

Eighth International Export Control Conference
6-8 March 2007
Bucharest, Romania

Australia Group Update

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- The 2006 Australia Group Plenary was held in Paris from 12 to 15 June. It involved over 200 participants from 39 countries, plus the European Commission. On behalf of the Australia Group Chair, I am pleased to provide a report on the Plenary's main outcomes.
- The Plenary continued its focus on responding to new and emerging proliferation threats including intangible transfers of technology, brokering activities and terrorism.
- Participants agreed upon a number of important measures for deepening the implementation and enforcement of national export control systems without hindering legitimate trade in chemical and biological materials for peaceful purposes. These included exchanging information on best practice, making additions to the control lists, creating a common policy on exports to distributors, and enhancing the outreach program.
- The Group acknowledged the importance of sharing information on the increasingly sophisticated strategies used by proliferators to conceal chemical and biological weapons. Controlling the transfer of technical information relevant to the production of these weapons without impeding legitimate scientific research remains a challenge.
- Several additions to the Australia Group control lists were made. In particular, the Plenary recognised the threat posed by potential terrorist exploitation of the rapid expansion and diversification of the biotechnology sector. One toxin (Shiga-like ribosome inactivating proteins) and two fungi (*Coccidioides immitis* and *Coccidioides posadasii*) were added to the biological agents control list. The plenary also noted the role of niobium as an increasingly common element in chemical manufacturing equipment suitable for the production of chemical weapons. As such certain types of equipment

made from niobium and niobium alloys were added to the chemical equipment control list.

- In acknowledgement of the proliferation risks associated with the activities of intermediaries such as brokers and distributors, the Plenary agreed to adopt a common policy on exports to distributors. Participants also agreed to explore the possibility of “labelling” controlled equipment to help address the challenge of managing trade in second hand equipment. Discussion on best practice brokering controls will continue at the Brokering Controls Seminar kindly hosted by the Republic of Korea.
- The Seminar will be held in Seoul from 22 to 23 March and will be co-chaired with Australia. The seminar will consider the proliferation threat posed by brokering activities; the role of brokers as a factor for evaluating export licence applications; and the enforcement challenges to brokering activities.
- Although the initiative has come out of the Australia Group, participants are also invited from the Missile Technology Control Regime, the Nuclear Suppliers Group and the Wassenaar Arrangement.
- It has become increasingly clear that controls on brokering activities involving conventional, military and WMD-related dual-use goods have an important role to play in preventing proliferation. The seminar is a timely opportunity to review national and international responses to the emerging proliferation threat that brokering activities pose and contribute to the development of best practice in this area. The outcomes of this seminar will then be fed back into the four multilateral export control regimes.
- Australia Group participants continued to develop strategies for enhancing training and assistance offered to non-Australia Group countries, with a focus on regionally-based practical activities. The Chair’s outreach program highlights the main outcomes from the Plenary and encourages robust export control standards among non-Australia Group countries. Outreach visits following the 2006 Plenary have included discussions with Israel and China.
- Outreach measures have also resulted in an increasing number of countries using Australia Group standards as a means of fulfilling

their obligations under the Chemical Weapons Convention, Biological Weapons Convention and UN Security Council Resolution 1540. Singapore, for example, to which the Chair made an outreach visit in 2005, announced in September 2006 that it would expand its control list to incorporate all items under the four multilateral export control regimes by 2008.

- Finally, the Australia Group website (www.australiagroup.net) is continually being improved. With recent translations into Arabic, Chinese and Russian, the website is now available in all official United Nations languages making it more accessible for users. The website is also being upgraded to include more technical information on the chemical and biological materials on the control lists to create a more valuable reference source. Further developments have also been proposed for the Australia Group Information System (AGIS) to facilitate increased sharing of secure electronic information among the Group.
- The Australia Group continues to play a leading role in international efforts to address the proliferation of chemical and biological weapons. We look forward to tackling new and emerging proliferation challenges and setting international standards in export control measures. The 2007 Australia Group Plenary will be held in Paris from 4 to 7 June.