



# Examining Options to Enhance Shared Understandings and Cooperation to Strengthen End Use/r Control Systems

## Roundtable workshop

**Initiating Dialogue to strengthen end use/r control systems:  
Can harmonization help to tackle arms diversion?**

**UN Institute for Disarmament Research  
27 October 2015**



## About UNIDIR - *Knowledge for Action*

- Wide Mandate
- Cross Cutting
- Convening Power
- Framing Agenda
- Practical and Effective



# Acknowledgement

**Dedicated support from UNSCAR**



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# Project Introduction



## Background

- The **diversion** of authorized conventional arms transfers poses a persistent problem for security and is at the **heart of illicit proliferation**.
- **End use/r controls** are commonly recognized as an **effective mechanism** to prevent diversion.
- **International/regional calls and efforts are being made** to enhance cooperation and strengthen end use/r controls.
- **Evidence from diversion cases** indicates that **differences in national end-use/r control understandings** and practices pose **significant challenges to implement** end use/r controls.
- Effective prevention of diversion requires a **comprehensive and cooperative approach** between all relevant stakeholders, and support for states with limited capacities to manage arms and ammunition.



## Driving question

**How can States enhance shared understandings and cooperation to strengthen their national end use/r control systems in a practical manner in order to mitigate the risk of diversion to unauthorized end users and/or end uses?**

## Hypothesis

**Enhanced cooperation and greater alignment with regards to end use/r control definitions, practices and procedures will enhance the ability of relevant national stakeholders to more effectively identify and mitigate the risk of diversion.**



## Project objective

**Provide a series of options in order to facilitate a meaningful dialogue between relevant stakeholders with a view to:**

- **Informing efforts to develop common understandings of key terms**
- **Aligning standards** on the key elements to be contained in end use/r documentation with regards to items, end-use/r and assurances
- **Increasing understanding** of the roles and functions of on the key elements to be contained in end use/r documentation
- **Enhancing international cooperation and information sharing**



## Added Value to This Approach

- **Inclusive and comprehensive approach**
- **Provide an analysis of key areas of national end use/r control systems that could be aligned and/or subject to enhanced cooperation** at the national, regional and/or global levels.
- **Offer new ideas, avenues and potential areas for states to address challenges to and opportunities for greater alignment and/or enhanced cooperation** for effective end use/r controls.
- **Identify possible approaches and forums for further the discussion** at the regional and global levels.
- **Targeted engagement with those states that are not participating in the existing export control regimes**





## Phase I: Outputs

- **Informal Expert Meeting:** April 2015, Vienna, Austria
- **Release of Meeting Summary:** June 2015
- **Global Survey:** June – September 2015
- **Informal Industry Meeting:** July 2015, Geneva, Switzerland
- **Project presentation:** August 2015, Cancun, Mexico
- **Sharing of findings:** October 2015, New York, USA
- **Release of Comprehensive Study:** December 2015



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# Preliminary findings from Phase I



## Outline

- Sources of information for the study
- The UNIDIR menu and preliminary findings
- Options for an international process



## Sources of information

- Recommendations of UN Panels, Groups and Committees of Experts on UN arms embargoes
- Recommendations of UN Member States in UN Security Council and General Assembly meetings
- Developments at the regional level and in other multilateral settings
- Expert analysis
- UNIDIR Survey of national practice
- Review of PoA, National Legislation Exchange, national policy documents



## Option 1. Definition of key terms

- Build on existing efforts (e.g. ISACS, UNODA and the Wassenaar Arrangement)
- Different types of documentation
  - End-use or end-user certificate
  - End-use statement
  - International import certificate
- Key terms
  - End use
  - End user
  - Assurances and undertakings
  - Certification
  - Authentication
  - Verification

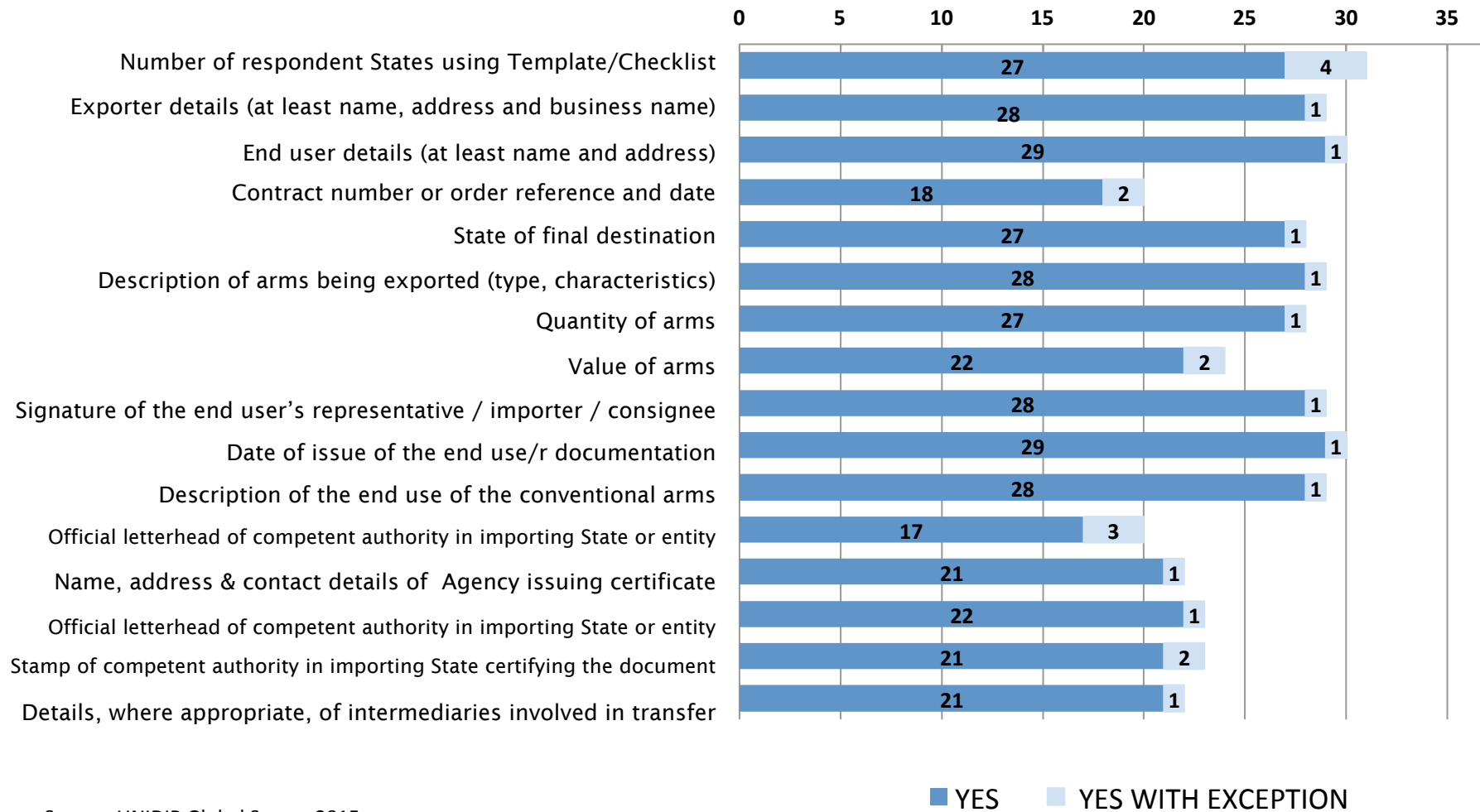


## Option 2. Details on items and end-use/r

- Regional organizations and the Wassenaar Arrangement recommend details on:
  - Items
  - End-use / end-user
  - Entities involved in the transfer
- UNIDIR's Survey points towards:
  - General agreement among respondent States on several key details regarding items and end-users to include in end-use/r documentation
  - A mixed picture on the sharing of information on entities involved in transfers in end-use/r documentation
  - When importing conventional arms, around one third of respondent States do not use templates or checklists provided by the exporting State
  - Several areas that merit further examination



## Option 2. Details on items and end-use/r



Source: UNIDIR Global Survey 2015



## Option 3. Types of assurances

- Regional organizations and the Wassenaar Arrangement recommend assurances on:
  - End-use
  - End-user
  - Re-export
- UNIDIR's Survey reveals that:
  - Most respondent States seek assurances on end-use, end-user and re-export
  - Respondent States use different re-export assurances options



## Option 3. Types of assurances

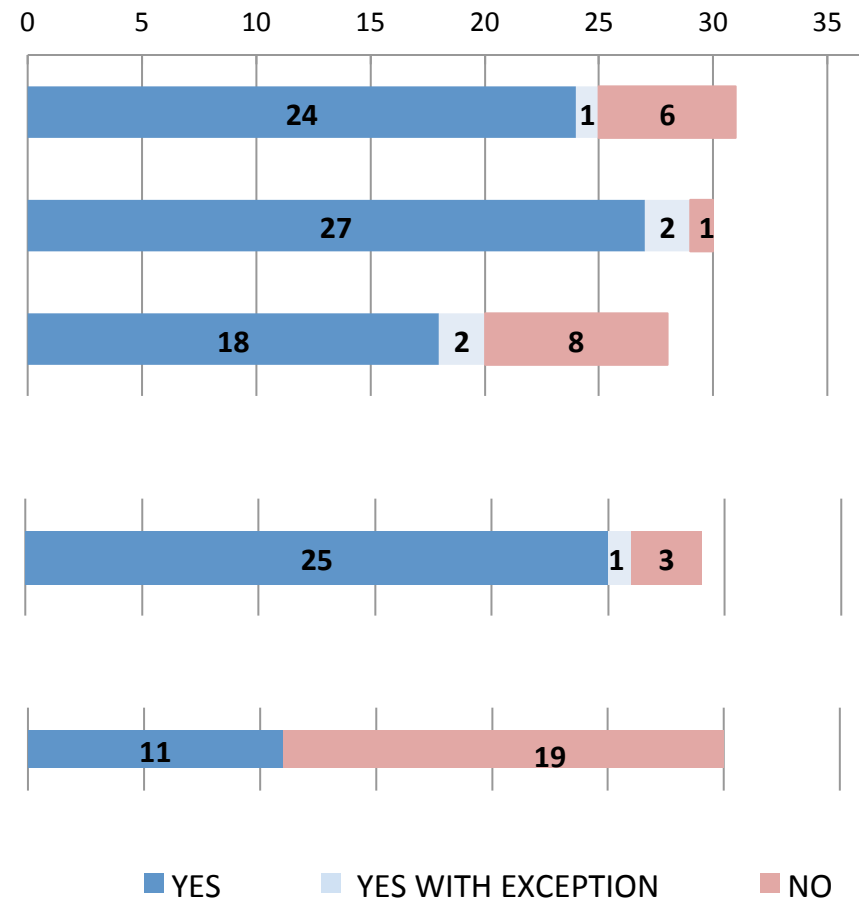
Statement that the goods being exported will not be used for purposes other than the declared use

Statement that the declared end user will be the ultimate recipient of the conventional arms being exported

Statement from the importer / end user not to divert or relocate the conventional arms covered by the end use/r documentation to another destination or location in the importing State

Statement on re-export of conventional arms included in end use/r documentation

Additional statements for export of particularly sensitive items (e.g. MANPADS) included in end use/r documentation





## Option 4. Roles and functions

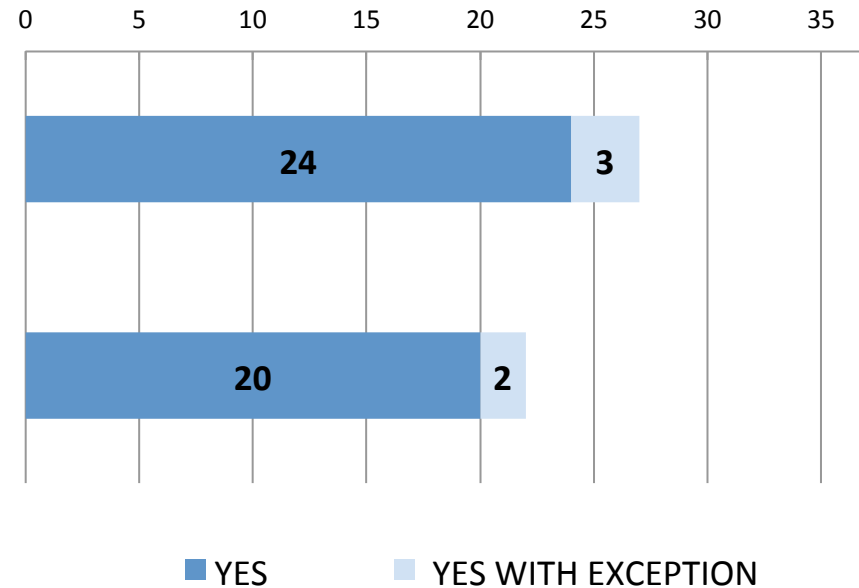
- Regional organizations and the Wassenaar Arrangement recommend provide some guidance on certification, authentication and verification
- UNIDIR's Survey shows that:
  - Not all respondent States are willing to certify and authenticate documentation for non-State end-users
  - Not all respondent States have in place particular measures to prevent forgery and misuse of documentation and assist in authentication
  - Most respondent States seek to verify the details contained in documentation



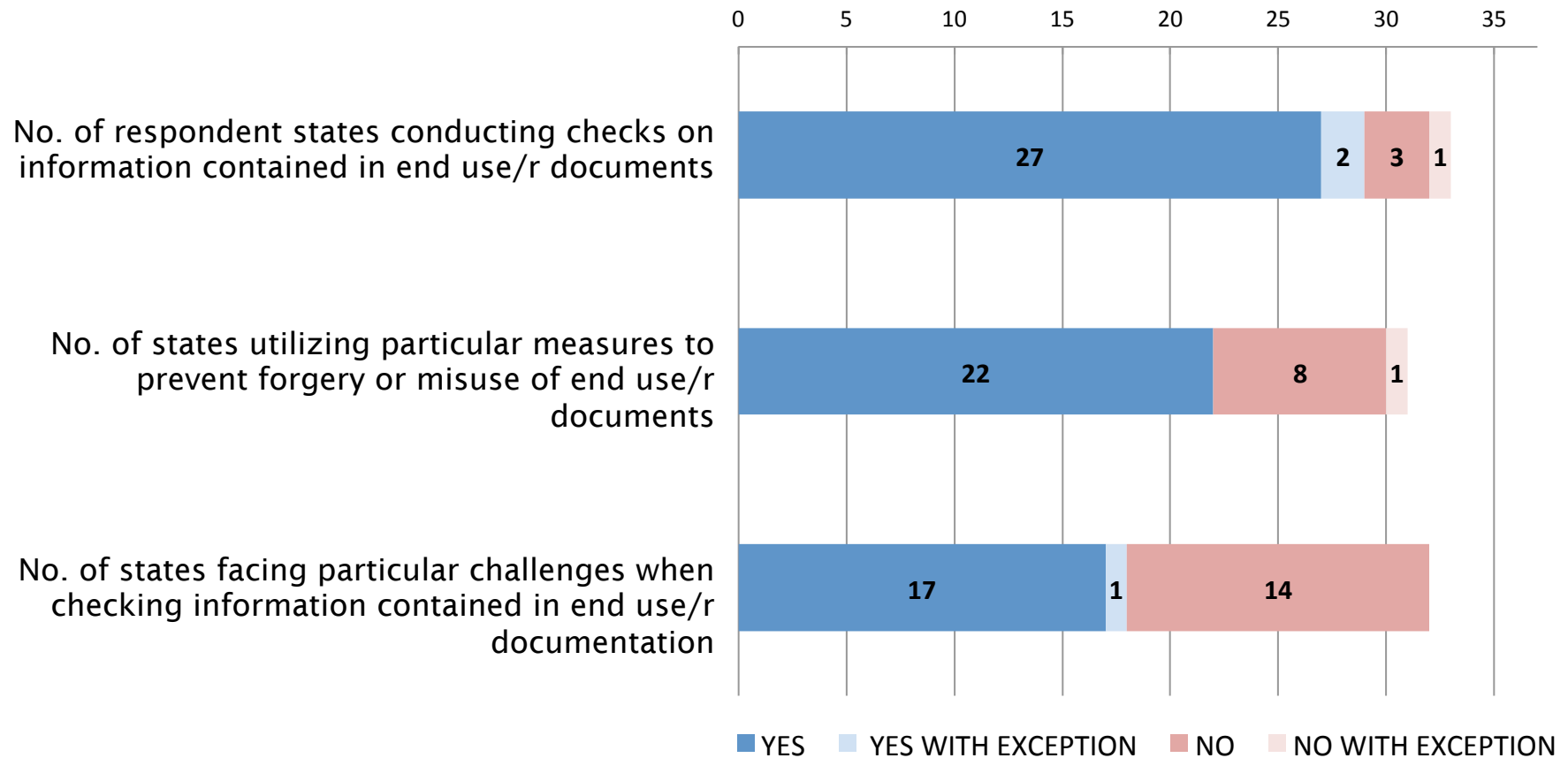
## Option 4. Roles and functions (I)

No. of respondent States that issue end use/r documentation to the relevant national authorities in the exporting State to support an application for authorization to export conventional arms, incl. SALW, for use by State end users

No. of States that certify end use/r documentation that is to be provided to the relevant national authorities in the exporting State to support an application for authorization to export conventional arms, incl. SALW, for use by non-State end users (e.g. arms producing companies, private security companies)



## Option 4. Roles and functions (II)



Source: UNIDIR Global Survey 2015



## Option 4. Roles and functions (III)

### **Challenges faced when checking information contained in end use/r documentation**

- The lack of reliable or verifiable information in the end use/r documentation;
- Changing circumstances in the country of import or changes regarding the declared end user;
- Complexity of supply chains;
- Cooperation between with the relevant authorities in the country of import;
- Cooperation with entities involved in the transfer;
- Difficulties in identifying the competent authorities and authorized signatories (e.g. in both recipient countries and third party/transit states);
- Lack of resources (e.g. diplomatic representations in recipient countries);
- Lack of familiarity with end use/r control procedures and requirements, misperceptions with regards to checks and compliance inquiries.

Source: UNIDIR Informal Expert Meeting Summary; Global Survey 2015



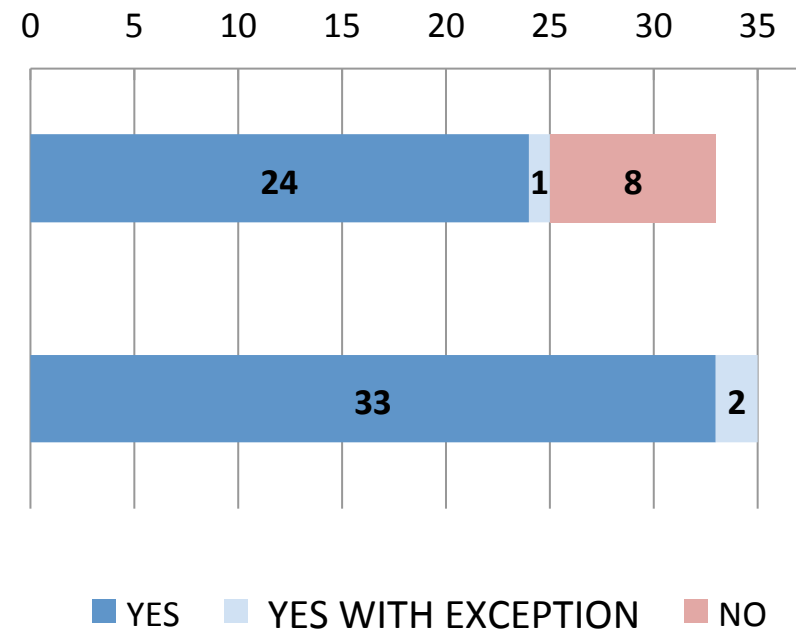
## Option 5. Exchange of information and indicators

- There have been repeated calls by UN Member States for information exchanges relating to end-use/r documentation, including measures to support authentication and verification
- UNIDIR's Survey indicates
  - A high level of willingness by respondent States to exchange template EUCs with other States, which could aid authentication
  - Resistance by a significant cohort of respondent States to sharing information on entities authorized to certify end-use/r documentation
  - Challenges faced by respondent States in seeking to authenticate and verify end-use/r documentation

## Option 5. Exchange of information and indicators

No. of respondent States willing to provide information to other States on entities authorized to certify and authenticate end-use/r documentation

No. of respondent States willing to share template(s) of national end use/r documentation with other States





## Option 6. Post-delivery cooperation

- Regional organizations and the Wassenaar Arrangement have included provisions on post-delivery cooperation as options to be explored:
  - Delivery verification certificate (DVC)
  - On-site inspection
- UNIDIR's Survey underscores some possibilities for pursuing this option internationally
  - A willingness to provide confirmation of delivery contrasted with a low number of respondent States that seek delivery confirmation
  - A very low number of respondent States seeking the possibility for on-site inspections
  - Questions regarding record-keeping for end-use/r documentation, which could have implications for assurances on re-export



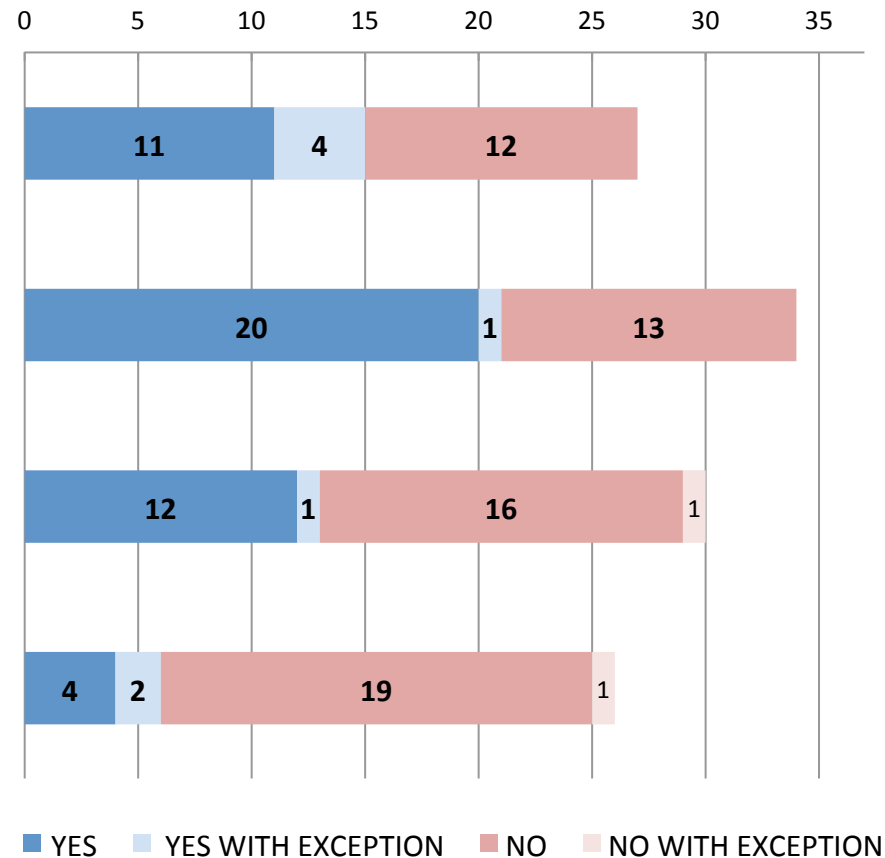
## Option 6. Post-delivery cooperation

No. of respondent States that, when authorizing the export of conventional arms, require the importer/end user to provide evidence that the conventional arms arrived at the intended destination (e.g. provide DVC)

No. of respondent States that, when importing conventional arms, provide evidence to relevant authorities in the exporting State, when requested, that the conventional arms arrived at the intended destination (e.g. provide DVC)

No. of respondent States that require in their end use/r documentation a commitment by the importer/end user to provide the exporting State with a delivery verification (e.g. DVC) upon request

End use/r documentation includes agreement by the importer/end user to allow on-site verification





## Possible avenues for harmonizing end use/r control systems

- Venues for harmonization dialogue
  - The United Nations
  - The Arms Trade Treaty
  - Regional organizations
- Types of outcomes
  - Standardized template
  - Checklist of common and recommended elements
  - Guidance on end-use/r control systems for States regarding export, import, transit and brokering
  - Information exchange mechanism



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# Roundtable Discussions



## Option 1: Definition of key terms

- Can existing end use/r control definitions developed by international and regional organizations and export control regimes serve as the basis for harmonization efforts?
- What could such definitions of end use/r control look like?



## **Option 2: Details on items, end use/r to be provided to export control authorities**

- Is it feasible and desirable to develop a standardized end user certificate?
- Would it be feasible to at least achieve agreement on ‘common minimum elements’ on details of items, end user and relevant entities involved in the transfer?
- Is there a need for different end use/r control approaches for (a) state and (b) non-state importers / end users?



## **Option 3: Types of assurances to be provided by the end user / importer**

- What measures could be undertaken to help build trust between exporting and importing state on assurances?
- How could states more effectively ensure compliance with assurances on end use/r contained in end use/r documentation?



## **Option 4: Roles and functions of end use/r documentation**

- Is there a need for international guidelines on the roles and functions of end use/r documentation for all relevant stakeholders involved in the regulation of the international arms trade?



## **Additional options**

### **Exchange of information and indicators for risk assessment**

- Is exchanging lessons learned and sources of information for risk assessment procedures and verification useful? Is it feasible?
- Should guidance be developed for assisting risk assessments on diversion

### **Post-Delivery Cooperation**

- Are ‘post-delivery controls’ and ‘post-delivery monitoring’ more accurately identified as ‘post-delivery cooperation and information sharing’?
- Are there cases where ‘post-delivery cooperation and information sharing’ should be regarded as essential elements of end use/r controls – e.g. in cases where states need to cooperate with UN Sanctions Committees regarding arms imports?





## **Possible avenues for harmonizing end use/r control systems**

- What existing international and regional processes could be utilized to facilitate dialogue on this issue in a coordinated approach?
- Which regions should be the focus if a regional approach is considered?



# Proposed next steps: Phase II

Building on the recommendations of and positive response to Phase I, UNIDIR endeavours to start the **second phase of this project**, which proposes to:

- 1) *conduct a series of regional consultative meetings***, with the aim of engaging with regions and states that are not participating in existing export control regimes, in order to promote a comprehensive and global approach and strengthen end use/r controls to prevent diversion; and
- 2) *release a series of meeting summaries*** to provide states with concrete, evidence-based resources to facilitate a regional and global dialogue on this issue.



## Contact Us

**Wish to learn more and participate in the global survey?**

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