

# 1540 COMPASS



WINTER 2014 — ISSUE 5

## The Financial Action Task Force tackles proliferation financing — p. 33

The past and future of 1540 and the  
Biological Weapons Convention — p. 28

The OSCE's partnership in preventing  
and countering terrorism — p. 9





# 1540 COMPASS

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A journal of views, comments, and ideas for effective implementation of UN Security Council Resolution 1540 to prevent WMD proliferation and terrorism by non-state actors.

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The Compass welcomes letters and articles from all concerned with 1540 implementation. Articles should be 1,500-2,000 words in length and written in English. Digital photographs should be submitted in their native format, typically JPEG; scanned photographs should be saved in a lossless format like TIFF or BMP. Send submissions to [compass@cits.uga.edu](mailto:compass@cits.uga.edu).

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## *From the Editor:*

UN Security Council resolution 1977 (2011) instructs the 1540 Committee to conduct its comprehensive review on the implementation status of UNSCR 1540 by December 2016. The review will come at the midway point of the ten-year extension of resolution 1540 authorized in 2011. In all likelihood, the reviewers will recommend adjusting the resolution's mandate to keep pace with a rapidly evolving threat environment. Sub-state actors remain intent on obtaining WMD capabilities, and they adapt to nonproliferation and arms-control measures. The international community must innovate as well to counter them.



The latest advancements in science and technology have the potential to yield conventional armaments just as devastating as WMD, blurring the line between conventional and unconventional terrorism. Will this progress drive us to redefine our concept of WMD?

The Compass invites readers to share their vision of such emerging dangers and ways to combat them. For example, we welcome your ideas about the potential impact of biotechnologies such as biocatalysis, synthetic biology, and biopharming. What risks do misuse of exotic technology pose, and where should we strike the balance between academic freedom and prudent control?

Further, molecular manufacturing could prove to be a breakthrough on par with the Industrial Revolution—but compressed into a far shorter period of time. A revolution hurtling along at such velocity could overtax effective control and regulation. Such a prospect warrants careful forethought.

Similarly, do you think improvements in drone technologies and their mass production should be a concern of UNSCR 1540? Since 2005, the number of countries that possess drones has risen to over 80, while over 50 countries are developing more than 900 different UAV systems. Here, too, the hazards as well as the benefits are worth pondering.

And lastly, how should we characterize cyberterrorism, and should it fall under the 1540 imprimatur? Some experts see cyberterror as a new, high-tech weapon of mass destruction that could prove more devastating than traditional WMD. Indeed, the U.S. Department of Defense has called for urgent measures against cyberattacks, warning that increasingly sophisticated assaults in cyberspace could culminate in a “cyber Pearl Harbor.”

These are some challenges that the UNSCR 1540 review process must address. We can do no less if we want to stay ahead of individuals and groups determined to inflict catastrophic harm.

A handwritten signature in green ink, appearing to read 'Igor Khrapunov', with a long horizontal flourish extending to the right.

**IGOR KHRAPUNOV**  
EDITOR, 1540 COMPASS  
CENTER FOR INTERNATIONAL TRADE & SECURITY

# Op-Ed: The Global Partnership's complementary 1540 objectives

Daniel Shepherd

DEPUTY HEAD, COUNTER PROLIFERATION DEPARTMENT OF  
THE UK FOREIGN AND COMMONWEALTH OFFICE

The Global Partnership (GP) is a multilateral nonproliferation initiative created by G-8 leaders at the Kananaskis Summit in June 2002, whereby countries fund and implement projects to prevent terrorists and other proliferators from acquiring chemical, biological, radiological, and nuclear weapons and materials of mass destruction. The Global Partnership also provides a means for partners to coordinate their contributions to WMD threat reduction through international organizations.

The chair of the Global Partnership rotates with the presidency of the G8 and it falls to the chair to organize the Global Partnership Working Group (GPWG) meetings. The United Kingdom held three in 2013.

Since its inception in 2002, the GP has expanded beyond the G-8 to include 27 members. From 2002-11, its achievements included: the destruction of some 20,000 tons of chemical weapons, the secure dismantling and transport of decommissioned nuclear-powered submarines, improved detection of nuclear and radiological materials, the reemployment of former WMD scientists and technicians to civilian programs, and the removal and safe transportation of 775 bombs' worth of nuclear material in Kazakhstan.

In 2011, at the G-8 Summit in Deauville, France, leaders reviewed the results of the first decade of Global Partnership and adopted the "G8 Global Partnership Assessment and Options for Future Programming." This identified four particular priorities for the future of the Partnership:

- nuclear security
- biological security
- scientist engagement in the WMD field
- implementation of UN Security Council resolution 1540

On UNSCR 1540, the assessment noted that "By providing equipment, expertise and training, GP partners could enhance WMD non-proliferation and counter-terrorism capacities in countries seeking to meet 1540 obligations and lacking the ability to do so, upon their request." On the basis of this clear mandate for Global Partnership work on 1540 issues, the United Kingdom's 2013 presidency also identified four themes for 2013:

- delivering more projects and programs more effectively
- promoting responsible science and information security
- expanding membership to reflect the global nature of the threat
- enhancing implementation of UN Security Council resolution 1540

So, what did we do in practical terms, particularly on the last of these themes?

At our first meeting in February, where we set out our 2013 priorities in detail, we invited the coordinator of the 1540 Group of Experts to brief GPWG delegates on the 1540 Committee's work.

Our second meeting in June had a broad focus on match-making. This was a free-flowing half-day session in the meeting which implementers, funders, and recipients could get together and work out where projects could be most effectively developed. Within this format, we gave priority to the requests for UNSCR 1540 assistance, helped match donors with recipient countries, and publicized the 1540 Committee's compendium of assistance offers and requests in the context of the event.

Many states lack sufficient capacity and expertise to implement UNSCR 1540 effectively. But many of these do maintain an embassy in London. We took advantage of the presence, again, of the coordinator of the 1540 Committee's Group of Experts and other 1540-related expertise for our June meeting, hosting an "Outreach" event at which embassy representatives in London were encouraged to report. At the gathering the coordinator and others explained the ways they could fulfill their UNSCR 1540 obligations.

Our third and final GPWG, in October, focused on responsible science and dual-use research. Again, we benefited from the presence of members of the 1540 Group of Experts at the meeting. The relevance of UNSCR 1540 obligations and related resolutions was clear: UNSCR 1977 highlights the importance of states controlling "access to intangible transfers of technology and to information that could be used for weapons of mass destruction and their means of delivery." Enacting effective, risk-based information-security measures in academia and codes of conduct for scientific researchers are two ways in which developing a culture of responsible science can contribute to the objectives of UNSCR 1540, and can be supported by Global Partnership programs.

Besides integrating UNSCR 1540 into our meetings and the wider work of the Global Partnership, we also felt that the United Kingdom should practice what it preaches about the importance of UNSCR 1540. Our way of doing so was to complete and submit to the 1540 Committee an updated report on 1540 implementation and a National Implementation Action Plan, as encouraged by UNSCR 1977. We filed the paperwork in December.

Looking back, I am pleased that our presidency raised the profile of UNSCR 1540 in the Global Partnership. Looking ahead to 2014, I look forward to working closely with the Russian presidency of the Global Partnership in what will also be UNSCR 1540's tenth-anniversary year.

*Daniel Shepherd was responsible for coordination of the UK Global Partnership presidency, chairing two of the three working-group meetings. He is also a former vice chair of the 1540 Committee, 2008-2010.*





## 1540 COMPASS DISCUSSION FORUM

*Please send letters for the Discussion Forum to Editor in Chief Igor Khripunov at [i.khripunov@cits.uga.edu](mailto:i.khripunov@cits.uga.edu). Letters should not exceed 500 words.*

### MTCR AND 1540

Last year's joint Conference co-organized by the Republic of Korea and the United Nations on Disarmament and Nonproliferation Issues took place on November 14-15, 2013, on the Korean Island of Jeju, and was dedicated mainly to the implementation of UN Security Council resolution 1540. The Republic of Korea presently chairs the 1540 Committee. One of the items on the agenda was the enhancement of synergy and coordination between export control regimes and resolution 1540. I was invited as chairman of the Missile Technology Control Regime (MTCR), one of the three international "regimes" (along with the Nuclear Suppliers Group and the Australia Group) whose aim is to curb the proliferation of weapons of mass destruction (WMD) and their delivery means.

During the discussions, participants pointed to the lack of multilateral norms regarding WMD delivery means. In spite of the fact that resolution 1540 considers the proliferation of ballistic missiles and other delivery systems a threat to international peace and security, no binding instrument nor any international organization comparable to the International Atomic Energy Agency (IAEA) or the Organization for the Prohibition of Chemical Weapons (OPCW) exists to regulate them.

Participants also noted that the three regimes have been in place for over two decades but are not mentioned by resolution 1540 or other relevant UN documents. These bodies originally attracted suspicion because their memberships were not universal and were limited to a group of likeminded countries possessing specific missile technologies. Recent developments should make the export control regimes less controversial. Other international engagements that are not universal in scope have since entered into force. For instance, both the 1997 Ottawa Convention prohibiting anti-personnel landmines and the 2010 Oslo Convention prohibiting cluster munitions were originally established by limited numbers of likeminded countries. These arrangements have become legally binding and have gained significant membership.

The overwhelming majority of the original members of the nonproliferation regimes were Western countries, belonging mostly to the European Union and NATO. Today membership has been expanded or offered to states outside the Western world, including members of the Non-Aligned Movement. Although resolution 1540 does not mention the regimes by name, their endeavors are contemplated by paragraph 8, which calls upon states to "take cooperative action to prevent illicit trafficking in nuclear, chemical or biological weapons, their means of delivery, and related material." The time has come, observed participants during the Jeju Conference, for the international community and the United Nations to revisit this issue. They must formally acknowledge that these regimes constitute part of the international cooperative action foreseen by resolution 1540, and thereby take advantage of

the formidable technical expertise the regimes have amassed over the past decades.

The issue of enhanced cooperation among the export control regimes was also raised at Jeju. Participants recalled that ten years have elapsed since options for reforming multilateral regimes were discussed at a workshop organized in Copenhagen in 2003 by the Center for International Trade and Security (CITS) at the University of Georgia. The Nuclear Suppliers Group, the Australia Group, and the MTCR deal with different types of weapons (nuclear, chemical and biological, and delivery means), and their membership is not homogeneous. They face, however, many common "horizontal," cross-cutting problems (such as brokering, transit and transshipment, and invisible technology transfers) and have similar enforcement instruments.

De facto harmonization is already in place because in many cases the same national delegates participate in all three groups' meetings. But this is not always the norm and is no substitute for the enhanced cooperation foreseen at the Copenhagen workshop, where a possible merger of the three regimes was also considered. Jeju participants noted that resolution 1540, which puts proliferation of the three types of WMD and their delivery means in the same basket, has entered into force since then. The holistic approach introduced by this resolution should prompt the international nonproliferation and export control constituencies to revisit the issue of cooperation among the three WMD regimes—reducing duplication of effort while giving a new impulse to enhancing synergies among them.

Ambassador Carlo Trezza  
CHAIRMAN OF THE MISSILE TECHNOLOGY CONTROL REGIME (MTCR)

### EXPERTS GATHER IN REPUBLIC OF KOREA TO CHART COURSE

Since its inception in 2002, the annual United Nations-Republic of Korea Joint Conference on Disarmament and Nonproliferation Issues has served as one of the Asia-Pacific's premier multilateral forums for discussing disarmament and nonproliferation issues. Known as the "Jeju Process," this series of conferences has consistently delivered high-level, candid discourse on disarmament and nonproliferation issues at both the international and regional levels, and has sought to identify practical solutions to overcome them. Over the years, the diversity of participants has included senior government officials, independent experts and researchers, experts from international organizations, and civil-society representatives.

I am pleased to report that last year's conference, held on November 14-15, 2013, focused significantly on UNSCR 1540 (2004) in

advance of the tenth anniversary of its unanimous adoption by the UN Security Council. The conference brought together an impressive range of participants, including many experts on UNSCR 1540 implementation. Presentations covered a wide range of interesting topics that will shape the future implementation of UNSCR 1540, including emerging challenges, capacity-building, and export controls and their relationship with other control regimes.

Most importantly, there was significant discussion of practical steps forward on enhancing implementation. Participants stressed the importance of engaging with key stakeholders outside government, such as industry. They also proposed that the 1540 Committee focus on national 1540 implementation. In addition, new proliferation challenges from non-state actors were identified, particularly cyber-attacks, the prospects for chemical, biological, radiological, and nuclear (CBRN) terrorism, including the malicious use of radioactive materials for terrorist purposes, and bio-, nano-, and drone technologies. The relevance of developing a comprehensive CBRN security culture was emphasized. Related issues from the broader realm of nonproliferation were also discussed.

At the conference, I had the pleasure of presenting on UNSCR 1540-related activities that our UN Regional Center for Peace and Disarmament in Asia and the Pacific (UNRCPD) plans to undertake in the near future. These activities may include: facilitating multilateral dialogue forums pertaining to the implementation of resolution 1540, helping states undertake reporting requirements, facilitating capacity building, and further engaging civil society, academia, and industry. In this context, UNRCPD has consulted widely on how the Regional Center can better assist states striving to implement this important resolution effectively. We look forward to keeping 1540 Compass updated.

Based in Kathmandu, Nepal, UNRCPD covers 43 states in the Asia-Pacific region. Our mandate is a broad disarmament agenda. Our activities focus on helping states achieve their peace and disarmament goals by providing substantive support in the form of forums for dialogue and capacity-building, through outreach activities, and by undertaking peace and disarmament education. Further information about our program of work can be found on our new website, [unrcpd.org](http://unrcpd.org).

Sharon Riggle

DIRECTOR, UN REGIONAL CENTER FOR PEACE AND DISARMAMENT IN ASIA AND THE PACIFIC

#### PREVENTING CBRN TRANSPORT: ADDED BENEFITS OF 1540 IMPLEMENTATION

Panama is more aware than ever of the value of UNSCR 1540 implementation. On July 15, Panamanian authorities were alerted by American intelligence agents that a North Korean vessel, the Chong Chon Gang, would transit the Panama Canal while en route from Havana, Cuba, to North Korea. The initial intelligence claimed that the vessel was carrying drugs, so the ship was detained and searched by Panamanian anti-drug agents. Immediately after the detention of the vessel, the Cuban government notified Panama's Foreign Ministry that the ship was only carrying 10,000 tons of sugar sold to the North Koreans. The information proved to be false, as subsequent searches under harsh tropical conditions led to the discovery of 2 MiG aircraft in perfect operating condition, 15 plane engines, 12 motors, live munitions, and radar control systems for missile launchers. In all, the search led to the discovery of 240 metric tons of weapons sent by the Cuban government to North Korea.



*The UN Regional Center for Peace and Disarmament in Asia and the Pacific in Katmandu, Nepal.*

Pressured, the Cuban government said that the obsolete military equipment had been sent to North Korea for modernization and refurbishing. This information proved to be false. Panamanian intelligence services confirmed that the military equipment was part of a secret deal negotiated in Havana by the Cuban and North Korean governments in clear violation of the UN arms embargo. After the weapons were discovered, the vessel and its crew of 35 were detained and charged with arms trafficking because the weapons were not declared. The Panama Canal Authority levied a fine of \$1 million against the North Korean government. After weeks of quiet negotiations and diplomacy, North Korea has agreed to pay the fine and the vessel and 32 crewmen will return to Havana. The captain, the second officer, and the political commissar will remain in Panama and face criminal charges. However, official sources say that these individuals will be pardoned by Panamanian president Ricardo Martinelli and allowed to return to North Korea.

The Panama Canal is open to vessels of all nations as long as they do not violate international laws. We have told the Cuban government that we hope that the Chong Chon Gang incident was one of a kind and that nothing like this will occur in the future. The \$1 million fine levied by the Panama Canal Authority is a clear reminder that illegal activities will not be tolerated by the Panamanian government.

The seizure of the ship emphasizes Panama's permissive attitude toward seagoing nations as long as they do not violate the arms embargo levied against North Korea and, more generally, UN resolutions as a whole. The successful interdiction further attests to the multifold benefits of compliance with UNSCR 1540, as adopting regulatory measures for preventing the transport of illicit CBRN-related materials has increased the overall capacity of the Panama Canal Authority for fighting illicit transport.

Tomas A. Cabal  
DIRECTOR, ANTITERRORIST ANALYSIS UNIT  
PANAMA FOREIGN MINISTRY



## SEMINAR ON CBRN SECURITY IN VIENNA

The experience of Vienna-based organizations in this area provides a useful basis for efforts by international, regional, and subregional organizations, by NGOs, and also by states themselves, as these bodies aim at developing a comprehensive security culture. On October 8, 2013, the Permanent Mission of Hungary to the United Nations in Vienna, in cooperation with the UN Office of Disarmament Affairs (UNODA) and the Vienna Center for Disarmament and Nonproliferation (VCDNP), organized the second Seminar on Chemical, Biological, Radiological, and Nuclear Security, entitled “Developing a Comprehensive Security Culture.”

The seminar was also part of the “house gift” offered by Hungary at the second Nuclear Security Summit, held in Seoul in April 2012. At Seoul we committed to organize practical training courses for experts at our nuclear power plant in Paks, working in cooperation with the IAEA. The Vienna seminar sought to identify lessons-learned in the area of security culture, in an attempt to understand the implications of these lessons for the area of weapons of mass destruction. This effort may serve as a starting point for a more detailed examination of these issues, both furthering the objectives of UNSCR 1540 and resulting in an enhanced level of CBRN security overall.

Speakers at the seminar included Dr. Paul Walker, international program director for the Environmental Security and Sustainability Program, Green Cross International and Global Green USA. In his presentation, Dr. Walker emphasized the importance of responding to the combined challenges of instability, poverty, and environmental degradation to ensure a sustainable and secure future. Dr. Amy Smithson (senior fellow, James Martin Center for Nonproliferation Studies) delivered two presentations that provided a global picture of biological and chemical threats, focusing on science, responsibility, and the risk of nonproliferation. Dr. Johannes Rath of the University of Vienna spoke about a comprehensive approach to ethics and security. The nuclear aspects of security culture were covered by Muhammed Khaliq from the IAEA Office of Nuclear Security and by Dr. Roger Howsley, director of the World Institute for Nuclear Security. Dr. Howsley focused on personnel training, certification, and accountability.

The seminar followed up on the International Conference on Nuclear Security, organized by the IAEA July 1-5, 2013, in Vienna. The conference was chaired by Foreign Minister János Martonyi of Hungary, and was a useful step in preparation for the third Nuclear Security Summit, to be held in The Hague in April 2014.

Ambassador Balázs CSUDAY  
PERMANENT REPRESENTATIVE OF HUNGARY TO THE UN AND OTHER  
INTERNATIONAL ORGANIZATIONS IN VIENNA

## IS “R” COVERED BY 1540?

I was very interested to read the article by Enrico Fiorentini in issue no. 4 of 1540 Compass. I am glad to note that the author agrees that radiological material (the “R,” as he describes it) is covered under the obligations under resolution 1540 (2004). He maintains that this coverage comes through practice rather than being derived from the text of the resolution. However, it is clear from states’ reports to the 1540 Committee that they, from the start, considered the “R” part of the resolution.

The text of the resolution is deliberately broad. The term “related materials,” as defined in the footnote in the resolution, refers to nuclear, chemical, and biological weapons and their delivery means, and does not get into detail about the nature of the materials and technologies that belong to each of the areas concerned. In

the same way that precursor chemicals are intended to be covered, “nonnuclear” or radiological material is intended to be covered too.

The broad approach is exemplified in two paragraphs in the preamble, which provide a guide to the context and interpretation of the operative paragraphs. There the resolution makes clear that radiological materials fall within its purview. First, it refers to illegal trafficking. Second, it refers to the Convention of the Physical Protection of Nuclear Materials and the IAEA Code of Conduct on the Safety and Security of Radioactive Sources. The “R,” along with related chemical and biological materials, is definitely covered by operative paragraph 3, which specifies that “All States shall take and enforce effective measures to establish domestic controls to prevent the proliferation of nuclear, chemical or biological weapons and their means of delivery, including by establishing appropriate controls over related materials...”

Happily, there is no additional specification of “related material” beyond the definition in the footnote. It is not clear to me why the nuclear aspect should require more specifics than the chemical and biological aspects. This broad interpretation will last over time without being overtaken by scientific and technological advances.

In any case, as the author stresses, practice is what really matters. As far as states are concerned, there is no controversy over this issue. Their reports to the Committee make it clear that radiological material is covered.

By the way, I should clarify one reference in the article, which contends that “the experts have included language and measures in the national matrices that apply to a wide range of radioactive, non-nuclear materials...” This should not be seen as representing an interpretation by the 1540 experts. The information entered in the matrices is derived directly from reports from states and their officially published information, as approved by the 1540 Committee. States comprise the constituency that matters. As far as they are concerned, it seems that there is no “timidity,” at least with regard to the coverage of radiological material, as suggested by the author.

Terence Taylor  
COORDINATOR, UNSCR 1540 GROUP OF EXPERTS

*Views expressed in this letter are the author's and do not necessarily reflect those of any organization with which he is affiliated.*

1540 COMMITTEE'S COUNTRY VISIT  
TO THE REPUBLIC OF KOREA

Country-specific visits by the 1540 Committee are an important means to facilitate full implementation of resolution 1540. They help in three ways. First, they help the Committee better understand how the resolution is being implemented by a particular state, thereby enabling the Committee to provide feedback necessary for more effective implementation. Second, they provide relevant government agencies with an excellent occasion to promote understanding of resolution 1540 and to exchange views with the Committee. Third, they are also an effective means for member states to share their best practices with the Committee and other states.

The Republic of Korea hosted a 1540 Committee country visit on November 18-19, 2013, with all three of these objectives in view. The joint meeting between the Committee and the relevant ministries and agencies of the ROK government on November 18 served





*Participants in the GUAM (Georgia, Ukraine, Azerbaijan, and Moldova) Roundtable in Baku, Azerbaijan.*

as a good opportunity for the Korean government to provide the Committee with up-to-date information on its recent implementation of resolution 1540. The ROK Ministry of Foreign Affairs conducted a briefing on Korea's third implementation report, which contains comprehensive updates on Korea's implementation of resolution 1540 over the past eight years, in particular its progress in the fields of export control, transshipment/transit control, and proliferation financing. The Committee in turn briefed the Korean government on the work, activities, and priorities of the Committee and its Group of Experts in recent years.

During the separate consultations with the Ministry of Foreign Affairs, the Nuclear Security and Safety Commission, and the Ministry of Trade, Industry and Energy (MOTIE), the Korean government and the 1540 Committee exchanged views about Korea's national implementation action plan, including the overall direction for the drafting of the plan and its key elements. These consultations also served as a unique opportunity for MOTIE to share with the 1540 Committee Korea's effective practices in the field of export control, including the online strategic trade information system (Yes-Trade), internal compliance program (ICP), and controls on the intangible transfer of technology (ITT).

Korea hopes that its 1540 country visit last November, the first among Asian countries, will serve as a good precedent for other states to follow. Approaching the tenth anniversary of resolution 1540, and as the chair of the 1540 Committee, Korea will continue to take the lead in promoting full and universal implementation of the resolution, including through such means as country visits, outreach events, a more effective mechanism for technical assistance, and active support for the activities of the 1540 Committee and its Group of Experts.

Moon-hwan Kim

DIRECTOR GENERAL, INTERNATIONAL ORGANIZATIONS BUREAU  
MINISTRY OF FOREIGN AFFAIRS, REPUBLIC OF KOREA

#### CBRN SECURITY CULTURE AND UNSCR 1540

The "GUAM (Georgia, Ukraine, Azerbaijan, and Moldova) Roundtable on building global security culture" was jointly organized by the Science and Technology Center (STCU) in Ukraine and the United Nations Office for Disarmament Affairs (UNODA). This is the third activity by the two organizations to enhance the prospects for strengthening security culture within the GUAM countries. This Roundtable brought together diplomats, experts and high-level officials from across the region committed to work together to coordinate and strengthen their efforts.

The main focus of the of the Roundtable was to examine current CBRN security challenges and identify a common understanding of risks and prevention actions within the GUAM Region, as well as to develop comprehensive approaches to CBRN security culture through experts' discussions with international and regional organizations. A good addition to the Roundtable itself was a practical exercise for developing nuclear security culture suggested by Dr. Igor Khripunov. Dr. Khripunov, a leading expert in CBRN security culture, noted that this comprehensive approach focuses on the human performance in several key 1540-related functional areas: security of relevant materials and associated facilities, strategic trade and trafficking control, cyber security, and knowledge management. These key functional areas have common cultural roots across the four "stovepipes," i.e. chemical, biological, radiological, and nuclear (CBRN) but also unique features specific to each.

It is also clear that in an era of mass communication and globalization, the widespread availability of such expertise has become another potential threat to global security. Therefore, under its mandate, the STCU is ready and committed to engage in these issues by assisting, coordinating and engaging knowledge redirection programs in the GUAM Region through close cooperation with other international and regional partners such as UNODA, IAEA, OCSE, and others.



A strategy to mitigate CBRN risks of criminal, accidental or natural origin requires cooperation and coordination between different national agencies as well as among countries and international and regional organizations. Lack of harmonization of national preparedness and fragmentation of responsibilities within the regional or international network reduce the effectiveness of prevention strategies and can delay response during a crisis.

We are confident that further implementation of CBRN security initiatives developed by the Science and Technology Cen-

ter in Ukraine jointly with UNODA and other counterparts will further enhance international security and safety. We call upon our GUAM partner States to continue to strengthen their national measures to prevent terrorists from acquiring weapons of mass destruction, their means of delivery and materials and technologies related to their manufacture and to support respective international efforts in this sphere through multiple cooperative ties.

Ambassador M. Michael Einik  
STCU EXECUTIVE DIRECTOR

## A message from the new 1540 committee chair

Ambassador Oh Joon  
1540 COMMITTEE CHAIR

I would like to thank the Center of International Trade and Security at the University of Georgia (USA) for partnering with the UN Office for Disarmament Affairs to publish the 1540 Compass journal in its efforts to support and raise awareness on implementation of UN Security Council resolution 1540 (2004).

2014 marks the tenth anniversary of the adoption of resolution 1540. This is a milestone for the 1540 Committee and for UN Member States' efforts to prohibit the proliferation of nuclear, chemical, and biological weapons and their means of delivery to non-State actors, in particular for terrorist purposes. In addition, it is an opportunity to reflect on our accomplishments and address challenges ahead of us. Achieving universal reporting and further developing the assistance matchmaking system are priorities at hand.

I am particularly looking forward to initiatives aimed at strengthening the ability of national stakeholders to carry out their implementation responsibilities effectively. Innovative ideas are needed to enhance the 1540 Committee's ability to respond more nimbly to States' requests for assistance. In this regard, the 1540 Committee has recently asked all States and relevant international and regional organizations to identify and report on lessons-learned and effective practices in 1540 implementation. The Committee intends to compile and share this information. Contributions from civil society through the 1540 Compass would also help us in these tasks.



Ambassador Oh Joon has been the Permanent Representative of the Permanent Mission of the Republic of Korea to the United Nations since September 20, 2013. He previously served as Korean Ambassador to Singapore (2010-13) and Deputy Minister for Multilateral and Global Affairs in the Ministry of Foreign Affairs (2008-2010).

Ambassador Oh entered the foreign service in 1978 when he joined the Ministry of Foreign Affairs. As Deputy UN Permanent Representative from 2005 to 2007, he also served as Chair of the General Assembly's Disarmament Commission from 2006 to 2007.





1540 COMPASS: SECTION ONE  
STRATEGY AND POLICY

# The OSCE's partnership in preventing and countering terrorism

Thomas Wuchte  
HEAD ON ANTI-TERRORISM ISSUES, OSCE

In May 2013, I had the opportunity to address the Annual NATO Conference on Weapons of Mass Destruction Arms Control, Disarmament, and Non-proliferation. I took the invitation as a sign of interest in what the Organization for Security and Cooperation in Europe (OSCE) does, and also—at the risk of sounding too ambitious—in what areas the counterterrorism community and the OSCE can join their efforts in the fight against terrorism (and specifically WMD terrorism).

In my prior position as the U.S. 1540 coordinator, I had the pleasure to speak at the 2008 NATO Conference that was held in Berlin, where a panel was devoted exclusively to UN Security Council resolution 1540. The panel took place under the rubric “New Initiatives for the Prevention of Proliferation.” Many of the speakers at the 2013 conference touched upon this resolution, which remains high on the OSCE’s agenda, as I will explain later. UNSCR 1540 is now fast approaching its ten-year anniversary, however, so it is hardly a new initiative.

The strategic commitments of our organizations and the pillars supporting many of their nonproliferation strategies are so identical that there can be no argument against closer collaboration that mutually reinforces each other’s efforts. Not to exploit the

similarities in our comprehensive programmatic work would be a waste of resources and would be highly counterproductive.

The OSCE was among the very first multilateral organizations to articulate explicitly the need for sustained, multifaceted efforts to combat terrorism, with a strong emphasis on preventing it, while also respecting and protecting human rights. The initial impetus came from the adoption of the OSCE’s Bucharest Plan of Action for Combating Terrorism, followed by the OSCE’s Porto Charter on Preventing and Combating Terrorism.

Last December in Dublin, building on the Plan and Charter, as well as on a series of decisions, commitments, and mandates adopted over the past ten years, OSCE participating states adopted the OSCE Consolidated Framework for the Fight against Terrorism. This Framework underlines that “terrorism remains one of the most significant threats to peace, security and stability, as well as to the enjoyment of human rights and social and economic development, in the OSCE area and beyond.”

The Consolidated Framework reiterates in particular the relevance and full applicability of the OSCE’s concept of comprehensive and cooperative security to the fight against terrorism. But it is visionary to turn words into action, and to turn action into partnership.

WMD terrorism and our collective efforts against it do fit into a broader UN framework, and after nearly ten years, we can reflect how this partnership has grown.

In the inaugural issue of the 1540 Compass, an article focused on how the OSCE contributes directly to preventing and countering terrorism, as well as on how its more recent work complements the nonproliferation efforts required under UNSCR 1540. The Consolidated Framework highlights a number of strategic focus areas for the OSCE's action against terrorism. As many already know, these areas are 95 percent extra-budgetary-funded, meaning that participating governments fund them voluntarily rather than through the OSCE's assessed budget. Accordingly, I think it is extremely important to underscore that regional approaches require close donor coordination. These key areas include:

- Promoting the implementation of the international legal framework and cooperation in criminal matters related to terrorism
- Countering violent extremism and radicalization that lead to terrorism
- Countering the use of the Internet for terrorist purposes
- Promoting dialogue and cooperation in countering terrorism, in particular through public-private partnerships—PPPs, or civil society
- Strengthening travel-document security
- Suppressing the financing of terrorism
- Supporting national efforts to implement UN Security Council resolution 1540 on nonproliferation of weapons of mass destruction
- Promoting and protecting human rights and fundamental freedoms in the context of counterterrorism measures

As I stated earlier, the OSCE pays particular attention to cooperation with other stakeholders. We want to help implement existing international instruments to counter terrorism rather than invent our own, while at the same time being innovative and creative on specific issues.

We coordinate closely with the United Nations, in particular with the Counterterrorism Implementation Task Force, the UN Counterterrorism Executive Directorate, the UN Office on Drugs and Crime, and, under nonproliferation, the UN Office for Disarmament Affairs. We work closely with regional and sub-regional partners, including the North Atlantic Treaty Organization, the European Union, the Council of Europe, the Commonwealth of Independent States Antiterrorist Center, the Regional Antiterrorist Structure of the Shanghai Cooperation Organization, the UN Regional Center for Preventive Diplomacy for Central Asia, Interpol, and the World Customs Organization. The OSCE Secretariat, and in particular its Action against Terrorism Team, serves as the primary interface for counterterrorism, and the Secretariat's Conflict Prevention Center (in cooperation with the Forum for Security Cooperation) has the mandate for collaboration regarding UNSCR 1540.

We always look to initiate or further develop collaboration with present or future partners. This means helping each other, raising the bar of standards, and not pointing fingers. It is worthwhile to reflect back to 2008 and the panel where the then UNSCR 1540 Committee chair made a few observations. To quote:

In this regard I believe that the Secretariat, and in particular UN Office for Disarmament Affairs (UNODA) should be equipped with additional resources and expert capacities in the area of implementation of Resolution 1540...in coping with various issues of implementation of Resolution 1540 and also to establish and manage a trust fund for visits of experts in Member States requesting assistance in preparing their implementation action plans, legislation or enacting concrete practical measures and projects etc.

To this end a similar coordination and interaction is needed on a global level between the UN and individual functional organizations and multilateral arrangements. The UN should better use its convening power to bring together all players who are involved, or who can contribute to creation of this kind of global partnership for fighting the threat of proliferation. Nobody who can contribute to implementation of Resolution 1540 should be excluded or left out.



In 2010, the OSCE Conflict Prevention Center established a project in support of regional implementation of UNSCR 1540. The 1540 project's contributions to the regional and global efforts to facilitate implementation of the resolution are focused on developing practical activities, as well as on strengthening the OSCE's expertise in and capacity for promoting full implementation of UNSCR 1540, as part of joint international-community efforts. Now concretely in the area of practical activities, the OSCE Secretariat has assisted more than a dozen of its participating States in developing national action plans on UNSCR 1540. This voluntary yet practical tool maps out countries' priorities and leads toward comprehensive national implementation of the resolution.

And one of the main objectives of this assistance to the interested OSCE participating states is to ensure synergies with other relevant actors, like UNODA and the European Union, under the overarching lead of the 1540 Committee and its Group of Experts.

UNODA has been a strong partner of the OSCE in carrying out invaluable assistance to our participating states. The OSCE has concluded a memorandum of understanding with UNODA, and our joint partnership on nonproliferation of weapons of mass destruction has proven to be a great practical advocate for cooperation with regional organizations, as encouraged under UN Security Council resolution 1977.

The EU Centers of Excellence closely mirror this type of activity. Through our practical activities, we are now strengthening the cooperation between OSCE activities on UNSCR 1540 and the EU CBRN Centers of Excellence Initiative, jointly implemented by the European Commission's Joint Research Center and the UN Interregional Crime and Justice Research Institute. We will all benefit from our cooperation. Not only will countries make the desired progress, but, most importantly, our participating states will benefit from effective and holistic assistance in countering WMD/CBRN threats.

I believe we should look at what it really means to draw on regional approaches. What I think stands out is that we all support cooperation and collaboration,

but securing resources to empower staffing and programmatic activity is something very difficult to agree upon, on a sustained basis, within any organization.

International, regional, and subregional organizations have an important role in UN endeavors to deal with global threats to peace and security, including those involving proliferation of nuclear, chemical, or biological weapons for terrorist purposes. In the context of a division-of-labor strategy, functional intergovernmental organizations (the International Atomic Energy Agency, for example) can provide guidelines, standards, and technical assistance programs that states can implement in accordance with their national circumstances. Regional and subregional organizations play a politically supportive role by bringing to the attention of their member states the urgency of implementing counterterrorist resolutions such as UNSCR 1540.

Chapter VIII of the UN Charter outlines the role of regional organizations in international peace and security. Such organizations enjoy the support of their members, with whom they may have closer ties than with global institutions. They are also aware of prob-

lems besetting states in their regions and with specifics about the political and economic situations there.

Last, as someone who has placed a foot in both the nonproliferation community and now the broader counterterrorism community, it is clear to me that when cooperating with regional and subregional organizations, we must consider the priorities of development, economics, and security in an integrated or holistic way. Measures to fulfill aspects of resolution 1540 can complement efforts to deal with other development issues, including post-conflict reconstruction, and with regional security risks and threats, such as drugs and crime or illicit trafficking in small arms and light weapons. As an example, strengthening border and customs controls and measures against money laundering contributes to development and security goals, as well as to implementation of resolution 1540.

Our efforts are driven by the conviction that regional and subregional organizations are instrumental as force multipliers and as delivery mechanisms for counterterrorism and nonproliferation assistance.

One of the main objectives of this assistance...is to ensure synergies with other relevant actors.

# A view from the Hague

## Outcomes from the third Nuclear Security Summit

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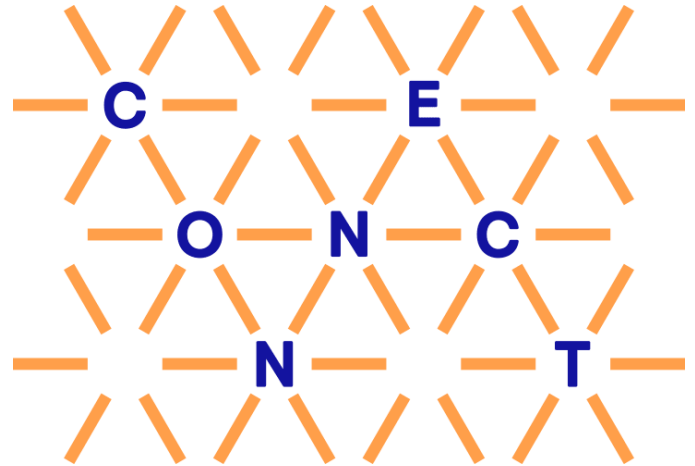
In recent years, nuclear terrorism has metamorphosed from fiction into a widely recognized global menace. This is to a large extent due to the Nuclear Security Summits (NSS) that followed Barack Obama's acclaimed 2009 Prague speech, in which he called for a new international effort to secure all vulnerable nuclear material around the world within four years. In the run-up to the third summit that will take place in The Hague on March 25, this article expands on the main achievements so far and examines the road ahead.

### ACHIEVEMENTS

The summit meetings of top world leaders and diplomats in Washington (2010) and Seoul (2012) were instrumental in raising awareness and the profile of nuclear security issues. They put the spotlight on the protection and control of nuclear materials and reaffirmed the importance of international treaties, instruments, and institutions.

The summits also helped to persuade states to reduce stockpiles of weapons-grade nuclear materials. In addition, border and transport control measures and forensic detection technologies were enhanced in order to prevent the illegal transfer or smuggling of these materials. Notably, the summits broadened the scope of nuclear security issues beyond the control of fissile and nuclear materials, to include safe treatment and storage of radioactive waste, as well as the export and transfer of low-grade fissile materials that could be used to construct "dirty bombs."

Another achievement concerns the instruments of nuclear security governance. The summits served as a pull mechanism for states, encouraging governments to ratify key nuclear security conventions. Since the summit initiative, several participants joined the International Convention on the Suppression of Acts

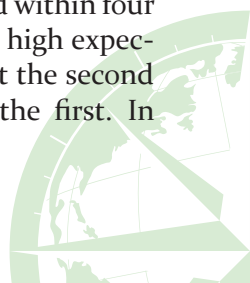


of Nuclear Terrorism, and ratified the 2005 amendment to the Convention on the Physical Protection of Nuclear Materials (CPPNM). Once this amendment enters into force, signatories will be legally bound to protect not only transport of nuclear material, but all nuclear facilities and materials on their soil. And most states have begun developing domestic action plans, implementing more stringent regulations in accordance with these treaties. In the run-up to the Seoul Summit, many participating states even reported voluntarily on their progress toward implementing commitments made in Washington.

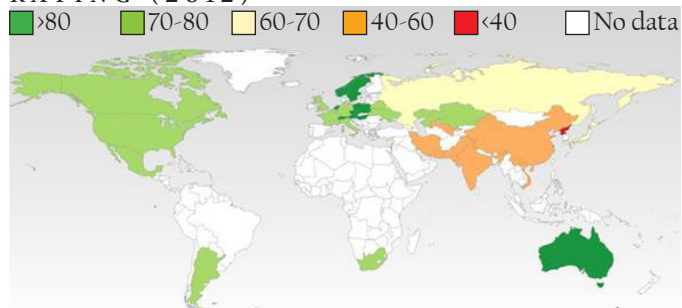
Finally, the summits stimulated the development of a nuclear security culture by fostering security training, sharing of best practices, and setting up of Centers of Excellence. In light of the 2011 Fukushima disaster, the Seoul Communiqué also focused on the interface between safety and security at nuclear facilities. And several states hosted nuclear security workshops and conferences, or requested IAEA International Physical Protection Advisory Service missions to peer-review the security of nuclear installations.

### CHALLENGES

Despite these successes, a number of challenges remain. In the first place, the goal of securing all vulnerable nuclear material around the world within four years turned out to be unrealistic. Initial high expectations were not fulfilled. It is telling that the second summit saw fewer commitments than the first. In



### OVERALL NUCLEAR SECURITY RATING (2012)



Seoul, neither the United States nor Russia proved willing to further reduce its stockpile of weapons-usable material or upgrade its security protocols. And despite all efforts, the amendment to the CPPNM remains to be ratified by a number of summit participants, among them the United States.

Moreover, nuclear security governance remains fragmented, comprising a plethora of policies, conventions, initiatives, and institutions. The lack of a single global nuclear security governance reflects the reluctance of states to transfer sovereignty to supranational bodies. Currently, actions are on a voluntary and discretionary basis, and states are not obliged to report on the nuclear security situation in their country. And if they do decide to report, there are no standards in place to ensure consistency. There is no level playing field with universally accepted benchmarks for actions nations must take, or goals which they must meet. Accordingly, as a January 2014 study by the Nuclear Threat Initiative (NTI) shows, nuclear security performance ratings of state policies vary hugely (see figure above). It is a matter of regret that several major countries, all NSS participants, continue to have an inadequate record in nuclear security.

The diversity in regulation and security levels is problematic, since a nuclear security regime is only as strong as its weakest link. This is amplified by the fact that just over 50 states participate in the summit process. Yet as the NTI assessment indicates, non-participants outside the purview of the NSS limit the summits' efficacy.

#### WHAT'S ON THE MENU

The next Nuclear Security Summit will address some of these challenges. It will call for maximizing the governance structures currently in place and urge

further accessions to the 2005 CPPNM amendment. The summit will also aim to convince participants to further reduce stockpiles and the use of weapons-grade fissile materials. In addition, it will try to facilitate IAEA reviews of nuclear security structures, as well as national registration of civil or medical radioactive sources. Finally, special focus will be given to the importance of enhancing security culture within the nuclear industry, as well as ensuring that states increase their transparency, reporting more reliably on their domestic nuclear security situations. The goal is to improve the sharing of information and best practices.

The Netherlands has a clear stake in securing nuclear facilities and materials, reflected by the fact that the next summit will take place in The Hague. As one of the most densely populated countries in the world, it could suffer high casualties from a single nuclear attack. Moreover, it houses a number of nuclear industries, such as URENCO, a nuclear fuel company that enriches uranium. And the Netherlands is home to two major transport hubs, Schiphol Airport and the port of Rotterdam, one of the biggest ports in the world. Both are vulnerable to nuclear material being smuggled in or through. The choice of The Hague furthermore fits its image as the "International City of Peace and Justice." The city houses both the International Court of Justice and the International Criminal Court and is increasingly the home for security companies, institutions, and programs, such as The Hague Security Delta, which aims to transform the wider Hague area into a security cluster.

In preparing the summit, the Netherlands has suggested that greater emphasis be given to participants' input. The goal is to move past formal policy statements and create more room for informal and spontaneous discussions. The organizing Sherpa team also seeks to further stimulate the offering of "gift basket" policies in "nuclear security themes" for which no consensus exists. The Dutch, for example, are developing a gift basket that promotes cooperation in the field of nuclear forensics.

#### THE ROAD AHEAD

The success of the Nuclear Security Summit in The Hague will depend, first of all, on achieving the stated goals. But even more so, it will be measured against what follows. The summits were never intended as a

permanent mechanism, but rather as stepping stones to strengthen nuclear security. After the final summit in Washington in 2016 the summit initiative will end. To ensure the lasting success of these initiatives, the 2014 NSS can stimulate states to embark on three promising paths.

First, it should communicate that nuclear security is truly a global concern, requiring worldwide involvement and action. The two side-events, the Knowledge and the Industry Summit, offer a good platform for this. But the summit must also reach out to states not present at the summit and involve NGOs, international organizations, industries, journalists, and think tanks worldwide. Creating global support for tackling nuclear security issues will require more than declarations from high-level politicians or businessmen. Efforts to popularize nuclear security issues could benefit from well-known public figures' voicing their support for more stringent policies (as former officials Henry Kissinger and Sam Nunn have done).

To improve understanding, awareness of threats, and responsiveness, there is a need to develop threat scenarios and nuclear security foresight studies. Here media initiatives play an important role. For example, at The Hague Center for Strategic Studies, we will be launching a publicly accessible three-dimensional timeline providing an overview of the global history of nuclear issues, from the scientific discovery of the atom, nonproliferation and nuclear energy issues, to nuclear security threats and policies.

Second, the summit can take a firm step towards overcoming fragmented, non-binding, and predominantly national nuclear security policies. Nuclear security is a global public good, and securing this good requires global governance structures. States that do not adequately secure their nuclear materials create dangerous externalities for their own citizens and the global community at large.

Convincing reluctant states, both within and outside the realm of the summit, will require some to set the example for others to follow. The gift-basket approach could help to move beyond the lowest common denominator and work towards a Nuclear Security Framework that would bundle existing rules and regulations. UNSR 1540 is set to form a cornerstone of such a framework, with its binding mandate that

states prevent nuclear, biological, and chemical materials from falling into the hands of non-state actors. With its near-global membership and political neutrality, the IAEA may well be best suited to administer adherence to nuclear security policies, peer reviews, and recommendations. In order to counter fears that addressing security issues will siphon off funds originally allocated for other purposes, such a step should involve additional funding.

Finally, the summit could help foster a more proactive approach. The summits so far (and other conventions and initiatives, for that matter) have tended to focus on immediate concerns, paying less attention to future trends. One of them is that nuclear power is taking flight to new regions. It is worrisome that some of the countries where new plants will be built offer relatively poor nuclear security policies. One suggestion would be to involve nuclear industries from these countries in the security enterprise, for example by strengthening security culture. Because of the relatively apolitical nature of nuclear security, all-encompassing cooperation may well prove feasible.

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#### CONCLUSION

Four years after Obama called for securing all vulnerable nuclear material, the record remains mixed at best. The summit initiatives succeeded at raising awareness about nuclear security and terrorism issues. They have given states incentives to speed up securing and eliminating highly enriched uranium and plutonium, stimulated accession to conventions, and put security culture on the map. Despite these successes, however, significant gaps in global nuclear security governance remain, and a level playing field is arguably as far away as it was in 2009.

To close the gaps in the global security governance, the summit in The Hague can chart several promising paths. It will be crucial to strengthen the notion that nuclear security is a global public good in which all states have a stake. The summit may encourage initiatives by smaller groups of states that are willing to go the extra mile and create plans for a more comprehensive nuclear security framework. This would provide an excellent precursor to the final summit in Washington in two years, which could be hailed as the start of a truly global governance framework that safeguards one of the greatest goods we have: our security.



# Meeting proliferation threats with capacity building assistance

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MANAGING DIRECTOR, STIMSON CENTER

In 2014, the international community will mark the tenth anniversary of the adoption of resolution 1540 by the UN Security Council. The mandate of that resolution reflected growing concern over the widening WMD-proliferation supply chain, which, as a result of globalization, today extends to more countries in more corners of the globe than ever before.

In the wake of the exposure of the A. Q. Khan illicit proliferation network, few governments doubted the need to more aggressively pursue measures aimed at forestalling non-state actors' acquisition of sensitive WMD-related technologies and know-how. Yet by 2006, following a full two years of outreach by the UNSCR 1540 Committee, there was little evidence of widespread implementation, particularly across the developing world. These ostensibly delinquent governments of the Global South recognized the importance of proliferation prevention. Still, for most of them, the reality of WMD terrorism, while horrific, was ultimately not as immediate a threat as other soft-security and development challenges. Consider this:

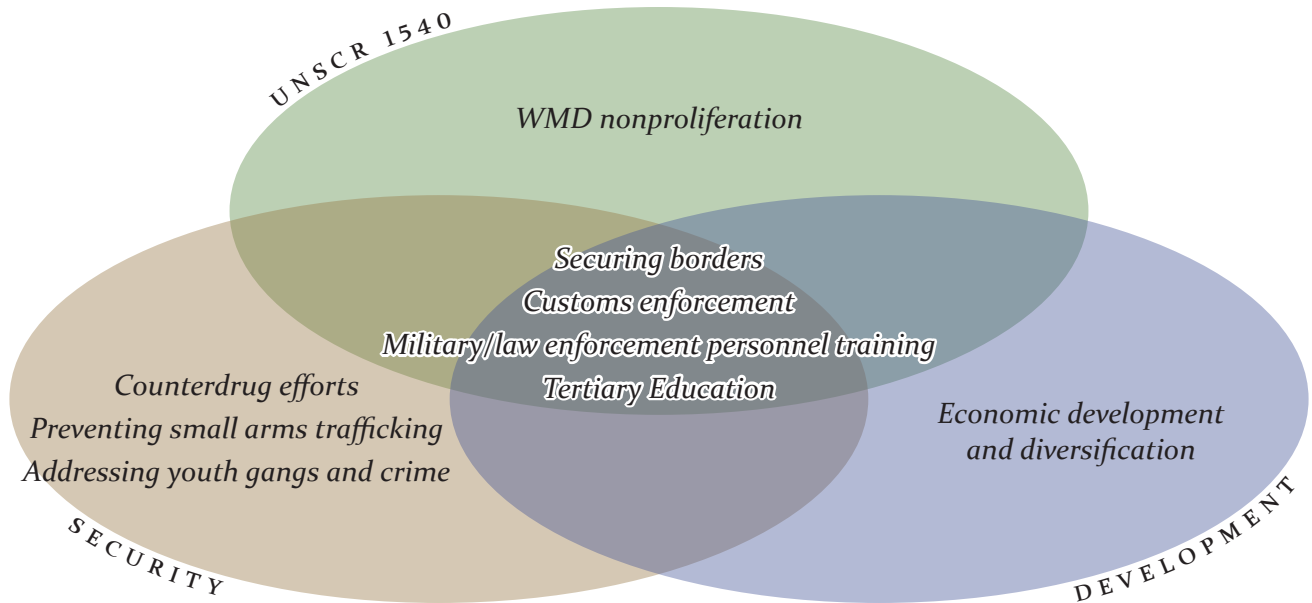
- One quarter of the annual \$4 billion small-arms trade is unauthorized or illicit, and every day around the world, 1,000 people die because of guns—with a disproportionate share in the Global South.
- Gang violence associated with drug cartels has paralyzed large swathes of the globe and contributed to chronic underdevelopment. Estimates of the number of people killed in Mexico alone since late 2006—including cartel members, security forces, and civilians—surpass 60,000 deaths.
- Millions of people around the world die each year from preventable diseases. In 2012, 1.3 million people died from tuberculosis alone. Among those fatalities, 95 percent occurred in low- and middle-income countries.

- Many girls, particularly in the developing world, have inadequate access to basic education. Only 56 percent of the world's children of primary-school age live in countries that have achieved gender parity at this level of schooling. This percentage drops steadily for those children attending lower secondary school (30 percent live in countries that have achieved gender parity) and upper secondary school (about 15 percent).

In light of these more immediate challenges to their people, it was not unreasonable that these governments had failed to fully meet WMD nonproliferation standards mandated by UNSCR 1540. In the end, preventing proliferation was not and never will be—nor perhaps should it be—the highest priority for many governments. In much of the world, it is not one worthy of diverting scarce human and financial resources from more pressing challenges.

Yet recent incidents involving sensitive technology transfers indicate that the WMD-proliferation challenge is no longer merely a phenomenon facilitated by the most technologically advanced governments. Rather, dual-use technologies are increasingly being developed, manufactured, and transshipped by private actors amid deep regulatory vacuums around the world. Often these dual-use technologies are overseen by governments with little capacity to prevent dangerous actors from acquiring them illicitly.

In such an environment, it has become incumbent upon those most affected by the proliferation threat to break with traditional approaches to nonproliferation. Usual hectoring based upon legal mandates is an inadequate, ineffective, and increasingly immoral approach to prevention. Today, successful nonproliferation will require developing models of engagement where not only Western-prioritized hard-security demands are satisfied, but where developing countries' higher-priority soft-security and development needs are equally validated—and ultimately ameliorated.



In 2006, the Stimson Center and the Stanley Foundation, in cooperation with the government of Finland, sought to conceptualize and implement an innovative new approach to proliferation prevention in the Global South. This strategy—a dual-benefit nonproliferation engagement—necessitated an unprecedented new “whole-of-society” methodology that leveraged a wider spectrum of interests and capabilities. It required a new recognition on the part of the national security community that development and human security interests are equally critical factors in long-term peace and prosperity. And it demanded a willingness to widen the dialogue to include not only a more expansive variety of government interests and ministries but also new contributors from outside of government, in the private sector and in civil society.

Figure 1: By borrowing upon the good work and preexisting relationships built over decades by government-development agencies, soft-capacity providers, and nongovernmental interests, the nonproliferation community can not only ensure near-term interest and long-term sustainability to its programming, it can also make meaningful contributions to economic growth and development.

This new approach operates on the understanding that in order to address the security challenges of our modern and globalized era, we must appeal to the enlightened self-interest of all partners. Doing so is the only way to transform these critical partners from recalcitrant targets of our nonproliferation policy into sustained advocates for nonproliferation engagement.

Over the last seven years, this so-called “Beyond Boundaries” approach promised to yield tangible nonproliferation activities that are not only more sustainable but also ultimately less costly because of the effective merging of resources across multiple portfolios. It facilitated partnerships among project partners in international and regional organizations; national governments in the Caribbean, Central America, the Andean region, the Middle East, eastern Africa, and Southeast Asia; and civil-society and private-sector organizations. The dual-benefit model fundamentally altered ingrained approaches to proliferation prevention across countries of the Global South.

For instance, in the Caribbean, project partners successfully linked assistance provided to enhance strategic border and export controls with companion aid to prevent the trafficking of small arms and narcotics. This assistance in turn promoted efficiencies at transit hubs, facilitating trade expansion, business development, and national competitiveness within the global supply chain—all while ensuring greater implementation of UNSCR 1540. Also in the Caribbean Basin, assistance proffered to develop pre- and post-WMD incident response has enhanced governments’ capacity to detect earthquakes.

Elsewhere, the project team helped advance efforts aimed at the prevention of human trafficking, a growing moral priority for many governments across Southeast Asia, by opening the door to new resources and capacities for detecting the movement of terrorists across borders. By identifying financial streams



of assistance from the Global Partnership against the Spread of Weapons and Materials of Mass Destruction for the detection of biological incidents, the team promoted consideration of a functional disease-surveillance network in the Andean region. And in the Middle East, the team helped to link governments' pursuit of energy diversification through nuclear power with technical and capacity-building assistance from nonproliferation funding. This approach held the simultaneous promise of being possible while reinforcing global confidence in government adherence to the global nonproliferation regime, thus expediting regulatory approval and international confidence.

In addition to abetting the material implementation of UN Security Council resolution 1540, the Beyond Boundaries initiative also demonstrated the meaningful role that both civil society and private industry can play in conceptualizing and ultimately realizing policy change at the global level. In a series of unique partnerships, civil society has worked with governments to identify critical capacity shortfalls, connect industry and civil-society actors with innovative capacities to share, and provide matchmaking services between donors, private providers, and governments in need.

With the Beyond Boundaries initiative, Stimson and the Stanley Foundation have demonstrated that wider collaborations with constituencies inside—but perhaps even more importantly, from outside—of government can lead to more effective and sustainable measures to address transnational challenges. In this case, a consortium of governments, international organizations, industry, and civil society came together to translate the nonproliferation of WMD from an ethereal-seeming threat for most of the world into a resource-sharing mechanism to address long-term security and development challenges.

In short, around the globe, as a result of the Beyond Boundaries model, new assistance streams were developed, linking the hard-security priorities of donors to an array of higher-priority development needs in the Global South. New programmatic activities by the International Atomic Energy Agency, the Organization for the Prohibition of Chemical Weapons, Interpol, and others were launched in countries once disconnected from those organizations' mandates. In several cases, most notably in the Caribbean and

Latin America, governments in those regions became assistance providers themselves, sharing knowledge, training, and resources in innovative South-South partnerships. And private industry has stepped up, not as contractors filling short-term contracts, but as partners addressing longer-term security challenges that mutually impact business operations and international peace and stability.

Over seven years, the Beyond Boundaries approach also migrated from the margins of official outreach by UNSCR 1540 donor states in the Global North to mainstream policy discussions by these governments. The 1540 Committee itself now routinely recognizes—both in its formal work plans and in its less formal outreach—the value of linking 1540 assistance to the priorities of recipient partners.

The tenth anniversary of resolution 1540 yields an important opportunity for the international community to reflect upon the successes and failures of its decade-long engagement. Even the most cursory reflection on that history indicates that the traditional nonproliferation policy toolkit is becoming increasingly irrelevant to developing countries, where proliferation threats are seemingly growing the fastest due to lack of the resources needed to manage the intersection between technological innovation and illicit activities. If proliferation threats are to be managed in the twenty-first century, then this reality must give impetus to more inventive approaches to nonproliferation engagement.

In sum, while it is clear that the Beyond Boundaries approach to bridging security and development is not a panacea for evolving proliferation challenges in the Global South, it is a necessary component of any proliferation policy that aims to remain relevant in an era of globalization. By thinking creatively about how to address these growing threats, proliferation can be better managed while mutually addressing the—rightfully—higher-priority concerns of the developing world.

This article is adapted from a volume entitled *Southern Flows: WMD Nonproliferation in the Developing World*. That publication, released in February 2014, assesses the successes of the “whole of society” approach to UNSCR 1540 through a series of six chapters drafted by regional experts.

# Issues and challenges implementing the Strategic Trade Act in Malaysia

Mohamed Shahabar Abdul Kareem

1ST STRATEGIC TRADE CONTROLLER (SEPT. 2010-MARCH 2013)

Muthafa Yusof

2ND STRATEGIC TRADE CONTROLLER (APRIL 2013-PRESENT)

**T**he implementation of the Strategic Trade Act of 2010 (STA) marked a major milestone for Malaysia in fulfilling its obligations under UNSCR 1540. Since it entered force in 2011, the STA has been pivotal in addressing several major areas of concern in regional and global trade security.

In 2003, eight years before the adoption of the STA, Malaysia was unwittingly implicated in a case related to the A. Q. Khan network for allegedly supplying aluminum centrifuge components to Libya's nuclear-weapons program. This case later became a major catalyst for the drafting and passing of the STA 2010. Malaysia was seen in some ways as a key point for the illicit trade of strategic items, due largely to the nation's strategic location, which makes its ports major hubs for transit and transshipment activities.

Bearing that in mind, the STA 2010 was established as a mechanism to address the issues of a lack of monitoring and control of exports, imports, transshipment, and brokering of strategic items. The STA specifically addresses re-exports and transshipments of munitions and dual-use controlled items.

Malaysia has been commended by the United States, the European Union, Japan, Australia, and others for implementing this strategic trade control in

record time. Malaysia is currently the model for strategic trade management in the region. As a result, representatives of Malaysia's Strategic Trade Secretariat are often invited to speak in regional seminars, where they recount Malaysia's experience in implementing the STA for the benefit of other ASEAN member countries such as Thailand, Vietnam, the Philippines, and Indonesia.

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## MALAYSIA'S MEASURES

From the outset it was clear that implementation of the STA had to have a trade-facilitation slant if it was to be successful. Focus therefore has gone to incorporating trade-facilitating measures throughout the implementation process, under the tagline "Facilitating Trade in a Secure Trading Environment," in order to balance between the need for additional controls required by the new legislation and the need to promote legitimate trade.

Some of the trade-facilitating measures taken include:

- 1. The adoption of the EU list as the Strategic Items List**

The EU list is a list commonly used in the region, for example in Hong Kong and Singapore. Malaysia's decision to adopt this list was aimed at helping the region converge on a common list and to avoid the need to reinvent the wheel where control lists are concerned. Using a common list reduces the hassle for

industry, as industry requires a predictable, familiar, and easy-to-implement list to effectively manage international business networks and supply-chain controls.

## 2. Exemption provided under Regulation 25 for transshipment

As is the norm, high throughput at ports makes it infeasible to examine all transshipment cargo. There is therefore a need for a targeted approach, setting priorities according to risk assessments. Regulation 25 of the Strategic Trade Regulations of 2010 has therefore provided exemptions to enable implementation of the STA without unduly hindering legitimate trade. Under the STA, only transshipment of highly strategic items and items that involve restricted end-user countries requires transshipment permits.

## 3. Amendments to the Regulations based on feedback received from industries

Effective December 1, 2011, ECCN 5A2 (systems, equipment, and components) and 5B2 (test, inspection, and production equipment) items no longer require a transshipment permit as long as no restricted end-user countries are involved. This is an expedient measure undertaken based on the latest developments observed globally.

## 4. Flexible export permit for companies with internal compliance programs

Companies that have established internal compliance programs can apply to be approved as ICP-compliant companies. Such firms are eligible to apply for multiple-use or bulk permits valid for two years. This eliminates the necessity for competent and compliant companies to apply for export permits each time they undertake a transfer of strategic items to customers or importers who have already been preapproved by the authorities. ICP-approved companies are audited for compliance at least once every two years or when the necessity arises.

## 5. Online permit application system

A web-based system for application for and approval of permits has been operational since July 1, 2011. Details about approved permits are transmitted to the Customs Information System for cross-referencing against the customs declaration. The use of the online application system for enables companies to apply for their permits and view their approved permits from wherever their offices are located. Since

there is no need for physical submissions, the cost of doing business is kept to a minimum, costing less than US\$1 per successful transaction.

## 6. Mandatory self-declaration at exit points

Since 2011, exporters have been required to make a mandatory declaration on their customs forms at the time of export, regardless of whether their products are strategic or non-strategic items. If declared as strategic items, the system prompts the exporter to enter the STA permit number. The STA permit number, which is verified in parallel through the Customs Information System, allows the exporter to proceed with filling in the customs forms and release the items for export. If a valid permit number is not provided, the system will not allow the exporter to proceed with the transaction. This ensures that companies are made aware of their obligation to the STA right up to the final point of exit. Instituting this very practical measure has rendered enforcement highly effective.

## 7. Frequent outreach programs

Since July 2010, nearly 200 outreach programs have been held with over 4,000 participants from trade/industry associations and companies. Besides the outreach program, “meet the client” sessions are held every month, and the number of participants who have attended these sessions is over 1,200. These programs and sessions will be ongoing as we reach out to a wider number of stakeholders in industry as well as the government.

## 8. Dedicated information source

The Strategic Trade Secretariat (STS) has also established a dedicated webpage, hotline number, and email address for companies to reach the authorities for information and advice.

## CHALLENGES

Challenges are ever-present, however. After joining the race, it is now important to ensure that we keep up the pace, or risk becoming outdated and ineffective.

As is often the case, cooperation is one of the greatest challenges. Although the focal point for implementation is the STS (Ministry of International Trade and Industry), implementation and enforcement are only possible through a multiagency approach. There are constraints and limitations on the



degree of interagency cooperation, as well as on aid extended to industry. The focus of the agencies differs slightly according to their respective priorities, available resources, and the sensitivity of the items that are being controlled. This creates some issues in relation to the uniformity of and time taken for assessment. Nevertheless, this can be overcome with frequent communication. To enable a whole-of-government approach, an interagency coordination committee has been established. This committee meets every other month, or when the need arises.

Additionally, updating strategic items according to changes to the EU control lists has been a challenge. There are instances when, due to practical reasons, we are unable to update our list at the same time that the EU updates its control lists. This delay has implications for multinational corporations, which are left in a bind—causing some hiccups in their regional logistics operations—when their products remain controlled in this region while already de-controlled in the European Union.

Enforcement of transit controls is particularly challenging. Information received may be too little to allow action to be taken. In addition, intelligence received must be carefully evaluated before acting to avoid unduly hindering legitimate trade. Apart from hampering trade, there is the issue of trade diplomacy to contend with. The sheer subjectivity of catch-all controls gives rise to various different interpretations of alleged violations. Different economies with different priorities and concerns wear different lenses to view a case. Reaching a compromise requires every state involved to be judicious enough to not undercut policy decisions taken by others.

Although considered to be very comprehensive, the STA does not sufficiently cover certain areas, such as those related to financing of WMD, and further-

more overlaps with existing regulations that provide for controls on nuclear equipment, chemicals, and biological materials. Such overlaps can create a maze for companies to navigate. We are presently in discussions with the relevant authorities to address this.

A final major challenge is the need for awareness-raising. Awareness of the STA in the private sector needs to be enhanced. Although more than 200 outreach sessions have been held, the awareness level is still not satisfactory. This is of particular concern, as we do not want unscrupulous traders to exploit genuine Malaysian companies for illicit trade. Awareness of the STA in the government agencies, especially enforcement, also needs to be heightened. The high turnover rate of front-liners and their high numbers are challenges as well. Continuous engagement by the STS is required so that not too many fall through the cracks.

#### CONCLUSION

Malaysia continues to move forward by enhancing its procedures through improved standard operating procedures for investigations and enforcement, targeted outreach programs, and continued cooperation with donor countries such as the United States, the European Union, Australia, and Japan. Engagements with academia and research institutions are in the cards for increasing human resources with expertise and experience, especially in gray areas such as intangible technology transfers and brokering. Consultation and education efforts are underway to increase Malaysian companies' capacity.

Work continues outside of the country as well. Recently we hosted and co-organized, with APEC, the APEC Conference on Facilitating Trade in a Secure Trading Environment in Kuala Lumpur. Held on October 28-29, 2013, the conference brought together a meeting of minds from the Asia-Pacific region to deliberate on best practices for the effective implementation of strategic trade management. We are confident of forging ahead—ensuring Malaysia's contribution to trade security in the region while assisting our neighbors who are themselves at the brink of initiating comprehensive strategic trade management in their respective economies.

As is often the case,  
cooperation is one of the  
greatest challenges.





1540 COMPASS: SECTION THREE  
INTERNATIONAL ORGANIZATIONS

# Challenges and engagement for the world customs community

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In the previous edition of the 1540 Compass, I found 126 occurrences of the words *customs* and *WCO*, in various articles. Screening the latest World Customs Organization (WCO) annual report I found 1540 and *weapons of mass destruction* occurring twice apiece and *STC* appearing in the context of one conference. This little exercise may not be the most rigorous scientific study on the subject, but the figures illustrate the historical gap between the customs community, internationally embodied in the WCO, and the non-proliferation community, which promotes and implements UN Security Council resolution 1540.

Articles 3.c and 3.d of UNSCR 1540 require that states establish “effective” border controls as well as export and transshipment controls. That is, they must establish strategic trade controls (STC). These requirements from UNSCR 1540 have profound implications for customs services.

According to the WCO mission statement, the organization should “provide leadership, guidance and support to Customs administrations to secure and facilitate legitimate trade, realize revenues, protect society and build capacity.” But implementing UNSCR 1540 calls for more than protecting national territory,

collecting revenue, and securing supply chains. It is about contributing to global security. This demands a significant shift from the traditional customs work culture, and customs administrations worldwide may look to the WCO for guidance and technical assistance. These demands differ even from more recent concepts like the SAFE Framework of Standards (SAFE), which aims, in short, at mitigating risks and threats posed by rogue actors to international supply chains. When the words export control are mentioned in SAFE guidelines, they refer to pre-import controls conducted in the exporting country at the request of the importing state. Even the 1999 Revised Kyoto Convention on the Simplification and Harmonization of Customs Procedures, which lays the foundation for national customs practices and is a fundamental document for the WCO, hints at how new a subject STC is for customs. It recommends, for example, that for straight exports, “the customs shall not require evidence of the arrival of the goods as a matter of course.”

Additionally, the WCO has to face the absence of universal agreement on methods for implementing UNSCR 1540. Particularly nettlesome are disagreements over what constitutes “effective” controls on items whose risk of diversion may justify a license denial. Also problematic is determining which commodities should be considered as potentially contributing to WMD, or even what the term “dual use” means. The commonly used lists of dual-use commodities are



*A mobile X-ray container inspection unit is deployed in New Zealand. (New Zealand Customs)*

established by export control regimes in which not all WCO member states participate.

Nevertheless, the WCO has endeavored to take on the challenge and recently launched a number of interesting initiatives. (See interview of P. Heine from the WCO, below.) This is an appropriate time to look at where and how the WCO can best provide leadership, guidance, and support to customs administrations striving to implement UNSCR 1540.

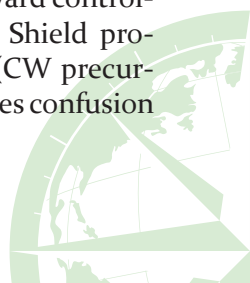
#### CAPACITY BUILDING

Effective border and trade controls, as called for by resolution 1540, require building and implementing a sound national legal framework, physical- and document-based commodity identification, risk management, audits and investigations, and safe CBRN controls; establishing reach-back channels; and integrating such controls into existing processes and procedures. Many international and national capacity-building programs and organizations are already active on that scene, promoting awareness, delivering training, and providing various types of assistance to countries around the world on 1540-relevant subjects.

The European Commission Long Term Project and Centers of Excellence, the U.S. Department of State Export Control and Related Border Security Program, the U.S. Department of Energy International Nonproliferation Export Control Program, the OPCW, the IAEA, the OSCE, and bilateral cooperation programs are among these enterprises.

One limitation of these international assistance programs is that they are bound by their mandate or by task-specific funding from their donors. This has at least two negative consequences.

First, the different programs are run in silos, whereas efficacy would require exploiting synergies and sharing common elements between assistance programs directly or indirectly relevant to UNSCR 1540 implementation. For example, capacity to control chemicals requires essentially the same elements, whether controlling explosives precursors, chemical-warfare (CW) agents' precursors, or drug precursors. Separate enforcement training geared toward controlling chemicals run by the WCO Global Shield program (explosive precursors), by OPCW (CW precursors), or by others (drug precursors) creates confusion



and redundancy. In the field, a chemical analyzer provided for one program is as useful for the others, provided that the right digital libraries of products are delivered with the equipment. Another example is the implementation of sanctions. It may be legally and politically understandable to distinguish between sanctions and STC, but in practice UN sanctions are enforced by national STC systems. Conversely, many export control enforcement activities are conducted in the framework of national and international sanctions, especially against Iran and North Korea.

Additionally, the multiplication of seminars and training sessions can be a problem by itself. In many small and medium-sized countries, only a few people in customs are assigned to strategic trade in a broad sense (CBRN, STC, arms, explosives and their precursors, sanctions, etc.). These specialists sometimes spend more time attending seminars and workshops than actually implementing what they have learned.

The second consequence is that programs with a specific UNSCR 1540 or STC mandate rely on a strong foundation of customs control but cannot address general customs capacity-building needs. The impact of training customs officers on the control of strategic commodities will be limited if the basic ability to enforce non-revenue-related controls, to profile risks, to follow legal procedures, or to safely and efficiently check shipments is not there. This view prevailed, for example, in the design of the UN Office on Drugs and Crime-WCO Container Control Program training curriculum on strategic-trade risk profiling. This “Advanced Interdiction Training” was developed as an extension of existing risk-profiling capacity, set as a prerequisite.

Looking into the WCO’s role in capacity-building is therefore about understanding its added value in this sometimes-confusing landscape of assistance programs. First, the WCO’s general customs capacity-building mandate should be an integral part of UNSCR 1540 enforcement efforts. Second, the WCO can help in coordinating general or specialized UNSCR 1540 enforcement training and promoting the perspective of the main beneficiary service (customs), which sees all these offers coming from parallel channels.

Conversely, the WCO should have a key role in identifying and explaining customs realities and existing capacities, which may not be sufficiently



*Containers undergo inspection in New Zealand.*

understood by 1540 implementation stakeholders. This understanding could help officials tailor capacity-building efforts to be more effective. For example, many customs services have capacity in place to control certain types of exports (narcotics in Central America, national treasures, endangered species, and so forth); and to routinely conduct end-user and end-use analyses to identify mis-declared shipments or possible smuggling operations. Many are accustomed to the generic dual-use concept (as it pertains to drug precursors, for instance), or know how to work for other organizations with specialized expertise (on counterfeit goods or medicines, for example). If well understood, such capacities can lay the foundation for more efficient assistance and training.

Another role of the WCO may be to collect, share, and disseminate best practices, including through capacity-building. Indeed, best practices in the area of STC enforcement are not necessarily easy to establish and share. Even in the most industrialized countries, identifiable enforcement practices are less common than on other subjects where controls have been implemented by many nations for a long time. They may also come mainly from the most developed countries of the northern hemisphere and not be easily transferable to other UN member states. Moreover, there may not be enough fraud cases to establish fraud patterns at the national level, and even when these cases do happen, they may be deemed too sensitive to be shared. On all these subjects, the WCO’s position and experience can be of great help in fostering exchanges on best practices and general fraud patterns.

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 COMMODITIES CLASSIFICATION
 

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A second area where the WCO has an essential role to play, and has started working, is the much-discussed correlation between export control lists and customs classification of commodities (a.k.a. customs tariff or nomenclature, which is based on the international Harmonized System Convention, or HS). The HS and its national derivatives constitute the lingua franca for commerce, industry, and customs. They are pivotal to customs systems and processes, but they are designed for the implementation of trade policies, the determination of customs duties, and the establishment of trade statistics—not the enforcement of strategic trade controls. A customs category can include many controlled and non-controlled items, and all or parts of a controlled commodity may be classified in many different customs categories. As a consequence, systems for customs automated clearance, risk management, and targeting that are based on customs tariff numbers cannot easily be used to target risk or to process shipments of dual-use items. Equally, international statistics cannot measure the volume of trade in controlled strategic commodities.

The WCO is at the driving seat of the Harmonized System and is the depository of the HS convention. Its role, therefore, is essential in bringing the two classification systems closer to each other. Initiatives have already been taken in cooperation with the OPCW to establish specific HS codes for some controlled chemicals listed in the Chemical Weapons Convention (CWC). But more remains to be done with the support of WCO member states and other relevant international bodies.

There will never be a precise and comprehensive correlation between the two systems, for technical as well as political reasons. However, the WCO, in cooperation with other international bodies, can make a difference in four areas at least.

First, and above all, the WCO can push other organizations involved in UNSCR 1540 implementation to better take into account the perspectives of customs services. For example, it can encourage them to take customs categories into consideration when establishing control lists. It can also build on existing customs legal definitions and processes. The WCO could also promote the participation of national customs services in the activities of organizations involved in

export controls. Again, perfect matching among these efforts is an unattainable Holy Grail, but the quest can be facilitated if each side takes at least one step towards the other.

Second, the HS can be adapted to make correlation with control lists less challenging. Using common vocabulary, creating more specific categories, adopting compatible categorization approaches (e.g., based on technical specifications as opposed to the end-use or function), or issuing classification decisions and explanatory notes would eliminate some of the ambiguity from customs classification challenges.

Third, faced with the problem and few solutions at the international level, many countries have established correlation tables between the two systems or added subcategories to their customs nomenclatures to capture the specific description of controlled items. None of these efforts manage to completely fit the square peg of control lists into the round hole of customs nomenclature, but they are useful tools nevertheless. The problem is that building divergent systems in different countries across the world directly contradicts 60 years of global effort to facilitate trade by harmonizing practices. This adds to the challenges already faced by the private sector in dealing with very heterogeneous national STC and licensing practices. The WCO can certainly help identify common ground between different national experiences and build common approaches to the problem.

Fourth, the WCO is also a reservoir of expertise on its own. It has specialists in customs classification, in illicit trafficking and enforcement, in risk-management and trade-facilitation systems, and, more recently, in STC. Brought together, these experts can refine the approach to customs/strategic-trade classification dilemmas. For example, one could distinguish between correlation in one direction (probability that a customs category includes controlled commodities) and the other (probability that a controlled item falls within specific tariff categories). The correlation may be approached differently, depending on what it would be used for. It may be different if its purpose is to establish statistics, facilitate risk profiling, or tell trade operators which customs code to use for a specific controlled item. The quality of individual correlations may also be rated, in order to better fit the algorithms of automated risk-management systems, improve statistics, and facilitate compliance. The





*Information technology and document checks are an essential aspect of customs controls. (Japanese Customs)*

correlation between controlled technology (as defined in export control regimes), and the very general HS code for digital CDs would then not be treated with the same weight as the correlation between controlled fissile material and the different customs codes for uranium products.

**BRIDGING THE GAP BETWEEN THE  
CUSTOMS AND STC COMMUNITIES**

Political support is often outlined as a necessity, as the cornerstone of efficient national implementation of UNSCR 1540 requirements. This is also true at the level of national customs services, which represent their countries at the WCO. For them, STC is just one topic among many competing priorities. The WCO can help customs services take ownership of the subject, adopt international security-related controls, and overcome the many enforcement challenges they bear. As happened in the past with counterfeit goods trafficking, authorized economic operators, or explosives precursors, having the WCO set a subject as a priority can help raise its priority for national services. In addition, WCO involvement demonstrates the legitimacy of UNSCR 1540, which should not be seen

as an option that serves the interest of certain states, but as an international legal obligation that advances everybody's security and prosperity.

At the international level, much remains to be done to harmonize international legal instruments related to free trade (the Kyoto Convention, maritime laws, agreements on transit for landlocked countries, WTO rules, and so on) with 1540 requirements. Controlling exports and the transit of dual-use items, for example, does not generally fall under the restrictive list of exceptions to free trade, right of innocent passage, or even freedom of operations in free zones (as set by the Kyoto Convention). Here, too, the WCO has a role to play in establishing bridges between different conventions, different international organizations, and different professional communities.

In that respect, the case of transit controls on strategic commodities is emblematic of what enhanced involvement of the WCO in 1540-related issues could prevent. The UNSCR 1540 obligation to control transit, and the way it was translated in certain regional and national STC regulations, doesn't seem to have taken into consideration the extent to which transit



*In November of 2012, the WCO hosted its first Strategic Trade Control Enforcement conference in Brussels. (WCO)*

is a legally precise, politically sensitive, economically significant, and operationally challenging concept for the world of customs and international logistics.

In the end, beyond practical considerations, the role of the WCO is about culture. It is about continuing a cultural shift towards a global security culture while helping incorporate the UNSCR 1540 philosophy into the work of customs agencies around the world and bringing the culture of customs and international logistics to the nonproliferation community. Whoever has attended joint licensing and customs UNSCR 1540 seminars can measure the gap that still needs to be bridged but will also attest to the progress made in recent years. I once wrote that in essence, customs people do not like STC and nonproliferation people fail to understand customs. I am now more optimistic that this statement is starting to become somewhat obsolete.

## Renaud Chatelus' Interview with Pete Heine, National Expert—Strategic Control Enforcement, World Customs Organization

### **Q** How did the WCO's Strategic Trade Control Enforcement Project get started?

First, the foundation for strategic trade control for customs is customs control, and the WCO has been assisting members in establishing and enhancing customs control since its founding as the Customs Cooperation Council in 1952. But strategic trade controls specifically became a focus area starting with the Enforcement Committee meeting of March 2012, when several WCO members took the floor and



outlined challenges they face in relation to enforcing strategic trade controls. The Secretariat was encouraged to explore ways to support members in this context. In November 2012, the WCO hosted its first Strategic Trade Control Enforcement (STCE) conference in Brussels. There were over 190 participants from almost 100 countries. Members asked the Secretariat to become more active in providing technical assistance in this field of work. In March 2013, based on that, the Enforcement Committee unanimously approved an STCE Project to provide technical assistance to members.

### **Q What kind of technical assistance is the WCO planning to provide to its members?**

We are developing a comprehensive STCE Implementation Guide to help WCO members develop and review their STCE processes and procedures and to provide a framework for training along those lines. Depending on each administration's situation, this guide will serve different purposes, whether it is taking the first step or enhancing the effectiveness of an existing system. Of course, as a guide, the recommendations included are not mandatory.

The guide is divided into two principal sections, one for senior customs managers and policy officials and one for operational customs officers. The section for senior managers discusses the importance of strategic trade controls, the role of customs, and how to establish strategic-trade-control enforcement procedures and processes and to create conditions for their success. The section for operational customs officers discusses techniques used to carry out those activities across the major functions that comprise the overall strategic-trade-control process and several related activities.

We believe members will also benefit from an annex to the Implementation Guide that provides profiles of many strategic goods. This annex, which is directly responsive to requests from members, has been organized following

the chapters of the Harmonized System to provide a reference on strategic goods from a customs perspective.

### **Q Speaking of the HS, what is the WCO doing to address the difficulties with correlating the HS and export control lists?**

As you know, there was a great success with respect to CWC chemicals with the specification of additional subdivisions of the nomenclature in 2009 and 2011. However, the Secretariat is not “in the driver’s seat” with respect to HS reform. In fact, the Secretariat can’t initiate reform; that’s the job of the HS Committee, which is driven by the contracting parties to the HS Convention. At this time, the decision has been made not to pursue fundamental reform or to alter the existing review process. Further adjustments to the HS will be based on proposals made to the HS Committee, and proposals made now would not come into effect until 2022 at the earliest.

However, through the process of developing the STCE Implementation Guide and its profiles of strategic goods, we have come to understand the challenge better. We actually found that the majority of strategic goods have clearly correct HS codes, and we have identified a small number of problematic codes to focus on. This narrows the range of potential reforms to something that may actually be achievable through the regular review process.

This [STCE] guide will serve different purposes, whether it is taking the first step or enhancing the effectiveness of an existing system.

### **Q What else is the WCO doing with respect to STCE?**

Another important part of the STCE Project is a global enforcement operation planned for 2014, and a series of awareness-raising seminars leading up to it. This year, we have already conducted seminars for the WCO’s Asia-Pacific, European, and Americas and Caribbean regions to scope and plan that operation. Additional seminars are planned for the African regions early in 2014. Participants have greeted the WCO’s attention to this topic with enthusiasm.



# The past and future of 1540 and the Biological Weapons Convention

Dana Perkins  
1540 COMMITTEE OF EXPERTS

Through resolution 1540 (UNSCR 1540), the Security Council called upon States “to renew and fulfill their commitment to multilateral cooperation, in particular within the framework of the International Atomic Energy Agency, the Organization for the Prohibition of Chemical Weapons and the Biological and Toxin Weapons Convention [BWC], as important means of pursuing and achieving their common objectives in the area of non-proliferation and of promoting international cooperation for ... universal adoption and full implementation, and, where necessary, strengthening of multilateral treaties to which they are parties, whose aim is to prevent the proliferation of nuclear, biological or chemical weapons.” As such, UNSCR 1540 complements and reinforces existing nonproliferation regimes.

Moreover, the obligations set forth by UNSCR 1540 with regard to biological weapons (BW)-“related materials” (which are in the broad category of “dual use” materials, equipment, and technology) are defined by the Security Council with reference to items, inter alia, “covered by relevant multilateral treaties and arrangements...” thus identifying a clear link between the BWC and UNSCR 1540.

On the other hand, BWC States Parties’ recognition of the synergy and convergence of the common

BW-nonproliferation goals and biological-risk-management measures required for implementation of both the BWC and UNSCR 1540 has been a slow and ineffectual process. Since the adoption of the resolution, the 1540 Committee and its experts were invited for the first time in 2013 to attend the BWC Meeting of Experts and the Meeting of States Parties. April 2014 will mark the tenth anniversary of UNSCR 1540. This is an important milestone to reflect on ways and means for enhancing cooperation between the 1540 Committee and BWC States Parties, in particular since the UNSCR 1540 comprehensive review of 2009 identified BWs as one area in which States have adopted fewer measures.

## ACKNOWLEDGEMENT OF UNSCR 1540 IN THE BWC FORUM

Two years after the adoption of UNSCR 1540, in the Final Declaration of the Sixth Review Conference (2006), the BWC States Parties recognized the contribution of full and effective implementation of UNSCR 1540 by all States to assist in achieving the objectives of this Convention. This statement came in the preamble to the declaration. The BWC States Parties further invoked UNSCR 1540 under Article IV of the Convention, noting that “information provided to the United Nations by States in accordance with Resolution 1540 may provide a useful resource for States Parties in fulfilling their obligations under this Article.”



At the Seventh Review Conference in 2011, BWC States Parties also recognized “the contribution of the full and effective implementation of United Nations Security Council Resolution 1540, United Nations General Assembly Resolution 60/288, and other relevant United Nations resolutions.” They noted under Article IV that “resolution 1540 affirms support for the multilateral treaties whose aim is to eliminate or prevent proliferation of nuclear, chemical or biological weapons and the importance for all States Parties to these treaties to implement them fully in order to promote international stability,” and that “information provided to the United Nations by States in accordance with Resolution 1540 may provide a useful resource for States Parties in fulfilling their obligations under this Article.”

In between these two review conferences, only the 2008 Meeting of States Parties recalled “United Nations Security Council Resolution 1540 (2004) that places obligations on all States and is consistent with the provisions of the Convention.” Meeting participants noted that “depending on their national circumstances, in pursuing such programmes States Parties should,” *inter alia*, “coordinate outreach activities on the Convention with parallel initiatives in other settings, such as those undertaken on biosafety and biosecurity by WHO, efforts by the United Nations Security Council Resolution 1540 Committee, etc.”

Finally, the 2013 Meeting of States Parties noted under the intersessional topic of “Strengthening National Implementation,” in the category of “Any potential further measures, as appropriate, relevant for implementation of the Convention” that States Parties considered a number of possible approaches to demonstrating their compliance with the national implementation obligations of the Convention, including, *inter alia*, providing information and regular updates to the Implementation Support Unit’s National Implementation Database and to the Security Council Resolution 1540 Committee.

In 2013, pursuant to a formal invitation from the BWC Chair, a 1540 Committee expert presented in the plenary of the Meeting of Experts and the Meeting of States Parties. In addition, a 1540 Committee member presented a statement on behalf of the 1540 Committee and its chair. Significantly, the 1540 Committee statement noted that “the information provided to

the Committee by States, whether in the form of national reports or voluntary national implementation action plans often refers to States Parties’ fulfilling their obligations under Article 4 of the Convention. Such information also complements the BWC confidence building measures. Taken together, resolution 1540 (2004), BWC and CWC constitute a multi-layer system of preventing the use of disease or poison as weapons by constraining attempts to acquire or make such materials. This ‘web of prevention’ also helps strengthening the safety and security measures biological weapons-related materials, that is of those materials, equipment and technology covered by BWC and CWC, or included on national control lists, which could be used for the design, development, production or use of chemical and biological weapons and their means of delivery.”

Of note, several States Parties noted in their statements, interventions, or presentations at the 2013 Meeting of States Parties that their governments were striving to strengthen the implementation of UNSCR 1540.

#### UNSCR 1540 AND THE EU BWC ACTION

The EU Council’s Decision in Support of the Biological Weapons Convention (BWC Action) is being implemented by UNODA-Geneva and national partners. The BWC Action was mandated by Council Decision 2012/421/CFSP, adopted by the Council on July 23, 2012. The measure is broadly anchored in the European Union’s Common Position for the Seventh Review Conference of the BWC (Council Decision 2011/429/CFSP of July 18, 2011) and focuses in particular on those aspects on which consensus was reached at the Seventh Review Conference held in 2011. The BWC Action aims to support the BWC on the international, regional, and national levels through three major projects: universality and national implementation; confidence in compliance; and strengthening international cooperation on and encouraging international discussion of the future of the BWC.

The BWC Action consists of the following projects:

- Project 1: Regional Workshops (one each in Africa, Asia, Latin America and the Caribbean, and Eastern Europe)

- Project 2: Extended National Implementation Assistance Programs (for up to eight BWC States Parties to adopt appropriate legislative or administrative measures to ensure effective implementation and enforcement to prevent and punish BWC violations; to create or enhance national coordination and networking among all stakeholders involved in the BWC process, including national and regional biosafety associations and the private sector; to increase participation in confidence-building measures; to establish codes of conduct and standards on biosafety and biosecurity; and to encourage States to voluntarily implement the BWC prior to their accession—in which case ratification/accession to the treaty would form part of the action plan of activities to be agreed upon)
- Project 3: Enabling Tools and Activities (to enable and support effective national implementation of the BWC; promote wider participation in BWC meetings; and enhance the preparedness, detection, and response capabilities of States and the UN Secretary General’s Mechanism for the Investigation of Alleged Use of Chemical and Biological Weapons)

The BWC Action is an illustrative example of following through on the recommendation of the 2008 Meeting of States Parties “to coordinate outreach activities on the Convention with parallel initiatives in other settings, such as those undertaken on biosafety and biosecurity by WHO, efforts by the United Nations Security Council Resolution 1540 Committee, etc.” In 2013, under the auspices of the BWC Action, the 1540 Committee experts participated in the Regional Workshop on National Implementation of the Biological Weapons Convention in Central America and the Caribbean (November 13-14, 2013, Mexico City, Mexico), Regional Workshop on National Implementation of the Biological Weapons Convention in South and South-East Asia (September 3-4, 2013, Kuala Lumpur, Malaysia), and the Regional Workshop on National Implementation of the Biological Weapons Convention in Eastern Europe (May 27- 29, 2013, Kiev, Ukraine). In addition, the 1540 experts also attended the EU Workshop in Support of the BWC Action Extended Assistance Programs (June 13, 2013, Geneva, Switzerland) and participated in the development of “Guidance for National Implementation of BWC”.

The regional workshops on BWC implementation should continue to promote the integration into the national objectives of BWC implementation the common objectives of UNSCR 1540 obligations and relevant national implementation action plans (including those related, inter alia, to BWC national implementation, International Health Regulations, the EU CBRN Centers of Excellence Initiative, and counterterrorism).

#### UNSCR 1540 AND THE BWC ASSISTANCE MECHANISM

At the BWC Seventh Review Conference in 2011, States Parties agreed on “the value of working together to promote capacity building in the fields of vaccine and drug production, disease surveillance, detection, diagnosis, and containment of infectious diseases as well as biological risk management” and decided to establish a database system to facilitate requests for and offers of exchange of assistance and cooperation. States Parties were invited, individually or together with other States or international organizations, to submit on a voluntary basis to the Implementation Support Unit (ISU) any requirements, needs, or offers for assistance. Fast-forward to the 2013 BWC Meeting of States Parties, and several States decried the underutilization of this tool.

By contrast, dozens of States and international organizations offered assistance on UNSCR 1540 implementation (including on BWC implementation and relevant, related areas), and several States requested assistance on BWC implementation and biological risk management. Yet there is no formal connection or “cross-pollination” between the 1540 Committee’s database of requests and offers of assistance and that maintained by the BWC ISU.

At the tenth anniversary of UNSCR 1540, perhaps the time has come to review the assistance mechanism under UNSCR 1540 and the clearinghouse role of the 1540 Committee for the purpose of making it more effective and nimble. One step forward in that direction would be closer interaction between the 1540 Committee and the BWC ISU with regard to the BWC system of facilitating requests for and offers of exchange of assistance and cooperation. In 2013, moreover, Interpol, the WHO, and the World Organization for Animal Health registered with the 1540 Committee as assistance providers. This provides an opportunity





to respond more effectively to requests for assistance on biological risk management submitted by States to the 1540 Committee.

#### UNSCR 1540, BWC, AND THE ROLE OF CIVIL SOCIETY

Annex XVI of the 2011 Committee report to the Security Council noted that “engaging civil society in implementation of resolution 1540 (2004) remains an important yet difficult task for States.” The same may be said for the 1540 Committee itself. In 2010, the 1540 Committee adopted revised procedures to rationalize, improve and accelerate response to assistance requests and facilitate match-making. That document considers a request for assistance from a nongovernmental organization as an “informal request” that requires special authentication and handling, yet it does not recognize the wealth of knowledge and expertise of civil society in providing assistance with UNSCR 1540 implementation. By contrast, both the BWC system of assistance and the BWC Action recognize and take advantage of the assistance that may be provided by

civil society entities such as the Verification Research, Training, and Information Center (VERTIC).

Civil society also plays an active role in increasing awareness of the common objectives of UNSCR 1540 and the BWC by inviting 1540 Committee experts to participate in side events organized on the margins of BWC meetings. A 1540 expert attended three such side events in 2013.

In this author’s opinion, UNSCR 1540 implementation may benefit the most from closer interaction between the 1540 Committee and civil society in promoting concerted outreach, education, and training activities in the areas covered by UNSCR 1540 in order to strengthen international nonproliferation efforts and enhance capacity-building. Such outreach, education, and training activities should cover, at a minimum, discussions of prohibited activities involving the proliferation of nuclear, chemical, and biological weapons and their means of delivery, as well as discussions of what are appropriate national controls over “related materials.” They should also include

awareness-raising on Security Council definitions of “means of delivery,” “non-State actor,” and “related materials,” for the purpose of implementing UNSCR 1540; synergies and convergence between UNSCR 1540 obligations and those set forth in other treaties, conventions, and international agreements, and in other Security Council resolutions; and sharing of experiences, lessons learned, and effective practices in the areas covered by UNSCR 1540.

Information about courses or educational modules that cover UNSCR 1540 should be shared with UNODA to be included on UNODA’s website on nonproliferation and disarmament education and training. To this author’s knowledge, the only educational module on UNSCR 1540 freely available online is the recent addition of a lecture on UNSCR 1540 obligations and its synergy and convergence with BWC, as well as its place in the global web of prevention. This lecture was developed by the University of Bradford as an addition to the Educational Module Resource (EMR) available at: <http://www.brad.ac.uk/bioethics/educationalmoduleresource/englishlanguageversionofemr/>. The EMR is a collaborative effort of the Bradford Disarmament Research Center, the National Defense Medical College in Japan, and the Landau Network Centro Volta in Italy.

The 1540 Committee website is a treasure trove of information and data that civil society can use to develop educational and training resources. As Albert Einstein once said, “the world as we have created it is a product of our thinking. It cannot be changed without changing our thinking.” We definitely need a change in thinking and attitude and a sustained and concerted effort to undertake outreach, education, and training activities in the areas covered by UNSCR 1540.

Civil society also has a key role in enhancing States’ efforts to adopt and enforce appropriate, effective laws prohibiting activities involving the proliferation of biological weapons and their means of delivery to non-state actors, in particular for terrorist purposes, as well as implementing and enforcing appropriate controls over related materials. Civil society could be the driver for strengthening national

implementation by, inter alia, increasing awareness of UNSCR 1540 obligations and existing gaps in States’ legislation and enforcement programs; identifying needs as States compile voluntary National Action Plan; and sharing success stories and participating in delivering assistance on capacity-building with their respective governments. In addition, civil society, academia, and industry could put forward ideas on how the 1540 Committee can more effectively contribute to implementing UNSCR 1540, including by analyzing its current tools and methods for relevance and user-friendliness; conducting thematic outreach on specific areas identified by the 2009 Comprehensive Review as “low compliance”; and charting a way forward toward the 2016 Comprehensive Review of UNSCR 1540 implementation.

The BW proliferation and the insecurity of BW-related materials constitute a multifaceted problem that requires a multi-factorial solution. The effective and full implementation of UNSCR 1540 obligations should be complemented by developing codes of conduct, building a security culture, encouraging responsible conduct of scientific inquiry, increasing societal vigilance, and a nourishing a sustained effort at education, training and awareness-raising among all key stakeholders. In that regard, internationally harmonized codes of conduct (i.e., HCOC-like agreements) or UN Security Council resolutions, presidential statements, or General Assembly resolutions on the value of promoting a global security culture and responsible conduct of science may help States identify “soft” security measures complementing the legislative and enforcement framework required by UNSCR 1540 for its effective implementation. Such avenues of approach will also bring to the attention of BWC States Parties and non-Parties alike the common understandings of the 2013 Meeting of States Parties “on the value of using science responsibly as an overarching theme to enable parallel outreach efforts across interrelated scientific disciplines...” as well as of “promoting education on the Convention and the dual-use nature of biotechnology, including through preparing easily accessible and understandable courses, integrating consideration of biosecurity with broader efforts on bioethics, and assessing the impact of such education.”

The 1540 Committee website is a treasure trove of information and data that civil society can use to develop educational and training resources.



# The Financial Action Task Force tackles proliferation financing

Kentaro Sakai

SENIOR POLICY ANALYST, FINANCIAL ACTION TASK FORCE

The Financial Action Task Force (FATF), which was established by G7 in 1989, is an intergovernmental policy-making body on anti-money laundering and countering the financing of terrorism (AML/CFT), as well as interdicting proliferation financing. The FATF has promoted countries' effective implementation of measures against money laundering, terrorist financing, and financing of proliferation through the FATF 40 Recommendations, guidance and best-practices papers, and the country-assessment (mutual-evaluation) process. Currently, 192 jurisdictions are members of the FATF or of a FATF-style regional body (FSRB). All have politically endorsed the FATF Recommendations and participate in the mutual-evaluation process.

Following adoption of the series of the UN Security Council resolutions on nonproliferation, namely resolutions 1540 (2004), 1695 (2006), 1718 (2006) and 1737 (2006)<sup>1</sup>, the FATF issued its first Guidance on Implementation of Financial Provisions of UNSCRs to Counter the Proliferation of Weapons of Mass Destruction in June 2007. While the guidance focused on country-specific measures under resolutions 1718, 1737, and 1747, it also referred to resolution 1540 and provided suggestions for further work in relation to resolution 1540. A Typology Report on Proliferation Financing, which was completed in June 2008, aimed to develop an understanding of the issues surrounding proliferation financing and to provide information to the FATF to assess the need for policy measures to counter proliferation financing.

The Guidance on the Implementation of Activity-Based Financial Prohibitions of UNSCR 1737 (2006) and Guidance on 1803 (2008) were issued in October 2007 and October 2008, respectively. As a follow-up to the Typology Report, the FATF also developed a Status

Report on Policy Development and Consultation, which provided possible policy options that could be considered by countries as measures to combat proliferation financing within the framework of UNSCRs.

Paragraphs 2 and 3(d) of resolution 1540 are particularly relevant, and the FATF's guidance is intended to assist countries in their implementation of these requirements. Paragraph 2 prohibits the financing of proliferation-related activities by non-state actors, and paragraph 3(d) requires countries to establish, develop, review, and maintain appropriate controls on providing funds and services, such as financing, related to the export and transshipment of items that would contribute to WMD proliferation.

Resolution 1673 (2006) reiterates the requirements of resolution 1540 and emphasizes the importance that all countries fully implement that resolution, including provisions regarding the financing of proliferation of WMD.

The United Nations has taken the two-tiered approach to nonproliferation. One is a global approach which aims at preventing acquisition of WMD by non-state actors through resolution 1540, and another is a targeted approach which aims at the proliferation activities of particular states, such as Iran and North Korea. In these approaches, while effective export control is important to countering proliferation of WMD, financial measures constitute an equally important tool to support investigation of possible proliferation activities. The financial provisions of resolution 1540 have provided countries with this tool, i.e., financial measures, to assist overall counterproliferation efforts. Financial information:

- May uncover proliferation activity, including when it is complemented by information held by other authorities
- May link entities of concern together, for example through the establishment of financial

<sup>1</sup> UNSCR 1695 and UNSCR 1718 refers to sanctions imposed against the DPRK. UNSCR 1737 refers to sanctions imposed against Iran.

or audit paper trails, which is increasingly important to counter the growing use of front companies

- May demonstrate diversion or infringement of export controls
- Could provide evidence to support ongoing nonproliferation-related investigations or prosecutions

FATF's approach to countering proliferation financing focuses on assisting countries in their effective implementation of financial provisions. It aims at prevention, detection, investigation and prosecution, and domestic and international cooperation. It involves all relevant parties: policy-makers, financial-services supervisors, financial intelligence units, law enforcement, export and border control agencies, and the private sector.

Among the FATF 40 Recommendations, which were fully revised in February 2012, Recommendation 2 on national cooperation and coordination requires information-sharing and exchange between or among authorities at the domestic level. Recommendation 2 requires countries to have effective mechanisms to cooperate and coordinate domestically to combat the financing of proliferation of WMD. Recommendation 2 was drafted with input from the UN 1540 Committee Experts Group and aims at ensuring better implementation of the existing international obligations, including those of resolution 1540. This goes beyond the traditional anti-money-laundering bodies: Recommendation 2 also covers proliferation-related agencies as one of the relevant competent authorities.

### **Recommendation 2: National cooperation and coordination**

Countries should have national AML/CFT policies, informed by the risks identified, which should be regularly reviewed, and should designate an authority or have a coordination or other mechanism that is responsible for such policies.

Countries should ensure that policy-makers, the financial intelligence unit (FIU),

law-enforcement authorities, supervisors **and other relevant competent authorities**, at the policymaking and operational levels, have effective mechanisms in place which enable them to cooperate, and, where appropriate, coordinate domestically with each other concerning the development and implementation of policies and activities to combat money laundering, terrorist financing and **the financing of proliferation of weapons of mass destruction** (emphasis added).

The FATF issued Best Practice Paper on Recommendation 2: Sharing among Domestic Competent Authorities Information Related to the Financing of Proliferation in February 2012. The paper identifies key agencies and sets out mechanisms by which relevant agencies cooperate and coordinate to combat proliferation financing. It aims to identify best practices in information-sharing among relevant authorities at the domestic level on proliferation financing, helping countries implement Recommendation 2.



The recently developed Recommendation 7 on Targeted Financial Sanctions Related to Proliferation is to assist countries in their implementation of country-specific UNSCRs, such as resolution 1718 and its successor resolutions on North Korea, and resolution 1737 and its successor resolutions on Iran.

The FATF and the experts of other UN committees have closely collaborated. The work of the FATF, such as Recommendation 2, Recommendation 7, and Guidance on Implementation of Financial Provisions of UNSCRs, is mutually reinforcing with the United Nations' work on nonproliferation. The Revised FATF's Guidance on Financial Provisions of UNSCRs to Counter the Proliferation of WMD, issued in June 2013, continues to accent the importance of countries' implementing the financial provisions of resolution 1540. At the same time, resolutions 1810 and 1977 both take note of "international efforts towards full implementation of resolution 1540 (2004), including on preventing the financing of proliferation-related activities, taking into consideration the guidance of the framework of the Financial Action Task Force (FATF)." The FATF continues to assist countries in their efforts to deny financial means to WMD proliferators.





1540 COMPASS: SECTION FOUR  
1540 EXPERTS COLUMN

# 1540 Committee state visits provide tailored engagement

Enrique Ochoa  
1540 COMMITTEE EXPERT

When adopting resolution 1540, the Security Council recognized that states might need assistance to fulfill their obligations deriving from the resolution. In fulfilling that mandate, the 1540 Committee has been engaging directly with member states to facilitate 1540 implementation.

At the time of the adoption of resolution 1540, most member states were already parties to the three main disarmament and WMD nonproliferation treaties. However, although some obligations derived from these treaties coincide with those of resolution 1540, they do not cover some of its specifics, in particular those related to non-state actors. These treaties do not contain, for example, obligations regarding comprehensive export controls or provisions prohibiting the financing of proliferation-related activities.

Consequently, the Committee acknowledged the need to perform outreach activities to help states better understand and implement their 1540 obligations. In the first seven years of the life of the resolution, these activities took place primarily in the framework of international conferences and regional workshops.

Today, however, resolution 1540 is a much better-known instrument. Within the disarmament and nonproliferation community, resolution 1540 has become a legally binding reference similar to the Non-Proliferation Treaty, the CWC, and the BWC. Its objectives



*A delegation from the 1540 Committee visits the port of St. George's, Grenada in 2013.*

and obligations are much better understood. In 2011, in this regard, the Security Council enacted resolution 1977, encouraging the 1540 Committee to engage actively with states striving to implement resolution 1540. It urged the Committee to undertake visits to such states at their invitation.

This Security Council decision constituted a recognition that a more tailored approach was needed to engage with states on their implementation of resolution 1540.

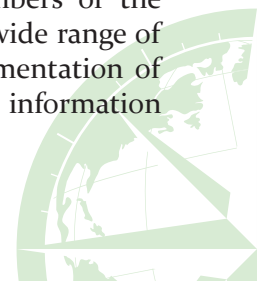
State-specific activities and visits to states offer an opportunity not only for the Committee to engage directly with states on the implementation of the resolution, but also for states to better understand how to draw on the opportunities offered by resolutions 1540 and 1977 to assist in capacity-building and to benefit from collaboration with other member states and international organizations.

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Since then, an increasing number of states have invited the 1540 Committee to make use of this “new tool.” In 2012, visits took place to Albania, Madagascar, and the Republic of the Congo. In 2013, the Committee visited Trinidad and Tobago, Grenada, Burkina Faso, and the Republic of Korea. In early 2014, the Committee visited Niger. Invitations to the Republic of Moldova and Mozambique have also been received.

These visits provide a unique opportunity for the participating members of the Committee and its experts to engage a wide range of stakeholders responsible for the implementation of resolution 1540 and to obtain firsthand information



about legislative and enforcement measures taken in accordance with the resolution.

Generally, these visits include three segments: high-level meetings, working sessions, and on-site visits. The details of the programs for these visits are worked out by the host country in close cooperation with the 1540 Group of Experts.

During the high-level meetings, ministers or other high-ranking officials reaffirm the political commitment to implement resolution 1540 and identify key areas in which more progress or assistance is needed. For example, in the case of the visit to Trinidad and Tobago, the 1540 Chair met with the acting prime minister and minister of foreign affairs as well as with the ministers of national security and health.

In the course of the working sessions, officials from the host state make presentations about the measures taken or planned in accordance with the resolution. Committee representatives present on the obligations under the resolution and explain the work of the Committee, including its assistance mechanism. During these sessions, both stakeholders and Committee representatives carefully examine the 1540 matrix of the host state. These sessions enable the Committee and state to exchange a significant amount of information.

The on-site visits take place in facilities where states are enforcing the provisions of the resolution. Such sites may include ports, border posts, hospitals, laboratories, or research institutes. In the case of the first two, the officials in charge give the visiting delegation a detailed briefing regarding the procedures that are in place, for instance for control of incoming and outgoing cargo. In the case of hospitals, laboratories, and research institutes, the responsible authorities usually brief the 1540 delegation on, for example, measures related to physical protection of CBRN materials and background checks on their personnel.

These three segments complement one another and provide the 1540 delegation a very broad and

complete perspective of progress toward and challenges stemming from 1540 implementation.

In general terms, visits to states offer the opportunity for the Committee and the state visited to jointly identify achievements and gaps, as well as possible assistance needs. In instances when a visited state identifies specific areas for further work, an assistance request is forwarded to the 1540 Committee. The priority then is for the Committee and its experts to match the requests with offers of assistance by States and relevant international organizations. These visits are also an occasion to further reflect on future steps to be taken, including the development of a “National Implementation Action Plan” (NIAP) and the establishment of a national 1540 interministerial mechanism.

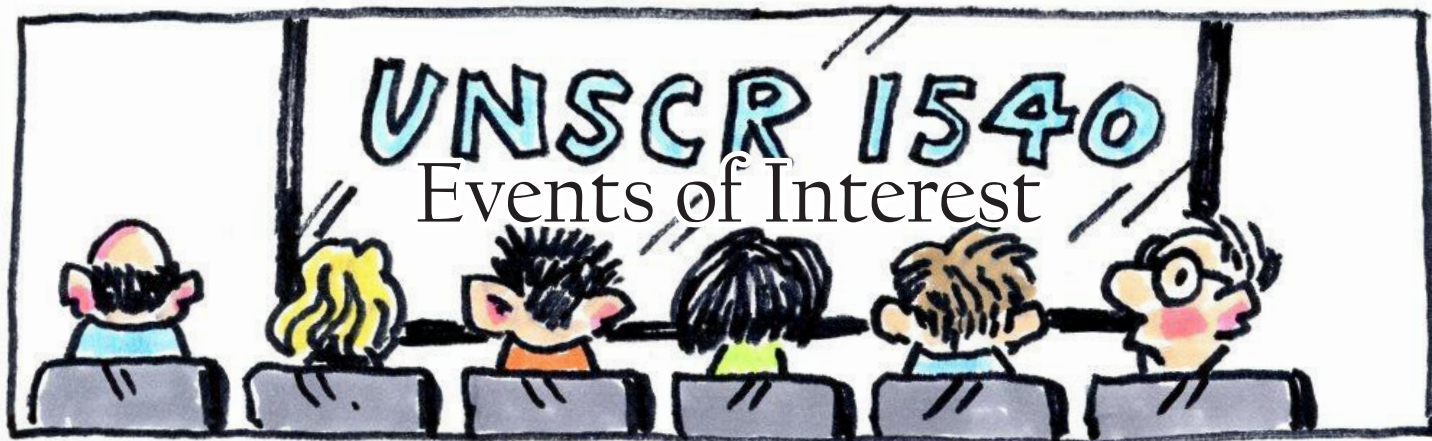
Since all relevant national agencies have to work together while they prepare for and host such visits, they have spurred those states that do not have inter-agency coordination systems for 1540 implementation to establish such mechanisms. This constitutes a key element for future activities that will enhance the implementation of the resolution, since 1540 implementation requires a whole-of-government approach.

The 1540 Committee visits have also served to reach out to a wider national audience, since most of these visits have been the object of media coverage—coverage that in some cases has been extensive.

In the almost ten years since the Committee was established, the nature of its engagement with states has evolved. Visits to states are a clear example of this evolution. This new tool has enabled the Committee and states to maintain a much deeper dialogue and strengthened states’ capacity to implement resolution 1540.

*The views expressed in the article are those of the author, and do not necessarily represent those of the 1540 Committee.*

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DATE	TITLE	ORGANIZER/SPONSOR	LOCATION
6-7 February 2014	The annual meeting of the Container Control Programme Regional and National Coordinators and selected staff	UNODC	Vienna, Austria
10-14 February 2014	Plenary and Working Group meetings	FATF	Paris, France
25-26 February 2014	Identification of effective implementation practices by examining UNSCR 1540 (2004) after a Decade of its Existence	Institute for Defence Studies and Analyses and King's College London in cooperation with UNODA	New Delhi, India
4-6 March 2014	The Non-Conventional Threat series: Kiev International Protection, Security and Fire Safety (KIPS)	IB Consultancy and Premier Expo Ukraine	Kiev, Ukraine
11-12 March 2014	10 years of UNSC Resolution 1540: Global and Regional efforts in the field of non-proliferation and disarmament of weapons of mass destruction	Kazakhstan	Astana, Kazakhstan
20 March 2014	EU High Level Event on «International cooperation to enhance a worldwide nuclear security culture» Contribution to the Nuclear Security Summit 2014	EU	Amsterdam, The Netherlands
21-22 March 2014	Nuclear Knowledge Summit		Amsterdam, The Netherlands
23-25 March 2014	Third Nuclear Industry Summit		Amsterdam, The Netherlands
24-25 March 2014	Nuclear Security Summit	The Netherlands	The Hague, The Netherlands
25-27 March 2014	BACAC 5th annual Conference	Association of biological security in Central Asia and the Caucasus (BACAC)	Tbilisi, Georgia



# Events of Interest

<u>DATE</u>	<u>TITLE</u>	<u>ORGANIZER / SPONSOR</u>	<u>LOCATION</u>
2-4 April 2014	5th International Symposium on Biosafety and Biosecurity – Future Trends and Solutions	University of Milan with support from the Government of Italy and EU	Milan, Italy
12-16 May 2014	International Conference on Human Resource Development for Nuclear Power Programmes: Building and Sustaining Capacity	IAEA	Vienna, Austria
29 May – 1 June 2014	International Hazardous Materials Response Teams Conference & Expo 2014	International Association of Fire Chiefs	Baltimore, MD, United States
1-5 June 2014	CSCM – World Congress on CBRNe Science & Consequence Management	International Organizing Committee and Government of Georgia	Tbilisi, Georgia
11-13 June 2014	Fourth International Seminar CBRNE AVIGNON 2014	GIE NBC	Avignon, France
16-20 June 2014	Eurosatory 2014	Eurosatory	Paris, France
23-27 June 2014	International Symposium on Uranium Raw Material for the Nuclear Fuel Cycle: Exploration, Mining, Production, Supply and Demand, Economics and Environmental Issues	IAEA	Vienna, Austria
7-10 July 2014	International Conference on Advances in Nuclear Forensics: Countering the Evolving Threat of Nuclear and Other Radioactive Material out of Regulatory Control	IAEA	Vienna, Austria
13-16 July 2014	Second International Conference on Vulnerability and Risk Analysis Management & Sixth International Symposium on Uncertainty Modelling and Analysis	University of Liverpool	Liverpool, England
16-18 July 2014	Asian Defence, Security & Crisis Management Exhibition & Conference	APAC EXPO PTE LTD	Manila, Philippines
27-29 August, 2014	International Physicians for the Prevention of Nuclear War Congress	IPPNW Kazakhstan in cooperation with IPPNW CIS Regional Affiliates	Astana, Kazakhstan

