

# Indra Sistemas S.A., military systems and border militarization



By **Centre Delàs** (Spain)

## About the corporation

**Name:** INDRA Sistemas, S.A.

**Address:** Avda. Bruselas, 35, Alcobendas, Madrid

**Website:** <http://www.INDRAcompany.com/>

### Shareholder Structure 2016<sup>1</sup>

Shareholder	Shares	% of Share Capital
Sociedad Estatal de Participaciones Industriales	33.057.734	20.14%
Alba Participaciones, S.A.	18.587.155	11.32%
FMR	16.642.000	10.14%
T. Rowe Price Associates	5.294.295	3.23%
Schroders PLC	4.976.416	3.03%
Other shareholders	85.574.939	52.14%
<b>Total</b>	<b>164.132.539</b>	<b>100.0%</b>

On 31 December 2017, the main shareholders of the Parent company with an ownership interest of more than 3% were: SEPI (18.7%), Alba Financial Corporation (10.5%), Fidelity Management & Research LLC (9.4%), T. Rowe Price Associates (5.1%), Norges Bank (4.1%), Allianz Global Investors (3.4%) and Schroders (3.2%)<sup>2</sup>

### Sales by geographical region 2016<sup>3</sup>

	2016 (M€)	%	2015 (M€)	%
Spain	1.164	43	1.223	43
America	653	24	771	27
Europa	524	19	493	17
Asia, Middle East and Africa	368	14	363	13
<b>Total</b>	<b>2.709</b>	<b>100</b>	<b>2.850</b>	<b>100</b>

### Sales by sector 2016<sup>4</sup>

T&D	45%	Defence & Security	22%
		Traffic & Transport	23%
TI	55%	Energy & Industry	15%
		Financial Services	18%
		Telecom & Media	8%
		Public Administrations & Health	15%

**Human resources:** at the end of 2016 INDRA employed 34,294 people, mostly in Spain (55%).

## INDRA Sistemas, military systems and border militarization

Indra is one of the main military companies in Spain and one of Europe's leading defence and security corporations. 22% of INDRA's activities are related to the defence and military sector with products such as weapons for warships, planes and other military vehicles as well as various surveillance and security products for border management.

Indra has a strong presence in lobby groups across Europe and is tightly affiliated with the Spanish government (18.7% of its shares are owned by SEPI – a state owned corporation), and the corporation's active lobbying has resulted in a number of projects and contracts. Together with other transnational corporations (TNCs) in the defence industry, Indra played a role in drafting the strategic guidelines of the European Security Research Program, among others. In 2015, the TNC earned 540 million euros related to defence, which represents 19% of its total income.

Regarding its role in border militarization, INDRA was commissioned to build a third fence on the Moroccan border in Melilla. In 2005, after migrants made forceful attempts to cross the borders of Ceuta and Melilla, the Council of Ministers decided to raise the height of the double fence to six metres and add another three-dimensional fence, to be built by INDRA. The new deterrent consists of a metallic structure that is two metres long and two and a half metres wide, consisting of a series of bars nailed to the ground and joined by a network of cables in the form of a labyrinth, which acts as a serious deterrent to migrants. Together with two other companies (ACS and Ferrovial), INDRA earned 8 out of every 10 euros that was spent on the fences in Ceuta and Melilla.



This case is part of the report **THE EU AND THE CORPORATE IMPUNITY NEXUS**  
BUILDING THE UNBINDING TREATY ON TRANSNATIONAL CORPORATIONS AND HUMAN RIGHTS

The full report can be downloaded at:  
<https://multinationales.org/The-EU-and-the-Corporate-Impunity-Nexus>

Regarding the militarization of EU and Spanish borders, which is partly the result of the lobbying activities of Indra and other defence companies, the EU allocated 2000 million euros to reinforcing its external borders between 2007 and 2013, while allocating 700 million to improving the living conditions of refugees and asylum seekers. In addition, over the same period, Spain allocated 290 million euros to border control and contributed only nine million to the Refugee Fund.

INDRA seems to have successfully influenced the EU and Spanish Government's response to the migration and refugee crisis, which has been primarily military-focussed. On another note, Saudi Arabia, which leads an international coalition carrying out military operations in the Yemeni War, uses arms with components and electronics produced by INDRA and has bombed civilian targets including schools, medical facilities, mosques, and markets, causing thousands of civilian deaths and injuries.

INDRA is the second largest supplier of avionics equipment and systems for the Eurofighter. The Spanish government and INDRA are effectively complicit in Saudi Arabia's human rights violations in the Yemeni War. It should also be noted that Saudi Arabia may have committed war crimes in the region. The Spanish government (and part owner of Indra) is therefore violating the Arms Trade Treaty as well as the European Union Common Position by selling weapons (some with components produced by Indra) to Saudi Arabia.

## INDRA and the border business

Together with other transnational corporations (TNCs) in the defence industry, INDRA contributed to the strategic guidelines of the European Security Research Programme (ESRP).<sup>5</sup> The Spanish TNC is actively involved in lobby groups that are shaping EU's policies in several areas. For instance, it is involved in the European Organisation for Security (EOS), whose main objective is to develop "a harmonised European security market".<sup>6</sup> In 2011, three INDRA representatives were part of the EOS lobby group pushing for greater automated border security through innovative technologies such as drones, new sensors, satellites and biometrics.<sup>7</sup> An INDRA representative was one of the 16 experts in the Group of Personalities, which published a report in 2016 (as requested by the European Commission) advising the EU to spend 3.5 billion on military research.<sup>8</sup> Fernando Abril Martorell, ex-president of INDRA, is a member of the Group of Personalities. INDRA's involvement in these lobby groups and its active lobbying has resulted in the company securing a great number of business contracts. In 2015, the corporation earned 540 million euros related to defence, 19% of its total income.<sup>9</sup> The Spanish Government alone commissioned the company to undertake 60 operations worth nearly 110 million.<sup>10</sup> One example is the construction of a landing aid system for an unmanned aircraft,<sup>11</sup> which has been sponsored by the Spanish Ministry of Defence. But the Spanish government is not the only one backing INDRA's projects. INDRA, together with three other companies, has received over 125 million from the EU.<sup>12</sup> INDRA is also the primary beneficiary of the SIVE Program. Between 2004 and 2017 it was awarded 60 contracts, which amount to more than 109 million euros, mostly from the SIVE program.<sup>13</sup>

INDRA was commissioned to build a third fence on the Moroccan border in Melilla.<sup>14</sup> In 2005, after migrants forcefully attempted to climb the fence located on the border of Ceuta and Melilla, the Council of Ministers decided to increase the height of the entire double fence to six meters and install a third three-dimensional fence, to be built by Indra. The new deterrent consists of a metallic structure that is two meters long and two and a half metres wide, consisting of a series of bars nailed to the ground and joined by a network of cables in the form of a labyrinth, which acts as a serious deterrent to migrants.<sup>15</sup> Together with two other companies (ACS and Ferrovial) INDRA earned 8 out of every 10 euros that was spent on the fences in Ceuta and Melilla.<sup>16</sup> The Spanish government has spent 75 million euros on maintaining this fence since 2004, 59 million of which went to these three companies.<sup>17</sup> Between 2007 and 2013, the European Union allocated more than 2000 million euros to reinforcing its external borders, while putting 700 million towards improving the living conditions of refugees and asylum seekers arriving in its territory. Over the same period, Spain allocated 290 million euros to border control and contributed only nine million to the Refugee Fund.<sup>18</sup>



Spain and the European Union have continued financing projects to keep people out of the country, and it is primarily INDRA that has been in charge of these projects. As previously mentioned, INDRA earned 540 million euros in 2015 related to defence, 110 million of which was from the Spanish government. Since 2002, the company has made 87.32 million euros from border control projects, 27.2 million euros of which came from the Melilla fence project. A report from Doctors Without Borders describes the situation of the people who have tried to climb the Melilla fence: “[...] unable to move or return to their own countries, and unable to work in Morocco, they suffer constant harassment, even violence, from the Moroccan security forces trying to prevent them from jumping the fence into Spanish territory and making their way across the Strait of Gibraltar to Europe. Spain’s Guardia Civil is also involved in the harassment and expels migrants to the border with Algeria.”<sup>19</sup>

## INDRA and the Yemeni war

The Spanish Ministry of Defence has established 33 attaché offices in embassies and consulates to encourage the export of weapons manufactured by the Spanish defence industry.<sup>20</sup> One of them has been established in Saudi Arabia.<sup>21</sup> The Spanish government has signed several agreements with the country in the field of defence and security. For instance, in 2014, the Kingdom of Spain and the Kingdom of Saudi Arabia signed the Convention on cooperation regarding security and the fight against crime,<sup>22</sup> and in 2016, Spain signed an agreement on mutual protection of classified information in the defence sector.<sup>23</sup> The Spanish Ministry of Defence has an attaché in the Spanish embassy in Saudi Arabia to encourage the export of weapons manufactured by the Spanish defence industry.<sup>24</sup> The Spanish government has facilitated the training of Saudi Arabian combat pilots at the Morón military base in Andalusia.<sup>25</sup> These Saudi Arabian pilots were trained to use Eurofighters – which use components and electronics produced by INDRA. INDRA is also the supplier of Eurofighter simulators for training purposes.<sup>26</sup>

In April 2018, the Spanish government signed a sales agreement with Saudi Arabia on five warships built by Navantia (a Spanish company to which INDRA provides components and electronics) that could be used in the Yemeni War and blockade. Representatives of major Spanish companies were present at the signing, including Esteban García (Navantia) and Fernando Abril Martorell (INDRA).<sup>27</sup> The agreement also includes building a naval base for Saudi Arabia’s Navy, training the warships’ crew, the implementation of simulators, and providing all the material necessary for the establishment of a military training school.<sup>28</sup> Saudi Arabia leads an international coalition carrying out military operations in the Yemeni War. It therefore uses weapons whose components and electronics are produced by INDRA (such as the

Eurofighter and Meteor missiles, one of the missile types with which these jets are equipped)<sup>29</sup> and has bombed civilian targets including schools, medical facilities, mosques, and markets, causing thousands of civilian deaths and injuries.<sup>30</sup> INDRA is the second largest supplier of avionics equipment and systems for the Eurofighter. As explained above, INDRA has provided simulators used to train Saudi Arabian pilots, who may have subsequently participated in the bombings of the civilian population. In addition, the Saudi Arabia-led coalition has imposed an aerial and naval blockade on Yemen, restricting aid and the commercial imports of essential goods, including food, medical supplies, and fuel. This has exacerbated the suffering of 22.2 million Yemeni who rely on humanitarian assistance to survive. It has also resulted in the forced displacement of more than one million people.<sup>31</sup> According to Amnesty International, Saudi Arabia is committing serious violations of international human rights law and humanitarian law with impunity. Saudi Arabia's aerial and naval blockade on Yemen has intensified the humanitarian crisis and has "contributed to violations of the right to health and to an adequate standard of living, including adequate food." Amnesty International has also stated that some of the bombings may qualify as war crimes.<sup>32</sup>

The Spanish government and INDRA are providing assistance to Saudi Arabia and are therefore complicit in its violations of human rights recognised by the Universal Declaration of Human Rights and other international human rights instruments. It should be emphasised that Saudi Arabia may have committed war crimes. After Human Rights Watch reported on this issue,<sup>33</sup> the UN Human Rights Council agreed to send war crimes experts on the ground to investigate.<sup>34</sup> The Spanish State (and part owner of INDRA) is therefore violating the Arms Trade Treaty as well as the European Union Common Position by selling weapons (some with components manufactured by INDRA) to Saudi Arabia.<sup>35</sup>

## ENDNOTES

- 1 INDRA Informe de Gestion 2016, p.19 [https://www.INDRAcompany.com/sites/default/files/INDRA\\_03\\_informe\\_gestion\\_2016.pdf](https://www.INDRAcompany.com/sites/default/files/INDRA_03_informe_gestion_2016.pdf)
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- 16 [https://www.elconfidencial.com/espana/2015-09-19/acs-INDRA-ferroviario-coste-obras-mantenimiento-vallas-ceuta-y-melilla\\_1018417/](https://www.elconfidencial.com/espana/2015-09-19/acs-INDRA-ferroviario-coste-obras-mantenimiento-vallas-ceuta-y-melilla_1018417/)
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