

Key findings Report
Workshop on “Implementing Strategic Trade Controls”
Naypyidaw, Myanmar, June 28-29, 2017

The Pacific Forum CSIS, with support from the US Department of Energy’s National Nuclear Security Administration (DOE/NNSA) and in collaboration with the Myanmar Institute of Strategic and International Studies (MISIS), held a track-1.5 workshop on “Implementing Strategic Trade Controls” in Naypyidaw, Myanmar on June 28-29, 2017. Some 30 Myanmar government officials, military officers, and experts working on strategic trade controls (STC) attended, all in their private capacity. Led by a team of US, Japanese, Singaporean, and Malaysian government officials and experts, the off-the-record discussions focused on the economic and security benefits of implementing STC, the foundations of a comprehensive trade management system, national experiences in implementing STC, and the role of interagency and government-industry cooperation in STC, among other topics. Key findings from this meeting include:

At its inception, this workshop had set out two goals: 1) help Myanmar officials and experts learn about, or improve their knowledge of, STC; and 2) get a better understanding of Myanmar’s approach, actions, and plans on STC to enable assistance providers to tailor their work adequately. Both goals were achieved, and expectations were exceeded.

Expert presentations were delivered to explain the ins and outs of STC, why they matter, as well as ways to implement them. All were received enthusiastically by Myanmar participants, who in view of the impressive number and quality of their questions and comments exhibited strong interest in learning more about STC, especially how to implement them.

Most of the discussion focused on STC *implementation*. Yet while little time was needed to “convince” Myanmar participants that STC are a must-do, it rapidly became clear that all consider these controls as a tool to help their country become a “good international citizen” and to boost trade and economic development, which is a national priority.

Interest in preventing the proliferation of weapons of mass destruction (WMD) is only seen as a side benefit. Myanmar participants readily acknowledge the reality of the threat, but they see it as a distant threat to their country. Because motives matter, these considerations should not be forgotten when engaging the Myanmar government.

One Myanmar official from the Ministry of Commerce’s Department of Trade gave a presentation on “Myanmar’s National Licensing and Permitting Legal/Regulatory Environment,” laying out specifics on the country’s general trade pattern, the law governing export and import activities, the prohibited and restricted items, and the ongoing trade reforms. Other Myanmar participants complemented the presentation, both in the plenary and in discussions on the margins, stressing that Naypyidaw is working on an overhaul of its legislation and regulations, seemingly as a first step toward STC implementation, which it regards as a next big action item on its to-do list to burnish its nonproliferation credentials.

Despite Naypyidaw's reform efforts, adoption of an STC program by Myanmar will take time. Comprehensive implementation of that program will take even longer, especially given that Naypyidaw is resource-constrained and has multiple (and often higher) priorities. Expecting too much, too soon, therefore, would be a mistake.

While Myanmar officials have moved past the stage of asking *why* they should have an STC program and are now focused on *how* to establish one, they are still in the very initial phases of weighing their options. At present, for instance, they haven't decided whether they will amend their existing law or adopt one comprehensive STC legislation (or several); whether, like Singapore or Malaysia, they will adopt the EU Control Lists or choose other options; or whether they will (and can) create an independent government body to oversee these reforms.

This presents opportunities and challenges. The opportunities are obvious. It is timely to engage Myanmar officials and provide them with advice on ways to implement STC as well as in-depth training, notably on legislation and licensing, which several Myanmar participants explicitly requested during the workshop. Also timely is to plan for the long-term by investing in the education and training of the next generation of STC implementers; identifying/forming current and future "national champions" is critical to expediting and sustaining STC implementation.

There are also challenges. One is to help Myanmar officials without flooding them with information they do not need, or do not need right away. Another challenge is to ensure that the assistance provided is filling a gap and isn't a duplication of efforts; lack of coordination between assistance providers is not an uncommon problem.

The Myanmar government is working with the European Union's Chemical, Biological, and Nuclear Risk Mitigation Centers of Excellence, or EU CBRN CoE, to reform its trade control programs. Few assistance providers know about the work of the EU CBRN CoE in Myanmar, however. Better coordination is required to ensure that Myanmar receives the capacity it needs.

Mapping the STC and broader nonproliferation assistance Myanmar receives is needed to improve efficiency (and identify remaining gaps). The conclusion of a "National Action Plan" by the Myanmar government, under the auspices of UN Security Council Resolution 1540, would also help improve capacity-building efforts.

Next steps. Myanmar is ready to receive more in-depth STC education and training. It also requires assistance to identify the type of STC program that would be best suited to its needs.

Before this work can begin, however, better situational awareness is required, not only of Naypyidaw's specific needs and the assistance it is receiving, but also of the constituencies to engage, both in the Myanmar government (at the political and working levels) and in the private sector. Legwork in these areas is crucial to guide capacity-building efforts and should be a priority.

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