

## ABSTRACT

The existence of relationship between illicit arms trade and terrorism is undeniably apparent in this modern and global era. Specifically, for terrorism that has a transnational nature, where the effects and contents of terror alters from one country to another. This phenomenon continues to grow day by day, without our realization that it will constantly grow if the international community does not create an initiative to eliminate such threat. Various approaches have been sought through by nations in order to eliminate terrorism and its transnational effects. Keeping in mind that the impact of terrorism crosses multiple disciplinary of laws. From public to private, domestic to international, ranging from humanitarian law, refugee law, criminal law, and up to the extent of trade law. The Global Index of Terrorism shows that the availability of arms access in a country is linked to the intensity of conflict and terrorist attack that it will invite. This proves that there is a correlation between the international trade of arms and growth of terrorism. Indeed, not all forms of trade are illegal nor entirely legitimate either. All forms of illegal trade, particularly on arms starts off from a legal and legitimate source. The flow of arms that enters the illicit market are drawn from methods of diversion. In order to prevent such disadvantage, states and members of the United Nations have started to establish frameworks of international law aiming to govern the activities of the Arms Trade business. From a general aspect, the World Trade Organization along with its instruments, particularly the General Agreement on Tariffs and Trade is set out to be the major instruments of trade adhered by many states. On the other hand, a more specific approach is governed by the Arms Trade Treaty which have just recently been put into force in the past four years. The GATT which have existed long before the ATT even has its weaknesses when it comes to covering international arms trade. Even if the incentive of the Agreement was not to cover the trade in arms specifically, but its relations covered in the security exceptions articles is essential when analyzing the impacts to arms trade and illicit arms market. Undoubtedly the ATT which is just newly born also has loopholes contained within its articles. From the text of the preamble, and each major section of the Treaty has a weakness of its own. Thus this thesis was made in order to uncover the weaknesses and loopholes of the current international legal instruments relating to arms trade, particularly the Arms Trade Treaty and the General Agreement of Tariffs and Trade and their relationship with preventing transnational terrorism. The research was done normatively by analyzing data collected from library studies through the primary, secondary and tertiary legal sources. That the outcome of this writing analyzes the findings of the weaknesses in both instruments and giving a way to cope with such problematic. All within the aims to reinforcing the international legal instruments by eliminating illicit arms trade and preventing transnational terrorism.

Key words; Arms Trade Treaty, WTO and GATT, Illicit Arms Trade, Transnational Terrorism.