

**Fifth International Conference on Export Controls
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Outreach activities by the Australia Group

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The threat posed by the spread of weapons of mass destruction and their delivery systems is, as all of us are only too aware, a real and growing one. Efforts to counter this threat are particularly problematic in the area of chemical and biological weapons (CBW). Unlike trade in items contributing to the development of nuclear weapons and missile systems, materials and technology suitable for CBW are almost entirely dual-use – that is, they invariably have civilian as well as military applications.

The challenges presented in identifying, and acting to prevent, illicit trade in CBW-relevant dual-use items have been comprehensively addressed by the Australia Group.

The Australia Group is an informal network of 33 countries and the European Commission that seek to harmonise and consult on their national export control systems. The Group was established in 1985 under Australia's chairmanship in response to the discovery of Iraq's successful CBW procurement efforts in the early 1980s. The effectiveness of Iraq's chemical weapons capability was, of course, brutally demonstrated during the Iran-Iraq War and against the Kurdish population of Halabja, providing a rude wake-up call for efforts to stem the supply of relevant materials to Iraq. Since that time, countries participating in the Australia Group have worked hard to prevent any contribution to CBW programs through the inadvertent supply of chemical precursors, biological agents and dual-use equipment.

In recent years, however, a new set of challenges for efforts to stem illicit trade in CBW-relevant items has been thrown up by the ongoing process of globalisation. Along with the clear socio-economic benefits of a more open commercial and trading system, globalisation has, unfortunately, also diversified procurement opportunities for proliferators. Whereas only a handful of countries possessed dual-use chemical and biological materials and technologies two decades ago, such items can now be sourced from several dozen countries – many of which are not members of the Australia Group. Additionally, the rapid pace of technological change, including the spectacular growth of the biotechnology sector, makes difficult the task of keeping lists of controlled items up to date, while monitoring intangible technology transfers is complicated by advances in communications and information technology.

It is clear that increased trade and technology transfers in the chemical and biotechnology industry sectors are in the economic interests of all countries. At the same time, preventing CBW-relevant items and technology falling into the hands of proliferators demands the utmost vigilance in monitoring destination and end-use of trade in dual-use items. An abiding message of the discussions we have had in the course of this conference is that a well-administered and carefully implemented export control system makes provision for doing so without restricting legitimate trade.

This is a sentiment that is shared by countries both within and outside the Australia Group. Many states parties to the Chemical Weapons Convention and Biological Weapons Convention apply such controls as a means of implementing their convention obligations, as well as in recognition of the national and global security benefits that such controls bring. Many, however, do not, while others fail to implement and enforce their existing system of controls in a robust and effective manner.

The fact remains that, given the increasingly global reach of determined proliferators, the success of export control measures depends on the combined commitment of as large a number of countries as possible. States and non-state actors of proliferation concern have shown themselves only too willing and able to exploit weak links in counter-proliferation measures aimed at combating illicit dual-use trade.

It is in this environment that the Australia Group has sought to increase awareness among countries outside the Group of the importance of effective national export controls.

At the 2003 Australia Group plenary meeting last June, participants were particularly encouraged by the positive response to outreach efforts undertaken by the Chair following last year's plenary. Several non-participating countries approached by the Chair, in the course of outreach, had specifically requested assistance towards improving their own export licensing arrangements. Others, notably China, revised its list of controlled items, following consultation with Australia and other Australia Group countries, to more closely reflect the control lists of the Group. These developments clearly indicate that the control lists and implementation and enforcement measures of Australia Group participants effectively provide what is fast being recognised as an international benchmark in export controls on CBW-relevant items.

Several other Australia Group participants also reported at the plenary on their bilateral outreach efforts, including in the Baltic, North Africa, Central Asia and the Balkan regions. It was plain to all at that meeting that Australia Group participants were becoming increasingly seized of the important role of effective outreach to non-members in support of global non-proliferation norms – and of the need better to coordinate such outreach.

In recognition of this, the 2003 Australia Group Plenary endorsed as a key objective the need to encourage non-participating countries to adopt, or to enhance, national export controls that are compatible with those of Australia Group countries. Further, participants agreed to offer such countries information and practical assistance on how best to do so – fully in keeping with existing objectives of increasing the Group's transparency.

The upshot of this was that the plenary endorsed a recommendation that each country within the Group take greater responsibility for outreach activities within its region and interests. It was agreed that outreach activities should be chiefly directed at persuading non-participating countries to adopt Australia Group-compatible controls, or to enhance implementation and enforcement of existing controls.

As part of this strategy of strengthened outreach, Australia proposed a plan for the Asia-Pacific region. The main elements of this plan are that Australia, as Chair, approach key supplier and transshipping countries to provide both a detailed briefing on recent Australia Group developments, as well as to determine any specific needs of countries approached in relation to information or practical assistance on export controls. The Chair is presently raising these issues in Thailand in the first of a series of planned outreach visits.

Australia intends to report any requests for assistance to Australia Group participants. Group participants, not necessarily limited to those with significant interests in the Asia-Pacific region, could then follow through with coordinated practical assistance measures by approaching potential Group partners with specific proposals. These could include providing templates on national export control legislation, including catch-all provisions, as well as detailed explanations of the national institutional capacity requirements and the sorts of enforcement systems needed. Such measures would most usefully be conducted at the expert/regulator level. A good example of practical cooperation of this sort is the US Export Control and Related Border Security Assistance Program and the Container Security Initiative.

The Chair, with other Australia Group participants, could also undertake, where possible, high-level dialogues with select non-participating countries to ensure political commitment behind efforts to enhance export control measures. The main focus for outreach in the Asia-Pacific region will be to ensure that key supplier and transshipping countries employ best practice in export licensing, especially with a view to preventing diversion of dual-use items to states and non-state actors of proliferation concern.

At present, given the relatively lower non-proliferation priority accorded Asia-Pacific countries by non-Asia-Pacific countries, there are few existing government-funded non-proliferation projects in the region. Australia's proposal offers to facilitate better coordination between Australia Group participants in addressing this situation. To this end, it is hoped that interested Group participants might propose technical and enforcement experts for participation in joint outreach activities.

To sum up, the purpose of this plan is to provide a non-prescriptive framework for specific outreach activities and to facilitate, for the first time, such activities being jointly undertaken by Group participants in a cooperative and inclusive spirit with non-participants. Similar plans may be developed for coordinated outreach in the Balkan and North Africa regions by other participants in the Australia Group.

The extent of the Australia Group's further outreach activity will depend on the availability of resources. The Group does not, it might be recalled, have any formal structure or funding arrangements – Australia, as Chair, covers costs associated with a small, informal secretariat and annual plenary meeting. There may, nonetheless, be scope for exploring the possibility of regional workshops, subject to the outcomes of an initial round of outreach activity.

I would certainly consider this presentation to be very much in the vein of outreach on behalf of the Australia Group. To this end, I encourage you to refer to the copy of the

Australia Group brochure, which has been distributed to you here, and to access the Group's website (www.australiagroup.net) for further information.