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Examining Options and Models for Harmonization of End Use/r Control Systems

Informal Consultative Meeting

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UN Institute for Disarmament Research

Outline

- Introduce areas identified for further attention by the expert group
- Overview of the key areas to be examined
 - End-use/r documentation
 - Information on items and end-use/r: informing risk assessments
 - Assurances on end-use and unauthorized re-transfer
 - Cooperation with transfer control agencies



Desirable and feasible aspects of end-use/ control systems to harmonize

- Assessing risks of diversion or misuse
- Types and contents of end use/r documentation
- Certifying and authenticating end use/r documentation in importer states
- Verifying end use/r documentation in exporter states
- Assurances on end use, end user and re-export
- Cooperation and information-sharing
- Monitoring shipments
- Post-delivery monitoring and enforcement
- National and multilateral responses to diversion and/or disregard for end use/r assurances



Key Areas to be Examined

Options to examine for alignment/cooperation with general consensus

1. Definition of key terms
2. Information on items and end user
3. Assurances on use and re-transfer
4. Roles and functions of end-use/r documentation
5. Information sharing and cooperation in the transfer process

Areas discussed for alignment/cooperation that require further consideration

1. Risk assessment
2. Post-delivery cooperation
3. Should the items to be covered include dual-use items?

End-use/r documentation

- Euro-Atlantic organizations and export control regimes have carried out a lot of work to identify essential elements for end-use/r documentation for government end-users
- Essential elements to be included in end-use/r documentation include:
 - Details of end user and declared end use
 - Details of items being transferred, and potential end uses
 - Relevant information on other entities involved in the transfer and the route, if known
 - Assurances or undertakings on end use and re-export
- Major exporter states provide different end-use/r documentation templates or checklists of elements to be included in end-use/r documentation
 - Items (conventional arms; SALW; parts and components; dual-use items)
 - End-users (government; government in NATO / export control regime; non-governmental)



End-use/r documentation

- Are partners willing to comply with the end-use/r documentation requests of exporters?
 - Are the exporter end-use/r documentation templates helpful?
- Do importing states have their own end-use/r documentation templates?
 - How do these compare with the requests of exporters?
- Are there challenges to get partners to comply with the end-use/r documentation requirements of exporters?
 - If yes, what are the main challenges?
- Is it feasible to develop a list of common elements for all types of items and end-users?



Information on items and end-use/r: informing risk assessments

- Information on items and end-use/r are regarded as essential for conducting a risk assessment
 - Is there a significant risk that the items could be misused?
 - Is the end-user trustworthy? And what of the other entities involved in the transaction?
 - Is there a significant risk that the items could be diverted?
- Industry knows the item and its potential end-uses as well as the customer (end-user)
- Internal compliance programmes (ICP) manage risk and compliance with national strategic trade controls legislation



Information on items and end-use/r: informing risk assessments

- Do you have adequate risk assessment indicators that address items and end-use/r?
- What measures do you take to manage or mitigate the risk of misuse or diversion?
 - With regards to the items?
 - With regards to the end-user?
 - With regards to other aspects of the transfer?
- What are the main challenges for assessing risk from your perspective?

Assurances on end-use and unauthorized re-transfer

- It is expected that a high-level official in the government of an importing state or a representative of the end-user provides assurances on use
 - Not to be used for purposes other than the declared use
 - Not to divert or relocate to another destination or location in the importing state
- It is expected that a high-level official in the government of an importing state or a representative of the end-user provides assurances on to abide by provisions relating to re-transfer/re-export of items to be supplied
 - No re-export under any circumstances
 - No re-export of without prior, written authorization from the original exporting State
 - Re-export is permitted if expressly permitted by the original exporting State



Assurances on end-use and unauthorized re-transfer

- Are partners willing to provide such assurances in writing?
 - What are the challenges to securing agreement?
- How much weight do end-users / importers give to such assurances?
- What can industry do to support compliance with these assurances?
- Is there a role for industry in monitoring compliance with these assurances?



Cooperation with transfer control agencies

- Industry has a special role between the relevant authorities in the exporting and importing states
- Key node in the transfer control chain and well-placed to support cooperation
- The important role played by responsible industry stakeholders to prevent misuse and diversion has been widely recognized



Cooperation with transfer control agencies

- **Pre-authorization**
 - Are there challenges for sharing information on items and end-use/r with national export control authorities?
 - Are there challenges for sharing information on risks with national export control authorities?
- **Shipment**
 - What measures does / could industry take to prevent en-route diversion?
 - What information is / could be provided by industry to national export control authorities to prevent en-route diversion?
 - What information is / could be provided by industry to authorities in transit and importing states to prevent en-route diversion?
- **Post-delivery**
 - What measures does / could industry take to prevent misuse or diversion after delivery?
 - Is there a role for industry in post-delivery cooperation and monitoring?



Industry perspectives on End-Use/r Control Systems and Documentations

- What are the major challenges industry faces with current End Use/r control systems and documentation?
- What opportunities and options can be explored to strengthen cooperation between national transfer control authorities?
- How could safe and secure transportation be enhanced?

Next steps

- What could reliable and achievable End Use/r control systems look like at the global or regional level?
- What technological tools could be used for an effective global or regional End Use/r control system?
- How could industry contribute to the next steps of this project?