

LICENSE TO ABUSE

Belgian Arms Production in Egypt Fueling
Proliferation and Violations



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A REPORT BY



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EXECUTIVE SUMMARY

The present report investigates the negative human rights impacts of licensed arms production overseas discussing the shortcomings of the existing normative frameworks and policy tools in identifying, preventing, addressing and mitigating the harm caused by licensed arms production overseas.

Despite an arms embargo to Egypt announced by the EU Council in 2014, Walloon arms models kept being sold and produced overseas in Egypt, and some of them were employed in human rights violations throughout the decade. Moreover, the Belgian arms sector directly contributed to the establishment of el Sisi's arms industry through the supply of production lines and intellectual property rights concessions for the production of weapons.

In choosing to focus our analysis on an arms exporting country, Belgium, considered to have one of the most virtuous attitude towards human rights in Egypt by having officially suspended arms sales to the country in 2013, we shed light on some loopholes in the existing legislative framework concerning the arms industry's obligations in the protection of human rights.

The report's key findings and figures are listed below:

- Despite the Decree of 2012, the Walloon region has supplied arms, ammunition, and arms components to Egypt in multiple occasions during that decade;
- Egypt, which unveiled ambitious plans for the expansion of its arms industry in 2016 and 2020, has been enabled to strengthen its production capacities thanks to the supply of production lines and the stipulation of intellectual property rights agreements with Walloon arms manufacturers, including FN Herstal, Nexter (part of the KNDS Group), and New Lachaussée;
- Belgian-designed arms models, including FN FAL rifles and various types of FN MAG machine guns, were employed in the context of human rights violations throughout the 2013-2023 period in Egypt;
- While still modest in size and quality, Egypt's arms production is largely directed towards countries in state of armed conflict or suffering from internal volatility, including Saudi Arabia, Sudan, the CAR, and Somalia, thus directly contributing to the risk of arms misuse, diversion, and proliferation;
- The Walloon arms industry's delocalization strategy reflects a regional trend in the stipulation of joint production agreements and in the supply of production lines and technologies to Egypt, taking advantage of the lack of state authorization mechanisms for such material and immaterial production similar to those regulating the export of arms and their components.

After discussing some of the main shortcomings in the existing legal framework, the report formulates some policy recommendations to address the negative human rights impacts of licensed arms production overseas. Recommendations to Egypt to sign and ratify international treaties such as the ATT and the CCW complement the section.

INTRODUCTION

In 2013, following the military's ousting of Egypt's elected president Mohamed Morsi, Egypt plunged into a political season of authoritarianism marked by events such as the massacre of Rabaa al-Adawiya¹, and a surge in collective punishment in response to the threat of political violence, such as the raid of Kerdasa². Under President Abdel Fattah el-Sisi, whose presidency was renewed in 2023 with an undemocratic and violations-ridden election³ security and counter-terrorism policies have been weaponized to curb dissent or to justify the forced displacement of civilians in economically strategic areas, such as North Sinai⁴. The severity of this human rights crisis was acknowledged by the Belgian House of Representatives with a Resolution passed on March 2nd, 2023⁵.

Sisi's government is held firmly in place by a repressive state apparatus which operates under a regime of impunity, emboldened by international legitimization and support in the form of economic assistance and the transfer of increasingly sophisticated weapons and surveillance technology.

This report sheds light on the loopholes and gray areas in the regulation of licensed production, co-production agreements, and know-how export under arms trade policies that Egypt currently benefits from. With no explicit reference to these mechanisms in the EU and international legal frameworks, the defense industry currently enjoys an almost unregulated discretion in the export of production material and technologies and in the stipulation of co-production deals with extra-EU countries. The present report reflects on the negative implications of the deregulation of licensed production of defense systems through the analysis of licensed production of Belgian-designed Small Arms and Light Weapons (SALW) models in Egypt, and the use of the same weapon models in committing human rights violations and even potential war crimes, which EgyptWide documented.

While it was not possible to identify the site or year of production of the SALW models observed in the footage documenting human rights violations which we examined, their large presence in the context of severe abuses (including incidents of internal repression, torture, and extrajudicial killings) committed by state actors and ANSAs in Egypt should suffice to demonstrate that any direct export of similar materials, and any licensed production agreement with Egypt as receiver poses a direct threat to human rights.

The wide margins in discretion in the licensed armaments production in third countries pave the way to a wide range of potential adverse impacts on human rights and regional security—including those on occupational safety and health, human security, illicit proliferation, diversion, and smuggling. This report aims to raise awareness of the need for an integrated, comprehensive and binding legislative framework regulating licensed production and co-production agreements.

¹ Human Rights Watch, various years. *Rabaa Massacre*. Available at: <https://bit.ly/4gosgXf>

² EgyptWide, May 2023. *Made in Italy to Suppress in Egypt: the Role of Small Arms and Light Weapons in Human Rights Violations*. Available at: <https://bit.ly/3Pp7JXy>

³ CIHRS, 2023. *Egypt's 2024 Presidential Election: a Dead End*. Available at: <https://bit.ly/4aJhkCs>

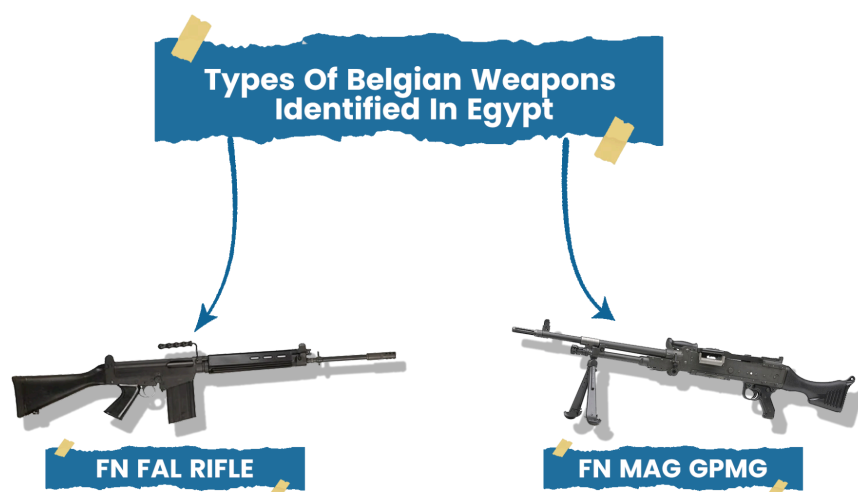
⁴ Tahrir Institute for Middle East Policies, 2018(a). *FIVE YEARS OF EGYPT'S WAR ON TERROR*. Egypt Security Watch. Available at: <https://bit.ly/3mDWCLX>.

⁵ Resolution to Defend Human Rights in Egypt(DOC 55 2815/007), available at: <https://bit.ly/40GDBvX>

METHODOLOGY

In the context of previous work on arms misuse by state actors, EgyptWide gathered and analyzed a sample of 170 videos and pictures, mostly from official and institutional Egyptian sources, journalistic investigations, social media platforms, and human rights organizations, published between 2013 and 2023, which document the use- and misuse- of Small Arms and Light Weapons (SALW) by Egyptian army personnel, police and security officers. The footage examined in the present report, which focuses on the use of Belgian-designed models of SALW in human rights violations committed by state actors in Egypt, comes from that sample.

The methodology adopted to identify nexuses between the SALW models seen in the footage and the licensed production of Belgian-designed models in Egypt, or their export from Belgium to Egypt, involves a triangulation of figures retrieved from multiple governmental and intergovernmental sources. The sources consulted in gathering data include the Annual Reports submitted by Belgium to the Arms Trade Treaty (ATT) Secretariat, the Belgian statistics office "Statbel," and the Wallonia Annual Reports "*Rapports au Parlement Wallon sur l'Application du Décret du 12 Juin 2012 relatif à l'Importation, au Transfert, à l'Exportation et au Transit d'armes civiles et de produits liés à la défense.*" Additionally, Belgian and Egyptian newspapers, civil society and international organizations reports were consulted to gather information on Walloon arms manufacturers.



1. EVIDENCE OF BELGIAN-DESIGNED MODELS OF SALW MISUSE IN EGYPT

The lethal impact of SALW proliferation and misuse, their centrality in undermining peace and security at the national, regional, and global levels, and their role as an aggravating factor in conflict dynamics and volatile contexts, as stated in the most recent UN Biennial Report on Small Arms and Light Weapons⁶, indicate the urgency and centrality of their regulation from a human rights standpoint throughout the production and use cycles.

In the context of Egypt, where the armed forces maintain a repressive grip on the country through a set of draconian security policies that have gradually eroded the principles of proportionality and accountability, and where a decade-long counter-terror campaign has devolved into an internal armed conflict that has displaced thousands, investigating the misuse of SALW is an effort to increase accountability and justice⁷.

The present chapter offers an analysis of the audiovisual materials documenting the misuse of SALW by Egyptian state actors that feature Belgian-designed models garnered by EgyptWide. The frames presented are extracted from footage and videos that were shot and published across different locations in Egypt, including Giza and the Sinai Peninsula, between 2013 and 2022. Each frame's content is analyzed to identify potential human rights violations involving SALW, with a brief digression on the context in which the incident occurred.



⁶ Small arms and light weapons. report of the secretary general, un security council s/2021/839. (2021). Available at <https://shorturl.at/aBGIO>.

⁷ EgyptWide, May 2023. Ibid.

1.1. Belgian models of firearms used in a possible extrajudicial killing in North Sinai, 2019.

This video, published by Human Rights Watch, documents operations conducted by the Egyptian Army and Police forces in North Sinai⁸. Members of the armed forces appear equipped with at least one Belgian FN FAL. The operations shown took place in 2019 in the context of a security campaign against the armed group 'Wilayat Sinai', affiliated with Daesh (ISIS), launched by el-Sisi's government in 2014.

According to prominent think-tank TIMEP, the campaign constitutes a blueprint example of exclusively hard-power-based response to political violence, that triggered a skyrocketing increase in the number and lethality of attacks against military and civilian targets alike⁹. In addition to this disastrous death toll, the securitization of the Sinai campaign also facilitated the escalation of internal repression against critics of the armed forces, and the rise of phenomena of land-grabbing and forced evictions in this strategic territory¹⁰.

Human rights organizations such as HRW documented the abuses committed against local residents in the form of displacement, excessive use of force, enforced disappearances, torture, and extrajudicial killings¹¹. To the present day, documenting the human rights situation in the Sinai Peninsula remains extremely hard due to the prohibition for journalists, researchers and civil society groups to enter the area. Additionally, under the existing security policy Egyptian journalists face the risk of arrest under anti-terrorism law if they publish information or data on the military campaign in Sinai that contradicts the bulletins released by the Ministry of the Interior.

The frame presented here shows soldiers chasing a visibly wounded suspect, and kicking him to the ground to continue beating him once he fell. The video then goes on to show soldiers exerting physical violence and torture on a small group of suspects, culminating in the execution of one of them, previously seen on his knees. In the last part of the video, two alleged suspects appear dead on a bed. Elements present in the scene suggest that their bodies may have been moved post-mortem, possibly by army officers, to stage a shootout. A large pool of blood is visible on the floor, very far from the two bodies, which are positioned on a bed. Firearms are placed next to them, yet appear to be too far from the bodies to have been used by the two alleged combatants at the time of their death.

According to HRW, in the context of the Sinai campaign the Egyptian army has frequently fabricated evidence against victims of extrajudicial killings by staging their death in the context of shootouts- including by placing firearms next to their bodies before filming them- but it is often evident when bodies have been dragged on the ground, or if the position of victims' arms suggest that they might have been handcuffed at the time of death¹².

In the case of the present video, the combined presence of such elements suggests that the two men could have been victims of an extrajudicial killing.

⁸ Human Rights Watch, 2019. مصر: انتهاكات جسيمة وجرائم حرب في شمال سيناء. Available at: <https://bit.ly/4j7oap1>

⁹ TIMEP, 2018(a). Ibid.

¹⁰ TIMEP, 2018(b). TIMEP Brief: Sinai Tribes in Egypt's War on Terror. Available at: <https://bit.ly/4fK40P3>

¹¹ Human Rights Watch, 2021. Security Forces Dealt with Them. Available at: <https://bit.ly/39omSaf>

¹² Human Rights Watch, 2021. Egypt: Shootouts Disguise Apparent Extrajudicial Executions. Available at: <https://bit.ly/4a247nS>



1.2. Deployment of a Belgian machine gun in Kerdasa, Giza, September 2013.

A video published by Vetogate on 19th September 2013 shows a member of the Egyptian Security Forces bracing a Belgium FN MAF during the course of a large security operation in Kerdasa, Giza, in September 2013¹³. The residential area of Kerdasa was subjected to an extensive police operation on 19 September 2013 in response to the terrorist attack launched against the local police station on 14 August, in retaliation for the massacre of Rabaa Al Adawiya and Al-Nahda Squares in Cairo. The raid led to the arrest of over 80 people, of whom at least 19 were later sentenced to death following trial.

The video shows armed members of the Security Forces raiding the streets of Kerdasa while deploying lethal weapons, mostly SALW, seemingly adopting loose or no measures to protect the lives and safety of civilian residents inside the area, including opening fire against one or more targets located inside the residential area. The international guidelines on law enforcement and police operations (enshrined in the Code of Conduct for Law Enforcement Officials of 1979, and in the Basic Principles on the Use of Force and Firearms by Law Enforcement Officials of 1990) establish a clear link between the deployment of lethal weapons and escalations of violence, recommending limiting the use of firearms only in the presence of an immediate and not otherwise preventable threat to life, and never if a risk of civilian harm is present¹⁴.

The presence of a Belgium FN MAG in the raid of Kerdasa in September 2013 exemplifies the role of SALW in aggravating uneven power dynamics between civilians and military forces.

¹³ Vetogate, September 19th 2013. خطة الكمامة التي نفذتها فرق الجيش والشرطة في كرداسة. Available at: <https://bit.ly/4h4XeEq>

¹⁴ Code of Conduct for Law Enforcement Officials. Office of the United Nations High Commissioner for Human Rights. Available at <https://shorturl.at/ouAHQ> .



1.3. Deployment of a Belgian machine gun in a policing operation in Kerdasa, Giza, September 2013.

Further evidence of the use of Belgian-designed models of SALW in the raid of Kerdasa is present in a video published by Al Masri Al Youm7 in 2013¹⁵. In the frame displayed below, a FN MAG GPMG is mounted on an armored vehicle visible in the background, which proceeds onto the streets of the town where civilians can be seen on the sidewalk. In the video, security and police forces are seen bracing their assault weapons while patrolling streets and raiding apartments. The heavy presence of weapons in such closeness with civilians, including children, further exacerbates the militarization and securitization of the response to the threat posed by armed groups in the area.



1.4. Use of Belgian models of firearms in the arrest of 12 suspects, Sinai 2017.

In a video published in 2017 by the Egyptian Ministry of Defense, armed forces personnel are seen conducting operations in the area of Jabal al-Halal in Central Sinai, which led to the arrest of approximately 12 suspects¹⁶. Officers are equipped with FN MAG GPMG of Belgian

¹⁵ Al Masri al Youm, 2013. الفيديو انفراد لحظة مدهامة أحد معائل الإخوان بكداسة وضبط 3 قتال. Available at: <https://bit.ly/411rivy>

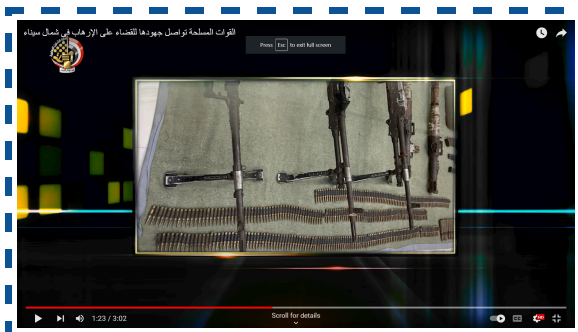
¹⁶ Egyptian Ministry of Defense, 2017. قوات إنفاذ القانون بالجيش الثالث الميداني مستمرون في تطهير منطقة جبل الحلال. Available at: <https://bit.ly/3WJYzZK>

production. The suspects appear blindfolded, handcuffed and with AKM rifles pointed at their heads. Although the video does not disclose the fate of the arrested suspects, the impunity surrounding military operations in Sinai has allowed the development of a widespread practice of summary executions of suspects and political opponents¹⁷. Victims are often arrested or forcibly disappeared by the army or paramilitary groups affiliated with the army, then subjected to illegal interrogations and abuses, including torture, and sometimes arbitrarily executed¹⁸.



1.5. On both sides: Belgian SALW used and diverted in North Sinai, approximately 2022.

In this video, published by the Egyptian Ministry of Defense, a FN MAG GPMG is seen mounted on an armored vehicle employed by the army conducting operations in North Sinai¹⁹. The video shows military operations in the area, resulting in the bombing of alleged terrorist sites and the seizure of their alleged weapons, among which FN MAG models can also be seen. The diversion and proliferation of SALW in conflict areas, such as Sinai, has profound implications for human rights and threatens peace and security. The deregulation of licensed production of defense systems results in fragmented or insufficient end-use assessments by the private sector and state regulators alike, increasing the risk of armaments diversion and proliferation, and of their use in human rights violations.



¹⁷ Human Rights Watch, 2021. Ibid.

¹⁸ Human Rights Watch, 2021, Ibid.

¹⁹ Egyptian Ministry of Defense, 2022. القوات المسلحة تواصل جهودها للقضاء على الإرهاب في شمال سيناء. Available at: <https://bit.ly/42HBDhG>

1.6. Belgian SALW's handout from the army to (young) combatants, North Sinai 2017

This video, published in 2017 by a local media page belonging to the army-affiliated Tarabin tribe of North Sinai, documents the recruitment of tribesmen by the Egyptian army and their involvement in security operations in the region²⁰. According to TIMEP, the recruitment of local tribesmen and armed groups in ground military operations has become more and more frequent in recent years²¹. The involvement of armed non-state actors (ANSAs) in armed conflicts, and the cession of defense systems and other forms of military support to combatants by state actors, poses significant threats with respect to the modes of recruitment (i.e., coercion), and the guarantees of accountability (due to ANSAs' understanding of and compliance with their obligations under international humanitarian law).

In the interview released by Tarabin combatants, allied to the Egyptian military in North Sinai, tribesmen report having been involved in anti-terrorism operations, while the army remained in constant contact with them to provide logistical and military support. The combatants interviewed in the video explain that the army delegates part of the counter-terrorism operations against enemy groups to them. In the frame presented below, a Belgian FN FAL is embraced by a combatant of remarkably young age after allegedly being handed over by the Egyptian army (information disclosed by the interviewees). The recruitment of children and underage people in military operations, a sadly widespread practice in the Sinai conflict²², is forbidden under international war and humanitarian law.



²⁰ Available at: <https://bit.ly/411rsDa>

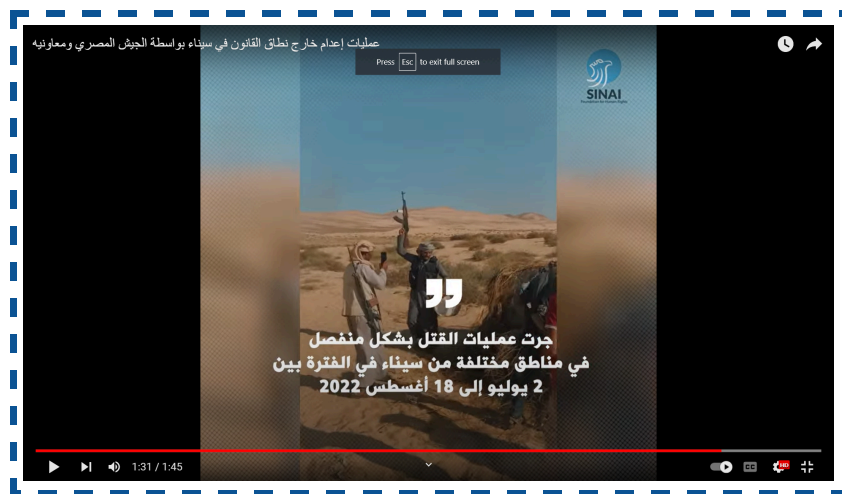
²¹ TIMEP, 2018(b). Ibid.

²² Human Rights Watch, 26 September 2023. US Rebukes Egypt For Using Child Soldiers. Available at: <https://bit.ly/40g1Phw>

1.7. Presence of Belgian firearms in extrajudicial killings, Sinai 2022.

The video presented here, released in 2022 by the civil society organization Sinai Foundation for Human Rights, shows compelling evidence of three extrajudicial executions in Sinai, perpetrated in less than two months, by the Egyptian army and its aides²³.

After minute 1.30, a Belgian FN FAL is seen embraced by one of the combatants exulting while filming the scene with their smartphones. Extrajudicial killings at the hands of state and non-state actors have been largely documented in the context of the military campaigns in Sinai²⁴, and constitute a breach of human rights and humanitarian law. The presence of a Belgian-designed firearm in the context of such a crime raises the issue of the complicity of manufacturers and state regulators in Sinai's human rights crisis.

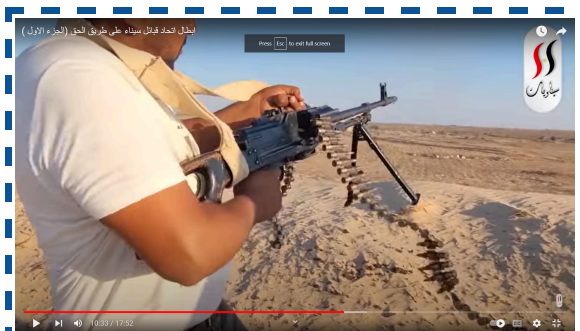
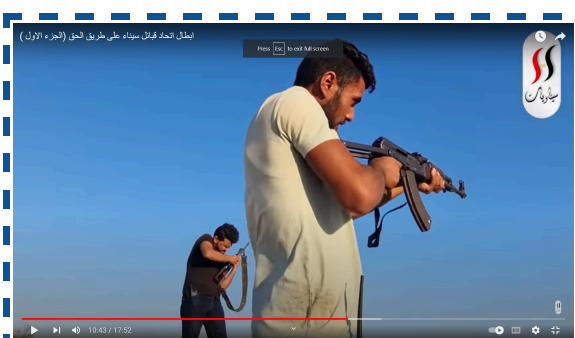
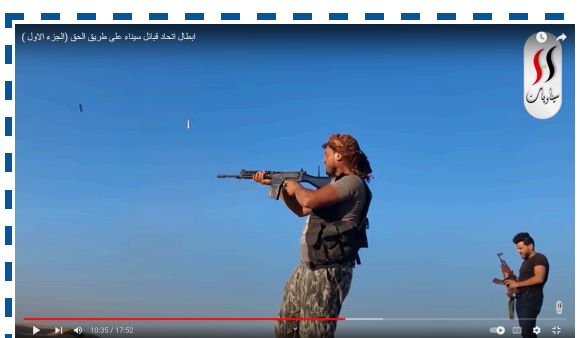


²³ Sinai Foundation for Human Rights, 2022. عمليات إعدام خارج نطاق القانون في سيناء بواسطة الجيش المصري ومعاونيه. Available at: <https://bit.ly/42GloA9>

²⁴ Human Rights Watch, 2021. Ibid.

1.8. Further evidence of Belgian SALW's handout from the army to combatants, Sinai, 2022.

The frames below were extracted from a video published by the local media page “Sinawiaat” in 2022²⁵. The video documents a military operation in Sinai with the participation of a combatant group that admitted to having received arms and instructions from the Egyptian army. Belgian FN MAG and FN FAL models are embraced by the combatants while showing the raided sites and the burned remains of a settlement to the interviewers. A child is seen walking past the heavily armed fighters, suggesting the deep enmeshment of armed violence in the ordinary life of the Sinai population. The photograms presented below show army-affiliated combatants embracing or exercising with firearms received by the army, including Belgian-designed models.



²⁵ Sinawiaat, 2022. (ابطال اتحاد قبائل سيناء على طريق الحق (الجزء الاول). Available at: <https://bit.ly/40UkQW4>

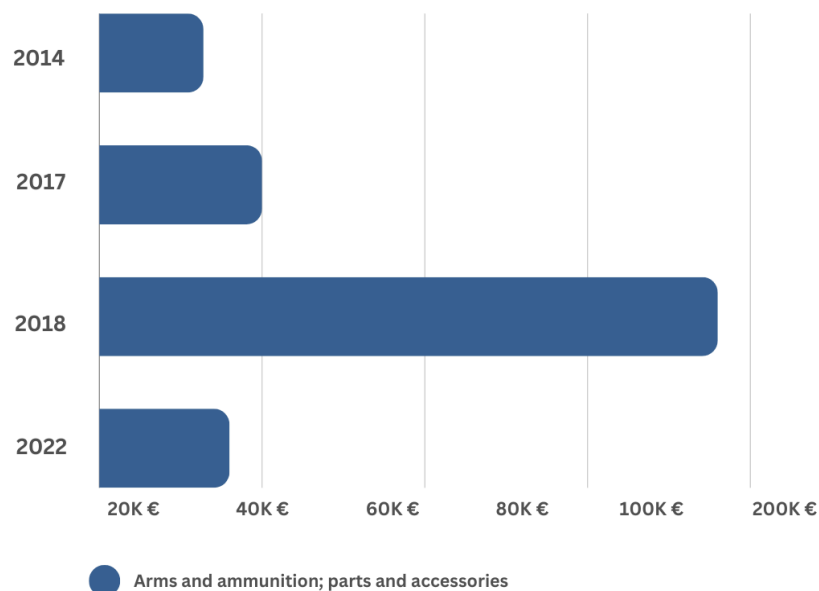
2. TRENDS IN AND VOLUME IN THE SUPPLY OF BELGIAN DEFENSE SYSTEMS TO EGYPT

Belgium signed the Arms Trade Treaty (ATT) in 2013, declaring that the signature concerned the Walloon, the Flemish and the Brussels-Capital Regions²⁶. Despite all the regions having exclusive competence to grant licenses for the export, import and transit of weapons, arms brokering remains a federal matter.

In accordance with Article 12 of the EU Common Position of 2008/944/CFSP on control of arms exports, the Walloon Region has legislated by a decree regulating the import, export, transfer and transit of weapons, which was adopted on June 21, 2012.

Article 14 establishes that "export requests are rejected after examination with regard to eight criteria based on the EU Common Position 2008/944/CFSP", which include respect for human rights and international humanitarian law in the country of final destination (Criterion 2), the internal situation in the country of final destination (Criterion 3), preservation of regional peace, security and stability (Criterion 4), and the behavior of the purchasing country towards the international community and, in particular, its attitude towards terrorism, the nature of its alliances and respect for international law (Criterion 6)²⁷.

From 2013 onwards, the annual reports submitted by Belgium to the ATT Secretariat suggest that Belgium has been abiding by the Council Conclusions of 2013²⁸, halting the approval of new export licenses for defense systems to Egypt. Nevertheless, the Walloon and Brussels Capital regions export trends and volumes differ significantly.



Value of military material exports to Egypt, as registered by the National Bank of Belgium

²⁶ Belgium Declaration, 7 June 2013. Available at: <https://bit.ly/3RmpEQs>

²⁷ Décret relatif à l'importation, à l'exportation, au transit et au transfert d'armes et de produits civils liés à la défense," 21 Juin 2012, <https://bit.ly/403oAnN>

²⁸ "Council Conclusions on Egypt", Council of the European Union. (21 August 2013). Available at: <https://shorturl.at/mtxyD>.

The Brussels Capital region reportedly authorized one arms license for Egypt in 2018²⁹. Between 2013 and 2021, Wallonia granted export licenses for Egypt of the value of € 23.815.266³⁰. This amount, however, does not match the total amount of Walloon exports to Egypt recorded by the Bank National Authority of Belgium over the same period, amounting to merely € 1.914.160³¹.

The licenses granted over the 2013-2021 timeframe included ammunition (ML3), ballistic protection equipment, production equipment (ML18), warships and spare parts. In 2020, exports to Egypt reached a staggering figure of €14.044.050, with a license for ammunition worth € 10.260.000 and another worth €3.784.050 including ballistic protection equipment.

AFRIQUE								
Pays destination	ML 1		ML 2		ML 3		ML 4	
	Nombre de Licences	Valeur €	Nombre de Licences	Valeur €	Nombre de Licences	Valeur €	Nombre de Licences	Valeur €
Afrique du Sud	1	17 500			1	7 984		
Algérie	1	3 399						
Egypte					1	10 260 000		
Kenya			1	5 050 031			1	5 937 000
Maroc	1	4 607 500						
Nigéria	1	301 033						
Tunisie	3	75 277						
Total	7	5 004 709	1	5 050 031	2	10 267 984	1	5 937 000

National Bank of Belgium Online Statistics: Value of Arms Export to Egypt, 2014-2022

AFRIQUE										
Pays destination	ML 5		ML 6		ML 13		ML 14		Total licences	Valeur totale
	Nombre de Licences	Valeur €	Nombre de Licences	Valeur €	Nombre de Licences	Valeur €	Nombre de Licences	Valeur €		
Afrique du Sud	2	363 600							4	389 084
Algérie									1	3 399
Egypte					1	3 784 050			2	14 044 050
Kenya									2	10 987 031
Maroc									1	4 607 500
Nigéria									1	301 033
Tunisie			1	39 260			1	379 973	5	494 510
Total	2	363 600	1	39 260	1	3 784 050	1	379 973	16	30 826 607

Wallonia Arms Export, 2020.

In the same year, Senator H el ene Ryckmans raised Parliamentary Questions to Minister-President Elio di Rupo regarding the dire human rights crisis in Egypt and the granting of a license for the export of military material worth €3.4 million in 2018. President Di Rupo provided clarification that the license pertained to construction equipment and armored components for an Egyptian company specializing in welding and cutting machines, as well as high-strength steel sheets.

²⁹ Government of the Brussels Capital Region. Rapport Annuel du Gouvernement de la R egion de Bruxelles-Capitale au Parlement de la R egion de Bruxelles-Capitale concernant l'application de l'Ordonnance du 20 juin 2013 relative   l'importation,   l'exportation, au transit et au transfert de produits li s   la d efense, d'autre mat eriel pouvant servir   un usage militaire, de mat eriel li  au maintien de l'ordre, d'armes   feu   usage civil, de leurs pi eces, accessoires et munitions P eriodes du 1er janvier 2018 au 31 d ecembre 2018 inclus Rapport N o XV. Retrieved from the SIPRI Database in November 2024 at: <https://bit.ly/3Pn5zaZ>

³⁰ SIPRI Database of Country Reports, available at: <https://bit.ly/3Pn5zaZ>

³¹ National Bank of Belgium - online statistics, accessed on October 13th, 2024. "Foreign Trade - Walloon Region - National Concept: Egypt, 2016-2024". Available at: <https://bit.ly/4gxuHHU>

Minister-President Di Rupo further emphasized that “the bilateral relations between Wallonia and Egypt are nonexistent”³², and that the license granted in 2018 had already been under scrutiny by the Sub-Committee for the Control of Weapons on February 3, 2020. He further explained that, since 2013, Wallonia no longer issues export licenses for military equipment that could potentially be used for internal repression in Egypt. Yet, this policy only applies to small-caliber arms and ammunition, thereby failing to address the potential risks and adverse impact of other categories of defense systems, and, most importantly, production and co-production agreements³³.

Despite such statements, during the past ten years business ties between the Walloon defense industry and the Egyptian state and military-industrial compound have prospered thanks to an intense cooperation activity.

2.1. MECAR

In 2021, a Belgian trade union source raised concerns about armaments manufacturer Mecar allegedly entering into a "Contract with Egypt," presumed to involve the production of ammunition, although specific details on the agreement's scope and value remain elusive³⁴. Notably, Nexter Defense Systems, a French state-owned weapons manufacturer, oversees all ammunition activities within the KNDS Group, which include Mecar in Wallonia, Nexter Munitions in France, and Simmel Difesa in Italy³⁵. Present in Belgium since 1938, Mecar has earned a global reputation for weapon systems and a diverse range of ammunition.

Mecar's failure in addressing human rights risks deriving from the end-use of its products had already been documented by Belgian NGO Vredesactie, which identified Mecar and FN Herstal weapons used by the Saudi National Guard in a military operation in Yemen³⁶.

From December 04 to 07, 2023, Nexter Defense Systems took part in the third edition of the Egyptian Defense Industry Expo (EDEX)³⁷, an international arms fair sponsored by President Al-Sisi himself. According to the group's website, “Nexter, a KNDS company, is developing its partnership with Egypt to modernize the armored units of the Egyptian armed forces”. Products on display included a wide selection of heavy and light weapons and ammunition. Among them was the high-precision KATANA guided shell (155 mm), which enables “precise firing in complex operational scenarios, including in urban areas”, according to Nexter's 2022-23 ammunition catalog.

Nexter was also present at the previous edition of EDEX, in 2021, during which it specified that it supplies “the Rafale's 30 mm cannon and dedicated ammunition to the Egyptian Air Force, as well as the NARWHAL 20 mm remotely operated turret used by the Egyptian Navy.”

³² Parlement Wallon, Compte Rendu Integral. Session 2019-2020, page 32. Available at: <https://bit.ly/3sM82UQ>.

³³ Parlement Wallon, Compte Rendu Integral. Session 2019-2020, page 33. Available at: <https://bit.ly/3sM82UQ>.

³⁴ Activités munitionnaires du Groupe Nexter (2020) CGT Nexter. Available at: <https://bit.ly/3t0la8L>.

³⁵ Activités munitionnaires du Groupe Nexter (2020) CGT Nexter. Available at: <https://bit.ly/3t0la8L>.

³⁶ Szucs, A. (2022) Belgian NGO proves Saudi involvement in Yemen conflict, Anadolu Ajansi. Available at: <https://bit.ly/3Rq16Gs>.

³⁷ Activités munitionnaires du Groupe Nexter (2020) CGT Nexter. Ibid.



KNDS's exhibition stand at EDEX 2021 displays ammo produced by MECAR (Belgium), Nexter (France), and Simmel Difesa (Italy).

The KNDS website tells us that one of the two armored vehicle models it presented at EDEX 2021, the 6x6 TITUS, integrated with the Nexter ARX20 remotely operated turret, is used by the Egyptian army. The vehicle in question is described as “adapted to the geography of the Middle East, thanks to its motorization and cross-country capability. Designed for urban combat, it boasts excellent maneuverability and an exceptional turning radius”.

As we suggested with the aforementioned 2021 “contract with Egypt”, MECAR is part of this structural relationship between the Nexter Group and Egypt and its armaments industrial fabric. On Nexter's French trade union website, under the heading “situation MECAR”, it can be seen that the awarding of new contracts between MECAR and Egypt is part of a form of normality: “continuation of the NMu/CLC clipping (25,000h), the Egypt contract. This will just be without taking additional orders, and pending signature of NG29/NG30 (GC part)”.

2.2. FN Herstal

Another Belgian leading SALW manufacturer allegedly having strong business ties with Egypt is FN Herstal (“Fabrique Nationale Herstal”), owned via the holding company Herstal Group by the regional government of Wallonia.

The think-tank Business and Human Rights Resource Centre found FN Herstal’s production and business activities to be associated with risks of armaments misuse and diversion in various conflict zones around the world, as well as contributing to the undermining of peace and stability in areas characterized by political, social, and economic volatility.³⁸ Online sources report that Egypt has been producing FN-designed models of SALW under intellectual property rights license for decades³⁹.

³⁸ FN Herstal (part of Herstal Group), Business and Human Rights Resource Centre. Available at: <https://bit.ly/47B1TiE>.


















































Rettman, A. (2011) Libya replete with EU Arms as Gaddafi massacres protesters, EUobserver. Available at: <https://bit.ly/3T4zS9n> and Dziadosz, A. (2011) Documents detail Western Arms Firm's Libya deal, Reuters. Available at: <https://reut.rs/480c0lp>.

³⁹ Egypt - SALW guide, Bonn International Centre for Conflict Studies. Available at: <https://bit.ly/3uJWQs6> and Egyptian armament and ammunition production (2021) DefenceHub. Available at: <https://bit.ly/3T0irgB>.



FN MAG and MK19 grenade launcher displayed at an arms fair in Egypt, 2020.

Among the FN Herstal models built by Egypt, as shown in the table below, are FN MAG machine guns (crafted in Egypt under the name of “Helwan 920” since 2020⁴⁰), such as those identified in the videos presented above under points 3.2, 3.3, 3.4, 3.5 and 3.8⁴¹.

AK-47 / AKM	 	M203 grenade launcher	 
AK-74	 	M60	
AR 15 (M16/M4)		MBDA MILAN	
Beretta 92/ 92 FS	 	Mauser K98	
Beretta AR70/90		Mosin-Nagant Rifle Mod. 1891	
Beretta M 12		PK	
Browning M 2		RPD	
CZ 75		RPG 2	
CZ Scorpion		RPG 7	 
DShk		RPK	
Dragunov SVD		SIG SG540	
FIM-92 Stinger		SIG SG550	
FN Herstal FN MAG	 	Simonov SKS	 
FN MINIMI		Sten gun	
GDATP MK 19	 	Sterling L2A3	
HK G36		Strela (SA-7 / SA-14)	 
HK MP5		Thompson M1928	
IGLA (SA-16 / SA-18)	 	Tokarev TT-30/TT-33	
Lee-Enfield SMLE		Webley Mk. IV	
M1918 Browning			

SALW models used by the Egyptian forces, as per the Bonn International Centre for Conflict Studies. The green factory symbol indicates those manufactured in Egypt under intellectual property rights license

⁴⁰ Silah Report, 2022. <https://silahreport.com/2022/02/11/the-egyptian-helwan-920-multi-machine-gun/>

⁴¹ The Egyptian Ministry for Military Production announced the manufacturing of the Helwan 920 machine gun identified in Sinai at: <https://www.momp.gov.eg/Ar/ProductDetails.aspx?id=140>

2.3. New Lachaussée

New Lachaussée, another leading Belgian arms manufacturer, also played a crucial role in enabling Egypt to build and expand its defense industry through the supply of ammunition and SALW production lines. In 2020, Egypt's Ministry for Military Production announced the production of the first locally-made multi-barrel machine gun⁴², the first outcome of a three-year plan for the modernization and addition of 84 production lines launched in 2020⁴³.



President el Sisi inaugurates Military Factory 300 on the 17th February 2020.

Military Factory 300 was inaugurated by President el Sisi on 17 February, while also opening new projects for military production in the military factories of Banha Company for Electronic Industries (Factory 144), Kaha Company for Chemical Industries (Factory 270) and Helwan Machinery and Equipment Company (999 Military Factory)⁴⁴. Chairperson Tarek Ezat declared that the plants specialized in manufacturing small arms, ammunition and final product assembly. Ezat further stated that the plant meets all of Egypt's armed forces and police needs for small arms ammunition, which is produced on production lines provided by Belgium's New Lachaussée and "a French company" (the KNDS Group, via Nexter)⁴⁵.

Egypt has been working to consolidate its military production capacities through joint ventures and co-production agreements for decades⁴⁶. The Egyptian government's plan to expand the country's defense industry aims at achieving full self-sufficiency in arms production and weaning itself off dependency on foreign suppliers and becoming the main weapon supplier of the African continent and MENA region⁴⁷. While the latter goal may appear ambitious, Egypt has demonstrated a firm commitment to pursue it through its

⁴² Egypt manufactures 1st locally-made multi-barrel machine gun at the military's factory (2020) EgyptForward. Available at: <https://tinyurl.com/bds7hcdu>.

⁴³ Al Monitor, 2 March 2020. *Egypt Boosts Local Weapons Production*. Available at: <https://bit.ly/4doilzD>

⁴⁴ Mohsen Samika (2020) Al-Sisi inaugurates "Military Factory 300" at Abu Zaabal Industries Company, which specializes in ammunition, *المصري اليوم*. Available at: <https://tinyurl.com/yc3dkp2u>.

⁴⁵ Egypt manufactures 1st locally-made multi-barrel machine gun at the military's factory (2020) EgyptForward. Available at: <https://tinyurl.com/bds7hcdu>.

⁴⁶ GlobalSecurity.org, DEFENSE INDUSTRY Egypt Overview, retrieved in December 2024 from: <https://bit.ly/4iXQsSU>

⁴⁷ Declaration by Parliament Spokesperson Yahia al-Kadwani in 2019 (possibly EDEX or other arms fair), cited in <https://bit.ly/4ds8sRd>

growing activism in hosting international arms fairs (such as the Egyptian Defense EXpo, held every two years and sponsored by el Sisi in person⁴⁸), or participating in regional defense exhibitions where arms deals are negotiated and announced.



Al Jumhuriya, 20 August 2022. “Meeting the needs of Burkina Faso for our military products to combat terrorism” (via Ministry for Military Production)

The perspective of Egypt becoming an international arms exporter, no matter how remote it may appear, is extremely concerning under a human rights perspective: Egypt has never ratified neither the Convention Against Certain Conventional Weapons (CCW), nor the Arms Trade Treaty, which regulate international arms transfers and bind member states through specific provisions to prevent and mitigate the humanitarian and human rights risks deriving from arms transfers. As a result, over the past years Egypt has been exporting weapons to countries in state of armed conflict, or where a concrete risk of gross human rights violations is present, including Saudi Arabia (almost every year since 2013, while the country has been leading an aggression on Yemen), Somalia, the Central African Republic, Sudan, Eritrea, and more⁴⁹.

The role of Belgian and European firms signing deals with Egypt for licensed production is therefore to facilitate the expansion of Egypt’s military arsenal and export capacity, which in turn represents a key tool of legitimacy for the armed forces and the state security apparatuses.

⁴⁸ Egyptian Defense EXpo, 5th June 2020. *Egypt and Belgium Assert Importance of Bolstering Bilateral Ties*. Available at: <https://tinyurl.com/yc5nafdv>

⁴⁹ UN Comtrade Database, retrieved December 2024 from: <https://comtradeplus.un.org/TradeFlow>

2.4. LEGAL FRAMEWORK REGULATING ARMS TRADE

Arms trade is currently regulated at the national, regional, and international levels through two distinct streams of policy, which mostly do not speak to each other, producing gray areas and normative and procedural loopholes as a result. On the one hand, core arms trade policy, as a branch of defense and security policy, frames obligations and regulations in a largely state-centered perspective, which frequently fails to address the elusive and transnationally fragmented nature of armaments production, innovation, and circulation. Thus the core arms trade regulation framework, for instance, falls short of addressing phenomena such as the so-called “offshoring” of defense systems manufacturing, which appears to be a rising trend in the production and supply chains of military material. Furthermore, human rights provisions in national and international arms trade export legislations do not protect civilians from the adverse impact of the arms trade and do not provide them with effective judicial remedies.

While this stream of policy is primarily oriented to regulating the behavior of states, the private sector’s responsibilities and obligations with respect to the human rights impacts of armaments production and trade are enshrined in the international and regional frameworks on business and human rights, which prominently include the UN Guiding Principles on Business and Human Rights (UNGPs) of 2011⁵⁰, and the EU Directive 2024/1760, also known as Corporate Sustainability and Due Diligence Directive⁵¹. While the first appears flawed by a limited capacity for upholding private sector accountability, due to its non-binding nature, the latter constitutes a binding commitment for firms in the EU, although its efficacy and limitations will only become clear over time.

Under the UNGPs, unanimously endorsed by the UN Human Rights Council in June 2011, the private sector bears a responsibility to respect human rights and, in order to meet that responsibility, corporations must conduct human rights due diligence to identify, prevent, mitigate, and account for how they address both their potential and actual human rights impacts.

In contexts of political, social, and economic volatility, countries are required to conduct Heightened Due Diligence, which calls for more urgent action to incorporate business and human rights into peace and security frameworks, while focusing on the principle of proportionality: the higher the risk, the more complex the processes.

The EU Corporate Sustainability and Due Diligence Directive, passed with a vote of the European Parliament in April 2024, and entered into force on the 25th July 2024, further reinforces that the behavior of companies across all sectors is pivotal in delivering on the UN Sustainable Development Goals and in improving the regulatory framework on sustainable corporate governance. This understanding implies a duty for companies in the defense sector to investigate and address human rights risks and abuses that may arise in every phase of the production and supply chains, including assessing end-use compliance with human rights standards.

⁵⁰ OHCHR, 2012. Guiding Principles on Business and Human Rights: Implementing the United Nations “Protect, Respect and Remedy” Framework. Available at: <https://tinyurl.com/3h8se38b>

⁵¹ EurLex, COM/2022/71 final. Available at: <https://tinyurl.com/2hcsmspww>

Due diligence's fundamental goal is to prevent creating or contributing to human rights violations. As a result, if a corporation is unable to prevent or sufficiently mitigate negative human rights impacts, it should avoid or discontinue supplying relevant weaponry and related services.

The insufficient integration of these two streams of policy is probably at the root of their limited efficacy: for instance, it is rather common for the EU defense industry to interpret states' obligations under arms trade policy as an authorization to externalize or delegate the responsibility of risk assessment and due diligence processes to state regulatory bodies, which in turn have a limited mandate compared to the transnational nature of the armaments production and supply chains.

Crucially, states' obligations under arms trade policy, translating into the armaments licensing processes, do not absolve the private sector from conducting their own thorough human rights due diligence processes. The exclusive reliance on state regulatory bodies appears insufficient, both in light of the country-bound scope of their mandate, and because of the concentration of conflicting interests surrounding licensing processes.

State-business relationships introduce additional complexities, hindering the establishment of transparent, robust, and efficient human rights due diligence mechanisms. In line with the UN Guiding Principles, states should take supplementary measures to prevent human rights abuses by business enterprises owned or controlled by the state, including through the implementation of comprehensive human rights due diligence and enforcing vigilant oversight to fulfill international human rights obligations. Unfortunately, as the Walloon case indicates, the defense industry often prioritizes its shareholders' interests over fostering transparency and implementing adequate mechanisms to assess and mitigate adverse human rights impacts.

CONCLUSIONS

States' responsibilities and obligations under human rights law to oversee the global arms trade are enshrined in the Arms Trade Treaty and various regional and domestic policies. However, a tendency seems to exist to overlook the significant role of the private sector in the global trends in military technologies' production, innovation, and supply despite the inherent risks associated with the proliferation of armaments, surveillance technology, and dual-use materials. This oversight translates into the lack of a comprehensive and binding regulation of the processes of licensed production and circulation of production technologies for the military sector under the existing normative framework on the production, import, export, and transit of defense systems.

The case study presented in this report illustrates why addressing such a gap in policy is now urgent and necessary, and it shall require efforts at all levels of policymaking to systematize, reconcile, and integrate the obligations of manufacturers under both defense and business and human rights law, including through the introduction of human rights benchmarks or preconditions in the country of destination for the authorization of licensed production and know-how export.

The sale of production lines to third countries where private sector regulations adopt looser or lower due diligence and end-of-use standards, poses complex ethical challenges. Further controversies arise if, such as in the case of Egypt, the receiving country presents an appalling record of violations of labor rights, workplace safety, employment insecurity, and obstacles to unionization processes. Notably, Egypt signed but never ratified the Convention On Prohibitions Or Restrictions On The Use Of Certain Conventional Weapons Which May Be Deemed To Be Excessively Injurious Or To Have Indiscriminate Effects (With Protocols I, II And III) and never signed nor ratified the Firearms Protocol against the Illicit Manufacturing of and Trafficking in Firearms, Their Parts and Components and Ammunition⁵². Hence, specific provisions on licensed production and export of production technologies are necessary to regulate these private sector processes, and prevent human rights and security potential adverse impacts.

SALW are instrumental in destabilizing peace and security on national, regional, and global scales. Long-term consequences such as proliferation and misuse and their role as aggravating factors in conflict dynamics and fragile contexts are affirmed in the latest UN Biennial Report on Small Arms and Light Weapons⁵³. SALW manufacturers should be bound to evaluate the receiving country's human rights situation as a pre-condition for every agreement. The existing regulatory framework, despite addressing states primarily, implicitly indicates that an obligation stands for manufacturers as well to refrain from supplying defense systems to states that have proven unable or unwilling to completely eradicate the possibility of arms misuse in human rights violations and arms diversion.

In the Walloon case, just like in many other contexts, the blurring of lines between the state and private sector's interests further aggravates the accountability and transparency deficit, thus reducing the capacity for democratic control over the defense industry.

⁵² UN Office for Disarmament Affairs, retrieved November 2023 at: <https://tinyurl.com/mpbktpeb>

⁵³ Small arms and light weapons. report of the secretary general, UN security council s/2021/839. (2021). Available at <https://shorturl.at/aBG10>.

RECOMMENDATIONS

- We call on Belgian and European arms manufacturers, including New Lauchaussée, FN Herstal, Herstal Group, Mecar, and Nexter Defense Systems, to establish adequate and comprehensive due diligence mechanisms, or to upgrade their existing due diligence, in compliance with their obligations under the EU Directive 2024/1760, artt. 5, 6, 7, 8, 9, and to integrate the provisions enshrined in the UNPGs in their due diligence ahead of the stipulation of agreements with Egypt, and to terminate the agreements previously stipulated.
- We call on Belgian and European arms manufacturers to publicly disclose their due diligence processes alongside their monitoring and evaluation mechanisms, in line with the provisions enshrined in the EU Directive 2024/1760, art.16.
- We call on the Walloon legislator, and on legislators at all levels in Belgium to integrate the existing discipline of arms trade including provisions for the regulation of licensed production and the export of technical know-how, in compliance with their obligation under the EU Directive 2024/1760, art.4, in order to ensure the defense industry's compliance with human rights, humanitarian, and environmental protection law at all stages of the production and supply chains.
- We call on EU Commission to ensure that Belgium and all EU member states abide by their obligations under the EU Directive 2024/1760 in the regulation of the defense industry, with particular attention to the establishment of adequate assessment and monitoring processes and robust accountability and transparency mechanisms to understand, prevent, and mitigate the adverse human rights and environmental impacts of armaments production and trade, including licensed production.
- We call on Egypt to proactively engage with the international humanitarian and arms trade regulatory frameworks and tools designed to identify, mitigate, and address the negative impacts of arms transfers, particularly by ratifying the CCW and the ATT, and by adopting the greatest transparency in reporting on arms trade deals to the competent regulatory bodies.