

Global Transshipment and Enforcement Seminar

Report to Plenary of Industry Outreach Breakout

Bangkok, Thailand July 18-21, 2006

Key Discussion Items

1. Industry Outreach:

- Governments cannot monitor 100% of exports
- Have to rely on industry to self-monitor through increased awareness and internal compliance programs (*ICPs*)

Key Discussion Items

- Export control authorities can be effective when trade and industry are involved in formulating rules and regulations
- Viewing industry as a valuable partner and informing them of the national security aspect of trade controls helps this process run smoothly and reduces inadvertent transfer of controlled commodities

Key Discussion Items

- Statistically, the majority of export control violations in the United States/Japan/Korea are unintentional
- This shows the need for increased industry outreach efforts, raised awareness, and training to industries (especially for small and medium-sized businesses)

Key Discussion Items

- There is a positive correlation between enhanced trade security (export controls) and trade facilitation. Singapore has reported that its trade has steadily increased while enacting increasingly stringent trade controls
- Information from industry (employees, competitors) is a valuable source of information on export control compliance and possible violations

Key Discussion Items

- There are many different ways to conduct industry outreach: seminars, one-on-one consultations (phone calls, emails, company-specific site visits), publications (online, brochures, annual reports, pamphlets, newsletters), conferences, etc. These efforts can be adapted to fit a country's available resources while fulfilling the necessary outreach goal

Key Discussion Items

2. Developing Capabilities:

- Developments in Information Technology (IT) like websites and email notices are effective ways to reduce demand on small government offices and business resources and can help use scarce resources more effectively
- Developing and using automated application or license processing systems (e.g. Tracker, TradeNet, Strategic Export Control System) to expedite processing

Key Discussion Items

- Having a single point of contact to gather and disseminate information from government agencies (like the Exodus Command Center in the U.S.) can provide a vital link between border/port and licensing officials
- The U.S. experience points to the fact that this point of contact need not be labor or financially burdensome (5 officers currently work in EXODUS Command Center)

Key Discussion Items

- Some countries are using quasi-governmental organizations (like CISTEC in Japan, STIC in Korea) to aid government ministries in staying current on export control revisions to regime control lists, as well as developing toolsets for industry and enforcement for use in strategic trade control

Key Discussion Items

- Because countries often have many agencies involved in the export control/licensing process, inter-agency coordination through working groups and linked information sharing systems has proven to be useful in expediting the process and building consensus
- Creation of an end-use/end-user review capability is vital to effective licensing and enforcement. Many foreign-compiled lists of end-users of concern are readily available on-line
- Industry self-policing (customer screening) is the first line of defense in preventing proliferation