, “Modular Small-arms-control Implementation Compendium (MOSAIC) 01.20”.

³ See United Nations Institute for Disarmament Research, “Enhancing the understanding of roles”, pp. 14–15.

⁴ Definition based on Holtom and Jongleux, “Preventing diversion”, p. 3. See also United Nations Institute for Disarmament Research, “Enhancing the understanding of roles”, pp. 14–15.

⁵ See United Nations Institute for Disarmament Research, “Enhancing the understanding of roles”, p. 16.

certificate issued by a competent national authority; or (b) validating its specification in an end-user statement issued by a private end user.²

- **End user.** The ultimate recipient of an international transfer of ammunition.²
- **End-user and end-use documentation.** Documents whose purpose is to identify, authorize and commit to certain undertakings and verify delivery to end users of internationally transferred ammunition.

Note: Includes end-user certificates, end-user statements and delivery verification certificates; and, under certain conditions, import authorizations and international import certificates.²

- **End-user certificate.** An official document, issued by a competent national authority of the importing State, that identifies a government agency of the importing State as the ultimate recipient of an international transfer of ammunition.²
- **End-user statement.** A document, issued by a private end user, that provides assurances regarding the end user and end use of internationally transferred ammunition.²
- **End-user statement, certified.** An end-user statement that has been stamped and signed (or otherwise certified) by a competent authority of the importing State.²
- **End user, authorized.** The end-user to whom both the exporting and importing States give permission to receive a consignment of ammunition.

Note 1: the exporting State authorizes an end user by naming it in the export authorization. The importing State does so by issuing an end-user certificate or certifying an end-user statement.

Note 2: if ammunition is intended for commercial sale in the country of import, the importer of the ammunition may be considered to be the authorized end user.²

- **Leakage.** Accidental or deliberate diversion of ammunition from lawful holdings to the illicit realm in a systematic and/or recurrent manner.
- **Licensing authority, manufacture.** National body designated or otherwise recognized by a government for licensing and regulatory purposes in connection with the manufacture of ammunition.²
- **Manufacturing.** Making, producing or assembling ammunition.²
- **Manufacturing, illicit.** manufacturing of ammunition (a) from parts and components illicitly acquired or trafficked; or (b) without a licence granted by the designated licensing authority or other authorization of the State where the manufacture takes place, granted in accordance with domestic law.²
- **Private actors.** Private sector actors involved in the international trade in conventional ammunition/munitions and parts and components. Such actors include defence manufacturers and other commercial entities such as agents, dealers, brokers, shippers, trans-shippers, freight forwarders and insurers.⁶
- **Private security company.** Non-governmental, legal person that offers physical protection services in return for a fee and whose employees (some or all) possess, carry or use ammunition in the course of their work.²

⁶ See United Nations Institute for Disarmament Research, “Enhancing the understanding of roles”, p. 6.

- **Small arms ammunition.** The complete round or its components, including cartridge cases, primers, propellant powder, bullets or projectiles, that are used in small arms or light weapons.

Note: includes cartridges (rounds) for small arms and light weapons; explosive shells, grenades and missiles for light weapons; and mobile containers with missiles or shells for anti-aircraft and anti-tank systems.²

- **Trafficking.** Dealing in illicit ammunition.²
- **Transfer.** General term encompassing the import, export, transit, trans-shipment and brokering of ammunition.
Note: includes sales, leases, loans and gifts; re-export, licenced production abroad, and tangible and intangible transfers of equipment and technology for the purpose of producing ammunition.²
- **Transit.** Movement of goods across the territory of a State as part of a transfer between two other States, including the transloading of the goods at the points of entry into and exit from the transit State.²

- **Transloading.** Transferring goods from one transportation vessel to another.
Note: includes transfers from one mode of transportation to another (e.g. from ship to truck) and transfers between different vessels of the same mode of transportation (e.g. from one ship to another).²

- **Trans-shipment.** Transport of goods to an intermediate location outside the exporting and importing States, where they are loaded to a different transport vessel and transported to their final destination (or additional point of trans-shipment) without crossing the territory of the State in which the transloading takes place.

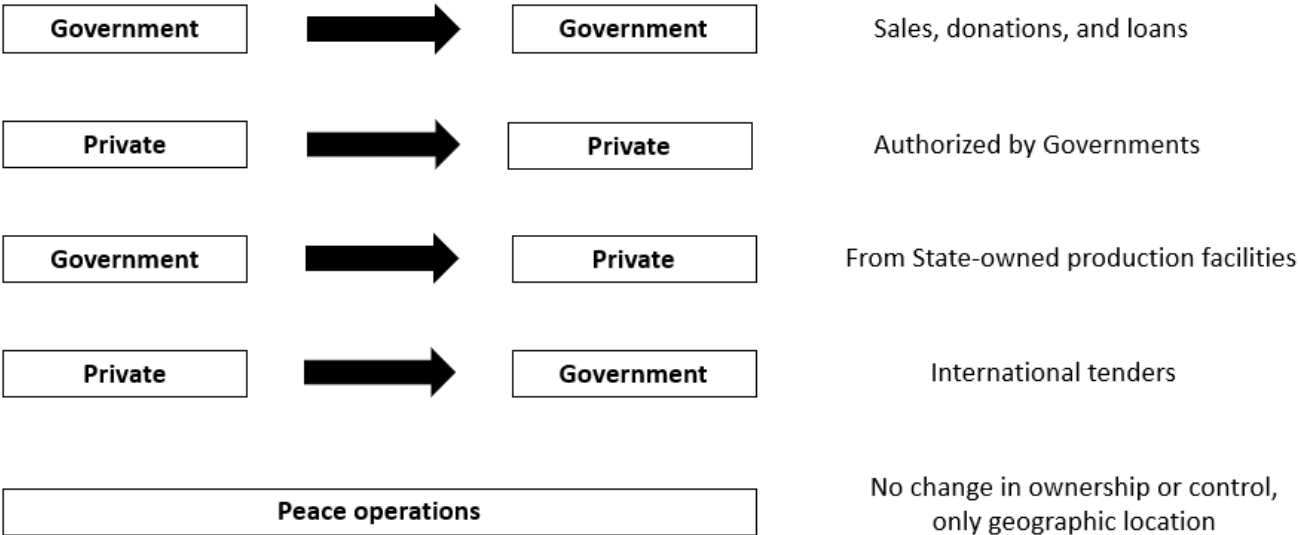
Note: trans-shipment usually takes place in transport hubs at ports and often takes place within designated customs areas, which are not subject to customs checks or duties.²

Annex III

Typology of legal transfers

Legal ammunition transfers can happen in a limited amount of circumstances, and deviations from or the rupture of these circumstances could constitute diversion. Transfers, even if conducted by private actors, must be carried out with the authorization of the exporting, transiting and importing States and involve the appropriate documentation. The figure below presents a high-level overview of the different legal routes to conduct ammunition transfers organized by parties involved (government or private).

Overview of the different legal routes by which ammunition transfers are conducted



Source: United Nations Regional Centre for Peace, Disarmament and Development in Latin America and the Caribbean.

In general agreement with the figure above, in the report from 2019 by the United Nations Institute for Disarmament Research, it is stated that:

To prevent diversion, the national descriptions and regulation of international arms trading activities need to cover a range of other actors that facilitate [ammunition] production and exports. Such actors include public and private entities that engage in imports, re-exports, transits, trans-shipments, temporary importation and brokering, as well as services relating to the physical movement and safekeeping of arms [and ammunition], such as warehousing, transport, and shipping. In addition, there are services relating to trade promotion, financial, insurance and contractual arrangements for the transfer of arms and related items. Transfers of title can take the form of gifts, transactions covering sales, loans, leases, and commissions (sometimes called ‘facilitation payments’).¹

While it is suggested in that report that the ammunition transfer stages represent a risk for diversion, the importance of safekeeping is also noted, in line with the focus of the 2008 Group of Governmental Experts. Accordingly, to prevent diversion, attention must be given both to the transfer stages and to stockpiling practices, once in the hands of the authorized user.

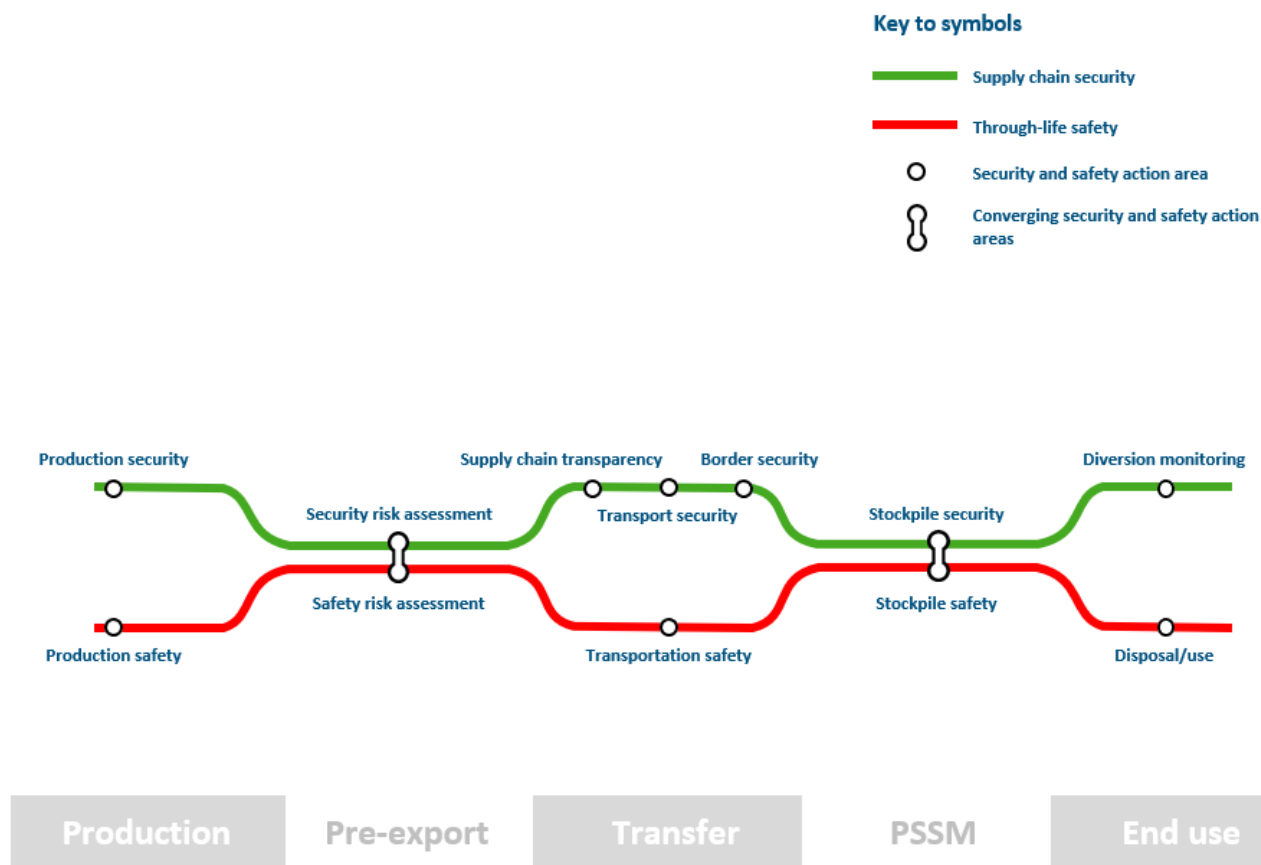
¹ See United Nations Institute for Disarmament Research, “Enhancing the understanding of roles”, pp. 10–11.

Annex IV

Twin-track approach to conventional ammunition management

The twin-track approach to conventional ammunition management illustrated in the figure below places the supply chain security stages vis-à-vis the through-life safety of conventional ammunition.

Ammunition safety and security: a twin-track approach



Abbreviation: PSSM, physical security and stockpile management.