

# **COMBATTING WMD PROLIFERATION, EXPORT CONTROL POLICY AND PRACTICE OF THE REPUBLIC OF HUNGARY**

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# INTERNATIONAL COOPERATION FOR COMBATING WMD PROLIFERATION



Participation in international non-proliferation regimes  
and treaties

Hungary is founder member of :

Wassenaar Arrangement,  
Missile Technology Control Regime,  
Australia Group,  
Nuclear Suppliers Group,

Chemical Weapons Convention,  
Biological Weapons Convention

# PARTICIPATION IN FUNCTION OF INTERNATIONAL NON-PROLIFERATION REGIMES



Participation in meetings of the regimes,

Chairman mandate in certain regimes (MTCR, WA, BWC)

Regular information exchange with and notification to the regimes

# BASIS OF NON-PROLIFERATION AND EXPORT CONTROL SYSTEM IN HUNGARY 1



The Hungarian export control system is based upon:

National legal regulations

- Constitution
- Acts
- Decrees
- Decrees with Legal Force
- Other regulations

# BASIS OF NON-PROLIFERATION AND EXPORT CONTROL SYSTEM IN HUNGARY 2



International agreements, conventions, arrangements:

- Conventions on Prohibition of Weapons of Mass Destruction
- Obligations arisen from membership in international Non-proliferation regimes
- UN, OSCE and EU embargos and bans
- Bilateral agreements

# LEGAL SYSTEM ESTABLISHING THE EXPORT CONTROL PRACTICE

- Government Decree No. 61/1990. (X.1.)
- Council Regulation (EC) 1334/2000 of 22 June 2000
- Ministerial Decree No. 28/2001. (X.12.) GM,  
amending Ministerial Decree No. 31/1998. (V.15.)

## IKIM

- Act No. CIV. of 1997.
- Government Decree No. 212/1998. (XII.24.)
- Decree with Legal Force No. 11 of 1975.
- Government Decision No. 2016/1999. (II.10.)
- Government Decree No. 12/1999 (II.1.)
- Government Decree No. 48/1991. (III.27.)
- Government Decree No. 112/1990. (XII.23.)
- Government Decree No. 115/1991. (IX.10.)
- Act No. LXV. of 1995.

# LEGAL SYSTEM ESTABLISHING THE EXPORT CONTROL PRACTICE



Regulations are closely related to and supported by the following acts:

- Foreign Trade Act
- Penal Code
- National Security Act
- National Defense Act
- Customs Act

# NATIONAL AUTHORITY FOR EXPORT CONTROL AND NON-PROLIFERATION

Licencing and Administration Office  
of the  
Ministry of Economy and Transport  
of the  
REPUBLIC OF HUNGARY



# POINTS OF CONTACT 1

## Licensing and Administration Office of the MINISTRY of ECONOMY and TRANSPORT

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### Head of the Office:

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# POINTS OF CONTACT 2

## Export Control National Authority of the Republic of Hungary

**Licensing and Administration Office of the  
Ministry of Economy and Transport  
Office of Export Control and Prohibition of  
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# SUPREME CONTROL OVER THE NATIONAL LICENSING POLICY AND PRACTICE



Non-Proliferation Inter-Ministerial Committee

Co-chairmen of the committee:

–Director General of the Bureau of Licensing and Registration, Ministry of Economic Affairs

–Head of the Arms Control and Security Policy Directorate of the Ministry of Foreign Affairs.

# SUPREME CONTROL OVER THE NATIONAL LICENSING POLICY AND PRACTICE



## Non-Proliferation Inter-Ministerial Committee

Members of the committee are representatives of the following organs:

- Ministry of Economy and Transport
- Ministry of Foreign Offers,
- Ministry of Public Health,
- Ministry of Agriculture and Country Development,
- the Customs and,
- the Civil and Military Security Services.

# REGISTRATION OF APPLICANTS



## Registration of Clients

Prerequisites required submitting an application:

- Documents approved by the Registry Court,
- Registration documents submitted to the Tax Authorities,
- Authenticated signature (by notary public),
- Authorisation for a contact **person**.

# CONTROL LISTS



The control list annexed to the Government decree consists of 3 main parts:

Part I.: Munitions List (Wassenaar Arrangement ML 2000)

Part II. List of Dual-Use Goods [Council Regulation (EC) 1334/2000 of 22 June 2000]

Part III.: Human Rights, Crime Control, Riot Control and Security Service Related Items

## TYPES OF LICENSES

### *Export Licence:*

- Value Limit License  
(Individual Export License)
- Temporary License
- License for Repair
- Distribution Licenses

### *International Import Certificate*

### *Transit Statement*

### *Ultimate Consignee Certificate*

# COUNTRY POLICY, COUNTRIES OF CONCERN



No distinction among countries of destination.  
(UN, OSCE and EU embargoes and ban provisions are kept strictly)

There are no published "Watch Lists, Warning Lists, Black Lists"  
(However applicants are informed about sensitive items and regions.)

Transactions are considered on a case-by-case basis.

Guidelines of the non-proliferation regimes are taken into account.

As far as it is possible, we do our best to control intangible transfers as well.

To say nothing the strict application of the „catch all cause“.

## OUTREACH EFFORTS



Republic of Hungary, together with the other Middle European EU candidate countries use every possible effort on every international fora to support the membership of other countries established and maintained the required non-proliferation and export control policy and practice.

# COOPERATION IN THE CENTRAL EUROPEAN REGION



Formal, regular cooperation

Case-by-case, but regular information exchange  
among the national authorities

# FORMAL COOPERATION AMONG NATIONS OF THE REGION



Cooperation within non-proliferation regimes

Bilateral inter-governmental consultations and  
cooperations

Symposia, regional meetings, joint programs

# COOPERATION WITHIN NON-PROLIFERATION REGIMES



Regular official information exchange concerning:  
embargoes, bans,  
denial and undercut notifications,

Direct, personal consultations concerning problem solving

# OFFICIAL INTER-GOVERNMENTAL RELATIONS



Several bilateral meetings were settled and are in preparatory phase among our countries with:

Federal Republic of Germany,  
United States of America,  
Romania,  
Slovak Republic,  
Austria,  
Ukraine,  
Kazakhstan,  
Czech Republic

# SYMPOSIUMS, JOINT PROGRAMS

Participation in the regional Chemical Weapons Convention meetings in Austria, Slovak Republic and Croatia.

Participation in the extended regional symposium held in Kiev on the fifth anniversary of establishment of the Ukrainian export control organization, and permanent cooperation with our Ukrainian colleagues.

Five years ago Budapest was the host and organizer of the annual inter-plenary MTCR meeting

Roundtable Meetings on Tackling Small Arms Diffusion in South Eastern Europe

Export Control Conference for the Middle-East European countries not members of the EU, NATO and the non-proliferation regimes in Szeged.

The Annual International Export Control Conference this autumn in Budapest

# INFORMAL COOPERATION AMONG NATIONAL AUTHORITIES OF THE REGION



Regular, personal direct contact with officials of the neighboring countries:

Czech Republic,  
Slovak Republic,  
Romania,  
Bulgaria,  
Ukraine,  
Austria), and

exchange of certain actual information on the regular meetings of non-proliferation regimes,

## CURRENT EFFORTS



Cooperation in national implementation of:

Tracker electronic export control and licensing system, and

Internal Control Project

together with countries of the region intending to apply thereof.

# **„TRACKER“ ELECTRONIC LICENSING SYSTEM**



The TRACKER electronic export control system has been offered and provided to export licensing national authorities of several Middle European countries by the Department of Commerce of the U.S.

The system has been installed – among others – in Hungary more than three years ago, with contribution of FGM, Inc. U.S.

We took part in elaboration of the Hungarian version, and use it with success for three years.

The updated (2001) version has been installed in Hungary two months ago.

# „TRACKER“ ELECTRONIC LICENSING SYSTEM

Tracker is a very useful and sophisticated system for export control authorities with the following advantages:

- Easy to use for any level of licensing procedure,

- Helps to generate and maintain a reliable overall data-base,

- Directly calls the attention to any „red-flagged“ circumstances,

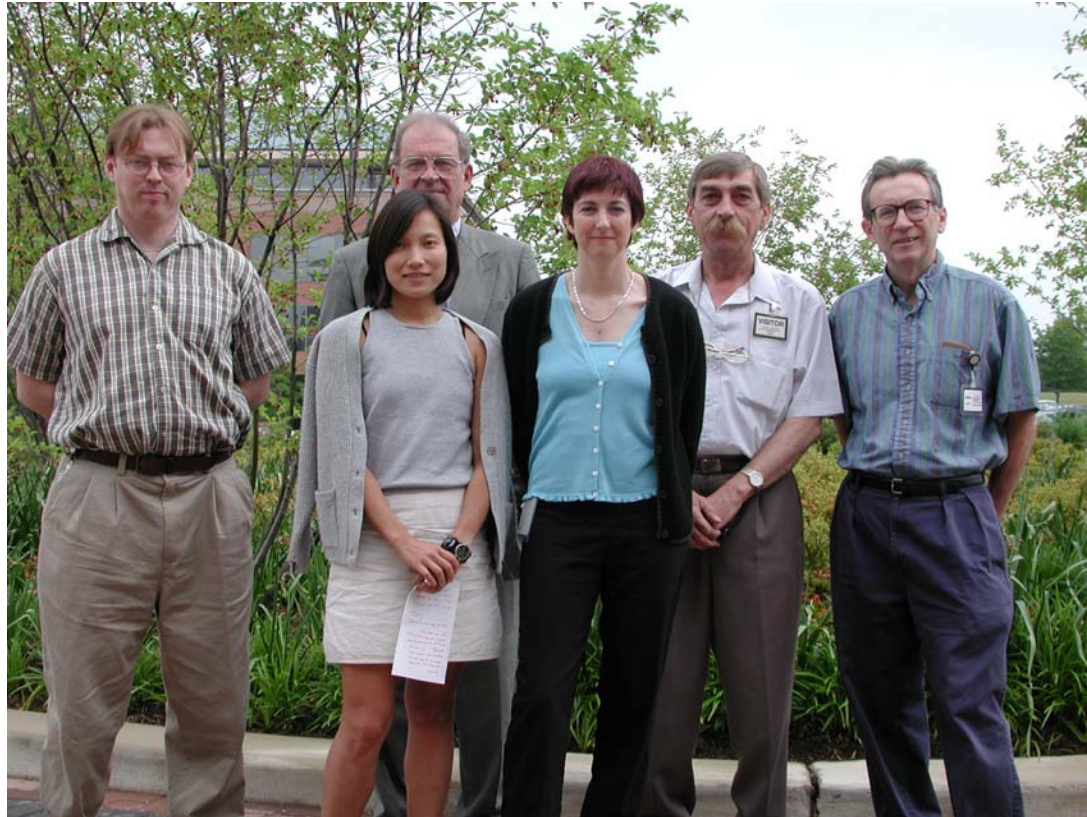
- Helps the decision procedure providing direct contact among the competent authorities,

- Provides the possibility of an entirely electronic public administration,

- Provides exceptional statistical options,

- Last, but not least provides the required confidentiality.

# „TRACKER“ ELECTRONIC LICENSING SYSTEM



Updating working group, Dulles, VA, May 2000

# **„ICP“ INTERNAL CONTROL PROJECT**



The ICP (Internal Control Program) has been developed by the Commonwealth Trading Partners, Inc. on behalf of the Department of Commerce of the U.S. as well.

Basically the system is a teaching and supporting system for companies engaged in any form of foreign trade in internationally controlled goods.

# „ICP“ INTERNAL CONTROL PROJECT



The system offered to several countries of our region provides – among others – the following important options:

Helps the national authority in teaching, training and supervising the companies,

Provides the necessary legal regulations, application forms and other essential information to the applicants,

Provides also the possibility of electronic public administration.

# REGIONAL RELATIONS



The Hungarian export control authority has undertaken the national implementation and development of the Hungarian version of ICP in close cooperation with:

the developer Commonwealth Trading Partners, Inc. and

the Hungarian NGO (International Technology Institute,

on the basis of the former regional (Ukrainian) experiences.

## FURTHER CONCEPTION



In what follows Republic of Hungary intends to use every effort to take steps to improve its activities in:

reinforcing the regional cooperation in combatting the WMD proliferation,

development of a uniform and effective regional export control policy and practice,

initiating further bi- and multilateral regional meetings and programmes.

# CONCLUSION



Mr. Chair, Ladies and Gentlemen,  
thank you for your flattering attention, I wish you  
and all of us successful work on this meeting.