

9TH INTERNATIONAL EXPORT CONTROL CONFERENCE, CAVTAT, CROATIA

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The subject of this conference is a matter of great importance. In a climate of increasing threats to international peace and security, the need for a co-ordinated and effective response is imperative. Export controls are a key element of the European Union's security policy, and in particular of our actions promoting WMD non-proliferation.

The basis of the EU security policy is the European Security Strategy, adopted in 2003, which identifies WMD proliferation as potentially the greatest single threat to Europe's security, also highlighting the particular danger of terrorist groups acquiring WMD. The European Union has therefore adopted another, more specific strategy in this regard, the EU Strategy against the Proliferation of WMD, which sets out concrete actions to be undertaken in this area

The EU Strategy against the Proliferation of WMD *inter alia* notes the potential for misuse of dual-use technology and know-how, and highlights the importance of export controls in slowing the spread of WMD. It makes a commitment to strengthening export control policies and practices both within EU borders and also beyond, in co-ordination with partners.

Two key principles underlie the EU non-proliferation strategy, and are reflected in all actions carried out under the WMD strategy, including in the field of controls on exports of dual-use items:

Multilateralism, i.e., the promotion of international treaties and organisations in the field of non-proliferation. In the area of export controls, support for UNSCR 1540 is of particular significance;

Co-operation. Proliferation is a collective threat, and accordingly the challenges it poses can only be met through cooperative efforts. Again, this highlights the importance of international events like this

History of the EU's Export Control Outreach programme

At the end of 2003 European Parliament proposed financing a Pilot Project to investigate measures by which the EC instruments can support and reinforce CFSP actions against the proliferation of Weapons of Mass Destruction (WMD). In 2004 this proposal led to the establishment by the EU Commission of the first Pilot Project Reinforcing EU Co-operative Threat Reduction Programmes: Community action in support of the EU Strategy Against Proliferation of Weapons of Mass Destruction.

Subsequently, the Commission set up two further Pilot Projects and the EU-Russia-Project, all of which aimed at expanding EU-co-operation with third countries in the field of export controls.

After more than two years of project implementation the conceptual basis for EU-Outreach has been defined, a pool of over 60 EU-experts from 19 EU Member States (MS) has been set up, and a large number of activities has been successfully carried out with partner countries.

Project activities vary substantially in terms of scope and depth from country to country. In terms of contents activities cover some or all of the following five pillars:

- Legal
- Licensing
- Customs
- Outreach to industry
- Interagency co-operation / judicial sector

Our selection of partner countries is guided by the following criteria:

- **Relevance to the EU's foreign policy in general / WMD-strategy**
This might relate to the European Neighbourhood Policy, status as candidate for accession to the EU, or the negotiation in an agreement of a clause covering WMD non-proliferation
- **Need for technical assistance and willingness to cooperate**
- **Existence of EU comparative advantage over other donors**
- **Request for assistance in implementing UNSCR 1540 obligations**
- **Industrial structure and relevance in terms of horizontal proliferation, i.e., status as a transport hub**

To date, partner countries of the EU-Outreach projects have been :

Albania, Bosnia and Herzegovina, China, Croatia, FYROM, Montenegro, Morocco the Russian Federation, Serbia, UAE, and Ukraine.

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Lessons learnt

The lessons drawn during these activities are several:

1. Joint ownership

I would emphasise that we aim not at a technocratic solution, but rather to encourage change in co-operation with our partners. These processes require clarity on both sides, not only on the aims of the process, but also on underlying values. This can only be achieved through joint ownership, leading to the development of needs-driven solutions.

2. Intra-EU-Co-ordination

The EC dual-use Regulation creates a number of legal obligations, but its implementation is left to Member States. Different procedures for implementation in MS are based on different political assessments and have brought about different practical experiences. This gives EU outreach a comparative advantage over many other donors in being able to include in its approach experience from a variety of legal cultures and administrative systems.

3. Flexibility of programmes

Technical assistance programmes require a large degree of flexibility. On the one hand, we need to know our financial commitment, but there is also a need for contractual and budgetary structures which allow for flexible reaction to changes, be it in terms of scarcity of expertise, special political situations in partner countries or other circumstances that are not under the control of programme implementers.

4. Evaluation

Achievements and benefits of outreach activities have to be defined as precisely as possible within the contractual framework.

5. Risks

Project planning and implementation can only be efficient if inherent risks have been properly identified and can be considered

during implementation. Some of the most common risks to be included into planning and preparatory work are the following:

- Frequent government restructuring, lack of clear delineation of duties and responsibilities between federal agencies;
- Reorganisation of the industrial complex and related economic difficulties for companies, creating risks of illegal exports of dual-use material and technology;
- Industry remains unconvinced of the benefits of an efficient export control system, or is deterred by heavy procedures, delays and bureaucratic hurdles;
- Industry and scientific community's relations to the State are marked by caution and suspicion, and the related temptation to perform external economic operations without consideration to the relevant legislation;
- Lack of access and control over territories.

The Way Ahead

So far EU-Outreach activities have involved eleven countries on three continents. Outreach projects complement the general external policy of the EU and promote a key element in security policy, namely efficient export control systems.

In order to achieve sustainable results it is necessary to continue and further expand the efforts undertaken so far. Therefore, the Commission is currently setting up a follow-up program together with BAFA which will ensure the continuation of current project work.

Future programmes will build on our achievements to date, and further develop EU-Outreach concepts in the field of export controls.

This will include the following:

- Consolidating work in the Western Balkans
- Further expanding the geographic scope of activities to key regions where economic development and proliferation risks need to be addressed: for example, the Mediterranean area and Asia

- Capacity building to ensure long-term sustainability
- Inclusion of short-term- and ad-hoc-missions in answer to urgent requests or specific needs

New activities will provide new challenges. It is our firm belief that co-operation with third countries can serve both the legitimate security interests of the EU and of third countries. All parties involved will benefit from insights gained and contacts established in the various forms of co-operation under EU-Outreach.