

Ripe for Reform: Stemming Slovakia's Arms Trade with Human Rights Abusers

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Summary and Recommendations

Slovakia, like many Central and Eastern European countries, has serious and longstanding problems with its weapons trade controls. It has been a source of arms supplies to regions of conflict marked by gross human rights abuses, such as the Great Lakes region of Africa, and to armed forces with a record of serious violations of international humanitarian law (“the laws of war”), such as Angola and Uganda. Slovakia also has been linked to illegal arms deals that violate international embargoes.

The Slovak government has recognized that it needs to improve arms trade controls. Particularly after Slovakia was linked to illegal weapons flows to Liberia, an embargoed country, in 2000 and 2001, the government came to understand that doubts about its ability to prevent illicit arms trafficking could damage its prospects for joining the North Atlantic Treaty Organization (NATO) and the European Union (E.U.). The Slovak government made a serious effort to tighten controls in the lead-up to the November 2002 NATO summit, at which it was invited to join the alliance, and the December 2002 E.U. meeting, at which it was invited to join the E.U. in 2004.

To clean up the arms trade, however, and live up to the expectations of NATO and the E.U. as it integrates into both organizations, the Slovak government must acknowledge and address the full scope of the problem. It must learn from past mistakes and overcome pressures for a quick fix that would undermine meaningful and lasting change.

This report features three detailed case studies that exemplify the main arms-trade challenges facing Slovakia today: illegal arms deals parading as legitimate transactions, the use of deceptive practices by arms brokers and transport agents, and the inadequacy of existing licensing controls. The purpose is three-fold: to draw attention to the dangers posed by continuing problems; to describe recent progress in addressing those problems; and to identify specific further reforms that Slovak authorities should undertake to ensure that legal controls are strictly implemented and fully enforced.

In addition, this study offers important lessons for the many other countries that face challenges similar to those described for Slovakia. It is directed in part to Slovakia’s international partners, including in the European Union and NATO, who are in a unique position to promote needed arms trade reforms in Slovakia and beyond. It is also relevant for members of the international community who seek to combat illicit arms

trafficking and better regulate authorized weapons transfers, consistent with basic standards under international human rights and humanitarian law.

Ripe for Reform

Slovakia, as government officials emphasize, is not the world's worst offender in terms of irresponsible arms trading practices. Yet it has many important features that led Human Rights Watch to focus attention on it. It plays a significant role in the global supply of weapons to human rights abusers, including in Africa. In addition, Slovakia exhibits many weaknesses that are evident in other countries in the region, and thus offers a window into a wider problem. Importantly, the Slovak government has made a credible pledge to improve its record.

Slovak arms trading today is in part a legacy of Cold War policies in which Warsaw Pact states supplied arms to Soviet-backed rebels and regimes. When Czechoslovakia split in 1993, Slovakia inherited much of the weapons production capabilities and set about promoting its own exports, including the sale of vast stocks of surplus weapons. With support from the government, the arms industry marketed its wares to dubious clients the world over—including serious human rights abusers. In more recent years, Slovakia's supply of weapons to human rights abusers and failure to adequately monitor the weapons trade continued to raise serious concerns.

A top Slovak security official, speaking in late 2001, emphasized the prominence of arms trade issues in Slovakia after the September 11, 2001, attacks in the United States: "The world looks very negatively on the fact that our arms traders falsify licenses and end-user certificates and are supplying global terrorist organizations with weapons and systems. Our priority should be adopting a radical solution to this problem."¹ Elsewhere he noted, "Slovakia is considered a high-risk country from the viewpoint of trading in arms. Our firms and Slovak nationals are suspected of various shenanigans and links to illegal arms deals."² Others in the Slovak government dismissed this characterization as exaggerated, but nonetheless conceded that Slovakia was under pressure to improve its controls.

¹ Tom Nicholson, "Opinions on arms control," *Slovak Spectator*, December 17-23, 2001.

² "Officials React to UN Report on Slovak Firm's Involvement in Illegal Arms Deals," *SME* (Bratislava), via World News Connection (WNC), November 20, 2001.

Attention to terrorism concerns has helped keep a focus on Slovakia's arms trading. In July 2001 three members of the Real Irish Republican Army were arrested in Slovakia as part of a British sting operation. The suspects were extradited to face trial in the United Kingdom (U.K.), where their confession helped convict them for an illegal attempt to purchase large quantities of weapons and explosives in Slovakia for use in terrorist attacks.³ In August 2002, Slovak authorities raided the home of a North Korean couple and found scores of documents allegedly showing that they had brokered the sale of weapons and missile technology from North Korea to the Middle East.⁴ In December 2002, Slovak authorities opened an investigation into allegations that the rocket launcher used in an attempted terrorist attack on an Israeli airliner in Kenya originated in Slovakia.⁵ Officials said they did not give much credence to the allegations, but could not afford to ignore them.⁶

Some of the weapons shipments addressed in this report have been authorized and are therefore considered legal under Slovak law. They nevertheless contravene Slovakia's international commitments not to supply arms in certain circumstances, including if the weapons will go to human rights abusers, countries in conflict, or recipients who may divert the weapons to other destinations. Other arms deals from Slovakia have been approved for one destination but supplied to another. Some deals have taken advantage of legal loopholes that allow certain weapons transactions to bypass government review and approval. Many of the arms supplied in questionable deals have come from surplus stocks, stores of Soviet-era military equipment the country continues to shed as it integrates into NATO. The weapons sold consist of small arms and light weapons (hereafter "small arms"), as well as heavy conventional weapons, such as tanks.⁷

The Slovak government since 2001 has taken a number of steps to improve implementation of existing controls. It has promised to review arms deals closely and reject any questionable deals. It has resolved to improve its law enforcement capacity,

³ Richard Norton-Taylor, "30 years in jail for Real IRA trio - Court told of MI5 sting operation that exposed terrorist shopping...", *Guardian* (London), May 8, 2002.

⁴ Bertil Lintner and Steve Stecklow, "A Global Journal Report: North Korea's Missile Maze — Slovakia Case Reveals Lucrative Business for Pyongyang," *Asian Wall Street Journal*, February 6, 2003.

⁵ Martina Pisarova, "Slovakia fingered in Kenya terror attempt," *Slovak Spectator*, December 9-15, 2002. The allegations appeared in the Italian daily *Corriere della Sera*. Ibid.

⁶ Ibid.

⁷ This report addresses the trade in conventional weapons. It does not address the trade in so-called dual-use goods, items such as certain chemicals, explosives, and machine tools that can have both civilian and military uses.

and has had several successes in detecting and halting suspicious arms transfers as a result. It also has recognized some areas of weakness in its regulatory system and made some adjustments accordingly. With respect to legal reforms as well, the Slovak government has taken some initial steps. In April 2002, it introduced amendments to strengthen the national arms-trade law, and these were adopted in July 2002.

These improvements are welcome, but they do not go far enough. Slovakia has continued to engage in arms trade with human rights abusers, contrary to its pledges to restrain such trade. Investigations and prosecutions of illegal deals, in those cases where they have been opened, have proceeded very slowly, and in at least one prominent case have been hampered by a lack of resources, attention, and political will. Regulatory controls require further tightening, and important legal loopholes remain in place. The reforms to date thus mark an incremental improvement and, it is hoped, open the door to more comprehensive change still required. A center-right-dominated coalition government that ruled from 1998 to 2002 oversaw many of these changes, and elections in September 2002 brought several of the same parties back to power in a revamped coalition. The expectation among working-level government officials was that the new government would continue a reform-minded agenda with respect to the arms trade, and some officials were predicting that further legislative changes in this area would be proposed in 2003. As of June 2003, the government had begun to take the first steps toward studying the issue.

This report begins with a description of a scheme by arms smugglers, put into effect in 2000 and 2001, to repair combat helicopters in Slovakia for illegal export to Liberia, an embargoed country. A Slovak national and others associated with a Slovakia-registered company were implicated in the scheme and were identified as members of an international arms trafficking network blamed for a host of illegal arms deals. This first case study reveals how illegal arms deals are organized under the pretext that they are destined to legitimate clients. It illustrates the need for Slovakia to clamp down on illicit arms trafficking.

The second case study details a complex arms deal in September 2001 in which several hundred Iranian anti-tank munitions designed for use with a RPG-7 rocket-propelled grenade launcher were to have been loaded onto a Ukrainian plane at Bratislava airport for delivery to Angola via Israel. The shipment was impounded in Slovakia after officials there discovered that they had been misled about the nature of the shipment. Many questions surround the case, which nevertheless usefully demonstrates how arms brokers and transport agents, sometimes working in tandem with governments, can use

deceptive practices to avoid scrutiny of sensitive and possibly illegal weapons transactions. In doing so, they rely on weak government controls, corruption, or sometimes official complicity on the part of one or more governments. The case highlights the importance of efforts by Slovak authorities to tighten controls over arms brokers and the need for them to also closely regulate the activities of other arms intermediaries, such as transport agents.

The third case relates to an arms shipment that was authorized for export to Angola, an unsavory arms client responsible for gross human rights abuses. That case, which also took place in September 2001, reveals problems with controlling the authorized trade in arms. It illustrates the necessity of stricter licensing controls, including adherence to minimum arms export criteria.

In developing each of the case studies, we interviewed persons with direct knowledge of the events, such as private persons involved in the transactions, investigators and prosecutors taking part in criminal inquiries, and government officials familiar with the cases. We also reviewed primary documents related to each case. We note with appreciation that we received excellent cooperation from those private individuals and public officials in Slovakia who agreed to be interviewed, although secrecy rules and other considerations in some cases limited the information they would provide.

Further arms scandals have emerged in 2002 and 2003, demonstrating the continuing importance of addressing Slovakia's arms challenges. After detailing the featured case studies, the report describes the kinds of reform that are still needed and how they can be implemented. It emphasizes the links between the processes of NATO and E.U. enlargement and Slovakia's drive to improve arms trade controls. It also provides an analysis of each of the key problems identified, highlights where the Slovak government has taken measures to tackle these problems, and identifies what remains to be done. Appendices reprint selected documents obtained by Human Rights Watch.

Recommendations

To effectively tackle the human rights implications of arms transfers, Slovakia must prioritize three tasks: preventing illicit arms trafficking from or via Slovak territory; controlling arms brokers and other intermediaries who operate in a "gray area" between legal and patently illegal deals; and enhancing legal controls over the authorized trade in

arms. A number of other important issues also require attention. Full recommendations are elaborated in a later section of the report.

Human Rights Watch's main recommendations to the Slovak government are to:

- Ensure strict licensing
- Identify and close licensing loopholes
- Improve end-use controls
- Closely regulate arms trading companies
- Closely regulate arms brokers and other intermediaries
- Control weapons transshipment
- Strictly enforce arms embargoes
- Fully implement minimum arms export criteria
- Dispose responsibly of surplus weapons
- Combat corruption and conflicts of interest
- Ensure transparency and secure parliamentary oversight

Change is also needed at the regional and international level, both to reinforce and build on national controls and to address the transnational nature of weapons smuggling. Human Rights Watch's main recommendations to Slovakia's international partners follow.

To All Arms-Exporting States:

- Adopt strict arms export criteria conditional on the ultimate recipient's observance of human rights and compliance with international humanitarian law. Incorporate human rights and international humanitarian law criteria into national arms trade law so as to make them binding. Develop and strengthen regional codes of conduct, which should be made binding. Negotiate a binding international instrument defining minimum criteria for

arms transfers that contains strong human rights and humanitarian criteria, such as the proposed international Arms Trade Treaty.

- Comply fully with the European Union's Code of Conduct on Arms Exports, the provisions of the Organization for Security and Cooperation in Europe's Document on Small Arms and Light Weapons, and any other applicable instruments defining minimum export criteria, as well as the measures of restraint agreed to in other fora, such as the Wassenaar Arrangement.
- Fight against weapons diversion to unauthorized destinations by improving regulatory controls, including controls on the ultimate destination (end user) of weapons shipments, as well as border, customs, civil aviation, and (where appropriate) maritime controls.
- Carefully review arms export license applications, including the reliability of the prospective arms trader.
- Halt the flow of arms to governments and groups that recruit and use child soldiers.
- Monitor how weapons supplied to foreign forces are used, and make such end-use monitoring a standard condition of arms transfers.
- Work to develop an international regime for the standardization, authentication, verification, and continued monitoring of end-user commitments.
- Closely regulate the activities of arms brokers and other intermediaries. Move forward to negotiate binding international treaties on arms brokering and the marking and tracing of weapons.
- Adopt and strictly apply controls on weapons transshipment.
- Secure arms stockpiles and dispose responsibly of surplus and seized weapons to prevent them from being stolen or sold off to unaccountable forces.
- Improve legal accountability, including by enacting national laws that implement United Nations arms embargoes, by thoroughly investigating suspected embargo breaches and other arms trade violations, and by prosecuting and punishing violators.
- Combat corruption and conflicts of interest among authorities responsible for controlling arms transfers.

- Increase transparency and parliamentary oversight regarding the arms trade, including by preparing and making public a detailed annual report on arms transfers and by providing advance notification to parliament of pending arms deals.
- Ensure that military finances are transparent and part of the formal budget in order to prevent opaque and off-budget arms transfer practices that can undermine good governance, foster corruption, and permit unaccountable governments to squander their countries' resources.
- Improve international cooperation with respect to arms trade issues, including by providing legal assistance to support criminal investigations of international arms traffickers and their networks and by working toward the development of a common and difficult-to-forgo end-user certificate and better systems for verification of end-use.

To the European Union and the North Atlantic Treaty Organization, and its Member States:

- Promote the harmonization of arms trade controls within the E.U. and NATO to the highest possible standard. Actively encourage candidate countries and new members to undertake needed reforms to meet those standards. Take steps to facilitate their progress, by providing practical assistance for improving legal controls, law enforcement capacity, and information sharing, including with respect to circulation of denials under provisions of the E.U. Code of Conduct on Arms Exports.
- Provide incentives, including financial assistance, for the responsible disposal (for example, through destruction) of surplus military equipment held by candidate countries, invitees, and new members. Target heavy conventional weapons systems as well as small arms and light weapons. Make the transfer of newer military equipment to candidate countries and new members contingent on the recipient country's responsible disposal of quantities of surplus weapons.
- Unambiguously identify responsible arms trading practices, including strict arms trade controls and the disposal of surplus weapons in conformity with human rights criteria, as a requirement for membership and the minimum standard expected of future member states.

Case Study 1: Illegal Dealings: The Stubborn Helicopter Deal

In 2000 and 2001, Slovakia was caught in the web of an international smuggling ring that supplied arms to Liberia, which is under a U.N. embargo. The Liberia arms embargo was initially established in 1992, following the outbreak of renewed fighting in that country's 1989-1997 civil war. The embargo was kept in place as insecurity persisted and spread beyond Liberia's borders. The 1992 embargo was replaced with a new, tighter embargo in 2001, intended to curb arms deliveries via Liberia to embargoed rebels in Sierra Leone. From mid-2000, Liberia itself began to slide back into civil war, one in which both sides committed war crimes and other serious human rights abuses.⁸ The activities of the arms traffickers who illegally supplied arms to Liberia were brought to light by a U.N. expert panel in an October 2001 report and later documents.⁹ The findings of the panel are presented below, as is additional information uncovered by Human Rights Watch.

This case demonstrates that transnational arms trafficking networks seek out countries with lax controls to carry out their deals, and that Slovakia, with its legal loopholes and poor monitoring of the arms trade, made a particularly vulnerable target. Suspected traffickers were able to carry out repeated deals without interference, even with assistance from government officials, by using the false pretext that they represented legitimate clients. The case thus also clearly suggests the steps needed for Slovakia to clamp down on illicit arms trafficking. As will also be discussed further below, some but not all of these steps have begun to be taken.

The U.N.'s Findings

The U.N. panel found that a network of arms traffickers bypassed legal controls in several countries by using front companies, declaring false destinations, and providing forged documents. The arms dealers supplying Liberia arranged arms deals in

⁸ "Back to the Brink: War Crimes by Liberian Government and Rebels—A Call for Greater International Attention to Liberia and the Sub Region," *A Human Rights Watch Short Report*, vol. 14, no. 4 (A) (May 2002).

⁹ United Nations, *Report of the Panel of Experts pursuant to Security Council resolution 1343 (2001), paragraph 19, concerning Liberia* (New York: United Nations, October 26, 2001), U.N. document S/2001/1015 (hereafter "*Report of the U.N. Panel of Experts on Liberia*"). The panel has since issued further reports. See also Human Rights Watch, "No Questions Asked: The Eastern European Arms Pipeline to Liberia," *A Human Rights Watch Backgrounder*, November 15, 2001.

Kyrgyzstan, Moldova, Serbia, Slovakia, and Ukraine, and most of these deals were completed before their illegal activities were exposed. The U.N. found that these arms dealers were linked to and operated closely with the air cargo companies of Victor Bout, featured as a major sanctions-buster in numerous U.N. reports.¹⁰

With respect to Slovakia, the U.N. panel found that people involved in this arms trafficking network illegally re-exported to Liberia 1,000 AK-47 assault rifles in November 2000 that Uganda had imported from Slovakia a few weeks earlier. The panel also found that the traffickers attempted to re-export from Uganda a second consignment of 1,250 small arms supplied by Slovakia. In a related case, examined in detail below, two Mi-24 combat helicopters from Kyrgyzstan were shipped to Slovakia to be repaired. The Mi-24 or “Hind” helicopter is a heavily armed helicopter gunship, and the U.N. panel found that Liberia was eager to obtain such equipment. One of the Mi-24s repaired in Slovakia was allowed to leave in August 2000, purportedly to be flown back to Kyrgyzstan. A second helicopter was intercepted in February 2001 as it was at the airport, prepared to leave Slovakia. The U.N. panel was unable to establish the ultimate destination of the first helicopter but strongly suspected it was illegally delivered to Liberia and asserted that the second helicopter, had it not been stopped, would have gone to Liberia as well. The U.N. found numerous indications for this, including that the arms brokering company, the air transport company, and the plane used for both shipments all played a role in other illegal arms deliveries to Liberia.

The panel’s report described that the then Kyrgyz military attaché in Moscow, Maj. Gen. Rashid Urazmatov, signed a contract with the Slovak repair company LOT (Letecke Opravovne Trencin, or Aircraft Repair Company Trencin), claiming to act on behalf of the government of Kyrgyzstan. Kyrgyz authorities, however, said they had no idea about a repair contract and, to the contrary, had arranged to sell the helicopters to a Guinean company, Pecos Compagnie SA, in a deal arranged by Alexander Islamov, a

¹⁰ *Report of the U.N. Panel of Experts on Liberia; Report of the Panel of Experts pursuant to paragraph 4 of Security Council resolution 1458 (2003), concerning Liberia* (New York: United Nations, April 24, 2003), U.N. document S/2003/498. Regarding Victor Bout, see, for example, United Nations, *Report of the Panel of Experts on Violations of Security Council Sanctions Against UNITA*, U.N. document S/2000/203 (New York: United Nations, March 10, 2000); United Nations, *Report of the Panel of Experts appointed pursuant to Security Council resolution 1306 (2000), paragraph 19, in relation to Sierra Leone* (New York: United Nations, December 20, 2000), U.N. document S/2000/1195; United Nations, *Additional Report of the Monitoring Mechanism on Angola Sanctions*, U.N. document S/2002/486 (New York: United Nations, April 26, 2002; and United Nations, *[Second] Additional Report of the Monitoring Mechanism on Sanctions Against UNITA*, U.N. document S/2002/1119 (New York: United Nations, October 16, 2002) (hereafter “*Report of the U.N. Panel of Experts on UNITA*”).

Russian partner in that company.¹¹ The helicopters purportedly were for the government of Guinea, according to the document supplied by Pecos that showed the ultimate purchaser of the weapons (a document known as an end-user certificate or EUC).¹²

EUCs are drawn up by national authorities, and there are no common international standards stipulating, for example, what information they should contain, for how long they remain valid, who is authorized to sign them, nor how they should be authenticated. As a result, unscrupulous arms dealers can readily prepare fake EUCs or enlist corrupt government officials to issue EUCs for weapons shipments destined to third parties, thus providing false cover for illegal arms deals. In the case of the Kyrgyz helicopters, the document Islamov provided to the government of Kyrgyzstan proved to be a forgery. The U.N. found that the Pecos company was at the center of other illicit arms transactions involving Liberia, having supplied false end-user certificates in a number of cases to disguise Liberia's arms purchases.¹³

The U.N. report went on to recite that Pecos was established in Guinea in 1997, had a Guinean citizen as statutory manager, and presented itself as a weapons procurer for the Guinean Ministry of Defense.¹⁴ The company, however, was a front company, according to the U.N., and its true origins were in Europe, not Africa. Pecos was established by a Slovak arms dealer, Peter Jusko, who also owned a Slovakia-based arms trading company, Joy Slovakia, established in 1994.¹⁵ Joy Slovakia was active in the arms trade from Central and Eastern Europe.¹⁶ Investigations by several law enforcement agencies from 1997 forced it to curtail its activities somewhat and led to the creation of Pecos as a successor company.¹⁷ The business partners involved in Joy Slovakia and/or

¹¹ *Report of the U.N. Panel of Experts on Liberia*, paras. 231-232, 239.

¹² *Ibid.*, at para. 239.

¹³ *Ibid.*, especially paras. 253-267.

¹⁴ *Ibid.*, especially paras. 253-258.

¹⁵ *Report of the U.N. Panel of Experts on UNITA*, para. 35. See also, extract from the Slovak Companies Register, District Court Bratislava I.

¹⁶ *Report of the U.N. Panel of Experts on Liberia*, para. 21. For the date of incorporation, see *Report of the U.N. Panel of Experts on UNITA*, paras. 35-36. See also, extract from the Slovak Companies Register, District Court Bratislava I.

¹⁷ *Report of the U.N. Panel of Experts on Liberia*, especially paras. 21, 254-261.

Pecos included arms dealers from Bulgaria, Poland, Slovakia, Russia, and Ukraine, not to mention business associates in other countries.¹⁸

Human Rights Watch's Findings

A Human Rights Watch investigation added to what was already known about the helicopter case, particularly with respect to the involvement of the Slovak individuals and the Slovak government. The findings, described in detail below, cover several topics. They highlight the legal loophole that opened the door to abuse, describe the previously unknown role of Slovak military officials in facilitating the deal, and make clear the Kyrgyz general's wider interest in negotiating weapons contracts in Slovakia, with success in at least one other case. The case study offers details about the helicopter repair contract that was concluded, including transport and payment arrangements. It also touches on how the ruse was uncovered and explains the circumstances in which the helicopter was detained and the many efforts to release it. Finally, it notes challenges to the criminal prosecution opened in the case.

A Loophole Big Enough to Fly a Helicopter Through

Key to the fiasco was a loophole in Slovak law under which the arms deal with Kyrgyzstan did not require approval from Slovakia's arms-export licensing commission. At that time, and until the loophole was closed in December 2001 in reaction to this scandal (see *The Evolution of Slovakia's Arms Trade Controls*, below), arms deals were exempt from licensing requirements if the transaction was for repair or refurbishment. As a result, no license application was filed for deals involving repair or upgrading of military equipment from abroad; no end-user certificate was required; and no document authentication or checks on the destination were performed. Arms traffickers who shipped weapons to Slovakia for "repair" and then "returned" them could thus avoid import and export regulations. In essence, the sole control on such trade was through customs checks at the country's frontiers and civil aviation controls in the case of delivery by air.

In principle, an added, if thin, layer of control applies for state-owned companies, whose activities are overseen by the Ministry of Defense (MOD). LOT, the Trenčín-based

¹⁸ Ibid, especially paras. 264, 266, 267; *Report of the U.N. Panel of Experts on UNITA*, paras. 35-36; extract from the Slovak Companies Register, District Court Bratislava I. For further information on Joy Slovakia, see below.

aircraft repair company that entered into a contract to repair the helicopters, is state-owned.¹⁹

Military Officials Facilitate the Arms Deal

In this case, as it happened, the Slovak MOD was heavily involved. The accounts of LOT representatives and MOD officials make clear that two Slovak military officials played a key role by introducing Maj. Gen. Urazmatov, the Kyrgyz military attaché in Moscow, to the repair company. After being contacted by Urazmatov, the Slovak military attaché in Moscow, Maj. Gen. Milan Podhorani, asked a MOD colleague in Bratislava to help the Kyrgyz official negotiate arms contracts in Slovakia. On that basis, the then-director of a MOD office responsible for surplus material, Peter Harustiak, met with Urazmatov and arranged to introduce him to representatives of the Slovak aircraft repair company, LOT. Urazmatov's meeting with the director and commercial director of LOT took place during the International Defense Equipment Exhibition (IDEE) arms fair in Trencin, Slovakia, in early May 2000. LOT's representative in Moscow also met Urazmatov, both at the time of the arms fair and in a subsequent meeting. Podhorani, the Slovak military attaché, helped arrange that introduction.²⁰

Both MOD officials met with Urazmatov again in June 2000, in Harustiak's office at MOD headquarters in Bratislava, and again and in the fall of that year, in Podhorani's office in Moscow, located in the Slovak embassy.²¹ Further meetings may also have been

¹⁹ Human Rights Watch interview with Anton Zigo, Director, and Peter Chupac, Commercial Director, LOT, Trencin, April 24, 2002. They emphasized that state-owned arms companies are not required to obtain a preliminary approval from the MOD before concluding a contract with a foreign client. A senior MOD official also stated that in Slovakia state control over the arms companies was indirect, so the MOD considers the firms to be "state-controlled" rather than "state-owned." Human Rights Watch interview with Rastislav Kacer, then State Secretary, Ministry of Defense, Bratislava, April 12, 2002.

²⁰ Human Rights Watch interview with Anton Zigo and Peter Chupac, LOT, Trencin, April 24, 2002; transcripts of testimony recorded by the two MOD officials named above, copies on file with Human Rights Watch. In the course of its investigation Human Rights Watch obtained copies of a considerable number of official documents related to the helicopter case. In the footnotes that follow, the documents are generally cited with reference to the category into which they fall: court documents (the indictment and the district and regional court decisions in the case); other legal documents (including formal decisions of the investigator and prosecutor); customs documents (such as correspondence between customs and LOT regarding the decision to detain the helicopter); sworn statements and transcripts of police questioning of witnesses (including those of several persons with direct involvement in the transaction, such as LOT representatives and MOD officials); and documents specifically related to the arms transaction in question (items such as Urazmatov's shopping list and authorization, a document related to payments, an invoice, a cargo manifest, and an end-user certificate presented for the helicopter).

²¹ Transcripts of testimony recorded by the two MOD officials, November 2001, copies on file with Human Rights Watch.

held. LOT representatives said they viewed as sufficient the recommendation of Slovak officials and did not feel it was necessary or appropriate for them to perform further checks or to request the Slovak government do so.²² The Slovak military officials, for their part, maintain that at the time they made these introductions they believed they were dealing with a counterpart in the Kyrgyz government, and only learned later that the brokering company Pecos was behind the deal.²³

The Slovak MOD was informed at the highest level of Urazmatov's arms dealings in the country, and from a relatively early stage, but apparently took no precautions. On May 12, 2000, following the arms fair where he introduced Urazmatov to LOT, Harustiak prepared a report for the then minister of defense, Pavol Kanis, informing him that Urazmatov was in contact with Slovak military officials and intended to enter into an arms deal with LOT.²⁴ Human Rights Watch was unable to learn whether military intelligence or other Slovak officials made inquiries into Urazmatov's background, or that of Islamov, as would have been appropriate under the circumstances.²⁵ Had they done so, they should have been able to readily learn that two years earlier, in 1998, the government of Ukraine had declared both men *personae non grata* for engaging in illegal mercenary recruitment activities there.²⁶

The 1998 Ukrainian mercenary investigation centered on Joy Slovakia,²⁷ the company registered in Slovakia that was the precursor to Pecos. Allegations of illicit arms trafficking and other criminal activity by persons involved in the company circulated

²² Human Rights Watch interview with Anton Zigo and Peter Chupac, LOT, Trencin, April 24, 2002.

²³ Harustiak, for example, testified that he did not meet Alexander Islamov, the Pecos partner who obtained the Kyrgyz helicopters, until after their repair in Slovakia was completed. When Harustiak and Islamov did meet, it was at the IDEX 2001 arms fair in the United Arab Emirates in April 2001. Sworn testimony to police, November 2001, copy on file with Human Rights Watch.

²⁴ Ibid.

²⁵ Human Rights Watch spoke to two Slovak officials familiar with the MOD's own investigation into the case. The first, an MOD spokesperson, declined to offer any comment on the still pending investigation. (Human Rights Watch telephone communication with Jan Mojzis, deputy chief of the inspection department of the Slovak Ministry of Defense, May 27, 2002). The second person, a former MOD official, said he would have expected intelligence checks of Urazmatov and his documents to have been carried out at the time but could not confirm whether this had been the case. (Human Rights Watch interview, Bratislava, October 2002.)

²⁶ "TV describes recruitment of Ukrainian mercenaries to fight in Africa," ICTV Television (Kiev) via WNC, November 26, 2001. Another partner in Joy Slovakia (and later Pecos), Slovak national Peter Jusko, confirmed that Islamov and Urazmatov were barred from Ukraine for mercenary recruitment activities. Human Rights Watch interview with Peter Jusko, Bratislava, April 21, 2002.

²⁷ Ukrainian government request to Slovak authorities for judicial assistance, dated April 28, 1998, copy on file with Human Rights Watch.

from at least 1997 and were known by Slovak officials.²⁸ For example, in April 1998 Ukrainian authorities informed their Slovak counterparts that Alexander Islamov was suspected of acting through Joy Slovakia to send Ukrainian mercenaries to Angola via Slovakia in 1997.²⁹ Islamov, who for a time had a permit to reside in Slovakia, was a director of Joy Slovakia and was one of the Joy Slovakia partners who formed Pecos, which also earned a dubious reputation.³⁰ Urazmatov reportedly acted as a “representative” of Joy Slovakia.³¹

Negotiations for Weapons Contracts

From an early stage Urazmatov expressed interest in negotiating a number of arms deals in Slovakia. Urazmatov’s attendance at the May 2000 IDEE arms fair, at which he was accompanied by MOD official Harustiak, presumably allowed him the opportunity to make contact with a number of other arms companies, mostly from Slovakia, who were represented at the event.

A month earlier, in April 2000, he supplied the Slovak MOD with a long list of weapons he said Kyrgyzstan wished to obtain. These included twenty Mi-24 attack helicopters, 100 BMP-2 infantry fighting vehicles, ten L-39 trainers, spare parts for fighter aircraft, machine gun and cannon ammunition, anti-aircraft missiles, and unguided air-to-ground rockets, as well as other weapons seemingly intended to equip an air force.³² (See Appendix 1, which is stamped by the Acquisition Authority of the Slovak Ministry of Defense and the Kyrgyz Delegation to the Military Cooperation Council of Commonwealth of Independent States. Urazmatov is identified on the same document as the Kyrgyz representative to the Military Cooperation Coordination Staff of CIS

²⁸ Ibid; “Authorities were Aware of Illegal Arms Transactions for Two Years,” Slovenska Tlacova Agentura (Slovak News Agency, or SITA), November 23, 2001; and Tom Nicholson, “Arms Dealer to be Investigated,” *Slovak Spectator*, December 3-9, 2001.

²⁹ Ukrainian government request to Slovak authorities for judicial assistance, dated April 28, 1998, copy on file with Human Rights Watch.

³⁰ *Report of the U.N. Panel of Experts on Liberia*, especially paras. 253-267; *Report of the U.N. Panel of Experts on UNITA*, paras. 35-36; extract from the Slovak Companies Register, District Court Bratislava I. Islamov traveled to Slovakia on a business visa and had a permit to reside in Slovakia that was valid from September 2000 to March 2001. Human Rights Watch telephone interview with a Slovak diplomat, February 13, 2002. Allegations of illegal activity by Islamov and other persons associated with Pecos and/or Joy Slovakia are described later in this report.

³¹ “TV describes recruitment of Ukrainian mercenaries...,” ICTV Television. Peter Jusko, Islamov’s partner in Joy Slovakia (and later Pecos), stated that Urazmatov had acted as the “diplomat” in deals Islamov arranged using the companies’ names. Human Rights Watch interview with Peter Jusko, Bratislava, April 21, 2002.

³² A copy of the list, dated April 11, 2000, is on file with Human Rights Watch.

States.) He also provided a document purporting to show that he was authorized to negotiate on behalf of the Kyrgyz MOD with Slovak companies.³³ (That document, printed on letterhead of the office of the defense minister and with what was purported to be the signature of the deputy defense minister, as well as the stamp of the Executive Office of the Kyrgyz MOD, is included as Appendix 2.) Notably, this authorization was drafted to permit negotiations with both aircraft and tank repair facilities, suggesting that he may have pursued contracts other than the one that came to light regarding the helicopter.³⁴

Human Rights Watch learned that Urazmatov did arrange at least one further repair deal in Slovakia. Four infantry fighting vehicles, BMP-2s, were shipped for repair and upgrading by the state-owned Vojensky Opravarensky Podnik 027 (Military Repairs Company 027, or VOP 027), also located in Trencin. The then director of VOP 027, who responded to a query through the Slovak Ministry of Defense, said that all four had been seized and remained in Slovakia pending the completion of an investigation. He confirmed that Urazmatov arranged the deal and told the company at the time that the initial repair of four units constituted a trial run and if all went well further contracts for up to fifty more vehicles would follow.³⁵ Peter Jusko, a Slovak partner in Pecos who was implicated in the helicopter deal (see below), said he had knowledge of this deal as well. He alleged that the BMP-2 infantry fighting vehicles were imported to Slovakia in October 2000, that Islamov also was involved in this deal using the Pecos name, and that Islamov obtained the BMP-2s in Kyrgyzstan.³⁶

With respect to aircraft repair, LOT entered into direct negotiations with Urazmatov on the basis of the high-level introductions from Slovak military officials. At a meeting at LOT's offices on June 2, 2000, the two sides agreed to a contract for the repair of two

³³ Purported authorization, April 1, 2000, copy on file with Human Rights Watch.

³⁴ Urazmatov's purported authorization, April 1, 2000, copy on file with Human Rights Watch.

³⁵ Human Rights Watch interview with then State Secretary Rastislav Kacer, Bratislava, October 15, 2002. Arms dealer Peter Jusko independently informed Human Rights Watch of the contract, which he said Urazmatov and Islamov had arranged. Human Rights Watch interview with Peter Jusko, Bratislava, April 21, 2002.

³⁶ Human Rights Watch interviews with Peter Jusko, Bratislava, April 21, 2002, and March 7, 2003; Peter Jusko's communication with the U.N. investigative panel, October 12, 2001; and Jusko's sworn statement to customs authorities, November 13, 2001, copy on file with Human Rights Watch. In these communications, Jusko said Islamov acted without the knowledge of his partners in Pecos.

helicopters, which Urazmatov signed on behalf of the Kyrgyz MOD.³⁷ The contract also envisioned that work on ten jet trainers would be undertaken, but ultimately this deal fell through.³⁸

It later became apparent that Urazmatov's authorization was not genuine. The Kyrgyz MOD said that it was unaware of any repair contract involving the helicopters, that it had not given Urazmatov permission to sign any such contract, and that it had in fact sold both helicopters to the Pecos company, so it had no ownership rights over them in any case.³⁹ The contracts between Pecos and the Kyrgyz MOD dated back several years, to 1997 and 1998.⁴⁰

Details of the Helicopter Deal

The first helicopter, as reported by the U.N., was delivered in late June 2000 aboard an Ilyushin-76 registration number TL-ACU registered in the Central African Republic and operated under a charter contract for Centrafraicain Airlines of Bangui.⁴¹ LOT representatives told Human Rights Watch that Islamov and Urazmatov arrived with the

³⁷ Human Rights Watch interview with Anton Zigo and Peter Chupac, LOT, Trencin, April 24, 2002. LOT representatives said that they could not recall with certainty, but they believed Islamov was also present at the time. Ibid; and statements recorded by LOT representatives, November 2001, copies on file with Human Rights Watch. The U.N. panel's report (at para. 239) gave the date of the contract as July 2, 2001, and refers to the Kyrgyz MOD as having made "contractual arrangements" with the Slovak MOD. Documents provided to Human Rights Watch, however, date the contract to June and make clear that it was signed by LOT. Various official documents, March, November, and December 2001, copies on file with Human Rights Watch.

³⁸ LOT representatives expressed regret that this further work, which they estimated was worth \$4-5 million, could not be undertaken after the seizure of the helicopter. Human Rights Watch interview with Anton Zigo and Peter Chupac, LOT, Trencin, April 24, 2002.

³⁹ *Report of the U.N. Panel of Experts on Liberia*, paras. 231, 239; customs report and testimony recorded by LOT representative, November 2001, copies on file with Human Rights Watch.

⁴⁰ The contracts were dated September 17, 1997, and November 18, 1998. Slovak criminal indictment, November 2001, copy on file with Human Rights Watch. The U.N. report (at para. 239) indicates that Islamov presented a Guinean EUC for the helicopters dated July 1, 1999. This suggests the Kyrgyz MOD may have agreed to sell the company the helicopters before an end-user was identified.

⁴¹ *Report of the U.N. Panel of Experts on Liberia*, paras. 229-230, 240. The U.N. report states (at para. 229) that the plane arrived in Kyrgyzstan on June 26, 2000, to collect the helicopter. It arrived on June 27, 2000, according to Slovak records. Customs report, November 2001, copy on file with Human Rights Watch. Human Rights Watch uses the spelling of the airline's name as it appears in an industry listing ("Centrafraicain") except where quoting directly from the U.N. report, which uses "Centrafraican." For company information, see entry in *JP Airline-Fleets International*, 1999/2000 edition (Zurich: Bucher & Co., Publikationen, 1999), p. 604.

helicopter and brought with them a Ukrainian-speaking technical expert named Sokolov, who stayed to oversee the repair and help coordinate transportation arrangements.⁴²

The repair performed on the helicopter was nominal, according to LOT. It was completed in a few weeks, at a cost of approximately \$60,000.⁴³ The U.N. documented that the same Il-76 TL-ACU returned to collect the helicopter on August 2, 2000. Where it went next is uncertain, but it did not return to Kyrgyzstan for some three weeks. When it did return, it departed again on a flight ostensibly bound for Guinea but that in fact, the U.N. determined, went to Liberia. The same plane, the U.N. reported, had been used for an illegal arms delivery to Liberia in May 2000.⁴⁴

The second helicopter was dropped off on October 10, 2000.⁴⁵ It was in worse condition and required more extensive repairs, which cost about \$150,000.⁴⁶ Even this, however, was only a fraction of what would have been required for a full general repair. The LOT representatives emphasized that, at the client's request, repairs were kept to a bare minimum.

With respect to payment arrangements, LOT representatives stated that work on the first helicopter was paid in full, and that payment was made for the second helicopter, although in the latter case they did not recover extra expenses of some \$10,000-\$15,000 beyond the estimated price.⁴⁷ The funds arrived in installments, LOT representatives recalled, two from the United Arab Emirates (UAE).⁴⁸ Official documents show that one payment was issued in the amount of \$88,974 and credited to LOT's account at the Slovak Vseobecna Uverova Banka (also known as VUB Bank) branch in Trencin.⁴⁹ The payment was made by Gulf Stream Ships (no further identifying information provided)

⁴² Human Rights Watch interview with Anton Zigo and Peter Chupac, LOT, Trencin, April 24, 2002; testimony recorded by LOT representatives, November 2001, copies on file with Human Rights Watch.

⁴³ Human Rights Watch interview with Anton Zigo and Peter Chupac, LOT, Trencin, April 24, 2002.

⁴⁴ *Report of the U.N. Panel of Experts on Liberia*, paras. 218, 229, 240.

⁴⁵ Customs report, November 2001, copy on file with Human Rights Watch.

⁴⁶ Human Rights Watch interview with Anton Zigo and Peter Chupac, LOT, Trencin, April 24, 2002.

⁴⁷ Ibid.

⁴⁸ Testimony by two LOT representatives, also supported by customs and payment documents, April and November 2001, copies on file with Human Rights Watch.

⁴⁹ Customs report and notification of payment, April and November 2001, copies on file with Human Rights Watch. See also Pavol Santor, "The Weapons Trade: Our Taboo," *Narodna Obroda* (Bratislava) via WNC, December 7, 2001.

using Emirates Bank International PJSC Dubai, from the United Arab Emirates.⁵⁰ In addition, the U.N. indicated that it obtained copies of money transfers to LOT by the UAE-based company San Air General Trading.⁵¹ San Air has been identified by the U.N. as a front used by arms trafficker Victor Bout to arrange and also pay for illicit arms shipments,⁵² suggesting the possibility that the other company, Gulf Stream Ships, was also a Victor Bout front.⁵³

A Tip-Off Leads to Seizure of the Helicopter

Slovak officials halted the fraud on February 21, 2001, as the helicopter was at the airport awaiting the plane that came to collect it, but the deal had been under surveillance for at least a few weeks before that. About a month before the repair was complete, LOT's director was asked to facilitate a visit to the plant by domestic and foreign intelligence services.⁵⁴ He said that they told him they suspected the first helicopter had not been delivered to Kyrgyzstan, as specified in the repair contract.⁵⁵ Media reporting suggested that the government was tipped off by British foreign intelligence, which accords with information available to Human Rights Watch.⁵⁶

The company was not advised to cancel the deal, LOT representatives said, so they provided the available information about the contract to the visitors and proceeded as planned toward its completion. Under a provision of the contract for the helicopter deal, transport arrangements were the responsibility of the client. According to LOT representatives, Islamov took the lead in organizing the transport, working with the Ukrainian technical expert who stayed in Slovakia.⁵⁷

⁵⁰ Customs report and notification of payment, April and November 2001, copies on file with Human Rights Watch.

⁵¹ *Report of the U.N. Panel of Experts on Liberia*, para. 241. The U.N. also reported that it obtained a bank document showing payment of \$20,000 "for a contract between a company in the Slovak Republic and Victor Bout's company, Centrafrican Airlines." *Ibid.*, para. 278.

⁵² *Ibid.*, especially para. 22.

⁵³ The U.N. has noted the existence of a number of Victor Bout front companies with addresses in the UAE. See, for example, *Ibid.*, paras. 233, 238.

⁵⁴ Human Rights Watch interview with Anton Zigo and Peter Chupac, LOT, Trencin, April 24, 2002.

⁵⁵ *Ibid.*

⁵⁶ "Renegade Russian accused of arming bin Laden," Agence France-Presse (AFP), February 18, 2002. See also, Peter Kresanek, "'Interest' in the arms trade," *Hospodarsky Dennik* (Bratislava), January 28, 2002, translated by Human Rights Watch.

⁵⁷ Human Rights Watch interview with Anton Zigo and Peter Chupac, LOT, Trencin, April 24, 2002.

The same Ilyushin-76, bearing registration number TL-ACU, was sent to collect the second helicopter. While the plane had been allowed to drop off and collect the first helicopter, apparently without any difficulty before the tip-off, this time Slovak civil aviation authorities checked details of the flight and, as reported by the U.N., found a number of inconsistencies and had to request further documentation before clearing the flight.⁵⁸ The U.N. noted that the three companies in whose names permission for the flight was sought formed part of the arms transport network of Victor Bout, who, for example, owns Centrafricain Airlines.⁵⁹ The U.N. described the Il-76 TL-ACU as “Victor Bout’s plane.”⁶⁰

The day after Slovak civil aviation cleared the plane to travel to Slovakia, Slovak customs detained the helicopter shipment at the Sliac military airport near Trenčín on suspicion that false customs information had been supplied.⁶¹ Documents obtained by Human Rights Watch indicate that the pilot for Centrafricain Airlines, Andrej Semikin, a resident of Uzbekistan, had declared that the plane was to deliver the helicopter to Kyrgyzstan, which Slovak officials knew by that time was not the case.⁶² The helicopter was seized and placed in storage. The plane and crew were allowed to leave, however, and the same

⁵⁸ The U.N. report recounts these inconsistencies. The flight permissions were requested by a Moldovan company, MoldTransavia, but, when they checked, Slovak civil aviation learned that the airline was authorized to operate passenger flights, not a cargo plane such as the Il-76. When they turned down MoldTransavia’s request for landing rights, they were contacted within a week by Centrafricain Airlines (charterer of the earlier flights) for permission to operate the same flight using the same plane, TL-ACU. Again, the details did not match up. The insurance document MoldTransavia had provided, dated December 2000, showed that the plane was insured to MoldTransavia and UAE-based San Air, but made no mention of Centrafricain. Centrafricain, on the other hand, produced an insurance certificate that showed the plane as insured to all three companies as of December 2000. *Report of the U.N. Panel of Experts on Liberia*, paras. 233-238.

⁵⁹ *Ibid.*, paras. 268-269.

⁶⁰ *Ibid.*, para. 240. At least some twenty-five Centrafricain Airlines planes that were fraudulently registered continued to be used despite efforts by officials from the Central African Republic to alert other countries to this situation and to the fact that they had dissolved Centrafricain Airlines in the Central African Republic in February 2000. *Ibid.*, para. 284. According to the U.N., the plane Il-76 described above was seen in various locations since July 2000, among them Sliac and Bratislava in Slovakia, Kampala (Uganda), Brazzaville (Republic of Congo), Tripoli (Libya), and Monrovia (Liberia). *Ibid.*, para. 291. Previously the same plane was registered in Swaziland as 3D-RTX. *JP Airline-Fleets International*, 1999/2000 edition, p. 604. Following the dissolution of Centrafricain Airlines in the Central African Republic, the plane was subsequently registered in Equatorial Guinea before that country deregistered Victor Bout’s planes in 2002.

⁶¹ The U.N. report says that the helicopter was detained on February 22, 2001 (at para. 238), but official Slovak documents give the date as a day earlier. Customs documents, March 2001, copies on file with Human Rights Watch.

⁶² Customs documents, March and November 2001, copies on file with Human Rights Watch. The flight permission requested by Centrafricain also indicated the plane was to land in Slovakia to collect the helicopter and then return to Kyrgyzstan. *Report of the U.N. Panel of Experts on Liberia*, para. 238.

plane soon traveled to Moldova, where an attempt was made to pick up two military helicopters, also presumably for delivery to Liberia, according to the U.N.⁶³

Aggressive Efforts to Release the Helicopter

One of the striking elements of this case is the length to which various parties went to try to secure the release of the helicopter. According to LOT, in a matter of a few days, Urazmatov visited the company and also met with customs and the Ministry of Defense, but he was not allowed to reclaim the helicopter.⁶⁴ Next, Peter Jusko, the Slovak national who was Islamov's partner in Pecos (and previously in Joy Slovakia, see text attached to footnote 15), made a series of efforts to release the helicopter.⁶⁵ He described these in an interview with Human Rights Watch in which he strongly denied any wrongdoing in connection with this case and attributed the affair to Islamov (and, to a lesser extent, Urazmatov), whom he accused of operating a "shadow Pecos" without the knowledge or involvement of other company officers.⁶⁶ According to Jusko, he intervened only after learning from a Guinean partner, Mohammed Yansané, that the Pecos name was mixed up with allegations of illegal arms trafficking to Liberia.⁶⁷ Jusko faces criminal charges in connection with the case.⁶⁸

According to both Jusko and LOT representatives, Jusko's first attempt to obtain the helicopter was in April or May 2001, when he arrived at LOT and presented a copy of a Guinean EUC, as well as a power of attorney authorizing him to act on behalf of Pecos.

⁶³ Ibid., paras. 241-252.

⁶⁴ Human Rights Watch interview with Anton Zigo and Peter Chupac, LOT, Trencin, April 24, 2002.

⁶⁵ Ibid; *Report of the U.N. Panel of Experts on Liberia*, paras. 232, 256; Human Rights Watch interview with Peter Jusko, Bratislava, April 21, 2002.

⁶⁶ Jusko said that he and Islamov parted ways in late 1998, but that Islamov refused to step down from the company or to hand over company documents and stamps. Jusko also denied that he was responsible for any wrongdoing in connection with other deals carried out in the name of Pecos, including one, described below, in which someone signed on his behalf when arranging the illegal re-export of Slovak weapons from Uganda to Liberia. Human Rights Watch interview with Peter Jusko, Bratislava, April 21, 2002. In a later interview, Jusko said that he had been unaware of the mercenary recruitment allegations against Islamov when he was questioned on the matter in 1998. He also reiterated that Islamov acted without his knowledge in organizing arms deals in the Pecos name, and added that he had asked another former colleague to leave Pecos for the same reason. Human Rights Watch interview with Peter Jusko, Bratislava, March 7, 2003.

⁶⁷ According to Jusko, Yansané learned of the allegations when an American and a British citizen whom he took to be intelligence agents asked him about the circumstances surrounding the detained helicopter.

⁶⁸ Slovak criminal indictment, November 2001, copy on file with Human Rights Watch. For details, see below.

LOT turned him away, explaining that the company would require proof that Pecos, rather than the Kyrgyz MOD, was the rightful owner of the helicopter.⁶⁹

In his interview with Human Rights Watch Jusko related that in mid-2001 he tried again, but this time he sought to obtain the helicopter for a different client: Namibia. He made some inquiries in Slovakia on behalf of Namibia, and in late August 2001 Jusko helped coordinate the visit to Slovakia of the Namibian military attaché in Berlin. This person, Leonard Nambahu, said he represented the interests of the Namibian government in the matter of the helicopter. Jusko said he intervened after being contacted by a Turkish arms dealer who said that the helicopter had been legally purchased from Islamov for the Namibian Ministry of Defense.⁷⁰ The Namibian Ministry of Defense did not respond to Human Rights Watch's request for comment. Mr. Nambahu, contacted at the Namibian Embassy in Berlin, declined to comment on the matter without permission from his superiors.⁷¹

Jusko and Nambahu visited LOT on August 28, 2001, where they presented the company with an EUC dated March 28, 2001, purporting to indicate that the detained helicopter had been purchased from Kyrgyzstan via Pecos and was now the property of the government of Namibia.⁷² The text of the EUC, which contained a number of typographical or spelling errors (e.g., "Pacos," rather than "Pecos"), promised that the helicopter "will be used solely by us and will not be re-exported to any other country."⁷³

⁶⁹ Human Rights Watch interview with Anton Zigo and Peter Chupac, LOT, Trencin, April 24, 2002; Human Rights Watch interview with Peter Jusko, Bratislava, April 21, 2002. Jusko, who maintained the EUC was authentic, told Human Rights Watch he requested the document from Yansané after the helicopter was detained. Human Rights Watch interview with Peter Jusko, Bratislava, April 21, 2002. The U.N. panel, however, verified with Guinean authorities that they never procured any weapons from Pecos, including the helicopter in question. See *Report of the U.N. Panel of Experts on Liberia*, especially paras. 158, 239, 247, 258.

⁷⁰ Human Rights Watch interview with Peter Jusko, Bratislava, April 21, 2002. For further accounts of the mid-2001 attempt by Jusko and Nambahu to transfer the helicopters to Namibia, see, for example, testimony of LOT representatives, November 2001, copies on file with Human Rights Watch. Jusko also raised the alleged Turkish connection in correspondence with U.N. investigators on October 12, 2001, copy on file with Human Rights Watch.

⁷¹ Human Rights Watch telephone interview with Leonard Nambahu, Namibian military attaché in Berlin, March 2003.

⁷² Human Rights Watch interview with Anton Zigo and Peter Chupac, LOT, Trencin, April 24, 2002; Human Rights Watch interview with Peter Jusko, Bratislava, April 21, 2002. Jusko maintained that the EUC, whose authenticity was later challenged, was presented by Nambahu alone, contradicting the testimony of a LOT representative who was at the meeting. Testimony of a LOT representative, November 2001, copy on file with Human Rights Watch.

⁷³ Purported Namibian end-user certificate, March 28, 2001, copy on file with Human Rights Watch.

On this basis, and again without performing or requesting further checks, LOT submitted an application for an export license for the helicopter, which was unsuccessful.⁷⁴ LOT representatives acknowledged that the inability to prove the change in ownership of the helicopter remained an impediment to its resale.⁷⁵ Looking back on the helicopter fiasco, LOT representatives said they had acted in good faith throughout, but that in hindsight they realized they should not have unquestioningly accepted the reliability of persons with whom they were doing business and the documents these people provided.⁷⁶ They insisted, however, that they had no way to establish the credentials of their potential clients or the authenticity of the documents provided and instead depended on government authorities to perform such checks.⁷⁷ Human Rights Watch was not able to establish if the Ministry of Defense conducted any checks, as would have been appropriate.⁷⁸

There continues to be some confusion regarding the authenticity of the claim that the Namibian government had purchased the helicopter. The U.N. stated that a Namibian EUC they obtained dated March 28, 2001, (the same date as that presented to LOT) represented yet another forgery, as confirmed to them by Namibian authorities.⁷⁹ The police investigator responsible for the case also asserted that the EUC presented in Slovakia was false.⁸⁰ A senior Slovak official, however, was under a different impression. He said the MOD of Namibia made high-level official contacts to seek the release of the seized helicopter, which they indicated they had purchased at a reduced rate due to the complications of the case.⁸¹

⁷⁴ Human Rights Watch interview with Anton Zigo and Peter Chupac, LOT, Trencin, April 24, 2002. The company, which attached a detailed explanation to the application, reported that the secretariat to the licensing commission at the ministry of economy declined to recommend it for approval.

⁷⁵ Human Rights Watch interview with Anton Zigo and Peter Chupac, LOT, Trencin, April 24, 2002.

⁷⁶ Ibid.

⁷⁷ Ibid.

⁷⁸ As noted at footnote 25, above, Human Rights Watch spoke to two Slovak officials familiar with the MOD's own investigation into the case.

⁷⁹ *Report of the U.N. Panel of Experts on Liberia*, para. 253. The U.N. panel also reported on a different Pecos-organized arms deal in which Namibia was one of the (falsely) declared destinations for two helicopter gunships from Moldova almost assuredly bound for Liberia. Ibid., especially para. 244.

⁸⁰ Human Rights Watch interview with Maj. Vladislav Vavrik, at the time an investigator with the Regional Police Investigation Authority, Banska Bystrica, April 17, 2002.

⁸¹ Human Rights Watch interview with then State Secretary Rastislav Kacer, Bratislava, October 15, 2002. Following the seizure of two helicopter gunships in Moldova on suspicion they were bound for Liberia, the government of Namibia also stepped in, in this case to arrange to lease the helicopters from Moldova. *Report of the U.N. Panel of Experts on Liberia*, para. 252.

The Investigation and Prosecution: A Slow Start

Slovak authorities arrested Peter Jusko on November 29, 2001, and announced plans to prosecute him in connection with the helicopter deal. The Jusko arrest came the month after the release of the U.N. report that exposed Slovakia's links to the international arms trafficking operation, but Slovak authorities insisted the move was independent of public and international pressure. They attributed the delay to a lengthy investigation by customs officials, which was followed by further police inquiries before the case could be passed to prosecutors for action.⁸²

Jusko was charged with an attempt to contravene arms trading regulations.⁸³ He was ordered released from custody by court decision in December 2001, and prosecutors (who in mid-2002 lost an appeal to that decision) said that they were unable to predict when the trial would begin.⁸⁴ Criminal charges were also laid in the same case against Alexander Islamov, and against Maj. Gen. Rashid Urazmatov, who was removed from his post as the Kyrgyz military attaché in Moscow following attention to his role in the helicopter deal.⁸⁵ Unlike Jusko, both were charged with actual, rather than attempted, breaches of the arms trade regulations.⁸⁶

Some Slovak officials emphasized that in their view Slovakia was not at the center of illicit arms trafficking activities. Instead, they felt it simply had had the misfortune to be touched by a network operating from other countries.⁸⁷ Particularly in light of this

⁸² Human Rights Watch interview with Maj. Vladislav Vavrik, Regional Police Investigation Authority, Banska Bystrica, April 17, 2002; Human Rights Watch interview with Josef Luteran, Director, Division of Drugs and Hazardous Materials, and Lubomir Skuhra, Head of Hazardous Materials Investigation Department, Division of Drugs and Hazardous Materials, Customs Directorate, April 22, 2002.

⁸³ Human Rights Watch interview with Peter Bedlovic, Regional Prosecutor, Peter Odalos, Deputy Regional Prosecutor, and Jozef Polonyi, Prosecutor responsible for the Jusko case, Office of the Regional Prosecutor, Banska Bystrica, April 17, 2002. Jusko was charged with an attempt to violate "regulations on handling of controlled goods and technologies," under Section 124a(2) and 124c(1) of the Slovak Criminal Code.

⁸⁴ Human Rights Watch telephone interview with Jozef Polonyi, Prosecutor responsible for the Jusko case, Office of the Regional Prosecutor, Banska Bystrica, January 10, 2003. Jusko told Human Rights Watch that he had no intention to flee and would prove his innocence in court. Human Rights Watch interview with Peter Jusko, Bratislava, April 21, 2002.

⁸⁵ Islamov and Urazmatov were charged with violating "regulations on handling of controlled goods and technologies," under Section 124a(2) and 124c(1) of the Slovak Criminal Code. Human Rights Watch interview with Peter Bedlovic, Peter Odalos, and Jozef Polonyi, Office of the Regional Prosecutor, Banska Bystrica, April 17, 2002.

⁸⁶ Ibid.

⁸⁷ Human Rights Watch interview with Josef Luteran and Lubomir Skuhra, Customs Directorate, April 22, 2002.

attitude, it is notable that the government nevertheless determined to arrest an accused Slovak arms dealer and initiate prosecution against him.

This case has international as well as national significance. Around the world, arms traffickers rarely pay a price for their illegal activities, but some prosecutions have been initiated. Where undertaken with seriousness, these offer the prospect of punishing those who flout national arms trade controls and breaking up the international networks that perpetuate such activities.⁸⁸

To date, various signals suggest that the prosecution in Slovakia has not been given the seriousness it deserves and that a trial will be very late, if it comes at all. Customs and police investigators stated in April 2002 that there was no political will behind the Jusko prosecution and that political leaders seemed to be uninterested in the case and preoccupied with the elections set for September 2002, but that following the elections the situation might improve.⁸⁹ As of this writing, however, Human Rights Watch remains concerned that insufficient attention and resources have been dedicated to the case, which as a result has proceeded very slowly.

No domestic investigative task force was created, as investigators indicated sometimes happened for high-profile cases in Slovakia. Nor was an international task force formed to aid in this complex case involving a transnational network. Instead, only one police investigator was assigned to the case, one who had other cases to cover simultaneously. After police reviewed thousands of documents seized in the case, the investigation hit a dead end. They said there was no capacity to undertake further inquiries without cooperation from other countries, which Slovak officials did not believe would be forthcoming or would simply take too long. This rationale, however, is called into question by the fact that Slovak authorities in January 2003 confirmed that no requests for legal assistance had been filed, nor were there plans at that time to prepare such requests.⁹⁰ The case experienced a potential further setback when it was reassigned

⁸⁸ Italy, for example, has shown interest in prosecuting arms traffickers and as of late 2002 had at least two prosecutions in progress against accused international arms traffickers.

⁸⁹ Human Rights Watch interviews, April 2002, and further communication by telephone, September and October 2002.

⁹⁰ Human Rights Watch telephone interview with Jozef Polonyi, Prosecutor responsible for the Jusko case, Office of the Regional Prosecutor, Banska Bystrica, January 10, 2003. Human Rights Watch is unaware whether Slovak authorities have issued a request through Interpol for suspects in other countries to be questioned.

following the departure in late 2002 of the police investigator who had been working on it.⁹¹

Developments in 2003 are far from encouraging. In April 2003 the new investigator decided to put the prosecution on hold. His explanation was that the case against all three accused persons could not proceed until Islamov and Urazmatov had been questioned and this would not be possible until the two men had been located. The investigator declined to separate Jusko's case from that of the other two defendants, stating that interrogations of those two suspects and other inquiries overseas were needed to establish the facts in the Jusko case. In June 2003 the prosecutor's office upheld the investigator's decision.⁹²

At this writing, the case against Jusko remained focused on the attempted shipment of the second helicopter. Slovak officials acknowledged that an attempted crime would be hard to prove, that the persons involved had made efforts to cover their tracks, and that Slovakia had very little experience with prosecuting arms trafficking cases. It remained unclear if prosecutors would add charges related to the falsification of documents, the first helicopter that was allowed to leave Slovakia in mid-2000, or other alleged actual or attempted illegal arms deals carried out in Slovakia by persons involved in Pecos and/or Joy Slovakia. Slovak officials said they were making no effort to secure custody of Islamov and Urazmatov, nor did they request an international arrest warrant, as the expectation was that they should be tried in their countries of residence.⁹³

The prosecutor noted in January 2003 that police had received "secret materials" from customs officials that might result in a broadening of the charges in this case. While he would not specify, these may relate to the deal for the repair of the four infantry fighting vehicles, about which Human Rights Watch independently learned.⁹⁴

⁹¹ Human Rights Watch interview with Maj. Vladislav Vavrik, Regional Police Investigation Authority, Banska Bystrica, April 17, 2002, and further communication by telephone, August 8, 2002; and Human Rights Watch telephone interview with the newly-assigned police investigator, January 8, 2003.

⁹² Legal documents filed in the Jusko case, dated April, May, and June 2003, copies on file with Human Rights Watch.

⁹³ Human Rights Watch interview with Maj. Vladislav Vavrik, Regional Police Investigation Authority, Banska Bystrica, April 17, 2002, and further communication by telephone, August 8, 2002; Human Rights Watch interview with Peter Bedlovic, Peter Odalos, and Jozef Polonyi, Office of the Regional Prosecutor, Banska Bystrica, April 17, 2002.

⁹⁴ Human Rights Watch telephone interview with Jozef Polonyi, Office of the Regional Prosecutor, Banska Bystrica, January 10, 2003.

Peter Jusko told Human Rights Watch he intends to mount a vigorous defense. By his account, he is innocent of any wrongdoing. He asserted that he is being framed to take the blame for the misdeeds of Urazmatov and Islamov and to cover possible corruption in the Slovak MOD linked to this arms trade. Jusko questioned the evidence against him and the legality of his questioning and arrest.⁹⁵ He also argued that Slovak authorities have ignored information that was in his favor.⁹⁶

While seeking to distance himself from this arms trafficking operation, Jusko suggested that elements of the Slovak government knew more about it than they let on: "There is no black [market] trade with arms except small traffickers that smuggle weapons for example in their car. Arms trade is always done with the approval of one state or another. It is always possible [for governments] to check, to control, for example at the airports. And that is why also in Slovakia authorities must have known about the first helicopter that was exported."⁹⁷ Jusko expressed particular suspicion about the possible role of Russian and Slovak intelligence services.⁹⁸

The Slovak Ministry of Defense has begun an internal investigation into the helicopter fiasco, including the role of military officials. The investigation was still underway as of late May 2002, according to a spokesperson for the military's inspection office, who said

⁹⁵ Jusko said that Slovak prosecutors were acting on the basis of the U.N. panel's report, which he felt unfairly portrayed him and, in his view, offered insufficient basis for legal action. He also argued that customs investigators, who questioned him prior to his arrest, were only legally entitled to question him about customs arrangements (in which he said he was not involved) and that their summons to him falsely stated they had wider authority. Jusko's argument that his arrest was illegal rests on it apparently having been made by a special armed customs squad prior to that squad being granted an official mandate. Jusko provided Human Rights Watch with a copy of the Customs Authority's decision on the formation of the unit, dated April 4, 2002. Questions about the mandate of the unit have been raised publicly. See "Armed Customs officers and policemen cooperate only little," *SME*, June 6, 2002. Human Rights Watch is not in a position to comment on the legality of Jusko's arrest.

⁹⁶ Jusko referred in particular to information he provided about Islamov's activities under the Pecos name. For example, Jusko informed a U.N. investigator about Islamov's BMP repair deal in October 2001 and Slovak authorities the following month. He was not questioned by the Slovak authorities about that case until October 2002. At that time he declined to provide further information, citing as his reason the opening of a criminal case against him. Human Rights Watch interview with Peter Jusko, Bratislava, March 7, 2003. Human Rights Watch has on file copies of Jusko's October 2001 correspondence with the U.N. investigator; his November 13, 2001, sworn statement to customs authorities; the October 2, 2002 summons for him to appear for questioning by customs authorities; and his October 14, 2002, sworn statement to customs authorities.

⁹⁷ Human Rights Watch interview with Peter Jusko, Bratislava, March 7, 2003.

⁹⁸ *Ibid.*

he would comment only after it was completed.⁹⁹ Human Rights Watch was unable to obtain any updated information about the status of that investigation.

To date, the only party to be found responsible for any wrongdoing has been LOT. Customs officials fined the company 2 million Slovak crowns (SKK), approximately \$41,400, for not properly checking the consignee of the February 2001 helicopter shipment. The decision was challenged by the company, which has maintained that it relied on state authorities to perform any needed checks.¹⁰⁰

Under the repair loophole, however, such contracts were exempt from normal licensing procedures. Inadequate legal controls, combined with lax attitudes on the part of the company and the Ministry of Defense and the direct assistance of some MOD officials, meant that no action was taken to detect and deter illicit arms transactions. The situation was such that Slovakia was an inviting target for arms traffickers seeking an easy place to do illegal deals—and get away with it.

⁹⁹ Human Rights Watch telephone communication with Jan Mojzis, Slovak Ministry of Defense, May 27, 2002. The two MOD officials who introduced Islamov to the LOT aircraft repair company were not available for comment. Podhorani, contacted by Human Rights Watch, said he was not able to comment without authorization from his superiors. (Human Rights Watch telephone communication with Milan Podhorani, Slovak military attaché in Moscow, May 28, 2002.) As of November 2003, Harustiak had not replied to a May 26, 2002, letter seeking comment. The former head of the office responsible for surplus military property, Harustiak left the ministry following a major reorganization in late 2001. Human Rights Watch email communication with then State Secretary Rastislav Kacer, May 24, 2002.

¹⁰⁰ Customs decision, November 2001, copy on file with Human Rights Watch; Human Rights Watch interview with Anton Zigo and Peter Chupac, LOT, Trencin, April 24, 2002. All monetary figures have been converted to U.S. dollars using the exchange rates that prevailed at the time of the transactions. The conversions were performed using an online currency converter available at <http://www.oanda.com/converter/fxhistory> (retrieved October 18, 2002).

Case Study 2: Legal or Illegal? The Mysterious Iranian Shipment

On the evening of September 29, 2001, an Ilyushin-76 plane registered to Chabahar Air of Tehran, Iran, landed at the Bratislava airport and offloaded approximately three tons of cargo, which was to be loaded onto a Ukrainian plane for onward shipment to Angola. The Iranian plane departed again before authorities discovered that the contents of the shipment—504 units of anti-tank munitions packed in 84 containers—did not match the accompanying documents.¹⁰¹

The munitions, designed for an RPG-7 launcher and commonly referred to as rocket-propelled grenades, bore no markings indicating the producer, but they were evidently new and were likely manufactured in Iran.¹⁰² The RPG-7 launcher is ubiquitous in conflict regions around the globe. Iran produces, and makes available for export, several types of anti-tank rounds. These include three rockets that are fired from RPG-7 launchers, two of which have greater armor-piercing capability.¹⁰³ Human Rights Watch understands that about half of the anti-tank weapons included in the consignment from Iran were of a sophisticated type able to penetrate battle tanks with reactive armor.¹⁰⁴

More than two years after the Iranian munitions were seized, they remained impounded, and many questions continued to surround the case. Government officials are reluctant to provide details about the attempted shipment before they have completed their criminal investigation, and some of the companies that were party to the transaction have been similarly tight-lipped.¹⁰⁵ In other cases, officials and companies responded to Human Rights Watch's requests for information, and their responses are reflected below.

¹⁰¹ See, for example, "Police seize illegal ammunition shipment at Bratislava's airport," Associated Press, October 1, 2001; "Slovak police investigating illegal arms cargo seized at airport," Reuters, October 2, 2001, supplemented by Human Rights Watch telephone interview with a Slovak diplomat, February 13, 2002. While some media reports refer to the Iranian airline as Chabahar Airlines, it appears in an industry listing as Chabahar Air. See *JP Airline-Fleets International*, 2002/03 edition, (Zurich: Bucher & Co., Publikationen, 2002), p. 138.

¹⁰² Human Rights Watch interview with a person familiar with the case, who requested anonymity, Bratislava, April 2001. This person is close to Slovakia's Interior Ministry, Economy Ministry, and General Prosecutor's Office, and is referred to hereafter as "Iran Source."

¹⁰³ *Jane's Infantry Weapons 2002-2003*, (Jane's Information Group: Surrey, 2002), pp. 411-412; *Jane's Infantry Weapons 1998-1999*, (Jane's Information Group: Surrey, 1999) p. 348.

¹⁰⁴ Human Rights Watch interview with Iran Source, Bratislava, April 2001.

¹⁰⁵ *Ibid.*

The information available at this time is not conclusive, but it provides a glimpse into how arms brokers and other intermediaries, often working in tandem with the governments that use their services, organize complex arms deliveries that, by their nature, are difficult to unravel. The complexity and secrecy surrounding such arms transfers, and the absence of sufficient checks to verify that cargo is properly declared, can provide opportunities for deceptive practices to mask the real nature and destination of weapons shipments. With respect to the seized Iranian cargo, this case offers intriguing signals that point to deception, which may be employed to shield a particularly sensitive arms deal from scrutiny, whether to cover up weapons smuggling or disguise a covert arms deal or perhaps for a more innocent reason. The case also usefully illustrates the potential for abuse inherent in a major loophole in Slovak law: currently no license is required for weapons shipments that transit via Slovakia.

The Bratislava Airport Arms Hand-Over

The Ilyushin-76 from Iran landed at 6:53 p. m. and unloaded its cargo for transfer onto another plane.¹⁰⁶ It departed at 8:39 pm, bound for Copenhagen.¹⁰⁷ The Iranian plane, registration number EP-CFB (formerly listed as EP-SFA), is one of two registered to Chabahar Air.¹⁰⁸ It was operated by a Ukrainian crew and had flown from Iran to Saudi Arabia before making its stop in Slovakia.¹⁰⁹ Chabahar Air is a division of the Chabahar Free-Trade Zone of Iran,¹¹⁰ which is state-owned.¹¹¹ Chabahar Air did not respond to a request for comment.¹¹²

¹⁰⁶ "Slovakia: Both flights involved in missile delivery were commercial flights," TASR News Agency, via BBC Monitoring, October 1, 2001. The article attributes the information by name to a spokesperson from the Slovak Airports Administration.

¹⁰⁷ Ibid.

¹⁰⁸ *JP Airline-Fleets International*, 2002/03 edition, p. 138.

¹⁰⁹ Human Rights Watch interview with Iran Source, Bratislava, April 2001. For this transaction the plane was insured by a company in Russia, with additional insurance provided by a company in the UAE. Ibid.

¹¹⁰ *JP Airline-Fleets International*, 2002/03 edition, p. 138.

¹¹¹ According to its website, the Chabahar Free Trade Zone has autonomous legal status but its capital belongs to the Iranian government, which appoints its board of directors and its managing director. See <http://www.chabaharfz.com> (retrieved December 19, 2002).

¹¹² The request was made on December 20, 2002.

A second aircraft, registered in Ukraine, was at Bratislava waiting to pick up the munitions cargo.¹¹³ It was an Antonov-12, registration number UR-UCK, owned by Ukrainian Cargo Airways (UCA).¹¹⁴ The government of Ukraine owns the airline,¹¹⁵ which specializes in arms transport¹¹⁶ and carries out many other transport contracts.¹¹⁷ Slovak authorities prevented the UCA plane from unloading the cargo from the Iranian shipment, but allowed the plane to depart the following day.¹¹⁸

With the assistance of the Ukrainian authorities and Ukrainian Cargo Airways, Human Rights Watch established that the aircraft carried additional military cargo to Angola. Cargo was collected on departure from Ukraine, as well as during stops in Slovakia and Israel. With respect to transport arrangements, the Ukrainian Ministry of Defense indicated that “[t]he plane was freighted for carrying the cargo by [the] company LR Avionics Technologies Ltd.”¹¹⁹ UCA similarly stated: “It was LR Avionics Technologies Ltd, who made the transportation arrangements for the cargo.”¹²⁰

The airline, stating that it had no information about the Iranian cargo, added: “UCA had no information in advance about the composition of the cargo to be loaded in

¹¹³ Flight records for UR-UCK, provided by the Ukrainian Ministry of Defense and Ukrainian Cargo Airways, September and October 2001, copy on file with Human Rights Watch. These show that the plane landed at 6:27 pm.

¹¹⁴ The name of the Ukrainian airline was featured in press reports that drew on information provided by Slovak officials. The registration number of the plane in question was provided anonymously by a source in Slovakia and verified by the Ukrainian authorities and the airline. See also, *JP Airline-Fleets International*, 2002/03 edition, p. 617.

¹¹⁵ “Ukrainian Cargo Airways Multimedia Presentation,” CD-ROM, undated but apparently from early 2002.

¹¹⁶ “Ukrainian Cargo Airways Multimedia Presentation,” CD-ROM; Website of Ukrainian Cargo Airways, at <http://www.avia-uca.com.ua/about.html> (retrieved July 22, 2002).

¹¹⁷ The company has been contracted to provide transportation services in support of U.N. peacekeeping operations in the Democratic Republic of Congo (since 1999), Kosovo (since 2000), Sierra Leone (2000-2001), and Lebanon (since 2000), as well as to deliver relief goods. “Ukrainian Cargo Airways Multimedia Presentation,” CD-ROM. The company also is active in military transport in the Democratic Republic of Congo (DRC, the former Zaire). Human Rights Watch interview with Victor Hvoz, military advisor, Ukrainian Mission to the United Nations, January 9, 2003. In a May 2003 accident during the transport of several dozen Congolese troops, the rear door of a UCA aircraft opened and an unknown number of passengers fell to their deaths. “IL-76 ACCIDENT – BBC,” Interfax Ukrainian News, May 13, 2003.

¹¹⁸ See, for example, Ed Holt, “Angola-bound weapons impounded in Bratislava,” *Slovak Spectator*, October 8-14, 2001.

¹¹⁹ Letter from State Secretary Victor I. Bannykh, Ukrainian Ministry of Defense, to Human Rights Watch, dated January 30, 2003.

¹²⁰ Letter from Andrey Kukin, Ukrainian Cargo Airways, to Human Rights Watch, dated January 29, 2003.

Bratislava,” and noted that no Iranian cargo was in fact unloaded at Bratislava.¹²¹ LR Avionics Technologies, Ltd., based in Herzliya, Israel, strongly denied any involvement in the attempted shipment of Iranian munitions, stating: “[O]ur company was not involved in the transaction of Anti-tank rockets.”¹²² LR Avionics denied press allegations it had made efforts to secure the release of the seized anti-tank munitions held in Slovakia.¹²³ Human Rights Watch was informed that, soon after the Iranian cargo was impounded, someone who said he represented the government of Angola intervened privately to seek its release.¹²⁴

The Players

A number of different companies were involved in this convoluted attempted shipment of Iranian munitions. The exporter of the anti-tank rounds that were impounded in Bratislava was Modlex Export Center, an Iranian state-owned company.¹²⁵ After the cargo was detained, Modlex provided an invoice indicating that the cargo was for the Angolan Ministry of Defense.¹²⁶ This document, which Human Rights Watch reviewed, misidentified the cargo as 400 pieces of 40 mm rocket-propelled grenades.¹²⁷ The actual

¹²¹ Ibid. The Ukrainian government response repeated UCA's position, stating: "UCA has no information about any Iranian cargo (munitions) you mentioned." Letter from Ukrainian State Secretary Victor I. Bannykh to Human Rights Watch, dated January 30, 2003.

¹²² Email correspondence from Roy Ben Yami, Joint General Manager, L.R. Avionics Technologies Ltd., December 31, 2002.

¹²³ Ibid. The article containing the allegation is "Daily Examines Circumstances of Iranian Weapons Detained at Bratislava Airport," *Pravda* (Bratislava) via WNC, October 2, 2001.

¹²⁴ Human Rights Watch interviews with two people familiar with the case, Bratislava, April 2001. These interviews were conducted separately, and on different dates, without informing either source of what the other told us.

¹²⁵ Modlex invoice, reviewed by Human Rights Watch researchers in April 2002; Human Rights Watch interview with Iran Source, Bratislava, April 2001. The Modlex invoice indicated that the cargo was for the Angolan Ministry of Defense. Modlex invoice, reviewed by Human Rights Watch researchers in April 2002. Media reports have linked Modlex to a Belgian arms dealer, Jacques Monsieur, who in December 2002 was convicted by a Belgian court for fraud, money laundering, and illegal arms trafficking, and was facing an indictment in France. Regarding his reported ties to Modlex (spelled Modelex in the articles), see, for example, Alain Lallemand, "Arms and money: Tehran investigates," *Le Soir*, June 21, 2001; "Belgian Weekly Reports on Alleged Smuggler Victor Bout," *Le Vif/L'Express* (Brussels), via WNC, March 2, 2002; International Consortium of Investigative Journalists, "The Field Marshal," chapter in *Making a Killing: The Business of War* (Center for Public Integrity: Washington, 2003). The spelling of the company's name (Modlex, as used here) is available at, among others, "Iran Exporters Directory," entry for military industry, at <http://www.iranexporters.org/asp/military.asp> (retrieved October 30, 2002).

¹²⁶ Modlex invoice, reviewed by Human Rights Watch researchers in April 2002.

¹²⁷ Ibid; Human Rights Watch interview with Iran Source, Bratislava, April 2001.

quantity was considerably more, 504 pieces.¹²⁸ The Iranian Ministry of Defense did not respond to a Human Rights Watch request for comment regarding Modlex.¹²⁹

The Bratislava daily *Pravda* has alleged that Slovtrans Air, a Bratislava-based company, played a role with respect to the Iranian munitions,¹³⁰ although the person who asserted this connection later cast doubt on her original account. The owner of Slovtrans Air, Mohamad Ahmad Saad, declined to speak about the case on the record.¹³¹ His wife, Mrs. Dobroslava Saad (Saadova in Slovak), however, offered the following account to *Pravda*:

We have ordered an aircraft from Kiev, which was supposed to take two consignments from Bratislava. One of them contained 16 kilograms of signal rockets from Slovakia. Then, three metric tons of military equipment from Tehran should have been added. The customs office intercepted the second consignment, because the documents from Tehran had been incorrectly filled in. After 20 hours, the Ukrainian aircraft with the Slovak part of the shipment on board departed for Israel.¹³²

Mrs. Saad stated that the goods were accurately declared as military equipment when flight permissions were requested: "The Transport Ministry knew about this; everyone knew. Such transport requires a large number of authorizations, which we had to obtain in advance. Our aircraft legally landed in Israel, even at a military airport, which requires the Israeli Government's approval."¹³³

Mrs. Saad, contacted by Human Rights Watch, clarified that she does not serve Slovtrans Air in any official capacity. When asked by email about the reported role of Slovtrans Air in this case and another transaction with which the company had been publicly linked (described further below), she said: "I can barely recall any of the thing [sic] you

¹²⁸ Human Rights Watch interview with Iran Source, Bratislava, April 2001; and Human Rights Watch interview with Josef Luteran and Lubomir Skuhra, Customs Directorate, April 12, 2002.

¹²⁹ The request was made in a December 20, 2002, letter.

¹³⁰ "Daily Examines Circumstances...", *Pravda*. The article alleges that the company "arranged the transport of the goods from Iran via Slovak territory to Israel and then to Angola." Ibid.

¹³¹ Human Rights Watch contacted Mr. Saad on April 15, 16, and 24, 2002.

¹³² "Daily Examines Circumstances...", *Pravda*.

¹³³ Ibid.

mentioned in your message, and I am surprised of its allegations.” She added, “None of what you mentioned was chartered by Slovtrans Air.”¹³⁴

More Questions than Answers

Suspicion about the Iranian arms shipment has persisted, and it is difficult to reconcile a number of elements of the case. First, no adequate explanation has been given for the false information filed for the Iranian cargo in Bratislava. A spokesman for the Ministry of the Interior confirmed that the customs declaration was filled out for “different material, not arms.”¹³⁵ Moreover, Human Rights Watch understands that the air waybill shown to customs officials listed “general cargo,” and that cargo codes provided when requesting flight permissions were also misleading.¹³⁶

Moreover, although the Angolan media has reported on the seizure of the anti-tank munitions in Slovakia, at no point has the government of Angola publicly acknowledged that it owns the Iranian consignment. As of April 2002, the government of Angola had not replied to an official Slovak request made in October 2001 for clarification as to whether it was the end user.¹³⁷ It also failed to respond to a December 2002 request for comment from Human Rights Watch.

The nature of the munitions also raises questions about their intended deployment. RPGs are flexible weapons that can be fired against targets other than tanks, and they are commonly deployed to provide fire support for light infantry. The impact of anti-tank munitions in African conflicts, which are mostly marked by small arms fire and where tanks are rarely if ever used, is to provide greater explosive power to the troops wielding them, and to therefore enhance their potential to destroy targets of all types. This has been the case in the conflicts in which Angola has been involved. In the

¹³⁴ Email communication from Mrs. Dobroslava Saad, dated January 27, 2003.

¹³⁵ “Slovak police investigating illegal arms cargo...,” Reuters.

¹³⁶ The cargo code listed corresponded to general military wares, a category that would accurately cover uniforms, for example, but not munitions. Human Rights Watch interview with Iran Source, Bratislava, April 2001. Munitions are subject to special rules governing the transport of hazardous materials. For example, under international civil aviation rules, special over-flight permission is required to carry an explosive cargo. Explosive cargo also should be declared as such on the cargo document known as an air waybill.

¹³⁷ Human Rights Watch interviews with two people familiar with the case, Bratislava, April 2001. Subsequent inquiries by Human Rights Watch in September and October 2002 resulted in no new information.

Angolan civil war and the regional conflict in DRC, RPGs were fired against buildings, houses, and other civilian structures.¹³⁸

Information that the Iranian munitions were to have been transshipped to Angola via Israel, at a military airport, and combined with Israeli cargo is also of interest. Israel has accused Iran of smuggling arms to the Palestinian Authority, and the United States, with which Slovakia and especially Israel have forged close ties, has branded Iran a “state sponsor of terrorism.” That stigma carried particular weight in the wake of the attacks in the United States, which took place two weeks before this arms delivery was attempted. The incongruity of arms links between Iran and Israel suggests the possibility that this may have represented a covert weapons shipment.¹³⁹

The complex transport arrangements also raise doubts and hint that they were designed to avoid scrutiny of the shipment. A wish to avoid exposing the Iranian connection, for example, could explain why a second plane was used to deliver the cargo, as well as why it was routed through an Israeli military airport.

The arrangements also appear to defy financial logic. By itself, the small consignment of signal flares for export from Slovakia would not justify the chartering of a plane to stop in Bratislava. Human Rights Watch was able to establish that the Ukrainian plane was carrying other cargo (see below), and that it intended to collect more cargo on its way to its final destination. Were that not the case, it would have made more sense for the Iranian plane to deliver all the cargo to Angola.

Other Stops, Additional Cargo

Flight records for the UCA plane show that it departed from Gostomel airport near Kiev, Ukraine, and flew direct to Bratislava, then on to Luanda, the Angolan capital, via

¹³⁸ Human Rights Watch, “Uganda in Eastern DRC: Fueling Political and Ethnic Strife,” *A Human Rights Watch Short Report*, March 2001; Human Rights Watch, *Angola Unravels: The Rise and Fall of the Lusaka Peace Process*, (New York: Human Rights Watch, 1999). Angola also had troops in the Republic of Congo, where they served as a stabilization force.

¹³⁹ A covert Iran-Israel arms connection is known to have surfaced in the 1980s, in what was exposed as the Iran-Contra scandal, involving U.S. supplies of arms to Nicaraguan rebels and an arms-for-hostages deal with Iran.

Ovda, a military airport in Israel, with intermediate stops in Egypt and Tanzania. The aircraft returned from Angola to Ukraine via Sudan.¹⁴⁰

As emphasized by the airline and the Ukrainian government, the government of Angola is not subject to an international embargo. They also stated that the cargo delivery was made in accordance with relevant national export controls and international civil aviation rules.¹⁴¹ They noted that they had received no complaints from any party regarding this transaction prior to being contacted by Human Rights Watch.¹⁴² The Ukrainian Ministry of Defense added that its investigation into the matter concluded that “[the] flight route, nature of cargo and time parameters were completely legitimate,” and that “in this case [the] air company was dealing only as a carrier of the cargo.”¹⁴³ Both the airline and the Ukrainian government identified the company that made the transport arrangements for the cargo UCA delivered to Angola (see above).¹⁴⁴

The information regarding the UCA delivery to Angola nevertheless is of interest as it relates to the intended delivery route of the Iranian munitions. It also helps illustrate the complex transport arrangements made for weapons deliveries, the many players involved in one weapons shipment, and the absence of transparency about such transactions. Moreover, media reports suggest that there were some discrepancies regarding cargo declarations at one of the stops. Finally, as will be discussed in the third case study in this report, Angola’s dismal human rights record makes it an inappropriate weapons client.

Flight records show that the UCA aircraft departed Gostomel on September 29, 2001, at 4:17 pm, carrying commercial cargo weighing 2479 kilograms.¹⁴⁵ Ukrainian authorities

¹⁴⁰ Flight records, September and October 2001, copy on file with Human Rights Watch.

¹⁴¹ Letter from Andrey Kukin, Ukrainian Cargo Airways, to Human Rights Watch, dated January 4, 2003; letter from Ukrainian State Secretary Victor I. Bannykh to Human Rights Watch, dated January 8, 2003.

¹⁴² Ibid.

¹⁴³ The quotes appear, respectively, in the letter from Ukrainian State Secretary Victor I. Bannykh to Human Rights Watch, dated January 8, 2003, and letter from Ukrainian State Secretary Victor I. Bannykh to Human Rights Watch, dated January 30, 2003.

¹⁴⁴ Letter from Andrey Kukin, Ukrainian Cargo Airways, to Human Rights Watch, dated January 29, 2003; letter from Ukrainian State Secretary Victor I. Bannykh to Human Rights Watch, dated January 30, 2003.

¹⁴⁵ Flight records, September and October 2001, copy on file with Human Rights Watch. Regarding the plane’s departure from Gostomel, see also “Slovakia: Both flights involved...,” TASR News Agency. Gostomel was cited by the U.N. as a point of origin for an arms flight in July 2000. The cargo, delivered to Cote d’Ivoire, was re-exported aboard another plane to Liberia. *Report of the U.N. Panel of Experts on Liberia*, paras. 208-210.

and UCA informed Human Rights Watch that the cargo consisted of “aircraft spare parts.”¹⁴⁶ They further clarified that this cargo was authorized to be exported by the state-owned Ukrainian arms export company Ukrspetsexport to the government of Angola.¹⁴⁷ Neither the Ukrainian government nor the airline specified the type of aircraft for which spare parts were supplied, but the fact that the sale was made by an arms-export firm and received export authorization, as required for military equipment, indicates that it was for military aircraft. A Ukrainian official independently informed Human Rights Watch that, to his knowledge, the spare parts were for a military aircraft.¹⁴⁸

The UCA plane arrived in Bratislava at 6:27 pm, as noted, and was allowed to leave the following day, September 30, 2001. It departed at 12:27 pm that day, according to the flight records, having unloaded sixteen kilograms of additional commercial cargo.¹⁴⁹ This was a small consignment of signal flares.¹⁵⁰ The goods had been sold by the Slovak company Hermes and authorized for export to Angola.¹⁵¹

The next and final pick-up was at Ovda, Israel, where the UCA plane landed at 3:27 pm on September 30, 2001.¹⁵² There, 2500 kilograms of commercial cargo were unloaded.¹⁵³ This cargo was identified as “impedimenta.”¹⁵⁴ The UCA plane departed from Ovda at 1:02 pm on October 1, 2001. From Ovda the UCA plane traveled to Aswan, Egypt, to refuel,¹⁵⁵ landing at 2:42 pm and departing at 2:15 the following morning.¹⁵⁶

¹⁴⁶ Letter from Andrey Kukin, Ukrainian Cargo Airways, to Human Rights Watch, dated January 4, 2003; letter from Ukrainian State Secretary Victor I. Bannykh to Human Rights Watch, dated January 8, 2003.

¹⁴⁷ Letter from Andrey Kukin, Ukrainian Cargo Airways, to Human Rights Watch, dated January 29, 2003; letter from Ukrainian State Secretary Victor I. Bannykh to Human Rights Watch, dated January 30, 2003.

¹⁴⁸ Human Rights Watch interview with Victor Hvoz, Ukrainian Mission to the United Nations, January 9, 2003.

¹⁴⁹ Flight records, September and October 2001, copy on file with Human Rights Watch.

¹⁵⁰ Letter from Ukrainian State Secretary Victor I. Bannykh to Human Rights Watch, dated January 30, 2003. The cargo was described in some media reports as signal rockets. The terms are sometimes used interchangeably, since what distinguishes signal flares and signal rockets (their size and delivery method) is considered of minor significance.

¹⁵¹ “Daily Examines Circumstances...,” *Pravda*; “Weapons Deals: State has few reasons not to approve,” *Slovak Spectator*, October 8-14, 2001.

¹⁵² Flight records, September and October 2001, copy on file with Human Rights Watch.

¹⁵³ *Ibid.*

¹⁵⁴ Letter from Ukrainian State Secretary Victor I. Bannykh to Human Rights Watch, dated January 8, 2003

¹⁵⁵ *Ibid.*

¹⁵⁶ Flight records, September and October 2001, copy on file with Human Rights Watch.

Divergent accounts have emerged regarding what happened on the plane's next stop, in Mwanza, by Lake Victoria in Tanzania, where flight records indicate it landed at 8:40 am on October 2, 2001, and left at 2:10 pm the next day. Media report from Tanzania said that officials at the airport temporarily halted the UCA plane, registration number UR-UCK, shortly after it landed at Mwanza, on suspicion that it was carrying undeclared weapons cargo.¹⁵⁷ The aircraft was allowed to leave, but some months later a Tanzanian official stated that authorities had indeed discovered undeclared weapons cargo aboard and added that they had only released the plane on orders of top Tanzanian security officials.¹⁵⁸

A different account was offered in the Ukrainian press, which quoted a representative of Ukrainian Cargo Airways as denying that the plane was carrying weapons and instead saying that it only had transport equipment on board.¹⁵⁹ The airline representative reportedly acknowledged that the plane had certain problems in Tanzania, but challenged reports that the crew was detained for questioning.¹⁶⁰

When approached by Human Rights Watch, UCA stated: "The aircraft made [a] technical stop in Mwanza for refueling and crew rest. There [was] no information relating to aircraft detention by Tanzanian authorities. The flight schedule was undisturbed."¹⁶¹ The Ukrainian authorities responded similarly, adding that they had not been contacted by the Tanzanian authorities in connection with this flight.¹⁶² Despite being asked, neither party addressed the fact that the military cargo was reportedly characterized by the airline at the time as transport equipment.

¹⁵⁷ "Plane Carrying Arms Detained at Tanzanian Airport," Xinhua News Agency (Beijing), October 3, 2001; "Arms-carrying Ukrainian plane detained in north," *Guardian* (Dar-es-Salaam) via BBC Monitoring, October 3, 2001; "Tanzania Releases Arms-Carrying Ukraine Plane," Xinhua News Agency, October 3, 2001; "Suspected Ukrainian arms plane released," *Guardian* (Dar-es-Salaam) via BBC Monitoring, October 4, 2001.

¹⁵⁸ "Dar Officials Accused of Abetting Arms Racket," *East African/All Africa Global Media via COMTEX*, June 24, 2002. A similar statement was made at the time by the Mwanza Regional Commissioner, who said "We have received instructions from Dar es Salaam [Tanzania's capital] to release the plane." "Tanzania Releases Arms-Carrying Ukraine Plane," Xinhua News Agency.

¹⁵⁹ "Ukrainian Plane Suspected of Smuggling Weapons to Angola Grounded in Tanzania," *Infobank* (Lvov), October 3, 2001; and "Ukrainian airline says no arms on board plane reportedly detained in Tanzania," STB TV (Kiev) via BBC Monitoring, October 3, 2001.

¹⁶⁰ "Ukrainian airline says no arms on board...", STB TV.

¹⁶¹ Letter from Andrey Kukin, Ukrainian Cargo Airways, to Human Rights Watch, dated January 29, 2003.

¹⁶² Letter from Ukrainian State Secretary Victor I. Bannykh to Human Rights Watch, dated January 30, 2003.

On its arrival in Luanda, according to UCA, “all the cargo declared for delivery was unloaded and handed over to representatives of the Government of Angola.”¹⁶³ Flight records show that the plane landed in Luanda at 7:05 pm on October 3, 2001.¹⁶⁴ They do not indicate the time of its departure, with an empty cargo hold, from Luanda to Khartoum, where the UCA plane stopped at 2:40 pm October 4, 2001, and stayed until 4:55 am the next morning, at which point it departed for Borispol airport in Kiev, where it arrived at 12:10 pm on October 5, 2001.¹⁶⁵

As of March 2003, the Slovak criminal investigation remained open. No one had been charged and there had been no new developments in the case for at least one year. Slovak authorities pointed to poor international cooperation as a reason for the slow progress of their investigation. In addition, there was a break in the continuity of the investigation: the police investigator responsible for this investigation left and his replacement had not yet studied the extensive case file. The same situation emerged in the Liberia case above. The turnover among police investigators, seemingly driven by a sense they were overworked and underpaid, only made more difficult the challenge of prosecuting wrongdoers in arms trafficking cases.¹⁶⁶

¹⁶³ Letter from Andrey Kukin, Ukrainian Cargo Airways, to Human Rights Watch, dated January 29, 2003. In his response, Ukrainian State Secretary Victor I. Bannykh similarly indicated that Ukrainian authorities had established that “the final landing and unloading of the UCA plane” took place at Luanda. Letter to Human Rights Watch, dated January 30, 2003.

¹⁶⁴ Flight records, September and October 2001, copy on file with Human Rights Watch.

¹⁶⁵ Ibid.

¹⁶⁶ Human Rights Watch interview with Jozef Chroncok, regional office of the judicial police (Bratislava), and Milos Jadud, Interior Ministry, Bratislava, March 7, 2003. The case was opened on suspicion that Section 124c of the Slovak criminal code had been violated. Ibid.

Case Study 3: Carelessness Uncovered: The Licensing Mix-Up

On September 26, 2001, customs officials halted a shipment of surplus fighter planes on suspicion of weapons smuggling. Their suspicion was aroused because the export license initially presented with the cargo, which named the destination as Angola, had expired some nine months earlier. The arms-exporting company, Hermes, then presented a new copy of the export license, but customs rejected it because the document had been noticeably altered. Where the old expiration date had appeared, the text had been blackened and a new date typed in. The change was marked with an official stamp but not accompanied by an official signature. Hermes maintained that this was a valid document, but customs officials disagreed.¹⁶⁷

The cargo was packed into thirty-one containers and loaded onto freight cars for onward transport to Gdansk, Poland, where it was to be loaded onto a ship bound for Angola. During a close inspection, Slovak authorities found further discrepancies. In addition to the dismantled planes, the train cars also were packed with machine guns and spare parts that did not appear on the export license shown to customs. Moreover, one of the planes was of a type that did not match the model number provided on that document.¹⁶⁸

There was much media speculation at first that this constituted an illegal deal, but this proved not to be the case. Following an inquiry by the customs authority and a criminal investigation overseen by the regional prosecutor's office in Trencin, the items were released for export to Angola. The prosecutor's office concluded that no laws were broken. The customs authority, for its part, found that Hermes had violated customs regulations when it failed to provide the required export authorizations at the time of the customs check. Customs imposed a fine of 2.5 million SKK (approximately \$51,800), a decision challenged by the company.¹⁶⁹

¹⁶⁷ Human Rights Watch interview with Milan Kucera, deputy head regional prosecutor, and Tibor Sives, prosecutor responsible for the Su-22 case, Office of the Regional Prosecutor, Trencin, April 16, 2002. Prosecutors suspected the crime of falsifying and changing a public deed, defined under Section 176(1) of the Slovak Criminal Code.

¹⁶⁸ Ibid.

¹⁶⁹ Ibid.

Some current and former licensing officials expressed the view that customs had been overly zealous and that ultimately this case did not merit attention, as nothing had been done wrong. The detention of the shipment and the investigation that followed, however, served an important purpose. They exposed important deficiencies in the export-licensing process that needed to be rectified. The various mistakes served to highlight contraventions of Slovakia's international commitments not to supply arms to human rights abusers and countries in conflict (discussed below). They also demonstrated lax licensing procedures and helped lead to revelations of conflicts of interest among licensing officials, as well as an investigation into allegations of official corruption.

Problems at Every Turn

A first issue is the licensing of the arms sale to Angola. The arms in this consignment were the final shipment under a long-term contract for the government of Angola, according to an official who had been involved in authorizing the deal.¹⁷⁰ He noted that Hermes was Angola's largest partner in the region and had sought and been granted dozens of licenses for arms exports to Angola. He and others pointed out that the government of Slovakia was eager to dispose of surplus weapons, and happy to have a customer interested in the Soviet-era equipment, one that was not subject to a U.N. embargo.

Indeed, Slovakia cultivated arms trading ties with Angola. The Slovak government went to considerable length to promote arms sales to Angola, arranging state visits and even using diplomatic channels to press Angola to follow through on its contract with Hermes after the client indicated it wanted to withdraw from the contract.¹⁷¹ Angola maintains an embassy in Slovakia, one of few diplomatic outposts in the region for the African country. Both countries have declared trade ties as a priority in bilateral

¹⁷⁰ Human Rights Watch interview with then State Secretary Rastislav Kacer, Bratislava, April 12, 2002.

¹⁷¹ Human Rights Watch interview with a former licensing official, Bratislava, April 2002; Human Rights Watch interview with Anton Zigo, director, and Peter Chupac, commercial director, LOT aircraft repair company, Trencin, April 24, 2002. See also, for example, "Slovakia: Visiting Angolan President Interested in Weapons," CTK News Agency (Prague), via WNC, April 2, 2000; "Angolan president tours tank repair plant, ends visit," TASR, via Foreign Broadcast Information Service (FBIS), April 2, 2000.

relations.¹⁷² The Angolan embassy in Bratislava also reputedly serves as the local office of Simportex, the arms procurement wing of the Angolan government.¹⁷³ Building on its history of arms ties, in 2002 Slovakia exported six L-29 jet trainers to Angola.¹⁷⁴

Slovakia's arms transfers to Angola, while not in violation of an embargo and thus technically legal, present a serious problem because they contradict important pledges by Slovakia to exercise restraint in its arms trade. For more than twenty-five years, until 2002, Angola was involved in a civil war marked by gross human rights abuses and widespread violations of international humanitarian law.¹⁷⁵ Angola also fought in a bloody regional war in the Democratic Republic of Congo. Moreover, some past Angolan arms purchases have raised suspicions of corruption.¹⁷⁶ Slovak officials have steadfastly defended the arms trade to Angola. For example, in mid-2002, following a press conference in which Amnesty International-Slovakia denounced on human rights grounds the arms flows to Angola, the spokesperson for the Slovak Ministry of Economy declared that Slovakia had played a role in helping Angola defeat an insurgency.¹⁷⁷ He also expressed regret that media and civil society criticisms of the trade could undermine Slovakia's market position,¹⁷⁸ stating: "[A]fter some unverified and unobjective information appeared in the media [the Angolan president] himself voiced concern that our future cooperation could be threatened and that he would have to turn to arms companies in Germany or other countries."¹⁷⁹

¹⁷² See, for example, "Ambassador to Slovakia Presents Credentials," Angola Press Agency via COMTEX, September 19, 2002. In a follow up to earlier exchanges of visits, in July 2002 an official Slovak delegation, headed by the State Secretary of the Ministry of Economy, visited Angola to discuss trade ties, including agreements on commercial and bilateral trade relations. Official correspondence between Slovak and Angolan officials, provided courtesy of Amnesty International Slovakia, which obtained the correspondence through a request under Slovakia's access to information law.

¹⁷³ Human Rights Watch interviews with two confidential sources, Bratislava, April 2002.

¹⁷⁴ Slovakia's entry in the U.N. Conventional Arms Register for 2002, submitted May 28, 2003.

¹⁷⁵ Human Rights Watch, *Angola Unravels*.

¹⁷⁶ The French government has opened an investigation into questionable Angolan arms purchases that may have involved misuse of public funds. See Human Rights Watch, "The Oil Diagnostic in Angola: An Update," *A Human Rights Watch Backgrounder*, March 2001, pp. 7-10.

¹⁷⁷ Peter Chalmovsky, Ministry of Economy spokesperson, "Realny obraz obchoodu so zbranami (Real image of arms trade)," letter to the editor, *SME*, July 1, 2001, translated by Amnesty International Slovakia.

¹⁷⁸ *Ibid.*

¹⁷⁹ This quote appears in a longer version of the letter to the editor that ran in the Slovak daily *Hospodarske Noviny* on June 27, 2002, translation by Human Rights Watch.

With respect to the validity of the license presented by Hermes, records of the government licensing commission showed that Hermes had sought and been granted in December 2000 a prolongation to its original license, which was set to expire at the end of that month, for six Su-22 ground attack fighter planes of type M4. The change was implemented by the secretariat to the commission at the Ministry of Economy, whose standard practice at the time was to alter the original license to indicate the new expiration date and mark it with an official stamp, without adding an official signature. The prosecutor found that such license extensions were not in compliance with legal standards.¹⁸⁰

There were also concerns about undeclared items included as part of the shipment. Spare parts for the fighter planes, including tires, were packed onto the train, but no export license for these goods was supplied during the customs check of the cargo. Hermes, it was later determined, had been issued a license for the spare parts, which remained valid at the time the shipment was detained, but the company's employee neglected to present it to customs at the time. Again, the investigators concluded that this was an oversight, rather than a deliberate attempt to evade licensing requirements.¹⁸¹

As for the packed machine guns, licensing authorities and Hermes maintained that they were considered part of the fighter aircraft and did not require a separate license, and the prosecutor's office accepted this rationale. To clear up the matter, a corrected license issued at the Ministry of Economy made explicit mention of the items.¹⁸²

A discrepancy in the type of fighter planes exported under the license posed a further problem. The export permission covered six fighter aircraft, specified on the license as being of the type Su-22 M4. Some of the fighter planes decommissioned from the Slovak military were not of a sufficient standard, however, so the items were replaced. The actual cargo included four Su-22 fighter planes, together with a training model of the Su-22 with a designation (Su-22 UB) that did not match the model number listed on

¹⁸⁰ Human Rights Watch interview with Milan Kucera and Tibor Sives, Office of the Regional Prosecutor, Trencin, April 16, 2002. These practices were changed as a result of the attention to this case. Human Rights Watch interview with Ondrej Varacka, Head of Export Control Office, Ministry of Economy, Bratislava, April 12, 2002.

¹⁸¹ Ibid; Human Rights Watch interview with Milan Kucera and Tibor Sives, Office of the Regional Prosecutor, Trencin, April 16, 2002.

¹⁸² Human Rights Watch interview with Milan Kucera and Tibor Sives, Office of the Regional Prosecutor, Trencin, April 16, 2002; Human Rights Watch interview with Ondrej Varacka, Ministry of Economy, Bratislava, April 12, 2002.

the export license. Prosecutors attributed the mistake to Hermes, which did not inform the licensing commission when the items changed and instead assumed that the training model also would be covered by the original export license. The Ministry of Economy corrected the error so these items could be released for export.¹⁸³

The case also involved possible corruption. Customs officials indicated in April 2002 that they were moving forward with a corruption case involving a staff member of the licensing body.¹⁸⁴ Slovak police officials indicated that the investigation, which related to this export of Su-22 fighter planes, was ongoing as of March 2003.¹⁸⁵

Media attention to the mix-up over the licenses turned up important information that shed light on other problems requiring reform. Following the trail of this Angola transaction, an English-language weekly, the *Slovak Spectator*, reported in December 2001 that three members of the nine-member licensing body simultaneously served on the supervisory boards of state arms companies. Slovak officials for the most part defended the practice, maintaining that it was designed to ensure close monitoring of the arms companies and that there was no suggestion of improper behavior by the officials who served a dual function. Under pressure, however, the government conceded that the appearance of a conflict of interest was damaging. As a result, the licensing commission was disbanded in early 2002 and replaced with a new commission that no longer included persons who served on the boards of arms companies.¹⁸⁶

¹⁸³ Human Rights Watch interview with Milan Kucera and Tibor Sives, Office of the Regional Prosecutor, Trencin, April 16, 2002; Human Rights Watch interview with Ondrej Varacka, Ministry of Economy, Bratislava, April 12, 2002. The Trencin-based LOT aircraft repair company, which dismantled and packed the planes for shipping and provided some limited repair, insisted that it had not been responsible for the error. Human Rights Watch interview with Stanislav Jahodka, Deputy Director, LOT aircraft repair company, Trencin, April 18, 2002.

¹⁸⁴ Human Rights Watch interview with Josef Luteran and Lubomir Skuhra, Customs Directorate, April 22, 2002. See also, "Slovak Arms Dealers Unhappy with Licensing Commission's Policy," *Novy Den* (Bratislava), June 18, 2002.

¹⁸⁵ Human Rights Watch interview with Jozef Chroncok and Milos Jadud, Interior Ministry, March 7, 2003.

¹⁸⁶ Tom Nicholson, "Arms bureaucrats defend their private roles," *Slovak Spectator*, December 17-23, 2001. See also Nicholson, "Opinions on arms control," *Slovak Spectator*; "Editorial: Arms Control: Irresponsibility and ignorance," *Slovak Spectator*, December 17-23, 2001; Human Rights Watch interview with Ondrej Varacka, Ministry of Economy, Bratislava, April 12, 2002; Human Rights Watch interview with then State Secretary Rastislav Kacer, Bratislava, April 15, 2002.

The Case for Further Reform

NATO and the European Union: Leverage for Change

Slovakia's troubling arms trade record undermined the country's international standing and presented a potential roadblock to membership in NATO and the E.U. until shortly before both organizations announced in late 2002 they would invite Slovakia to join. Some in Slovakia's government recognized this danger and spoke out publicly. In December 2001, for example, the then head of the Slovak Information Service noted that international partners had told him repeatedly that the country's weapons control regime was considered unreliable.¹⁸⁷ A second official, the head of the National Security Office, agreed and emphasized the importance of this issue after the September 11, 2001, attacks in the United States. He commented, "The world looks very negatively on the fact that our arms traders falsify licenses and end-user certificates and are supplying global terrorist organizations with weapons and systems. Our priority should be adopting a radical solution to this problem."¹⁸⁸ Elsewhere he noted, "Slovakia is considered a high-risk country from the viewpoint of trading in arms. Our firms and Slovak nationals are suspected of various shenanigans and links to illegal arms deals."¹⁸⁹

While they were evaluating Slovakia's membership bid, the E.U. and NATO let their concerns be known, if quietly. The E.U., for example, pointed out repeatedly that Slovakia had not fully implemented the criteria of the E.U. Code of Conduct, and it repeatedly drew attention to arms trade issues in the context of evaluating Slovakia's membership bid.¹⁹⁰ A European Commission diplomat in Bratislava went so far as to comment publicly in late 2001 that "[a]rms control, or the lack thereof, is a matter of great concern to us," and that "Slovakia needs to get its act together" with respect to arms export control.¹⁹¹ Weapons trade issues were raised in the context of NATO membership, with NATO allies confirming to Human Rights Watch that they have

¹⁸⁷ Nicholson, "Opinions on arms control," *Slovak Spectator*.

¹⁸⁸ *Ibid.*

¹⁸⁹ "Officials React to UN Report...", *SME*.

¹⁹⁰ For example, in 2001 the European Commission stated, "[T]here is concern that more efforts are necessary to ensure implementation of [the E.U. Code] criteria." In 2000, the Commission noted, "there is concern that Slovakia needs to make more effort to ensure respect for sanctions and weapons exports to conflict zones." European Commission, "Regular Report on Slovakia's Progress Towards Accession," 2000, 2001, 2002.

¹⁹¹ Nicholson, "Opinions on arms control," *Slovak Spectator*.

approached the Slovak government on particular arms trade cases.¹⁹² At times the issue has been raised in a more public, if less direct, manner. For example, the U.S. ambassador to NATO, speaking of the anticipated next round of NATO enlargement while visiting another candidate country, said in February 2002 that, among other things, NATO would look for “absence of corruption and reliable control over trade in arms” as part of the evaluation process.¹⁹³

Even with its admission to NATO and the E.U., Slovakia has not shed its image as an irresponsible arms trader. To the contrary, key NATO allies and the E.U. have maintained that this is an area of continued concern. The E.U., in an October 2002 report that concluded Slovakia was ready for E.U. membership, noted that the country was not fully living up to its commitment to follow E.U. guidelines on arms exports.¹⁹⁴ Similarly, on the eve of Slovakia’s invitation in November 2002 to join NATO, the U.S. ambassador to the alliance noted that illicit arms trafficking from the country continued to be a cause of serious concern.¹⁹⁵

The government of Slovakia, clearly sensitive to any doubts about its contribution to Euro-Atlantic security and to its credibility as a responsible partner, has sought to dispel such concerns. It has made some efforts to tighten controls. The problems are serious, however, and several areas still require attention. As stated by the Deputy Foreign Minister in November 2002, “It’s clear to everyone that we have to improve our controls, and steps are being taken.”¹⁹⁶ As is argued below, further steps are needed.

¹⁹² Human Rights Watch interviews with NATO country delegation diplomats, July 2002 and June 2000, Brussels, Belgium. Slovak officials also have stated that this was the case. Human Rights Watch interview with Peter Kormuth, Director, Department of OSCE, Disarmament, and Council of Europe, and Igor Kucer, expert, Section on Biological and Chemical Weapons and Export Control Policy, Department of Arms Control, Disarmament, and Nonproliferation, Ministry of Foreign Affairs, Bratislava, April 12, 2002.

¹⁹³ “US envoy praises Bulgaria’s moves towards NATO membership,” BTA News Agency (Sofia) via BBC Monitoring, February 20, 2002.

¹⁹⁴ European Commission, “Regular Report on Slovakia’s Progress Towards Accession,” 2002.

¹⁹⁵ Michael Winfrey, “NATO hopefuls vet for spies, tackle bribery, smuggling,” Reuters, November 14, 2002.

¹⁹⁶ Ibid.

The Evolution of Slovakia's Arms Trade Controls and the Need for Further Reforms

Since 1998, Slovakia's arms trade has been governed by Act 179 on Trading in Military Material. In the wake of the Liberia helicopter scandal, this law was deemed inadequate, and in 2001 the government promised to revise it. Following passage in December 2001 of a limited amendment, the government set out to review and amend the legislation. In April 2002, following consultations among government ministries and with the Slovak defense industry, the cabinet approved draft legislation to amend the arms trade law and presented it for parliament's consideration. The bill was adopted on July 2, 2002, and went into force on September 1, 2002.

In several respects, the bill represented an improvement over previous legislation. It introduced controls on arms brokers, gave greater emphasis to compliance with international commitments, clarified existing licensing procedures, improved regulatory controls designed to prevent diversion of weapons shipments to unauthorized destinations, and granted customs authorities greater power to inspect, detain, or send back suspicious shipments. The bill, however, fell short of the major overhaul needed, as will be discussed. Moreover, as will also be discussed, a number of important topics were not addressed in the law. Most notably, the revised law left in place a licensing exemption related to arms transit, neglected to regulate the activities of transport companies and shipping agents, failed to increase penalties, and did not enhance transparency over the arms trade, nor provide parliamentary oversight. It also formalized licensing procedures in a way that heavily concentrated power in the hands of one ministry.

The government of Slovakia has begun to face the challenge of improving its arms trade controls. It has made clear that it wishes to break from the behavior of the past, when, as described by a licensing official, "nothing was investigated, and that even if everyone knew the rules were being broken, the business somehow went on."¹⁹⁷ The reforms to date, however, mark an incremental improvement that has been insufficient to fully address the challenge of controlling the arms trade. Further reforms are needed to tighten legal controls, as well as their implementation and enforcement.

¹⁹⁷ Tom Nicholson, "From cheerleader to referee: The state and Slovak arms exports, 1993-2002," *Slovak Spectator*, October 28-November 3, 2002.

An opportunity to pursue additional legislative changes may present itself in 2004. Slovak arms controls officials indicated in October 2002 and March 2003 that they intended to elaborate proposals for further legislative changes in this field. They said that the late 2001 and mid-2002 round of reforms were enacted as amendments to Act 179, due to time pressures, but that the goal now was to draft an entirely new law. The new law, they said, would be based on the provisions of Act 179, as amended, but reformulate them and add new measures, provided consensus on the latter could be reached.¹⁹⁸

Ensuring Strict Licensing

Understanding the Problem

Arms exports from Slovakia are subject to a two-staged licensing procedure in which the government grants a license authorizing companies or individuals to trade in weapons and also issues individual permits for each transaction. These individual permits are often themselves referred to as “licenses.” Statutory authority for issuing licenses rests with the Ministry of Economy. Until September 2002 it acted through a government licensing commission composed of representatives from the Ministries of Economy, Defense, Interior, and Foreign Affairs, with the Ministry of Foreign Affairs exercising veto power. At least for a period in 2002, the Customs Directorate and intelligence service also took part in considering license applications.

The status of the inter-ministerial licensing commission has been a subject of some debate. From the beginning, the commission was established as an advisory body without formal legal status. In practice, however, it exercised decision-making authority, with the Ministry of Economy issuing licenses only on the basis of consensual decisions by the commission. With the amendments to the country’s arms trade law in mid-2002, this legal contradiction was resolved. Rather than formally empower the licensing commission to make decisions, however, the revised law reaffirmed the authority of the Ministry of Economy. The law makes no reference to a licensing commission per se.

¹⁹⁸ Human Rights Watch interview with Igor Kucer, expert, Section on Biological and Chemical Weapons and Export Control Policy, Department of Arms Control, Disarmament, and Nonproliferation, Ministry of Foreign Affairs, Bratislava, October 14, 2002; and Human Rights Watch interview with Ondrej Varacka, Ministry of Economy, October 15, 2002. As of March 2003, the government had initiated a preliminary review of different legislation in order to help it develop legislative proposals, but new arms trade legislation was not anticipated to be adopted until 2004. Human Rights Watch interview with Ondrej Varacka, Ministry of Economy, March 6, 2003, Bratislava.

Instead, it establishes that the Ministry of Economy issues both the authorization to trade in weapons and individual export and import licenses. The export control official at the Ministry of Economy argued that these changes were necessary to clarify lines of responsibility and ensure greater accountability in case a license was improperly issued. He added that granting statutory authority to the commission would have required the drafting of more complex legislation.¹⁹⁹

In September 2002, the legal reforms went into effect, and the Slovak cabinet allowed the mandate of the licensing commission, such as it was, to expire.²⁰⁰ Interim arrangements were put in place that reflected the Ministry of Economy's primary role in licensing decisions, as outlined in the revised law, but preserved a measure of inter-agency consultation.²⁰¹ The interim consultation processes were formalized by the end of 2002.²⁰² Taken together, the July 2002 law and the consultation procedures set out the new arms licensing decision-making process.

For general trading authorizations the revised law establishes (at articles 5(2) and 10) that the Ministry of Economy is entitled to issue such licenses following the positive recommendation of the other designated government bodies, which are the Ministries of Defense, Foreign Affairs, and Interior, as well as the National Security Office. The law requires a consensus for a positive decision on trading license applications (at article 11). At the same time, it appears to grant the Ministry of Economy authority to deny such licenses even where the other bodies support an application, where required to protect foreign policy and security interests, when the applicant has been denied a trading license, or if a year has not passed since the applicant's license was revoked. Similarly, the decision to revoke a trading license rests with the Ministry of Economy (at article 12(2)).

The Ministry of Economy arms licensing official explained in March 2003 the mechanism by which consultations occur and decisions regarding general arms trading

¹⁹⁹ Human Rights Watch interview with Ondrej Varacka, Ministry of Economy, October 15, 2002.

²⁰⁰ "Slovak Cabinet Meets for its Regular Session on Wednesday," SITA, September 16, 2002; TASR, September 15, 2002; "Diplomats Will Decide on Trading in Arms," *Pravda*, September 24, 2002.

²⁰¹ Human Rights Watch interview with Ivan Korcok, then Director General, Security and International Organizations, Department of Arms Control, Disarmament, and Nonproliferation, Ministry of Foreign Affairs, October 14, 2002; and Human Rights Watch interview with Ondrej Varacka, Ministry of Economy, October 15, 2002.

²⁰² Human Rights Watch interview with Ondrej Varacka, Ministry of Economy, March 6, 2003.

authorizations are made. First, the Ministry of Economy reviews applications for such authorizations. If there are no irregularities, the ministry forwards the applications to the other ministries and government offices designated in the law and requests their views. If no problems are raised during this consultation, the Ministry of Economy approves the application and issues the authorization. If, on the other hand, objections are made about an application, the application can be referred to an expert group that meets weekly to discuss arms trade issues. That group is one of two advisory bodies formed to support the Ministry of Economy's decision-making about arms licenses; it intervenes in decision-making about general arms trading applications only when there is a lack of consensus on an application supported by the Ministry of Economy. If a positive consensus cannot be reached among the appropriate authorities in the expert group, the application for a general arms trading authorization is denied.²⁰³

The Ministry of Economy has greater autonomy over licensing decisions regarding individual arms transactions, such as arms import or export permits. Under the revised law (at article 16(1)), the ministry "may request" the opinion of the Ministries of Defense, Foreign Affairs, and Interior and the National Security Office and any responses are due within thirty days. Such consultation is not spelled out in the July 2002 law, but instead form part of the regular consultation process, discussed below, that was agreed subsequently. The recommendations offered through such consultations generally are not binding on the Ministry of Economy. The sole exception outlined in the law (at article 16(3)) is that a negative decision by the Ministry of Foreign Affairs on an export license is binding, provided it responds within thirty days and offers a justification for its decision. As with general trading authorizations, decisions regarding the rejection or revocation of individual licenses are left to the Ministry of Economy and can be triggered by Slovakia's foreign policy and security interests (articles 19 and 20).

The mechanism for consultation on individual permits differs from that for general trading authorizations and offers additional opportunities for input. The above-mentioned expert level advisory group, referred to as the Permanent Expert Group on Arms Trade Issues, plays a direct and early role in reviewing applications for individual arms transactions. The arms licensing official at the Ministry of Economy explained that in practice the weekly meetings of this expert group provide the Ministry of Foreign Affairs an opportunity to use its veto and thus halt consideration of an application. In addition, a second inter-ministerial advisory body with more senior representatives was created to examine cases where consensus to approve has not been reached by the

²⁰³ Human Rights Watch interview with Ondrej Varacka, Ministry of Economy, March 6, 2003.

expert group (including by those who are not granted veto power) and more discussion was thus warranted. This senior level body is known as the Minister of Economy's Council on Arms Trade Issues. The Ministry of Economy hosts both advisory bodies, which also include representatives of the Ministries of Defense, Foreign Affairs, and Interior, as well as the Slovak Information Service and Customs Directorate, which are not cited in the law as having an advisory role on licensing. As of March 2003, the names of the members of both bodies had not been made public. The Information Department of the Ministry of Economy apparently felt that by keeping their names confidential it was protecting them from any outside efforts to influence their decisions.²⁰⁴

Ultimately, as noted, the Ministry of Economy in all cases makes the final decision on individual arms licenses and under the revised law has the power to overrule the recommendation of either or both advisory bodies, unless the Ministry of Foreign Affairs opposes an application. The result is that, in accordance with the revised law, the Ministry of Economy can override the decision of most of the government bodies on individual arms transaction but may issue such an export authorization only with the concurrence of the Ministry of Foreign Affairs. The export control official at the Ministry of Economy, questioned about the implications of this change and the concentration of licensing power in his ministry, denied that consensual decision-making was needed to minimize risk or that his ministry, charged with promoting Slovak industry, might not exercise due restraint.²⁰⁵

Government Action to Date

- Corrected a contradiction regarding the authority for licensing decisions and formalized the process of inter-ministerial review of license applications. As noted, the revised law declared the Ministry of Economy the ultimate decision-making authority and established that the various ministries will be consulted, with consensus required for approval of general trading licenses and the Ministry of Foreign Affairs exercising veto power in the case of individual arms export permits. The government later developed and formalized consultation procedures and established advisory bodies on licensing, but these procedures are not reflected in the arms trade law itself and the advisory bodies do not have statutory authority.

²⁰⁴ Ibid.

²⁰⁵ Human Rights Watch interview with Ondrej Varacka, Ministry of Economy, October 15, 2002.

- Adopted legal changes to clarify arrangements for prolonging arms licenses.
- Reviewed license applications more carefully and rejected more licenses than in the past.²⁰⁶ Arms companies have made clear that they sense that criteria are stricter.²⁰⁷

Needed Reforms

- Rather than concentrate decision-making authority in one ministry and allow inter-agency consultation only through advisory bodies, establish a licensing body as an inter-agency body with statutory authority over arms licensing. Provide that all licenses be approved only where there is a consensus decision by the members of the licensing body, effectively granting veto power to each member of the body.
- Designate one ministry the implementing agency for licensing decisions made by the proposed inter-agency licensing body or, preferably, establish an independent agency with oversight responsibility over the arms trade.
- Ensure that the Slovak Information Service and the Customs Directorate are consulted regarding license applications.

Identifying and Closing Licensing Loopholes

Understanding the Problem

Slovakia's governing arms trade law outlines a list of exceptions to licensing requirements. One such exception, discussed above, was in place until December 2001. The vaguely worded provision provided that "active improvement relations under conditional system or the passive improvement relations" was not subject to licensing.²⁰⁸ This applied to the repair and upgrading of military equipment.

²⁰⁶ Matus Zubo, "Import Licenses Prevail," *Hospodarske Noviny* (Bratislava), August 1, 2003.

²⁰⁷ Frantisek Jasik, "Natural Fear or Well-Thought-Out Procedure?" *Novy Den*, June 18, 2002.

²⁰⁸ Unofficial translation of Act 179, on Trading With Military Equipment (May 15, 1998), available at <http://projects.sipri.se/expcon/natexpcon/Slovakia/slovakia.htm> (retrieved August 8, 2002). For the sake of precision, Human Rights Watch replaced the word "traffic" in the online translation with the term "relations," above.

It is not known to what extent this loophole was abused over the years, but it likely influenced the decision of arms traffickers to repair combat helicopters in Slovakia before exporting them to embargoed Liberia. Slovak authorities had been aware of the loophole for some time, and one former licensing official said that he repeatedly called for it to be closed.²⁰⁹ This was not done until the Liberia case drew particular attention to the loophole and gave urgency to the need for reform.²¹⁰

An additional, and crucial, loophole is addressed below. It permits weapons shipments that transit Slovakia to bypass licensing requirements, making Slovakia vulnerable to weapons smugglers who would funnel illegal arms shipments through Slovakia.

In other areas, the law does not clearly spell out licensing procedures, and these ambiguities suggest the possible existence of additional loopholes that unscrupulous arms dealers might seek to exploit. For example, the language describing license requirements leaves unclear whether licenses are required when the weapons are to be leased rather than permanently exported. In Moldova, U.N. investigators found that such a loophole was used to avoid scrutiny of an attempted illegal arms shipment to Liberia, in violation of the embargo. This would not be possible under Slovak law, a Ministry of Economy official stated in March 2003. Slovakia's arms trade law does not directly address this issue of the temporary movements of weapons such as under leasing arrangements, he said, but any such movements are covered under the definition of import or export in Slovakia's customs law—and are therefore subject to license requirements.²¹¹

Human Rights Watch also sought clarification about a new licensing exemption introduced in the package of legal changes adopted in mid-2002. It covers a category of "claimed military material" addressed under another law, without offering further explanation. The Ministry of Economy official confirmed that this provision relates to military equipment that is rejected by the purchaser and due to be returned to the supplier. In such cases a so-called complaints report is required to be submitted to

²⁰⁹ Human Rights Watch interview with a former licensing official, Bratislava, April 2002.

²¹⁰ Arms industry representatives have complained that the adopted reform goes too far and that the amount of extra paperwork required and added delays drive up the cost of their business. As of April 2002 they were working with the Slovak economy ministry to modify implementation of the new procedures to avoid the necessity of soliciting a new license for each item needed as part of a repair contract. Human Rights Watch interview with Stanislav Jahodka, LOT, Trencin, April 18, 2002.

²¹¹ Human Rights Watch interview with Ondrej Varacka, Ministry of Economy, March 6, 2003.

customs authorities, who check it against the original customs documents for the goods.²¹²

Human Rights Watch did not have an opportunity to clarify the impact on licensing procedures of a further legal provision. It calls for advance notification to the Ministry of Economy of sales of surplus weapons from the military's arsenal, suggesting that at least some Ministry of Defense surplus sales are not subject to full licensing procedures. The same provision allows a specific exemption for certain deliveries of surplus weapons to manufacturers, which also potentially could serve to undermine scrutiny of weapons exports.

Government Action to Date

- Passed emergency amendment in December 2001 to close the refurbishment and repair loophole. The change went into force in February 2002.

Needed Reforms

- Ensure that licensing requirements for surplus and re-exported weapons are on par with those applicable to newly produced weapons.
- Elaborate more clearly other exemptions, for example to emphasize that licensing requirements remain in place for any equipment that enters or leaves the country's customs area, even if only on a temporary basis.
- Close the transit loophole (see discussion below).

Improving End-Use Controls

Understanding the Problem

Arms traffickers take advantage of lax enforcement to arrange weapons deliveries to unauthorized destinations. In Slovakia, controls designed to prevent diversion or re-export of weapons have historically been weak, and poorly enforced, a problem that has

²¹² Ibid.

been acknowledged by some officials.²¹³ Several areas merit attention, and these relate to Slovakia's role as an importer and as an exporter.

With respect to imports, the government has recognized that it must improve control over the issuance and use of Slovak end-user certificates. It was slow to arrive at this conclusion. For years, until February 2002, the Slovak Ministry of Economy office responsible for arms trade licenses routinely issued Slovak end-user certificates (also known as international import certificates) without first checking that the firm in question had sought and been granted an import license for the goods in question. The office also failed to perform checks to see if the firm to which it gave the EUC imported the weapons as planned. This laxity allowed for a situation ripe with potential for misuse: A firm could obtain a Slovak EUC, use it to acquire arms abroad, and then sell the weapons to a client in a third country instead. As explained by the official who took over the export control office and ended this practice, "It was sick. It was a kind of concealed re-export trade, under which if the arms ended up in another country than the one on the certificate [Slovakia], we would get all the blame. [...] Whether the risk was worth it, given the often very questionable economic benefits for Slovakia is very, very dubitable."²¹⁴

Slovakia's lax EUC practices are at the heart of an alleged scheme in 1998 to illegally export a military radar system to North Korea.²¹⁵ In June 2003 Slovakia's interior minister, Vladimir Palko, announced that criminal charges had been laid against "the former managing director of the Armex company [a Slovak arms firm], his subordinate, and the former director of the Office for Armaments, Equipment, and Material at the Defense Ministry."²¹⁶ According to Palko, the accused arranged to buy the military equipment in Ukraine using a fraudulent Slovak EUC supplied by the military official (who also served on the Armex board at the time) and intended to deliver it to North Korea without a license (by registering it as for civilian use).²¹⁷ Referring to the misuse of a Slovak EUC Palko stated, "What they did is a grave sin in the arms business. When

²¹³ See, for example, Nicholson, "Opinions on arms control," *Slovak Spectator*; "Officials React to UN Report...", *SME*.

²¹⁴ Nicholson, "From cheerleader to referee...", *Slovak Spectator*.

²¹⁵ "Nationalist Party Politician Charged with Illegal Arms Trafficking," Radio Free Europe/Radio Liberty (RFE/RL) Organized Crime and Terrorism Watch, July 1, 2003.

²¹⁶ "Former Nationalist MP charged with illegal arms exports," *SME*, via BBC Monitoring, June 16, 2003.

²¹⁷ Ibid; "Former MP Charged with Illegal Arms Trafficking," TASR, June 13, 2003; "Moric Charged with Illegal Trafficking in Military Material," TASR, June 13, 2003; "Nationalist Party Politician Charged...", RFE/RL Organized Crime and Terrorism Watch.

military material is exported, it must be clear who the military user will be; this is where they cheated.”²¹⁸ The former Armex director, who is also a former parliamentarian, denied the allegations in a television interview.²¹⁹

Other possibilities existed for mischief involving misuse of Slovak EUCs. The Ministry of Economy office responsible for arms trade licenses told Human Rights Watch that a firm with a Slovak EUC could import the weapons to Slovakia, send them to a repair plant to be repaired or refurbished, and then re-export them without authorization. There was, after all, no record that the weapons had been imported in the first place, and in any case a legal loophole, described above, exempted from licensing requirements weapons transfers under repair or upgrade contracts. While the loophole was still in place (until early 2002), a firm could thus re-export weapons from Slovakia to a third country without the knowledge or approval of either the original supplier or the Slovak government, contrary to the commitments contained in the end-user certificate.²²⁰

In the case of end-user controls with respect to direct exports from Slovakia, there are three areas of particular importance: evaluating end users, authenticating documents provided for arms deals, and carrying out post-shipment checks to make sure weapons arrive at their designated destination, rather than being delivered to an unauthorized client, and that they are not subsequently re-exported from the designated buyer. A fourth area involves the response to diversion when it happens, in particular cutting off arms trade ties with buyers that re-export weapons without authorization.

An example illustrates the last issue. In November 2000, assault rifles exported from Slovakia to Uganda for use in that country were supplied to Liberia when Uganda decided it no longer wanted them. An Egyptian arms broker reportedly agreed to return the weapons to Slovakia, as Uganda says it requested after determining they did not meet contract specifications. Instead, a consignment of 1,000 AK-47s was delivered to embargoed Liberia. A second shipment of 1,250 weapons of the same type was attempted, but not allowed to take place. The U.N. panel of experts on Liberia, which uncovered the case, implicated the Pecos company and Slovak arms dealer Peter Jusko in the scheme to re-export the weapons. They found that Pecos, one of the brokers for

²¹⁸ “Former Nationalist MP...,” *SME*.

²¹⁹ “Former MP Charged...,” *TASR*, citing an interview on the Slovakia’s commercial TV Markiza on June 12, 2003.

²²⁰ Human Rights Watch interview with Ondrej Varacka, Ministry of Economy, Bratislava, October 15, 2002.

the deal, supplied a false EUC, that a Victor Bout associate signed for the cargo on behalf of Jusko, and that a Bout plane was used.²²¹

This case has received scant attention and numerous Slovak officials declined to discuss it, often stating that they were unfamiliar with it. Human Rights Watch was not able to establish whether the weapons, described as brand new and packed in crates, were manufactured in Slovakia, as stated in the U.N. report, or whether they had been obtained elsewhere and were re-exported by a Slovak company. Nor was any information made available about which company arranged the original, authorized contract to sell the arms to Uganda.

Ugandan authorities told the U.N. that they learned the first consignment left for “Guinea” only after the fact. In the case of the second shipment, they were aware that it was intended for re-export (they were presented with an EUC and flight plans declaring they were to go to Guinea) but halted the deal after developing doubts about the actual destination. Neither they nor Slovak officials have given any indication that Uganda at any point consulted the Slovak government regarding the possible re-export of the Slovak-supplied weapons, as would be required under standard end-user agreements. To the contrary, the available information suggests Ugandan authorities did not take into consideration their obligations to the exporter.

This is not surprising considering Uganda’s record with respect to the diversion of weapons declared for final end-use in Uganda. In 1999, for example, some 400 tons of weapons were flown from Bratislava’s airport, purportedly for delivery to Uganda, but the cargo allegedly was delivered instead to Sierra Leone rebels.²²² Moreover, Human Rights Watch has reported on the diversion of weapons from Uganda to rebel forces in Sudan.²²³ As noted elsewhere in this report, under the E.U. Code of Conduct and Organization for Security and Cooperation in Europe (OSCE) criteria, arms exporters agree to reject arms sales to countries from which they may be diverted or re-exported without permission. Uganda, moreover, would be disqualified under the E.U. and

²²¹ *Report of the U.N. Panel of Experts on Liberia*, paras. 174-188. Jusko denied that he had anything to do with this deal and asserted that the person who signed on his behalf for the shipment in Uganda was misusing his name. Human Rights Watch interview with Peter Jusko, Bratislava, April 21, 2002.

²²² David Leppard, Chris Hastings, Carey Scott, and Brian Johnson-Thomas, “British Firms Arming Sierra Leone Rebels,” *Sunday Times* (London), January 10, 1999; Nicholas Watt and Richard Norton-Taylor, “Politics: Blair challenged on arms supplies for African rebels,” *Guardian* (London), February 11, 1999.

²²³ Human Rights Watch, “Sudan: Global Trade, Local Impact: Arms Transfers to all Sides in the Civil War in Sudan,” *A Human Rights Watch Short Report* (New York: Human Rights Watch, August 1998).

OSCE criteria on human rights grounds. Beyond its civil war and poor domestic human rights record, the country was at the time engaged in a regional conflict in the Democratic Republic of the Congo, where Ugandan forces were responsible for gross and widespread violations of international humanitarian law.²²⁴

A Slovak export license official, when asked about concerns regarding exports to Uganda, noted that he was aware that Uganda was considered a sensitive destination “for several reasons.”²²⁵ At least as of 2002, however, Slovakia had not excluded the possibility of trading arms with Uganda in the future.²²⁶ Official records show that Slovakia exported nine cannons and six multi-barreled rocket launchers to Uganda in 2002.²²⁷

Government Action to Date

- The legal reforms package adopted in July 2002 strengthen end-user controls. It maintains the requirement for an EUC or equivalent document, complete with a non re-export clause (as was previously the case), and further specifies that the document must be submitted in original and authenticated. In addition to pre-approval screening, the law also authorizes post-shipment verification of delivery.
- Licensing officials indicate that they are exercising more caution and checking arms deals more closely.
- In early 2002 a top customs official responsible for overseeing weapons investigations was given a seat on the government licensing committee. This move was intended in part to facilitate closer scrutiny of documentation by licensing officials.

²²⁴ See Human Rights Watch, “Uganda in Eastern DRC: Fueling Political and Ethnic Strife,” March 2001.

²²⁵ Human Rights Watch interview with Ondrej Varacka, Ministry of Economy, Bratislava, April 12, 2002.

²²⁶ Human Rights Watch interview with Ondrej Varacka, Ministry of Economy, Bratislava, October 15, 2002. The official said that under secrecy requirements he was unable to comment on whether any arms transactions to Uganda had been approved since the diversion to Liberia took place.

²²⁷ Slovakia’s entry in the U.N. Conventional Arms Register for 2002, submitted May 28, 2003.

- In September 2001 the Slovak government conducted a special audit of past arms deals to determine if any of its weapons might have been diverted to terrorist groups.²²⁸

Needed Reforms

- When considering license applications, take active steps to evaluate the risk of unauthorized diversion, including through re-export, and bar weapons supplies to countries that have a record of such diversion.
- Authenticate end-user documents, as permitted under the July 2002 law, and do so for each arms transaction.
- Once an arms export has been authorized, carry out follow-up checks to ensure that the weapons are not diverted, as also permitted under the law. These should include both verification of delivery and post-shipment checks to make sure the weapons have not been subsequently re-exported. Make such end-use monitoring a standard condition of arms transfers.
- Thoroughly investigate all cases of possible diversion of authorized arms deals. Block future arms deals to countries found to have violated agreements not to re-export weapons without permission, as well as those against whom there are credible allegations of weapons diversion.

Regulating Arms Trading Companies

Understanding the Problem

Slovak officials indicate that as of early 2002 there were more than one hundred registered arms trading firms, and that it was impossible for authorities to adequately check all of them. Some were described as “fly-by-night” firms likely set up to carry out

²²⁸ A Slovak newspaper, which said it obtained a copy of the official Slovak findings, reported that the Slovak government uncovered some deals approved in the mid-1990s for export of weapons or explosives to “risk countries,” identified as including Iraq, Iran, Libya, Sudan, Syria, Pakistan, and Afghanistan. Tibor Bucha and TASR, “We Have Exported Weapons to Risk Countries,” *Narodna Obroda* (Bratislava), October 9, 2001. The Slovak minister responsible for overseeing the government audit was quoted as stating that arms exported during that period went to countries where they could have been used by individuals with terrorist ties. Holt, “Angola-bound weapons impounded...,” *Slovak Spectator*, “Arms said destined for Angola seized during Slovakian police raid,” *Diario de Noticias* (Lisbon) in BBC Monitoring, October 17, 2001.

only one or a very few deals.²²⁹ More established arms companies pushed for restrictions to be imposed to limit the number of firms. The idea, which would reduce competition and encourage consolidation, found support among law enforcement and licensing officials who argued it would be easier to control the activities of a smaller number of firms.²³⁰

Fly-by-night firms are not the only concern. Even well established firms have been accused of wrongdoing. In late January 2002 a Slovak company attempted to export ammunition production equipment without a license, officials said. The equipment, declared as shoe-making machinery, was destined for Myanmar (the former Burma), which is subject to an E.U. embargo. Officials who spoke to Human Rights Watch confirmed that the company, which was under criminal investigation, was an established arms trading company, UNIMPEX, as named in the media.²³¹ As of January 2003, the Slovak police had not filed criminal charges against anyone in connection with this case.²³²

Since 2001, Slovak authorities have been more proactive in investigating the companies suspected of illegal activity. As demonstrated in two of the case studies elaborated above, in recent cases, fines have been levied where authorities have determined that proper procedures were not followed but no crime had occurred. More serious measures against companies, such as the suspension and revocation of licenses are also available under Slovak law, but they have not been commonly employed against licensed arms trading companies who breach the law. After legal reforms in 2002 imposed

²²⁹ Tom Nicholson, "Arms traders face new hurdle to doing business," *Slovak Spectator*, May 13-19, 2002. In 2001, according to statistics issued by the Ministry of Economy, sixty-six companies were active (selling weapons worth a total of 4.33 billion SKK or nearly \$90 million to fifty-two countries). "Slovak arms sale in 2001 up 30 per cent on 2000," SITA via BBC Monitoring, May 15, 2002.

²³⁰ Human Rights Watch interview with Lubomir Gazak, then-President, and Jozef Kovacik, Executive Director, Association of the Defense Industry of the Slovak Republic, Trencin, April 16, 2002; Tom Nicholson, "Arms traders face new hurdle...", May 13-19, 2002.

²³¹ Human Rights Watch interview with Anton Kulich, General Director, Section of Investigation and Criminal Expertise of the Police Force, and two colleagues, Ministry of Interior, Bratislava, April 15, 2002; Human Rights Watch interview with Josef Luteran and Lubomir Skuhra, Customs Directorate, April 22, 2002. The director of the company declined to comment pending the completion of the investigation but stated that he had "always respected the law." "Slovakia seizes artillery-making machines bound for Myanmar," AFP, February 6, 2002. See also, "Presses for production of artillery shells seized," CTK, February 4, 2002; Nicholson, "From cheerleader to referee...", *Slovak Spectator*.

²³² The criminal investigation in the UNIMPEX case had been opened on the basis of charges against "unknown persons" for attempted violation of regulations on handling controlled goods and technologies under Section 8, subparagraph 2, and Section 124a of the Slovak Criminal Code. Letter to Human Rights Watch from the Judicial Police Section of the Police Presidium, Interior Ministry, Bratislava, January 1, 2003.

tougher licensing requirements, the Ministry of Economy declined to allow twenty-five firms to renew their arms trading licenses.²³³

The concern has been expressed that Slovak criminal law impedes the criminal prosecution of companies for criminal wrongdoing, including in connection with illegal arms transactions. As in some other countries in the region, Slovakia's legal framework establishes that criminal intent is required and has been interpreted as meaning that only individuals, not corporate entities, can be criminally liable.²³⁴ Moreover, the penal code apparently does not envision the crime of criminal negligence. The UNIMPEX and ARMEX cases may provide a measure of the seriousness of the Slovak government's commitment to enforce rules on arms traders, both individuals and companies, as will also be discussed below.

Government Action to Date

- The arms trade law, as amended in mid-2002, imposes a minimum equity capital requirement of 5 million SKK (approximately \$112,000) that has sharply reduced the number of licensed firms.²³⁵ Such measures were supported by police officials, who felt that they would help permit closer control.²³⁶
- The law also gives greater powers to investigators conducting background checks, and requires firms to provide further background information, including recent audits. The Slovak police department's organized crime unit vets arms trading companies. Police officials indicated that, from October 2001 to April 2002, they had declined to recommend two companies, both times on the basis of suspicions of company links to organized crime.²³⁷

²³³ Zubo, "Import Licenses Prevail," *Hospodarske Noviny*.

²³⁴ Human Rights Watch telephone and email communication with Kerry Carroll, liaison, American Bar Association's Central and Eastern Europe Law Initiative, Bratislava, November 2002; Human Rights Watch interview with then State Secretary Rastislav Kacer, Bratislava, October 15, 2002.

²³⁵ "Fewer Arms Traders," *TASR*, March 10, 2003.

²³⁶ Human Rights Watch interview with Jaroslav Spisiak, First Vice-President and Director, Presidium of the Police Force, Criminal and Financial Police Administration, and Artur Beladic, Organized Crime Activities Authority, Presidium of the Police Force, Criminal and Financial Police Administration, Ministry of Interior, Bratislava, April 19, 2002.

²³⁷ *Ibid.*

- Under the law, arms traders (both arms trading companies and arms brokers) are to be held legally responsible for complying with the conditions elaborated in the revised arms trade law, with reference to protecting Slovak foreign policy interests, its international obligations, and the interests of international organizations. Brokers (although not arms trading companies) also must refrain from engaging in arms trading that could contribute to terrorism or international organized crime.

Needed Reforms

- Strictly enforce arms trade regulations. Impose appropriate sanctions, including suspension or revocation of arms trade licenses, on companies that breach rules governing the activities of arms traders.
- Raise penalties for violations. These range considerably, depending on the violation, but begin with a fine of 10,000 SKK, roughly equivalent to \$230, for refusing to allow an inspection by authorities. More serious violations, such as submitting false documents to export control authorities, may incur fines as low as 100,000 SKK or some \$2,300.
- Revise legislative provisions to require annual review of arms licenses, the automatic revocation of licenses held by companies found to have engaged in illicit arms dealing, and annual government consultations with police and prosecutors regarding criminal investigations and prosecutions to ensure these stay on track toward trial.²³⁸
- Ensure that adequate criminal law provisions are in place to allow the prosecution of arms trading companies where circumstances warrant.
- Thoroughly investigate suspected criminal wrongdoing and prosecute violators.
- Correct discrepancies in the licensing criteria for arms trading companies, as compared to those applied to arms brokers.

²³⁸ These recommendations are derived from the work of Matus Korba and Ivo Samson of the Slovak Foreign Policy Association.

Reining in Arms Intermediaries

Understanding the Problem

Private arms brokers and transport companies operating in Slovakia have been involved in arms transactions that raise serious concerns, either because the identified recipients were gross human rights abusers or because the weapons may have been diverted to unauthorized destinations. As the Liberia case clearly demonstrates, illicit arms traffickers need not operate in the shadows. To the contrary, weaknesses in supplier-country controls make it easy for them to obtain weapons for illegal destinations.

The previous activities of Joy Slovakia, and its successor Pecos, suggest the extent to which arms traffickers benefited from lax controls in Slovakia. The U.N. revealed that in 1997 the company entered into an arms deal with the Slovak military to export surplus Slovak small arms to Guinea. Guinea made no such purchase, and to date it remains unclear where the weapons actually wound up.²³⁹

The U.N. has reported that by that year Joy Slovakia was under investigation by law enforcement agencies of several countries on suspicion of involvement in weapons smuggling and money laundering.²⁴⁰ Senior Slovak officials who spoke to the Slovak media confirmed that Joy Slovakia and Peter Jusko, a Slovak national who was a director of the company and later of Pecos, were the subject of an Italian inquiry in 1997 and a Ukrainian investigation in April 1998, and that Slovak police took part in the investigations.²⁴¹ Slovak police said they did not gather sufficient evidence for prosecution.²⁴² The company remained active in the arms trade until at least 1998.²⁴³

²³⁹ *Report of the U.N. Panel of Experts on Liberia*, para. 232

²⁴⁰ *Ibid.*, paras. 21, 255, 260. The partners in Joy Slovakia formed a nominal follow-on company in Slovakia in 1999. That company was set up for arms trade activities but is not known to have been active in the trade, according to the U.N. *Ibid.*, para. 261.

²⁴¹ "Authorities were Aware...", SITA; Nicholson, "Arms Dealer to be Investigated," *Slovak Spectator*. See also, Ukrainian government request to Slovak authorities for judicial assistance, dated April 28, 1998, copy on file with Human Rights Watch.

²⁴² "Authorities were Aware...", SITA; Nicholson, "Arms Dealer to be Investigated," *Slovak Spectator*.

²⁴³ *Report of the U.N. Panel of Experts on Liberia*, para. 261. The U.N. reported that legislation adopted in 1998 that required arms trading companies to register and obtain licenses for the import or export of arms from Slovakia helped stem Joy Slovakia's trade. *Ibid.*, para. 261.

Arrangements in which a broker in Country A organizes a deal involving the export of weapons from Country B to Country C are known as third-party brokering. They give brokers an added measure of protection for their activities, as few countries regulate arms trade activities of their nationals or companies when the deals take place outside national territory. Joy Slovakia is known to have utilized such triangulation. A separate U.N. investigation uncovered two 1998 arms flights carrying weapons purchased by Joy Slovakia in Moldova. The documents provided to authorities said the weapons were for Guinea, but the cargo was diverted to another party using the air transport services of Victor Bout. The U.N. suggested they might have gone to the National Union for the Total Independence of Angola (UNITA), at the time an embargoed rebel group in Angola.²⁴⁴

Media reports have linked Joy Slovakia to arms transactions involving Croatia, the Republic of Congo (Congo-Brazzaville), Russia (Chechnya), and Uganda.²⁴⁵ Moreover, Joy Slovakia was featured as part of a Ukrainian investigation into the alleged illegal recruitment in Ukraine of mercenaries to fight in conflicts in Africa.²⁴⁶ The company also had links to Western Europe. Italy was among the first countries to investigate the company, as noted, and in 1999 the French parliament heard testimony on Joy Slovakia's alleged ties to the French far right and to a Belgian mercenary.²⁴⁷

²⁴⁴ United Nations, Supplementary Report of the Monitoring Mechanism on Sanctions against UNITA, U.N. document S/2001/966 (New York: United Nations, October 12, 2001), paras. 100-102. [The company's name appears as "Joy Slavakia" in the October 2001 report, but the spelling is corrected in a subsequent report by the same panel. Additional Report of the Monitoring Mechanism on Sanctions against UNITA, U.N. document S/2002/486 (New York: United Nations, April 26, 2002), paras. 34-36.] See, also *Report of the U.N. Panel of Experts on Liberia*, para. 247, for a mention of previous, unspecified, transactions between Joy Slovakia and Moldova. The arms embargo on UNITA, imposed in 1993, was lifted in late 2002 following a peace deal that brought Angola's twenty-seven year civil war to an end.

²⁴⁵ See, for example, Mark Hunter, "Oil, Guns, and Money: The National Front goes to Chechnya," *Transitions* (Prague), April 10, 2000, archived at www.tol.cz (Last accessed September 4, 2002); Alain Lallemand, "Former Elf Financier Interviewed on Relations with Belgian Arms Trafficker," *Le Soir* (Brussels), FBIS Translated Text, July 7, 2001; Alain Lallemand and Frederic Delepierre, "Croatie Capiou a été abattu: L'ultime coup de feu du mercenaire belge," *Le Soir*, March 27, 2001.

²⁴⁶ Ukrainian government request to Slovak authorities for judicial assistance, dated April 28, 1998, copy on file with Human Rights Watch. See also Human Rights Watch interview with Peter Jusko, Bratislava, April 21, 2002; and "TV describes recruitment of Ukrainian mercenaries...", ICTV Television. The Ukrainian television report on Joy Slovakia's alleged mercenary activities said the company had representatives in Uzbekistan, Kyrgyzstan, and the UAE, as well as in the Republic of Congo (Congo-Brazzaville), where the mercenaries reportedly served as combat pilots. "TV describes recruitment of Ukrainian mercenaries...", ICTV Television.

²⁴⁷ "Sommaire des comptes rendus d'auditions du 2 mars au 9 mars 1999 (Content of accounts presented in hearings from March 2-9, 1999)," available at http://www.assembleenationale.fr/dossiers/dps/auditi03.asp#P23_907 (retrieved September 24, 2002).

Other information about Joy Slovakia came to light once the U.N. Liberia report drew attention to the company. For example, a former Slovak licensing official told Human Rights Watch that the name of Joy Slovakia had come up in connection with attempted arms deals, in which people associated with Joy Slovakia had tried to broker arms transactions via other companies.²⁴⁸ Moreover, under the government elected in 1998, Pecos, the company established in Guinea by some of the partners in Joy Slovakia (see above), made at least one attempt to secure an export license, according to a source close to Slovak arms export control authorities. In 2000, licensing officials received a request from Pecos for an export license to sell 5,000 submachine guns to a South American country, the source said, but rejected it after an inspection revealed that the deal was fraudulent.²⁴⁹ Slovak officials reportedly received a warning from the United States about the company in mid-2000, at about the time the LOT deal was arranged.²⁵⁰ Yet, despite all that was known about the company and the persons associated with it, no one stood in the way of the Pecos operation to illegally export weapons repaired in Slovakia.²⁵¹

Government Action to Date

- Legal reforms adopted in July 2002 impose brokering controls for the first time. The law provides that only Slovak individuals and companies can act as arms brokers and subjects them to the same two-tiered licensing system as has been applied to arms trading companies.
- These brokering controls are intended to apply to arms deals carried out by Slovak arms brokers, even where the weapons do not pass through the territory of Slovakia. Such extraterritoriality provisions represent “best practice” among countries that have instituted brokering controls.

²⁴⁸ Human Rights Watch interview with a former licensing official, Bratislava, April 2002. See also, Nicholson, “Arms Dealer to be Investigated,” *Slovak Spectator*. This article states that the deals involving Joy Slovakia were licensed.

²⁴⁹ Nicholson, “Arms Dealer to be Investigated,” *Slovak Spectator*; and Human Rights Watch interview with a confidential source, April 2002.

²⁵⁰ Nicholson, “Arms Dealer to be Investigated,” *Slovak Spectator*. See also, “Authorities were Aware...,” SITA.

²⁵¹ Ibid; Nicholson, “Arms Dealer to be Investigated,” *Slovak Spectator*. Pecos was removed from Guinea’s company register in late 2001, following the release of the U.N.’s report detailing its illegal activities.

Needed Reforms

This revised law provides a new tool to control the activities of arms brokers, and therefore marks progress, but it is imperfect in important respects. Weaknesses in the legislation should be corrected through further legal changes, in particular:

- The definition of brokering activity should be clarified and, if necessary, expanded. As adopted in July 2002, it covers intermediary activities. A translation of the revised law provided by the Ministry of Economy indicates that “mediating” (brokering) activity is “an activity of the mediator directed to a foreign party interested to have the possibility of entering with a third party into a contract covering the production, acquirement [sic], or sale of military material including activities and services allowing therefore [sic].” Some arms intermediaries, most prominently transport agents and financiers, do not necessarily “mediate” a “contract” between a buyer and seller (“foreign party” and “third party”) and would thus appear to be excluded from this definition. Brokering laws passed in several countries, including Belgium, cover the activities of these other actors.
- Controls should be extended to the activities of foreign arms brokers with respect to arms transactions in Slovakia. A provision disqualifying foreigners from obtaining brokering licenses is likely to result in foreign brokers partnering with a Slovak national to comply with the law, while permitting foreign brokers to avoid the same scrutiny. (Such an approach was employed, for example, by foreign arms dealers who provided arms to Angola via a Slovak company in the first half of the 1990s in what later erupted in France into an arms-for-oil and corruption scandal known as “Angolagate.”) Bulgaria is among the countries whose brokering rules cover foreign nationals active on its territory.
- Extraterritorial controls on Slovak arms dealers should be further elaborated, as the July 2002 change imposing such controls left unclear how they are to be implemented in practice. One model is provided by the United States, which has had extraterritorial brokering controls in place since 1996.²⁵²

²⁵² Arms Export Control Act, U.S. Code vol. 22, sec. 2778(b)(1976, as amended. For further information, see Fund for Peace, “Casting the Net? Implications of the U.S. Law on Arms Brokering,” January 2001.

Controlling Weapons Transshipment

Understanding the Problem

In Slovakia, weapons transshipment (that is, the movement of weapons originating in one country through Slovak territory for delivery to a third country) is not subject to licensing. Under a legal exemption included in the 1998 law and left in place following revisions to the law in 2002, no license is required for the transit of military equipment through Slovakia if the equipment is on the territory of the Slovak Republic for a period no longer than seven days. As pointed out by a licensing official, there would be no reason for any transit across Slovakia to take more than seven days, so this exemption effectively covers all weapons transit.²⁵³ In fact, he confirmed, no license is issued for weapons transit in Slovakia.²⁵⁴ Another official agreed that the reference to a seven-day time period was irrelevant and described it as a drafting error in the original legislation that remained uncorrected.²⁵⁵

This loophole takes on added significance when one considers that Slovakia, and the airport in Bratislava in particular, has been a hub for arms shipments. The country has been a point of origin or transit for arms deliveries to human rights abusers and countries in conflict, as well as to suspected illegal destinations. Slovak transport agents have been involved in arranging some of these deliveries. Given that there are no licensing requirements for such transactions, arms shipments through Slovakia are subject only to civil aviation and customs controls. Customs and airport personnel are not able to check every shipment, and these controls have been insufficient to deter and detect suspicious activity. Slovakia's intelligence body, the SIS, reported in May 2002 that the country continued to serve as a transshipment point for illegal arms flows to areas of violent conflict, noting among other concerns that "Slovakia became, due to imperfect legislation, a transport corridor for illegal deliveries of weapons and a country where illegal deals were legalized."²⁵⁶ In its 2003 report, the SIS said it found that some Slovak companies were in contact with international arms trafficker Victor Bout.²⁵⁷

²⁵³ Human Rights Watch interview with Ondrej Varacka, Ministry of Economy, Bratislava, April 12, 2002.

²⁵⁴ Human Rights Watch interview with Ondrej Varacka, Ministry of Economy, Bratislava, October 15, 2002.

²⁵⁵ Human Rights Watch interview with Igor Kucer, Ministry of Foreign Affairs, Bratislava, October 14, 2002. Apparently customs law requires that any transit be completed within seven days.

²⁵⁶ Slovak Information Service Annual Report for 2001, March 2002. See also Nicholson, "From cheerleader to referee....," *Slovak Spectator*.

²⁵⁷ Lukas Fila, "SIS to crack down on foreign spies, mafia: Secret-service boss says communist-era agents are 'the root of all evil,'" *Slovak Spectator*, June 30-July 6, 2003.

The September 2001 shipment of Iranian weapons seized at Bratislava airport, described in this report, provides one example to highlight Slovakia's longstanding role as a transit point for troubling weapons shipments. Other examples include the following:

- From 1993 until a scandal arose in 1999 a Czech company, Agroplast, allegedly used the Bratislava airport for illegal arms transports.²⁵⁸ The company reportedly disguised its activities by changing the registration information of the planes it used,²⁵⁹ and there was speculation that Bratislava airport officials may have participated in the fraud.²⁶⁰ Agroplast was also linked to arms flights via Bratislava to Croatia (then subject to an embargo) and the UAE in the early 1990s, with some twenty arms flights via Bratislava attributed to the company in the fall of 1993.²⁶¹ Attention focused on the company in 1999, when it was at the center of the alleged sale of surplus Kazakh fighter planes to North Korea in 1999, for which two officers of the company were charged in the Czech Republic.²⁶²
- Bratislava airport was used for a series of flights in 1995-1996 delivering weapons to Kabul, Afghanistan, with the value of the arms exports

²⁵⁸ Milan Zitny, "Bratislava - letecky uzol v obchode so zbranami? (Bratislava -- an airport junction in arms trade?)," RFE/RL, March 31, 1999; Milan Zitny, "Ministerstvo dopravy SR potvrdzuje, ze Agroplast prepravoval cez bratislavske letisko zbrane do chorvatskej Rijeki (Slovak Ministry of Transport has confirmed Agroplast transferred arms to Croatian Rijeka through Bratislava airport)," RFE/RL, April 20, 1999; "Czech firm using Bratislava airport for illegal arms deals," CTK, via BBC Worldwide Monitoring, April 1, 1999.

²⁵⁹ For example, airport records reportedly showed a Russian-registered plane that landed but never took off, while a Canadian plane for which no landing records existed (and whose Canadian registration may have been fraudulent) was shown to have departed from the airport. Zitny, "Bratislava - letecky uzol v obchode so zbranami?," RFE/RL.

²⁶⁰ Airport officials were suspected of participating in the fraud, according to a Transport Ministry source interviewed by RFE/RL. Zitny, "Ministerstvo dopravy SR potvrdzuje..." RFE/RL.

²⁶¹ Zitny, "Bratislava - letecky uzol v obchode so zbranami?," RFE/RL; Ivan Feranec, "Mystery with the name Agroplast," *Reflex Weekly* (Prague), December 6, 2001.

²⁶² "Firm to Sue Czech State over MiG-21 Smuggling Case," CTK, in FBIS Transcribed Text, October 29, 1999. The director of Agroplast was quoted in the Czech media as denying any involvement in weapons smuggling, including in this case, for which he said the ultimate destination was to be India (via Bratislava, he claimed). "Firm to Sue Czech State..." CTK. Slovak officials denied that the fighter planes were transported via Bratislava. "Slovakia Denies MiG Parts Transported to Bratislava," ITAR-TASS (Moscow) via FBIS Transcribed Text, March 23, 1999. As of this writing the case in the Czech Republic had not yet gone to trial. The two individuals and the Agroplast company, along with a third company representative, were also subjected to U.S. trade sanctions for the arms deal with North Korea, said to involve as many as forty fighter planes. The Agroplast case was not the subject of any criminal prosecution in Slovakia. Human Rights Watch interview with Josef Szabo, director, International Relations Department, and Vladimir Turan, prosecutor responsible for arms trade cases, Criminal Department, Office of the General Prosecutor, Bratislava, April 11, 2002.

reportedly reaching 62 million SKK (more than \$2 million at the time).²⁶³ Human Rights Watch obtained documents for a series of flights to Kabul, Afghanistan, in June 1996 carried by a British company, Sky Air Cargo, and Cyprus-based Avistar Airlines on planes chartered by Slovak Air Services,²⁶⁴ itself owned by Czech Airlines.²⁶⁵ Flight documents show that Avistar's Boeing 707 (registration 5B-DAZ) flew from Bratislava via Ashgabat, Turkmenistan, to Kabul on June 15, 18, and 19, 1996.²⁶⁶ A Sky Air Cargo Boeing 707 (registration EL-JNS) departed Bratislava on June 16, 17, and 18, 1996, traveling to Kabul via Mashhad, Iran.²⁶⁷ The air waybill for the flight conducted on June 17, 1996, indicates that the cargo consisted of "defense material."²⁶⁸ A source familiar with the case confirmed that this was one of several Slovak Air Service-chartered flights that carried arms to Afghanistan during that period.²⁶⁹ These flights occurred at a time of heavy fighting in Afghanistan, involving serious violations of human rights by all parties to the conflict.

- A plane leased by Avistar Airlines used Bratislava airport for numerous weapons shipments from December 1998 to February 1999.²⁷⁰ The flights ended after the aircraft crashed on take-off from Bratislava airport in February 1999, reportedly when attempting another arms delivery.²⁷¹ Investigative journalists, citing flight documents and interviews with crewmembers, reported that these weapons shipments were destined for

²⁶³ "Slovakia exports Sk62m worth of arms to Afghanistan in 1995-1996," CTK, October 7, 2001.

²⁶⁴ Flight documentation, copies on file with Human Rights Watch.

²⁶⁵ Entries in the Slovak and Czech company registers show that Slovak Air Services is wholly owned by Czech Airlines, in which the Czech government has the majority stake. Until 1995, Czech Airlines was called Czechoslovak Airlines and was the national carrier of Czechoslovakia.

²⁶⁶ Flight documentation, copies on file with Human Rights Watch.

²⁶⁷ Ibid.

²⁶⁸ Copy of air waybill issued by Czechoslovak Airlines on file with Human Rights Watch.

²⁶⁹ Human Rights Watch interview with an air cargo source, Bratislava, Slovakia, April 2002.

²⁷⁰ Mark Honigsbaum, Anthony Barnett, and Brian Johnson-Thomas, "British pilot flies arms to Sudan: A veteran gunrunner stood to make Dollars 5m – before his scam was grounded by a crash," *Observer* (London), March 14, 1999; "Anatomy of a Shady Deal," Brian Johnson-Thomas in *Running Guns: The Global Black Market in Small Arms*, ed. Lora Lumpe (Zed Books 2000).

²⁷¹ At the time of the crash, Avistar's owner said he was not aware of the flights, and that the plane had been leased to another party for these flights. "Crashed jet had 32 deadly faults," *Air Cargo News*, March 5, 1999.

Sudan.²⁷² Similarly, a retired airport official reportedly indicated that the aircraft had forty-two tons of ammunition on board when it crashed.²⁷³ The Slovak company that sold the weapons delivered to Afghanistan, Hermes, has stated the arms were authorized for export to Chad and it has no reason to believe they were diverted.²⁷⁴ Slovak officials have made similar statements.²⁷⁵ The wife of the owner of the transport company denied any wrongdoing by the company and said she was not in a position to verify the plane's final destination.²⁷⁶ Sudan, whose long running civil war has been marked by gross and widespread abuses, has been under an E.U. embargo since 1994.

- In March 2000, a plane left Bratislava's airport bound for Harare, Zimbabwe, allegedly carrying a misdeclared weapons cargo for use by Zimbabwean forces in the war in the Democratic Republic of Congo.²⁷⁷

²⁷² Honigsbaum, Barnett, and Johnson-Thomas, "British pilot flies arms to Sudan, *Observer*. The evidence of diversion includes a declaration by the aircrew on a flight document that their destination was Khartoum, Sudan. Amnesty International UK and Oxfam, "Destination unknown—strengthening end-use monitoring over arms exports," pp. 39-43, as cited in Bernardo Mariani and Chrissie Hirst, *Arms Production, Exports and Decision-Making in Central and Eastern Europe*, (Saferworld: July 2002, London), p.169.

²⁷³ "Crashed jet had 32 deadly faults," *Air Cargo News*, March 5, 1999.

²⁷⁴ When the allegations resurfaced in October 2001, the director of Hermes stated, "Our obligation towards the customer ended by the act of handing over the goods at the [Bratislava] airport. We do not know anything about the alleged transport." "Hermes denies supplying weapons to Sudan," *TASR*, October 24, 2001.

²⁷⁵ A Slovak official who commented on condition of anonymity said that, to his knowledge, there was no evidence that a country other than Chad was the destination. Human Rights Watch interview with a Slovak official, Bratislava, April 2002. See also "Slovak minister has no knowledge of arms exports to embargoed countries," *Radio Twist* (Bratislava), October 4, 2001.

²⁷⁶ Dobroslava Saad, the wife of the owner of Slovtrans Air stated: "An aircraft is not a bicycle that can turn around anywhere; it cannot fly anyplace just like that. You must ask the ministries of the African countries whose territories this aircraft has flown whether or not this is true. I know nothing about it." "Handelsblatt: Weapons from Slovakia to Sudan," *SME*, via FBIS, October 23, 2001, reprinting an article from the German daily *Handelsblatt*. This press report attributes the information to investigative journalist Brian Johnson-Thomas, misidentified in the article as a "U.N. envoy." Mrs. Saad denied that the flight was chartered by Slovtrans Air. She also stated that the plane that crashed was departing empty after delivering a cargo of fish from Mwanza, Tanzania. Email communication from Mrs. Dobroslava Saad, dated January 27, 2003.

²⁷⁷ "Britons involved in arms running," *Guardian* (London), April 15, 2000; "Romania: Daily Details Arms Exports to African Nations," *Evenimentul Zilei* (Bucharest) via WNC, March 13, 2002. According to the *Guardian*, which said it had documents on the flight, the plane departed Bratislava carrying cargo listed as "technical equipment and machinery" for delivery to the weapons procurement arm of the government. The previous November, the *Guardian* reported, the same plane reportedly had been used to fly a load of weapons (misdeclared as "technical equipment") from Bulgaria to Harare, where it was transferred to another plane for delivery to Zimbabwean troops fighting in the DRC. "Britons involved in arms running," *Guardian*.

When the Slovak government proposed arms trade reforms in April 2002, many observers expected that the licensing exemption for weapons transit would be removed, and statements by officials at times endorsed this view. In the end, however, consensus on such a measure could not be reached, and a more modest measure to grant customs greater powers was endorsed instead.

Slovak officials, faced with criticism for taking only a half-measure and leaving the transit loophole in place, have argued that the country's customs and civil aviation controls on weapons transit are sufficient to prevent illicit arms trafficking, and that transit licenses are not used in other countries in the region.²⁷⁸ It is true that some countries fail to adequately control weapons transit, and therefore make themselves that much more vulnerable to illicit arms trafficking, but other countries, including Poland and Bulgaria, require that weapons transshipment be licensed. Such controls are increasingly being seen, including within the European Union, as a required international standard to ensure reliable arms trade control.²⁷⁹ This is particularly true for countries that geographic location and other factors have made regional arms transport hubs.

Government Action to Date

- In June 2001, a specialized customs unit, known as Section 11, was formed to prevent smuggling of weapons and other hazardous materials, as well as drugs. Previously the unit was responsible for interdicting drug shipments.
- The July 2002 amendments to the arms trade law granted to customs officials explicit authority to detain, send back, or impound any suspicious shipment.

Needed Reforms

- Adopt legislative reforms making transit subject to arms licensing.
- Proactively monitor air cargo movements for weapons shipments. For example, maintain a list of transport operators and planes linked to illegal

²⁷⁸ Frantisek Jasik, "Slovakia Is Still the Target of Criticism," *Novy Den*, via WNC, July 6, 2002; Human Rights Watch communication with Ministry of Foreign Affairs officials, June and July 2002.

²⁷⁹ Human Rights Watch interview with European Union officials, July 2002, Brussels. See also a compilation of information on policies of E.U. member states concerning arms transit and other issues, derived from official information submitted in 1998, "COARM Questionnaire on Transshipment, Re-export, and End User Statement," May 6, 1998, available courtesy of the Stockholm International Peace Research Institute at <http://projects.sipri.se/expcon/euframe/coarm.htm> (retrieved October 19, 2002).

arms deliveries or suspected illicit trafficking and check all planes against that list.

- Thoroughly investigate suspicious cases, including those from the past, and prosecute violators.
- Investigate published claims that civil aviation and airport personnel have permitted illegal activity at the Bratislava airport.

Enforcing Arms Embargoes

Understanding the Problem

Slovakia states that it observes the arms embargoes established by the United Nations and the European Union. The mechanisms to give such embargoes teeth, however, are minimal. Officials say that they crosscheck any arms export license applications against the list of countries subject to sanctions, such as those imposed by the U.N., E.U., or the OSCE, and that they refuse any license application that lists one of those countries as the destination.

A Slovak licensing official stated that until the adoption in mid-2002 of a new sanctions law, these embargoes were not automatically implemented in domestic law.²⁸⁰ Therefore those who are suspected of violating international embargoes before the entry into force of the sanctions law, in September 2002, cannot be prosecuted for that crime. Instead, they would be subject to Slovak criminal law on the contravention of regulations concerning “the handling of controlled goods requiring special handling.” This law provides for a modest sentence of up to three years, or eight years for the most serious cases.²⁸¹

Looking to Slovakia’s past experience, the government has not always reacted firmly to allegations of arms embargo violations. Until the Jusko case was opened in 2001, suspected illegal arms sales activity had not resulted in a criminal prosecution, except in cases of small-scale domestic and cross-border smuggling. Two recent cases—that of an alleged attempt to smuggle weapons production equipment to Myanmar and that of

²⁸⁰ Human Rights Watch interview with Ondrej Varacka, Ministry of Economy, Bratislava, April 12, 2002, and October 15, 2002.

²⁸¹ Slovak Criminal Code Sections 124 a, b, and c.

actual and attempted illegal arms exports to Liberia—suggest that embargo enforcement has begun to receive greater attention, at least at the level of initiating investigations. These cases, and the seriousness with which they are pursued, will provide important tests of Slovakia’s commitment to fully enforce arms embargoes and punish violators.

The government must also overcome obstacles to carrying out solid criminal investigations. Law enforcement officials, speaking in connection with the cases documented in this report, pointed to a series of challenges they faced as they set out to combat arms trafficking. They indicated that cumbersome criminal procedures in Slovakia tended to slow down their investigations.²⁸² They also complained that, quite often, different agencies did not share intelligence data and other information on suspected illicit arms traffickers, nor did foreign governments. International cooperation to investigate suspected traffickers was another source of frustration and delay in their investigations. Further areas for improvement were identified with respect to the need to dedicate sufficient resources, including personnel, to law enforcement efforts related to the weapons trade and to continue to enhance law enforcement capacity in this area, including by working in partnership with foreign law enforcement agencies.

Government Action to Date

- Slovak authorities have opened criminal investigations related to embargo violations in two cases, in 2001 and 2002, and, as of early 2003, had pressed charges in the former case.
- Sanctions legislation was adopted in mid-2002, giving arms embargoes legal force. The government issued a decree listing destinations under embargo and empowered the Ministry of Foreign Affairs to update that list.²⁸³

Needed Reforms

- Declare the prevention and punishment of illicit arms trafficking a political priority, and act accordingly.
- Enhance the ability of law enforcement personnel to carry out solid investigations with a view toward prosecution. In particular, improve

²⁸² Amendments to Slovakia’s criminal code, adopted in June 2002, were designed to rationalize pre-trial procedures to eliminate overlapping investigative mandates.

²⁸³ Human Rights Watch interview with Ondrej Varacka, Ministry of Economy, Bratislava, October 15, 2002.

coordination between different law enforcement agencies, continue to develop the capacity of investigators to pursue arms trafficking cases, and dedicate sufficient personnel to arms cases when they arise.

- Share intelligence data on suspected illicit arms traffickers, both within the Slovak government and among international partners.
- Investigate past cases of arms transfers alleged to have violated embargoes.

Implementing Arms Export Criteria

Understanding the Problem

Slovakia has committed to apply certain minimum criteria to all arms export decisions. The national arms trade law states that the government will not approve arms deals that harm Slovakia's interests, violate Slovakia's international obligations, or damage the interests of international organizations. The law also states that the Slovak government fully observes embargoes, and automatically refuses any arms deal that would violate an international arms embargo. Slovakia also has undertaken international commitments with respect to arms export controls. As a member the Wassenaar Arrangement, a multilateral export control regime, Slovakia has agreed to exercise maximum restraint in its arms exports and to reject arms deals to destinations agreed to be particularly sensitive, including to certain conflict zones. Moreover, it has promised to uphold minimum agreed upon standards when evaluating arms exports. These are elaborated in the 1998 E.U. Code of Conduct on Arms Exports, which Slovakia signed on to as an E.U. associated country, and the OSCE criteria governing arms exports, first adopted in 1993 and reaffirmed in a November 2000 agreement.²⁸⁴

Under these agreements, Slovakia has agreed to bar arms exports under certain circumstances, including if the weapons are destined to human rights abusers, areas of violent conflict or regional instability, countries experiencing internal armed conflict or tensions, or recipients who may divert the weapons to unauthorized users. For example,

²⁸⁴ E.U. Code of Conduct on Arms Exports, adopted June 8, 1998, available at <http://europa.eu.int/comm/development/prevention/codecondarmsexp.htm>; OSCE Document on Small Arms and Light Weapons, adopted November 24, 2000, available at <http://www.osce.org/docs/english/fsc/2000/decisions/fscew231.htm>; and Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies, <http://www.wassenaar.org/welcomepage.html> (all retrieved June 28, 2002).

the E.U. Code of Conduct lists eight criteria and elaborates further that arms exports should not be approved if the transfer in question would:

- Violate U.N., E.U., or OSCE embargoes or other international obligations, including arms control treaties.
- Risk being used for internal repression, where adherents to the E.U. Code of Conduct agree to weigh in particular the record of the recipient country with respect to serious violations of human rights.
- Provoke or prolong armed conflicts or aggravate existing tensions or conflicts.
- Threaten regional peace, security, and stability.
- Threaten the national security of E.U. countries or their allies.
- Be supplied to a country that violates international humanitarian law or supports or encourages terrorism and international organized crime.
- Present a risk that the equipment being transferred would be diverted within the buyer country or re-exported under undesirable conditions.
- Seriously hamper the sustainable development of the recipient country.

Despite these pledges, Slovakia has approved arms sales in recent years to countries including Angola, Azerbaijan, India, Indonesia, Sri Lanka, Turkey, Uganda, and Zimbabwe, each of which fall within the criteria listed above.²⁸⁵ According to one press account, Slovak Ministry of Economy statistics show that in 2002 Slovakia exported to Syria 1.5 million SKK (approximately \$37,500) worth of equipment classified as “bombs, grenades, torpedoes, guided missiles, and similar military equipment” in the face of

²⁸⁵ Slovakia's voluntary submissions to the U.N. Conventional Arms Register show arms exports in 1998 to Indonesia and Turkey, in 1999 to Angola, in 2000 to Angola and Indonesia, in 2001 to Angola and Zimbabwe, and in 2002 to Angola, Azerbaijan, Sri Lanka, and Uganda. U.N. Register of Conventional Arms, 1999-2002, available at <http://www.un.org/Depts/dda/CAB/register.htm> (retrieved September 7, 2003). Official data on arms exports to India was reported in “Daily Reports on Slovak Arms Exports in First Half of Year,” *SME*, via WNC, October 2, 2001. The U.N. arms register shows that in earlier years Slovak weapons were supplied to, among others, Algeria, Rwanda, Sierra Leone, and Syria.

serious allegations that weapons deliveries to Syria have been diverted illegally to Iraq²⁸⁶ In early 2003, during an official visit to Slovakia by the Chinese premier, the possibility of weapons sales to China was discussed.²⁸⁷ China has been under a European Union arms embargo since 1989.

Slovakia has yet to effectively implement agreed upon minimum export criteria. The government maintains that it respects and takes into account the principles of the E.U. Code when licensing decisions are made. Slovak officials, however, readily acknowledge that human rights have been a low priority when evaluating arms export authorization requests and that humanitarian considerations often lose out when weighed against other interests. An official who served on the government licensing commission for three years in the late 1990s and early 2000s as the representative of the Ministry of Foreign Affairs spoke candidly of Slovakia's arms export decision-making as an exercise in balancing risks against rewards. He said: "If there is a very great commercial interest, we can take some foreign policy risk."²⁸⁸ Other Slovak officials defended weapons sales to Angola and other dubious clients, arguing (contrary to the provisions of the E.U. Code) that Slovakia was entitled to engage in the arms trade with any country so long as no explicit international prohibition on arms trading with that country had been imposed.²⁸⁹

The government nonetheless has taken some steps that offer the possibility that Slovakia will improve adherence to international export criteria.

²⁸⁶ Lukas Fila, "Report claims Slovakia selling arms to Iraq: New allegations of illegal weapons sales throws shadow over country's NATO entry," *Slovak Spectator*, February 3-9, 2003. The article cites experts at the Slovak Statistics Office as saying the figure may underestimate the true value of such arms transfers, since they are unlikely to count spare parts for military equipment. Ibid. Syria has been identified as a transshipment point for illegal weapons deliveries to Iraq, including by the U.S. government. See, for example, "U.S. Policy toward Syria and the Syria Accountability Act," Hearing before the Subcommittee on the Middle East and South Asia of the Committee on International Relations, House of Representatives, September 18, 2002.

²⁸⁷ "Chinese president said to be interested in new Slovak-made weapons," Radio Slovakia (Bratislava) in BBC Monitoring European; "China to supply Slovakia screening equipment for Schengen border use," TASR via BBC Monitoring European, January 7, 2003.

²⁸⁸ Human Rights Watch interview with then State Secretary Rastislav Kacer, Bratislava, April 15, 2002.

²⁸⁹ Human Rights Watch interview with Peter Kormuth and Igor Kucer, Ministry of Foreign Affairs, Bratislava, April 12, 2002. See also, for example, Chalmovsky, "Realny obraz obchoodu so zbranami, (Real image of arms trade)," letter to the editor, *SME*.

Government Action to Date

- The arms law, as amended in July 2002, gives greater emphasis to international obligations, although without clearly implementing otherwise nonbinding commitments.
- Under the revised law, traders and brokers are to refrain from any deals that would harm Slovakia's interests, violate Slovakia's international obligations, or damage the interests of international organizations. It remains unclear, however, how the government intends to apply this provision and hold individual brokers and traders accountable if they do not comply with it. Regulations to accompany the law have been approved, but these were not made available in time for Human Rights Watch to review them for this report.
- In 2001 the Ministry of Foreign Affairs circulated a document informing government officials about the E.U. Code of Conduct and explaining how it was implemented in other countries, and offered some reflections on its implementation in Slovakia.²⁹⁰

Needed Reforms

- Explicitly incorporate human rights and international humanitarian law criteria into national arms trade law and make them binding on the government as well as on private actors. By doing so Slovakia would build on existing "best practice" in countries such as Poland and Bulgaria that hold private actors accountable for meeting certain export criteria and would be at the forefront of developing nationally binding codes of conduct. The Belgian parliament, for example, incorporated minimum export criteria into national law in 2003 and thus made them binding.
- Improve human rights knowledge of licensing officials, and ensure that they undertake proactive checks on all prospective arms clients against established minimum criteria.

²⁹⁰ Ministry of Foreign Affairs of the Slovak Republic, "Analysis of the implementation of the E.U. Code of Conduct on Arms Exports," submitted by the foreign minister for discussion at an April 3, 2002, government meeting, translated by Human Rights Watch.

Disposing Responsibly of Surplus Weapons

Understanding the Problem

The markets for Slovakia's surplus weapons are in war-torn countries in Africa and elsewhere that can afford little else. These weapons are more likely to be used by undisciplined government forces, as well as by rebel groups. Some modest international initiatives seek to address the ongoing cascade of surplus weapons to the world's conflict zones by reducing the quantities of such weapons available for sale. NATO and its Partnership for Peace program, for example, have made funds available for the destruction of surplus small arms, as have individual donor countries, but Slovakia at this writing was not known to have taken advantage of such programs.²⁹¹ Slovakia, along with other OSCE countries, has agreed in principle to destroy, rather than sell, its cast-off small arms.²⁹²

Such promises, however, remain to be implemented and, in any case, do not extend to heavy conventional weapons. They also fly in the face of tradition and current practice. Sales of surplus weapons comprise a significant portion of Slovakia's foreign trade in arms. In 2000, for example, nearly two-thirds of all arms exports were surplus weapons, as opposed to new production.²⁹³

Many more surplus weapons are expected to come onto the market as Slovakia institutes military reforms that will considerably reduce the size of its forces. By 2010 Slovakia plans to reduce its forces by 21,000 troops, and the country will seek to shed heavy equipment in favor of lighter military equipment that can be more rapidly deployed.²⁹⁴ Official information on Slovakia's military holdings, when compared to its planned force structure for 2010, reveal the scale of weapons that could potentially be dumped onto

²⁹¹ In 2000, Slovakia did accept some \$400,000 in assistance for the decommissioning and destruction of nuclear capable SS-22 ballistic missiles. Human Rights Watch telephone interview with a Slovak diplomat, October 14, 2001. Slovakia has not requested available assistance with the destruction of surplus small arms, according to a senior Slovak official, since to date it does not have an over abundance of such weapons. To the contrary, the overwhelming majority of Slovakia's surplus weapons in 2002 were heavy weapons. Human Rights Watch interview with then State Secretary Rastislav Kacer, Bratislava, October 15, 2002.

²⁹² OSCE Document on Small Arms and Light Weapons, November 24, 2000.

²⁹³ *Hospodarske Noviny*, May 22, 2001.

²⁹⁴ "Slovakia's Path to NATO," briefing by Peter Burian, Ambassador of the Slovak Republic to NATO; Ivan Korcok, then Director General, Security and International Organizations, Ministry of Foreign Affairs, Slovak Republic; and Peter Misik, Director, North-Atlantic Security Department; Ministry of Foreign Affairs of the Slovak Republic, RFE/RL, Washington, DC, June 27, 2002.

the market place: In 2002 the Slovak armed forces had 271 battle tanks in their arsenal, and by 2010 this number was expected to be reduced to 52; the 524 armored combat vehicles held in 2002 were to be brought down to 164 by 2010.²⁹⁵

The Slovak military has made clear that it intends to use revenue from the sale of unneeded weapons to finance its modernization.²⁹⁶ The financial incentive to sell surplus weapons is strong. According to a 2001 estimate, the destruction of surplus battle tanks reportedly costs approximately 100,000 SKK (some \$2000) per unit in Slovakia. Surplus tanks sold to Angola, on the other hand, were said to have earned some 700,000 SKK (approximately \$15,000) a piece.²⁹⁷ A senior MOD official said Slovakia was able to sell only a few of the more than twenty surplus MiG-21 fighter planes it had on offer in the late 1990s, and that the cost of dismantling the rest was 150,000 SKK (approximately \$3000) per unit.²⁹⁸ Selling the weapons not only spares the government the added expense of storage or destruction, it also earns income for the government. In the first half of 2000, the Slovak MOD reportedly added 73 million SKK (more than \$1.5 million) to its budget from the sale of surplus aircraft and tanks.²⁹⁹

Pressures to make the sale are such that the government often intervenes to market the surplus wares of its military.³⁰⁰ Slovakia has found a market niche as a re-exporter of surplus weapons from other countries.³⁰¹ According to official data, from 1999 through the end of 2002 Slovakia sold Angola 205 battle tanks, thirty-eight large-caliber artillery systems, and twenty-five combat planes. Most were direct exports of surplus weapons from Slovak stocks, but a considerable number were re-exports by Slovak companies of weapons from the arsenals of Bulgaria and the Czech Republic.³⁰²

²⁹⁵ Data compiled from Slovakia's entry in the U.N. Conventional Arms Register for 2002, and "SR Force 2010," a 2001 publication of Slovakia's Armed Forces.

²⁹⁶ See, for example, "Slovak army to cut personnel by 8,000 by 2002," CTK, via FBIS, February 15, 2000; Gabriela Bacharova, "Combat equipment on decline, there are no funds," via FBIS, May 12, 2000; "Army decides to sell off T-55 tanks, armored carriers," *Pravda*, via FBIS, December 14, 1999.

²⁹⁷ "Weapons deals: State has few reasons not to approve," *Slovak Spectator*.

²⁹⁸ Human Rights Watch interview with then State Secretary Rastislav Kacer, Bratislava, April 12, 2002.

²⁹⁹ Santor, "The Weapons Trade: Our Taboo," *Narodna Obroda*.

³⁰⁰ See, for example, "Slovak arms producers offer Indonesia armoured vehicles, know-how," TASR, via WNC, June 20, 2002; "Slovakia offers T-72 tanks, artillery equipment to [Malaysian] army," *SME*, via FBIS, March 17, 2000.

³⁰¹ Human Rights Watch interview with Lubomir Gazak and Jozef Kovacik, Association of the Defense Industry of the Slovak Republic, Trencin, April 16, 2002.

³⁰² U.N. Register of Conventional Arms, 1999-2002.

Government Action to Date

- Agreed to the November 2000 OSCE small arms agreement, which included important commitments regarding the responsible disposal of surplus weapons.

Needed Reforms

- The Slovak government should suspend sales of surplus weapons from its arsenal, and the authorization for re-exports of surplus weapons from other countries, until strict export criteria in keeping with the provisions of the OSCE agreement are enacted into law.
- Rules governing the trade in surplus weapons should be clearly delineated in arms trade legislation and implementing regulations, and should be fully applied to all categories of weapons, including sales of surplus small arms and heavy weapons.
- Slovak authorities should secure arms stockpiles and seized weapons to prevent them from being stolen or sold off to unaccountable forces and also ensure accountability for violations.

Combating Corruption and Conflicts of Interest

Understanding the Problem

Widespread corruption in Slovakia, which has seen a number of high-level scandals, may infect the country's arms trade as well. A diplomat told Human Rights Watch that corruption was among the main concerns with respect to arms export controls.³⁰³ Customs officials acknowledged that corruption is to be expected in the arms trade, and admitted that it was possible that customs officers were among those who might accept financial inducement to look the other way when they came across a suspect arms deal.³⁰⁴

³⁰³ Human Rights Watch interview with a Western diplomat, Bratislava, April 2002.

³⁰⁴ Human Rights Watch interview with Josef Luteran and Lubomir Skuhra, Customs Directorate, April 22, 2002. They asserted, however, that strict procedures were in place to prevent corruption within the unit they represent, which is responsible for weapons and drugs.

Other bodies responsible for controlling arms transfers have also been accused of corrupt practices and other abuses of authority. In late 2002 attention focused on serious allegations, published in the British journal *Jane's Intelligence Digest*, that Slovakia's intelligence service (SIS) has itself participated in illicit arms deals, among other troubling activities.³⁰⁵ The allegations sparked concern internationally, including at NATO headquarters,³⁰⁶ and domestically, where they prompted a parliamentary hearing.³⁰⁷ Some government officials suggested there could be a measure of truth to the claims of SIS misdeeds.³⁰⁸ In addition, Slovak arms dealer Peter Jusko said the allegations in *Jane's* concerning involvement of the SIS in illegal arms deals were true.³⁰⁹ The SIS director, however, adamantly rejected the allegations and attributed them to "lobbyist circles" composed of people engaged in illegal arms trading in Slovakia.³¹⁰ The scandal and mounting public criticism of the SIS appears to have contributed to his decision, in March 2003, to resign from his post.³¹¹

Another area of particular concern relates to licensing decisions. Slovak authorities in 2002 opened an investigation into corruption allegations involving a staff member of the licensing body, in connection with the September 2001 export to Angola of fighter aircraft, described above.³¹² Customs officials declined to provide details about the case, but noted that licensing procedures "naturally" provide opportunities for corruption.³¹³

³⁰⁵ "NATO's allies in Slovakia," *Jane's Intelligence Digest*, December 20, 2002. The article implicates the SIS in illegal arms sales, use of unauthorized wiretaps, and a closer alliance with Russian intelligence than with its NATO counterparts. *Ibid.*

³⁰⁶ Speaking of the allegations, NATO Secretary-General Lord George Robertson said: "If they were true, it would be disgraceful. It would arouse great apprehension and uneasiness at the moment of Slovakia's entry to NATO." "NATO head says Slovakia must convince allies of being trustworthy," *BBC Monitoring European*, March 10, 2003, drawing from a March 9, 2003, report in English on the website of the Slovak news agency TASR, itself based on a television interview with Robertson filmed by Slovakia's public television station, STV.

³⁰⁷ "Mitro says Illegal Arms Dealers Behind JID's Defamatory SIS Story," SITA, January 16, 2003.

³⁰⁸ Those who made such statements nonetheless felt the allegations printed in *Jane's* were presented in a somewhat exaggerated manner. *Ibid.* Also, Slovakia's interior minister stated: "One can have reservations about the SIS. On the other hand, I think that some of the statements made by this article is [sic] rather strong. I would not use such wording." "Slovak official says claims made by British article 'very serious,'" TA3 TV (Bratislava), in *BBC Monitoring European*, January 16, 2003.

³⁰⁹ Human Rights Watch interview with Peter Jusko, Bratislava, March 7, 2003.

³¹⁰ See, for example, "Mitro says Illegal Arms Dealers...", SITA, January 16, 2003.

³¹¹ "SIS: Vladimir Mitro resigns," *Jane's Intelligence Digest*, March 14, 2003.

³¹² Human Rights Watch interview with Jozef Chroncok and Milos Jadud, Interior Ministry, March 7, 2003.

³¹³ Human Rights Watch interview with Josef Luteran and Lubomir Skuhra, Customs Directorate, April 22, 2002. See also, for example, "Slovak Arms Dealers Unhappy with Licensing Commission's Policy," *Novy Den*, June 18, 2002.

Some attention has been given to potential conflicts of interest among licensing officials. National law has provided at least since 1998 that licensing officials cannot accept employment in the defense industry for one year after leaving their responsibilities, but it does not prevent sitting government officials from simultaneously serving on the boards of arms companies. The Slovak media, as noted above, drew attention to such conflicts, creating pressure for change.³¹⁴

The conflicts of interest were not limited to licensing officials. Human Rights Watch also learned that the person who, until October 2001, headed the Ministry of Defense office responsible for disposal of surplus arms, as well as MOD procurement, sat on the board of a state-owned arms company. Again, this was viewed at the time as a mechanism to secure greater control over state-owned arms firms, but in fact opened the door to the opposite—the potential for corruption and permissiveness.³¹⁵ As noted above, charges were laid in 2003 against the former head of that MOD office who, while also serving on the board of an arms company, allegedly supplied a fraudulent Slovak EUC used by the company in an illegal transaction. In July 2003, a former minister was among those charged with fraud and abuse of power in connection with the alleged embezzlement of millions of dollars from a state-owned arms firm.³¹⁶

More broadly, some concerns have arisen about the procedures for making surplus military stocks available for sale, and whether these are sufficient to ensure transparency and prevent corruption. Media sources have suggested that certain companies may be favored for those contracts.³¹⁷ The Ministry of Defense, rejecting such allegations,

³¹⁴ This practice is not limited to Slovakia, and at least in part reflects a legacy from the communist period of state ownership of arms companies. Human Rights Watch reported in 1999 that several Bulgarian licensing officials served on supervisory boards of arms companies during their tenure on the licensing board. They were removed from those positions, but no new rules were put in place to prevent a recurrence of the problem. As of mid-2002 such rules were reportedly under consideration.

³¹⁵ The office, the Investment and Acquisition Office, was responsible for the MOD's purchases and for handling of surplus moveable property. Testimony of the MOD official who then headed the office, copy on file with Human Rights Watch; Human Rights Watch email communication with then State Secretary Rastislav Kacer, May 24, 2002. The MOD official, according to the company entry in the Slovak trade register, served on the board from June 2000 to July 2002.

³¹⁶ "Meciar minister faces graft charges," *Slovak Spectator*, July 14, 2003.

³¹⁷ "Editorial: Arms Control: Irresponsibility and ignorance," *Slovak Spectator*; Santor, "The Weapons Trade: Our Taboo," *Narodna Obrodna*; Peter Vavro, "Weapons: Business Under the State Lamp," *Narodna Obrodna*, via WNC, January 16, 2002.

maintains that all equipment is supplied in transparent open tenders and is subject to a full review process.³¹⁸

Concerns about potential conflicts of interest also have arisen with respect to institutional arrangements. In two ministries, responsibility over arms export decisions was placed in the hands of government departments dedicated to promoting such exports. Until early 2002, the section within the Ministry of Economy that acted as the secretariat to the licensing committee and processed arms export licenses was the same section responsible for promoting the interests of the arms industry, and this situation had persisted for years.³¹⁹

A parallel situation existed at the Ministry of Defense, where the section responsible for selling off surplus weapons was established as an independent entity within the ministry. The unit was brought under greater institutional control with a major reorganization in late 2001, when it was re-established under the modernization section of the ministry.³²⁰ In both cases, institutional conflicts of interest were compounded by personal conflicts of interest, as the offices were headed by persons who simultaneously served on arms company boards.³²¹

Government Action to Date

- The Slovak arms licensing commission was disbanded in early 2002 and reconstituted to eliminate conflicts of interest among its members.
- Reorganizations at the Ministry of Economy and Ministry of Defense resulted in the removal of blatant conflicts of interest and helped ensure greater institutional control over arms export decision-making.

³¹⁸ Human Rights Watch interview with then State Secretary Rastislav Kacer, Bratislava, April 15, 2002; "Slovak Defense Minister Views Possibilities of State Control Over Arms Exports," *Narodna Obroda*, via WNC, December 7, 2001.

³¹⁹ Human Rights Watch interview with Ondrej Varacka, Ministry of Economy, Bratislava, April 12, 2002. A new export control office of the Economy Ministry was established in 2002, separate from the since-renamed Department of Special Production. Ibid. See also, Nicholson, "From cheerleader to referee...", *Slovak Spectator*.

³²⁰ Human Rights Watch email communication with then State Secretary Rastislav Kacer, May 24, 2002.

³²¹ Ibid; Nicholson, "Arms bureaucrats defend their private roles," *Slovak Spectator*.

- Human Rights Watch was informed that legislation adopted in 2002 bars government officials from serving on any company boards.³²² A Slovak arms expert said that further action was needed to clearly apply such rules to state-owned companies (as well as private ones) and to officials responsible for controlling arms transfers.³²³

Needed Reforms

- Ensure that new rules barring government officials from serving on the boards of companies are comprehensive and that they are widely disseminated and strictly enforced.
- Raise the standards by which arms trade officials are prohibited from assuming positions in the arms industry from one year to at least three years after ending their regulatory responsibilities.

Ensuring Transparency and Securing Parliamentary Oversight

Understanding the Problem

While transparency is on the rise in much of Western Europe and parts of Central and Eastern Europe, with many countries preparing and making public annual reports that provide (to different degrees) information on arms exports, to date Slovakia has not participated in this trend. It has not published an annual arms export report and at this writing had no concrete plans to do so.

Slovakia reports to the U.N. Register of Conventional Arms, a voluntary transparency mechanism. The U.N. register, which is published annually, covers only seven categories of heavy weapons and excludes small arms. Moreover, the nature of the information requested by the U.N. is limited, representing a fraction of what is covered in the more complete national reports prepared by many countries. Slovakia also participates in information-sharing mechanisms through the Wassenaar Arrangement and the OSCE, but to date these have not been made public.

³²² Human Rights Watch interview with Ondrej Varacka, Ministry of Economy, Bratislava, October 15, 2002

³²³ Human Rights Watch telephone interview with Matus Korba, SFP, September 2, 2003.

To the contrary, the Slovak government has strictly limited the arms trade information it makes available. It has issued annual press statements summarizing arms trade activity for the year in very general terms. Because much of Slovakia's authorized arms trade goes unreported, it is hard to measure compliance with agreed international norms. Secrecy laws, revamped in 2001, had the effect of further closing off arms data.³²⁴

An initiative by the non-governmental Slovak Foreign Policy Association (SFPA), carried out in cooperation with a U.K.-based international nongovernmental organization, Saferworld, led to the first-ever independent report on Slovakia's arms trade as part of a broader civil society effort to open up dialogue about arms trade topics in the country. The SFPA report outlines the history of the Slovak arms industry and the controls regulating the foreign trade in weapons, including secrecy provisions, and provides information on exports of heavy conventional weapons.³²⁵

The government has offered different rationales for its reluctance to share arms export data. Ministry of Economy spokesman Peter Chalmovsky was reported to have said, "By informing of arms deals we do harm to ourselves. If we do not export, all the others will gladly export (arms)."³²⁶ Similarly, the director of the defense industry section of the Ministry of Economy, who had also served as an arms export licensing official, said that annual arms trade reports could not be prepared because it is not allowed by the law on secrecy, and parliamentary action would be required.³²⁷ Barring that constraint, he stated that he had no objection to preparing reports, as is the practice in several E.U. countries.³²⁸ The Ministry of Foreign Affairs maintained a similar attitude, stating that it was open to increasing transparency—at some indeterminate point in the future, perhaps not until Slovakia became a member of the European Union—but that some adjustment to secrecy rules would be required to make that possible.³²⁹

³²⁴ See Mariani and Hirst, *Arms Production, Exports and Decision-Making in Central and Eastern Europe*, pp. 163-164. In early 2003 the Slovak economy ministry made available some limited information based on customs data.

³²⁵ Matus Korba, *Independent Report on Slovak Arms Exports*, (Bratislava: Slovak Foreign Policy Association, 2002), undated but issued May 2002.

³²⁶ "Arms trade: Too much information is harmful," *SME*, March 6, 2002, translated by Human Rights Watch.

³²⁷ Monika Zemlova, "Parliament must declassify arms deals," *SME*, March 9, 2002, translated by Human Rights Watch.

³²⁸ *Ibid.*

³²⁹ Human Rights Watch interview with Peter Kornuth and Igor Kucer, Ministry of Foreign Affairs, Bratislava, April 12, 2002; Human Rights Watch interview with Ivan Korcok, Ministry of Foreign Affairs, Bratislava, October 14, 2002.

With respect to parliamentary oversight, Slovakia's parliament does not play a role in overseeing arms export decision making. Under the current system, the Ministry of Economy is the ultimate authority on arms trade decisions. It does not report to parliament which arms exports it approves, nor does it have a mechanism for informing parliament in advance of pending deals to allow for their review. Parliament, therefore, is not able to act as an effective check on the executive branch in the arms trade sphere.

Government Action to Date

- Slovakia reports annually to the U.N. conventional arms register, covering seven categories of heavy weapons.
- The government takes part in information exchanges with other governments about arms transactions, although to date it has not shared that information publicly.

Needed Reforms

- Repeal secrecy rules that prohibit the sharing of arms trade data.
- Prepare and make public a detailed annual report on arms transfers.
- Provide for parliamentary scrutiny of arms deals, including advance notice of pending arms deals and the opportunity to review export records.


Conclusion

Slovakia has long supplied weapons to human rights abusers and areas of violent conflict marked by violations of international humanitarian law, but until recently it was spared international scandal. That changed when the United Nations exposed a network of arms traffickers who took advantage of lax rules to organize illegal arms purchases for Liberia. The government, spurred by this case, has recognized that it must take steps to combat the illegal arms trade. Preventing illicit arms trading will require major reforms. Some important measures have been adopted, but major legal changes are needed, as are regulatory improvements and strict enforcement. Controlling the activities of transport and brokering companies will be key, as will be the fight against corruption and other measures. Moreover, the Slovak government must not stop at tackling illicit trade. It also should enforce higher standards for authorized arms deals, many of which involve sales of surplus weapons from military arsenals. Improved transparency will help combat illegal trading and will permit Slovakia's citizens and international partners to evaluate if it is engaging responsibly in the arms trade. Such reform measures should be viewed as part of the process of integrating into NATO and the E.U., as these organizations themselves have argued. The time has come for Slovakia to come to terms with the full scope of its arms trade problems and to fully address them as it integrates into western institutions.

Appendices

Appendix 1: Urazmatov's Shopping List

КМШпын аскердик кызматтаптыгы
коордипацкю итабыдагы Кыргыз
Республикасынын Кураадуу
Күчтөрүнүн Өкүлчүлүгү



Представительство Вооруженных Сил
Кыргызской Республики в Штабе по
коордипацкю военного сотрудничества
государств-участников СНГ

Representation of the Armed Forces of
the Kyrgyz Republic in Military
Cooperation Coordination Staff of
CIS States participants

Москва, Ленинградский проспект, 41 тел./факс 157 84 24, тел. 157 86 64

Исх. № 12/31


11 04 2000 г.


Министерство обороны Кыргызской Республики имеет необходимость в срочной закупке следующего вида авиационной техники и военно-технического имущества:


1. Ми-24 Р.В. - 20 ед. (без капитального ремонта, имеющего запас часов не меньше 50%)
2. С-5 - 40 000 шт.
3. С-8 - 20 000 шт.
4. 23-мм выстрелы для ГШ-23 - 500 000 шт.
5. 23-мм выстрелы для ЗУ-23 - 500 000 шт.
6. 12.7-мм патроны для ЯКБ (12.7 мм) - 1000 000 шт.
7. Комплект ОВ для МИ-24V - 10 шт.
8. УПК-250 с ГШ-23 - 10 шт.
9. Подвесные системы вооружения для Ми-8МТВ - 8 шт.
10. Авиабомбы 100-350 кг - 1000 шт.
11. Авиашлем с прибором ночного видения - 80 шт.
12. Групповые комплекты ЗИП для Ми-24 В.Р. - 1:1, 1:10.
13. Групповые комплекты ЗИП для Миг-21 Бис. УМ - 1:30.
14. Аэродромные топливозаправщики - 6 шт. на 14 тонн.
15. Автомобиль аэродромного наземного питания на базе ГАЗ-66 или ЗИЛ 130 - 4 шт.
16. Запасные части для ремонта Миг-21 Бис, УМ по отдельно прилагаемому списку с прошедшими календарными сроками.
17. Запасные части для ремонта Ми-24 В.Р. Д. ДУ по отдельно прилагаемому списку с прошедшими календарными сроками.
18. Рем фонд БМП-2 - 100 комплектов.
19. ПЗРК «Игла» до 1989 года выпуска - 100 ед.
20. КПА комплекса «Игла» - 4 комплекта.
21. Самолет Л-39 - 16 ед. выпуска до 1985-1988 годов.
22. Ракеты класса «воздух-воздух» для Миг-21 Бис. УМ с прошедшими сроками эксплуатации - 100 шт.

Просим Вас сообщить цены и условия поставки СИФ Бишкек.

Представитель ВС КР - ЗНШ КВС СНГ

Генерал-майор  Уразматов.





Appendix 2: Urazmatov's Purported Authorization

Len pre služobný potrebu

ГЫМ РЕСПУБЛИКАСЫНЫН
КӨРГӨӨ МИНИСТРИ

МИНИСТР ОБОРОНЫ
КЫРГЫЗСКОЙ РЕСПУБЛИКИ

г. Бишкек, ул. Логвиненко, 26
тел.: (3312) 66-18-04, 66-15-07
факс: (3312) 22-86-48, 66-28-03

720001


г. Бишкек, ул. Логвиненко, 26
тел.: (3312) 66-18-04, 66-15-07
факс: (3312) 22-86-48, 66-28-03

№ _____

01 апреля 1999г.


ДОВЕРЕННОСТЬ

Министерство обороны Кыргызской Республики доверяет и дает все полномочия представителю Вооруженных Сил Кыргызской Республики в Штабе по Координации Вооруженных Сил СНГ генерал-майору Урузматову Р.Д. подписывать контракты с предприятиями Словацкой Республики по ремонту авиационной и бронетанковой техники.



Начальник Главного штаба Вооруженных сил
Первый заместитель Министерства Обороны Кыргызской Республики
Генерал-майор Чомоев

Kopia súhlasu
Za správnosť s.k. FODAR



Acknowledgments

This report was researched by Lisa Misol, researcher with the Arms Division of Human Rights Watch, and Ivan Feranec, consultant to Human Rights Watch, during five visits to Slovakia from April 2002 to July 2003. The report was written by Ms. Misol and edited by Steve Goose, executive director of the Arms Division of Human Rights Watch, and Dinah PoKempner, general counsel of Human Rights Watch. It also was reviewed by Mr. Feranec, Alex Vines, senior researcher with the Business and Human Rights Program of Human Rights Watch, Joseph Saunders, deputy program director at Human Rights Watch, Aaron Brenner, consultant to Human Rights Watch, and Emily Chiang, associate with Cravath, Swaine & Moore LLP. A number of other Human Rights Watch staff or former staff reviewed sections of the report: Suliman Baldo, Jane Buchanan, Elahé Hicks, Arvind Ganesan, Miranda Sissons, Veronika Szente-Goldston, and Wilder Tayler. Research assistance was provided by former Arms Division associates Jamila Hodayun and Charli Wyatt and interns Stephanie Carroll, Jessica Crawford, and Anna Khomenko. Milica Hrebickova translated the Slovak version of the report. Production assistance was provided by Ms. Hodayun, Kristina Alessi, associate in the Europe and Central Asia division, Andrea Holley, manager of outreach and publications, Fitzroy Hepkins, mail manager, Veronica Matushaj, photo editor, John Emerson, web advocate, and Jagdish Parikh, online communications content coordinator.

Human Rights Watch is grateful to the officials and private persons who agreed to be interviewed for this report and whose extensive cooperation was essential to our research. We also appreciate the collaboration of nongovernmental groups working to encourage further reform of Slovakia's arms trade. In particular we would like to thank the members of the Slovak Working Group on Arms—Amnesty International-Slovakia, Civic Eye, People in Peril, the Slovak Foreign Policy Association (SFPA), and the Slovak Political Sciences Association—and London-based Saferworld, which helped establish the Working Group. We offer special thanks to Matus Korba and Ivo Samson of SFPA for assisting with the release of this report, which complements research they carried out for SFPA. A number of journalists also facilitated our research, and generously shared their own. Among these, Tom Nicholson and Milan Zitny were especially helpful. Several of the news articles cited in the report were made available by David Isenberg, an independent, United States-based arms researcher. Tamar Gabelnick, formerly the director of the Federation of American Scientists' Arms Sales Monitoring Project, also

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Human Rights Watch

Human Rights Watch is dedicated to protecting the human rights of people around the world.

We stand with victims and activists to bring offenders to justice, to prevent discrimination, to uphold political freedom and to protect people from inhumane conduct in wartime.

We investigate and expose human rights violations and hold abusers accountable.

We challenge governments and those holding power to end abusive practices and respect international human rights law.

We enlist the public and the international community to support the cause of human rights for all.

Human Rights Watch

Arms Division

Established in 1992, the Arms Division monitors arms transfers to governments and organizations that commit gross violations of international human rights and humanitarian law; works to ban or regulate weapons of humanitarian concern, especially landmines; and evaluates the conduct of combatants during armed conflict according to international humanitarian law. Stephen D. Goose is the executive director; Mary Wareham is the senior advocate; Marc Garlasco is the senior military advisor; Mark Hiznay is the senior researcher; Bonnie Docherty is a researcher; Lisa Misol is a researcher; Caroline Tubbs and Briana Wilson are the associates; and Monica Schurtman is a consultant. David Brown and Vincent McGee are co-chairs of the advisory committee and Nicole Ball is the vice-chair.