

# **DEVELOPMENTS IN THE EXPORT CONTROL SYSTEM OF THE MALTESE GOVERNMENT**

**Delegation of Malta**

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In a highly competitive world environment, international trade and investment will flow toward efficient, supportive and facilitative locations. At the same time, it will rapidly ebb away from locations which are perceived by business as bureaucratic and synonymous with high costs. There is an increasing feeling that border controls must not be allowed to serve or be perceived as a barrier to international trade and growth. Yet it is widely upheld that border control agencies must implement new philosophies in the exercise of their legal responsibilities, including the protection of society.

The increasingly complex marketplace is characterized by its vulnerability to certain illicit activities. The huge volume of international trade has given rise to an environment that could promote the proliferation of dangerous goods, dual use items and weapons of mass destruction.

With its imminent accession to the European Union, Malta will find itself on the southernmost extreme border of the EU. At the same time, due to its geographical location Malta will remain at the crossroads of the main cargo shipping routes transiting through the Mediterranean. In this context the delicate balance between trade facilitation and effective control assumes a greater relevance for Malta. Besides adopting enforcement measures that are suitable for its specific circumstances Malta has committed itself to collaborate with international efforts to combat the illicit trafficking and use of sensitive goods and dangerous materials.

Malta has implemented the Dual-Use (Export Control) Regulations on 1 January 2002 in line with EU Council Regulation 1334/2000 and the subsequent amendments. The necessary administrative set-up is in place in order to effectively implement the dual-use regime.

In accordance with Malta's commitment to align with the EU Code of Conduct on arms export, the Military Equipment (Export Control) Regulations have also been enacted as from 1 January 2002. These regulations are being implemented in compliance with the EU Code of Conduct.

Malta participates in the principal forum for EU work at expert level in the area of arms export controls, the COARM Working Group within the CFSP, and has also taken part in meetings between Associate Countries and the EU. These meetings are aimed at expanding the dialogue between the EU and Associate Countries but also serve to stimulate an open exchange of ideas on present and future practices in this field.

Malta's adherence to its international obligations and its willingness to cooperate with other countries to combat proliferation is further evidenced by the signature and ratification of a number of disarmament conventions and protocols including: the Treaty on the Non-Proliferation of Nuclear Weapons, the Biological Weapons Convention, the Convention on Certain Conventional Weapons including its three Protocols, the Chemical Weapons Convention, the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction, and the Comprehensive Nuclear-Test-Ban Treaty (CTBT). Malta has also maintained its contacts with the Missile Technology Control Regime (MTCR).

Malta has expanded its contacts with other countries experienced in the fields of export and transshipment controls. Technical assistance has been mainly provided by the UK and USA.

Maltese officials from the Ministries of Foreign Affairs and Economic Services and from the Customs Department undertook visits to the UK aimed at formulating adequate measures for export control and gaining first hand experience on the processing of export licences.

Malta has benefitted from the USA through the provision of equipment and training. US assistance in the field of combating illicit proliferation of sensitive goods and dangerous materials has been rapidly progressing with each passing year. In 1999 the Maltese Customs Department received radiation detection equipment for installation at the airport and seaports. In

2002 technical assistance and expertise was provided in the field of container tracking and risk analysis. In this connection a Container Monitoring Unit has been established by Malta Customs at the premises of Malta Freeport to risk manage containers transshipping through Malta.

The work of the Container Monitoring Unit has recently been strengthened by further US assistance with the receipt of a mobile Vehicle and Cargo Inspection System (VACIS). Containers can now be targeted for scanning according to various risk criteria. The system uses gamma radiation and high technology equipment and software to provide instant internal images of whole container units as they are driven past the mobile system. The short time taken for evaluation of scanned images ensures that Customs controls have minimum impact on legitimate trade. At the same time this means that larger numbers of container units can be inspected at the major transshipment hub of Malta Freeport. US assistance included comprehensive training programmes for operators and supervisors of the VACIS as well as the services of professional radiation protection advice and instrumentation.

Seminars on export control, illicit trafficking of radioactive and nuclear material and transshipment enforcement practices on weapons of mass destruction have been conducted in Malta by teams of experts from the UK and USA. These seminars were directed at officials from the Ministry for Economic Services, Customs Department, Ministry of Foreign Affairs, Armed Forces of Malta and the Police.

An important development in the local administrative set-up has been the formation of a unit within the Trade Services, Commerce Division in the Ministry for Economic Services to monitor and implement the export control regime with regard to dual-use items and military equipment. Through this set-up, the necessary mechanism is in place in order to effectively implement controls on such exports. The control basically takes the form of licences issued after adequate assurance as to end use has been provided.

The unit is also responsible for fulfilling the obligations of other non-proliferation regimes, including NPT, BTWC and CWC. The statutory instruments empowering this unit to carry out its functions are the Dual-Use Items (Export Control) Regulations and the Military Equipment (Export Control) Regulations. These regulations came into force on 1 January 2002.