



Implementing Strategic Trade Controls in Continental Southeast Asia

**A Conference Report of the
Workshop on Strategic Trade Controls
By Carl Baker, David Santoro, and John K. Warden**

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Pacific Forum CSIS

Based in Honolulu, the Pacific Forum CSIS (www.pacforum.org) operates as the autonomous Asia-Pacific arm of the Center for Strategic and International Studies in Washington, DC. The Forum's programs encompass current and emerging political, security, economic, business, and oceans policy issues through analysis and dialogue undertaken with the region's leaders in the academic, government, and corporate areas. Founded in 1975, it collaborates with a broad network of research institutes from around the Pacific Rim, drawing on Asian perspectives and disseminating project findings and recommendations to opinion leaders, governments, and members of the public throughout the region.

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The views expressed here represent personal impressions and reflections of the program participants as interpreted by the rapporteurs; they do not necessarily represent the views of the relevant governments, or the co-sponsoring or parent organizations and institutes. Comments regarding specific presentations reflect the rapporteurs interpretations of actual comments made. As such, they should not be directly attributed to the individual presenters.



Key Findings and Next Steps

The Pacific Forum CSIS, with support from the US Department of State's Export Control and Related Border Security Program and in collaboration with the Cambodian Institute for Cooperation and Peace, held a workshop on strategic trade controls in continental Southeast Asia in Phnom Penh, Cambodia, on Sept. 24-25, 2015. Some 40 Cambodian, Laotian, Myanmar, Thai, and Vietnamese experts, officials, military officers, and observers attended, all in their private capacity, along with about 15 individuals from the broader Asia-Pacific and the United States and Europe. The off-the-record discussions focused on international trade and strategic goods, the core components of an effective system of strategic trade controls, the role of national legislation, control lists and licensing procedures, detection and enforcement, interagency coordination and industry outreach, and capacity-building and assistance. Key findings from this meeting include:

Managing the flow of strategic goods in Southeast Asia will be increasingly important over the next decades. Many industrial sectors that are showing growth as economies in the region expand have dual-use potential and the major transshipment points in the region are tempting targets for trafficking networks. To better prevent proliferation and terrorism, emphasis should be placed on developing national strategic trade management programs as growth occurs rather than adapt regulatory measures and organizational arrangements after these sectors are more mature and shipping patterns are established.

Creating political will to jump-start a national strategic trade control program is crucial. Implementing strategic trade controls should not be portrayed as an onerous task. States should be encouraged to adopt simple yet comprehensive legislation and use the EU Control Lists as a starting point for determining what goods are involved.

Continental Southeast Asian participants recognized the value of strategic trade controls and were in general agreement that implementing them is in their interests. In addition to the nonproliferation benefits, they appreciate that implementing such controls will enable them to reap important economic benefits associated with integration into the international supply chain for high technology products.

Given Southeast Asia's focus on facilitating trade, emphasis should be placed on including familiar features such as the EU control lists in strategic trade control programs. While Southeast Asian states should tailor the EU lists to fit their needs, using them as a starting point saves time and resources and provides a common basis for risk assessments by private sector companies.

In promoting the benefits of implementing strategic trade controls in Southeast Asia, it is important to highlight the side benefits. Two areas of particular interest are facilitating regional market integration as part of the ASEAN Economic Community (AEC) and building capacity and expertise to combat illicit trafficking.

Implementing strategic trade controls is best done by establishing a single, nodal agency that coordinates all relevant national stakeholders, as was done in the case of Malaysia. It is also important to remember that implementing strategic trade controls is a dynamic process. Regular updates to control lists are needed as technologies evolve and spread. For example, the increase of intangible technology transfers and the emergence of 3D-printing on a worldwide scale will demand significant changes of common practices.

Continental Southeast Asian participants stressed that they lack, and would like to receive, capacity to implement strategic trade controls. Fortunately, there is a significant amount of assistance programs available. The problem is that it is often difficult to know which donor to approach. Continental Southeast Asian states can help the process by clearly identifying their national needs and making specific requests.

UN Security Council Resolution 1540 is often viewed as a requirement to provide lists of existing laws and regulations related to control of WMD-related materials. A better approach would place emphasis on providing a comprehensive description of strategic trade controls programs that includes all activities intended to regulate the flow of strategic goods (control lists, licensing requirements, customs efforts, information sharing, and enforcement activities).

Regular training of strategic trade controls stakeholders is important for enforcement activities. Engagements like this dialogue where experts and practitioners can share insights and articulate needs are needed. Because sustainability is an issue, e-courses and e-learning should also be developed to continuously train people at reduced cost.

Regional cooperation on strategic trade controls should be strengthened. Universal implementation of strategic trade controls in ASEAN would eliminate weak links that proliferators seek to exploit. With the establishment of the AEC, implementing national-level controls is a critical first step to fully realize the regional economic integration envisioned in the AEC blueprint. States in the region must find ways to share information about product specifications and trafficking networks.

Participants had different views about the extent to which strategic trade management should be a part of the ASEAN Single Window. Some thought it would help solidify trade controls in the region, while others argued it would be too much of a hassle. All thought success or failure would depend on the specific ways in which strategic trade management principles were integrated into the AEC. This is an area for future study.

Conference Report

By Carl Baker, David Santoro, and John K. Warden

Implementation of strategic trade controls (STC) lags behind in continental Southeast Asia. To help raise awareness of STC benefits in this region, the Pacific Forum CSIS, with support from the US Department of State's Export Control and Related Border Security (EXBS) Program, held a workshop in Phnom Penh, Cambodia, on Sept. 24-25, 2015. Some 40 Cambodian, Laotian, Myanmar, Thai, and Vietnamese experts, officials, military officers, and observers attended, all in their private capacity, along with approximately 15 individuals from the broader Asia-Pacific region and the United States and Europe. The off-the-record discussions focused on international trade and strategic goods, the core components of an effective STC system, the role of national legislation, control lists and licensing procedures, detection and enforcement, interagency coordination and industry outreach, and capacity-building and assistance. The following report reflects the views of the authors alone and not necessarily those of the EXBS program or any other US government agency.

International trade and strategic goods

The term "strategic goods" refers to products of military or weapons of mass destruction (WMD) significance. These products can be technology, knowledge, equipment, materials, software, or other relevant parts and components. Specifically, they include military materials (weapons and related production facilities, firearms, combat vehicles, missiles and rockets, as well as auxiliary military equipment) and dual-use materials, i.e., materials that have both military and non-military applications.

Controlling the movement of strategic goods is important because proliferation, i.e., the spread of strategic goods and technology allowing the manufacture of WMD, is des-stabilizing. It is a threat to Southeast Asia, especially as regional countries are building up increasingly capable technologies. The region also includes numerous transshipment points, which proliferators may seek to exploit if they are seen as having poor control over goods being moved through them. As a consequence, it is important that Southeast Asian states develop effective STC and cooperate to enforce them.

Many global high-tech companies are increasingly starting to address STC-related considerations when they contemplate doing business in a new country. First, they want to know if that country has an STC system in place and, if so, the level of maturity of that system. They may also want to understand if the local control lists are similar to those that they are already familiar with (e.g., the control lists used by the European Union and/or the United States). Other specific considerations include whether there are local controls on "intangible transfers" (i.e., non-physical movements, such as electronic transfers) of software and technology, "deemed exports," brokering, and other trade-related activities. States looking to establish or enhance their STC systems while also attracting investment in high tech sectors should be prepared to respond to these types of questions and provide effective, consistent guidance to industry.

Managing the flow of strategic goods in Southeast Asia will be increasingly important over the next decades. Many industrial sectors that are showing growth as economies in the region expand have dual-use potential and the major transshipment points in the region are tempting targets for trafficking networks. To better prevent proliferation and terrorism, emphasis should be placed on developing national strategic trade management programs as growth occurs rather than adapt regulatory measures and organizational arrangements after these sectors are more mature and shipping patterns are established.

Understanding strategic trade controls

STC can be defined as efforts to regulate the transfer or trade of items that have civilian uses but can also be used to produce or deliver WMD and other conventional defense-related items. STC serve as a deterrent to WMD acquisition efforts. They help delay the efforts of proliferators by interdicting illegal transfers of controlled goods, materials, and technologies. STC also serve as a source of information on possible WMD activities. They buy time for diplomatic efforts to prevent the development of WMD programs, and help strengthen nonproliferation norms. That being said, STC cannot stop a determined proliferator. They are one of the many tools that exist to stem proliferation. Also significant is that STC *facilitate* high-tech trade by building trust among trading partners, as explained in the study “Assessing the Economic Impact of Adopting Strategic Trade Controls (2010), accessible here: http://cits.uga.edu/uploads/documents/Jones-Karreth_Study.pdf

The key international framework for STC implementation is United Nations Security Council Resolution (UNSCR) 1540 (2004), which imposes far-reaching, legally binding obligations on all UN member states to take a series of steps to prevent WMD from getting into the hands of non-state actors. Per UNSCR 1540, a comprehensive STC system should include a legal basis, licensing procedures, enforcement measures, and strong government-industry relations. A related requirement is for states to be parties to and comply with the main international nonproliferation instruments.

More specifically, an STC licensing system needs to be supported by legislation that provides legal authority to agencies that control all activities and items related to trade and transfers of sensitive dual-use goods. These agencies also review and issue licenses and identify end-users. Establishing a licensing system also requires drawing up control lists, which need to be regularly updated. Implementing an STC system requires a strong interagency coordination process to ensure that all relevant agencies work together. In the event of noncompliance or violation, enforcement of laws and regulations is critical. And because STC operate at the crossroads of government and industry, it is also essential for states to develop strong public-private partnerships.

Malaysia’s 2010 Strategic Trade Act is comprehensive and includes controls on trade-related activities, strategic items, and end-use and end-users. This is done through issuance of permits, pre-registration of exporters/brokers and other relevant parties at the company level, mandatory pre-shipment customs declarations, and post-shipment

delivery verification statements. Controls on trade-related activities apply to listed and unlisted goods (catch-all), as well as exports, transit, transshipment, brokering, technical assistance, and intangible technology transfers and software. Significantly, this has facilitated the design, development, and production of high-tech goods in Malaysia. Control requirements for strategic items are determined using EU control lists for military and dual-use items, which Kuala Lumpur has adopted as the baseline for its STC program. All transactions involving strategic items (irrespective of destination) also require an end-user statement regarding the intended use of strategic items. 95 percent of all transit and transshipped strategic items, however, are exempted from applying for permits, except when the destination is listed as North Korea, Iran, Congo, Ivory Coast, Lebanon, Sudan, Afghanistan, Iraq, Liberia, Rwanda, Somalia, Eritrea, and Libya. There cannot be any exemptions for a transshipment permit for military items, nuclear reactors, gas centrifuge plants, uranium, toxic chemicals, and human pathogens. Malaysia also applies controls through several permits, by pre-registration, at the company level (through the use of internal compliance programs), and at pre- and post-shipment.

In addition to being a state party to all relevant nonproliferation instruments, Cambodia has implemented a number of laws and regulations that prohibit WMD, control weapons, explosives, and ammunitions, combat counter-terrorism, and gives detection and enforcement power to customs agencies. Government agencies involved in implementing these controls include the Ministry of Economy and Finance's General Department of Customs and Excise, the Ministry of Commerce's General Department of Cambodia Import Export Inspection and Fraud Repression, the Ministry of National Defence's National Authority for the Prohibition of Chemical, Nuclear, Biological, and Radioactive Weapons, and the Secretariat National Counter-Terrorism Committee. Officials from these agencies are regularly attending education and training courses at home and internationally.

Several STC experts stressed that creating political will to jump-start a national strategic trade control program is crucial. Implementing strategic trade controls, as a consequence, should not be portrayed as an onerous task. States should be encouraged to adopt simple yet comprehensive legislation and use the EU Control Lists as a starting point for determining what goods are involved.

National legislation

The Philippines has, in recent years, made progress in drafting national STC legislation. Last August, the proposed Philippine Strategic Trade Management Act (STMA) was passed in both the Senate and House of Representative. Senate Bill Number (SBN) 1866 "An Act Regulating the Proliferation of Strategic and Dual-Use Goods and Services, Providing Penalties for their Violation and for Other Purposes" was substituted with SBN 2762 "An Act Preventing the Proliferation of Weapons of Mass Destruction by Managing the Trade in Strategic Goods, the Provision of Related Services, and for Other Purposes."

In contrast to SBN 1866, SBN 2762 uses less technical language and presents STC as supporting efforts to counter terrorism, control crime, and safeguard public safety. It also highlights state policy that the Philippines must be free of WMD, that Manila will meet its international nonproliferation obligations (as enshrined in UNSCR 1540), and that it will promote economic growth by facilitating trade and investment through responsible management of strategic goods and related technology. SBN 2762 also proposes to set up a publicly available National Strategic Goods List. The central authority managing the STMA will be the National Security Council's Strategic Trade Management Committee. The Strategic Trade Management Office, which would be under the administrative supervision of the Department of Trade and Industry, will serve as the executive and technical agency, i.e., it will be responsible for establishing management systems for controlling trade of strategic goods. Within six months of STMA's adoption, its "Implementing Rules and Regulations" (IRR) are to be drafted, although non-issuance of the IRR shall not prevent the law from coming into force.

In Thailand, licensing agencies include the Defence Ministry's Defence Industrial Department, the Ministry of Industry's Department of Industrial Works, the Ministry of Public Health's Department of Medical Sciences, the Ministry of Science and Technology's Office of Atoms for Peace, the Office of the National Broadcasting and Telecommunications Commission, and the Ministry of Commerce's Department of Foreign Trade. Thailand's enforcement agency is the Ministry of Finance's Customs Department. Its control list is based on the EU lists.

Between 2012 and 2014, the Committee on Export Administration of Dual-Use Items worked to enhance Thailand's trade management system, establishing a subcommittee on National Control List and Licensing System for Dual-Use Items and a subcommittee on Laws and Regulations under the auspices of the Ministry of Commerce. This year, these subcommittees were renamed the Subcommittee on dual-use items identification and risk assessment and the Subcommittee on driving STC integration. They are drafting a ministerial notification on dual-use items, developing an e-management system for dual-use items, and coordinating all relevant agencies. The long-term goal is to draft a specific law for WMD-related items.

China's STC legislation is a three-tier system of laws passed by the People's Congress, administrative regulations developed and promulgated by the State Council, and government decrees developed and promulgated by specific government agencies. The most important legal basis for STC in China is the Foreign Trade Law, although additional, complementary laws are being drafted.

China has separate laws and regulations to manage nuclear, biological, chemical, and missile, as well as other weapon types more generally. Still, the same principles apply: all exporters of sensitive items and technologies must be registered with the competent departments of the central government, exports are only allowed when a license is granted, and an exporter of sensitive items and technologies is required to provide a certificate identifying the end-user and end-use issued by the end-user that imports them.

In the nuclear field, China's control list is the same as the ones used by the Zangger Committee and Nuclear Suppliers Group. Similarly, in the biological and chemical fields, China's list is the same as the one used by the Australia Group. China's missile list also conforms to the Missile Technology Control Regime. The Chinese system includes catch-all provisions and includes administrative and criminal penalties for violators.

China's key STC legal authorities include the Ministry of Commerce, the Ministry of Foreign Affairs, the Ministry of Industry and Information Technology, the China Atomic Energy Authority, and the General Administration of Customs, among others. Of note, in 2014, the Ministry of Commerce's Bureau of Industry, Security, and Import and Export Control was established to oversee all STC affairs. It is responsible for China's STC system and for drafting, promulgating, and adjusting the list of dual-use items and technology.

Control lists and licensing procedures

A country's control list provides the foundation of a national STC system by defining what items and technologies are under the scope of control. It provides an evolving framework for identifying items and technologies that may represent security threats.

An effective list provides comprehensive coverage (over dual-use items and technologies and military items), covers not only strategic items but also how they are produced, and must be regularly updated to keep pace with technological innovation and commercial trends. Significantly, the emergence of 3D printing will demand important changes of common practices since this manufacturing technique involves the transfer of potentially sensitive technical data that may be restricted. The control list is created through extensive coordination between industry, technical experts, and policymakers, as well as on the basis of requirements of or recommendations by a number of key international bodies. The EU control lists have emerged as a way to meet international good practices because they combine the lists of the four main multilateral export control regimes. Moreover, they are well-known by governments and industry and widely accepted as meeting international standards.

Good practices on control list management include enshrining lists in STC regulations rather than laws so that they can be easily amended on the basis of EU list and multilateral export control regime updates. This approach facilitates timely publishing and promoting the updated list to keep industry aware of changes. When designing a licensing system, it is also important to keep in mind that it needs to be tailored to specific national needs. To make them effective and efficient, it is often best if a single agency takes the lead in issuing STC licenses. Using an electronic licensing system can also help the licensing process considerably. And establishing an effective interagency for obtaining input into licensing decisions is important to ensure that all relevant agencies have a say in the process.

There are a variety of licenses that can help facilitate the process. The most common variable is to provide different licenses based on the number of transactions. There can be single licenses, bulk licenses, and multiple licenses depending on the number of products being produced and the proven reliability of the particular manufacturer. Licenses also vary according to the scope of control, i.e., whether they deal with exports, imports, transit and transshipment, brokering, or financing.

Finally, linkages should be established between licensing and internal compliance programs to help better detect and enforce STC. Effective industry outreach and internal compliance programs help minimize the occurrence of unintentional violations, which should be differentiated from intentional violations.

A key takeaway from the discussion was that given Southeast Asia's focus on facilitating trade, emphasis should be placed on including familiar features such as the EU control lists in strategic trade control programs. While Southeast Asian states should tailor the EU lists to fit their needs, using them as a starting point saves time and resources and provides a common basis for risk assessments by private sector companies.

Detection and enforcement

A delicate balance is needed between increasing trade flows and strengthening STC. While focusing on the former without the latter invites proliferation activities, implementing too much of the latter without consideration of the economic impact can also be detrimental to economic development. Fortunately, there are ways to increase trade traffic while implementing checks to detect violations. This includes developing clearly defined penalties, imposing criminal charges and trade restrictions on violators, conducting regular end-use checks, and being cognizant of "red flags." More important, the agencies responsible for detection and enforcement should be given adequate authority and resources to execute their roles. Finally, because proliferation is a transnational problem, strengthening international cooperation is essential to improve STC detection and enforcement.

In Vietnam, the Ministry of Finance's General Department of Customs is responsible for detection and enforcement of trade controls. It includes 13 administrative departments, 4 subordinate department, and 34 local customs departments. Vietnam Customs is responsible for inspecting and supervising goods and their transport, preventing and combating smuggling and the illegal transport of goods across borders, organizing the implementation of tax laws applicable to imported or exported goods, compiling statistics on imported and exported goods, and making proposals for state policies. Vietnam Customs has used increasingly modern equipment to detect violators and, when violations are detected, administrative or criminal charges are imposed. Capacity, however, is lacking in Vietnam, making detection (and enforcement) difficult.

In Cambodia, law enforcement agencies include the country's Customs Agency, the Cambodia Import/Export Inspection and Fraud Repression Directorate General (CamControl), and the border police. To improve its commitment to combat proliferation,

the National Authority for the Prohibition of Chemical, Nuclear, Biological, and Radiological Weapons plans to install 18 new border checkpoints. Yet for proper detection and enforcement, technical and detection equipment is needed, as well as staff education and training. While Cambodia is committed to developing a high-level STC regime, it is, like Vietnam, lagging behind because of a lack of capacity.

Regular training of strategic trade controls stakeholders, therefore, is important for enforcement activities. More engagements like this dialogue where experts and practitioners can share insights and articulate needs should be held. Because sustainability is an issue, e-courses and e-learning should also be developed to continuously train people at reduced cost.

Interagency coordination and industry outreach

When developing a national STC program, establishing a strong interagency decision-making process is paramount. It gives the government the ability to speak with one voice while allowing all relevant stakeholders to have a say and it prevents one single agency from having a monopoly on decision-making. The downside is, however, that it is usually a time-consuming process. In the United States, the agencies involved in that process include the Operating Committee, the Advisory Committee on Export Policy, the Export Administration Review Board, and the President's Office. The intent is to resolve issues at the lowest level possible to expedite the decision making process.

STC implementation is a multi-agency effort. The components of interagency collaboration include, among others, licensing review, control list review, transactional review, intelligence sharing, awareness outreach, expert knowledge, investigation, and enforcement. It is best conducted when the roles and responsibilities of each agency and the hierarchy of input and output are clearly identified. For more effective and efficient processing, it is important to have one nodal agency for all items on the control list.

With regard to industry outreach, information dissemination by the relevant government agencies is essential, be it through the publication of regular updates, awareness briefings, or public consultations or outreach sessions. Providing user-friendly e-resources is also important. Another way to strengthen public-private partnerships is to conduct specialized forums and seminars, and organize expert exchanges. Finally, enhancing capacity building is central to this exercise.

Capacity building and assistance programs

Japan's Ministry of Economy, Trade, and Industry, which is responsible for implementing STC, regularly organizes international outreach activities for governments and industry, and gives advice on internal compliance programs. It also holds seminars for industry and academia in Japan and outreach seminars outside Japan. They include the Export Control Seminar (which looks at general trends in the field), the Seminar on Legal Revision (which provides explanations on recent revisions of related laws and regulations), the Asia Export Control Seminar (which includes paper presentations on

various STC topics and foster expert networking), and the Joint Industry Outreach Seminar (which is conducted outside Japan and focuses on a range of topics in addition to raising awareness about the importance of STC). A number of Japanese nongovernmental organizations are also deeply involved in building STC capacity. This is the case of Japan's Center for Information on Security Trade Control (CISTEC), which conducts seminars and provides education and training on STC, the Japan Machinery Center for Trade and Investment, which also holds regular STC meetings, the Japan Foreign Trade Council, which holds a monthly "Security Trade Control Committee" meeting as well as working group meetings, or KEIDANREN (the Japan Business Federation), which seeks to establish consensus in the business community on a variety of key domestic and international issues, including STC.

Many other STC capacity building programs exist. The European Outreach Programme has a specific program to provide STC education and training to all Southeast Asian states. Similarly, many US programs offer STC capacity, including the Department of Energy's International Nonproliferation Export Control Program, the Department of State's Export Control and Related Border Security Program, as well as the Department of Commerce, the US Customs and Border Protection Office, and others. US and UK nongovernmental organizations, such as the Verification Training, Research, and Information Centre (known as VERTIC), Project Alpha, the University of Georgia's Center for International Trade and Security, and the Pacific Forum CSIS also offer training workshops and programs on STC. This is to add to multilateral programs run by the ASEAN Regional Forum, the Australia Group, the UNSCR 1540 Committee, the World Customs Organization, or the Proliferation Security Initiative, among others.

During the discussion, continental Southeast Asian participants stressed that they lack, and would like to receive, capacity to implement strategic trade controls. Fortunately, there is a significant amount of assistance programs available. The problem is that it is often difficult to know which donor to approach. Continental Southeast Asian states can help the process by clearly identifying their national needs and making specific requests.

UNSCR 1540 is often viewed as a requirement to provide lists of existing laws and regulations related to control of WMD-related materials. Yet a better approach, particularly for states seeking to obtain capacity, is to place emphasis on providing a comprehensive description of strategic trade controls programs that includes all activities intended to regulate the flow of strategic goods (control lists, licensing requirements, customs efforts, information sharing, and enforcement activities).

General observations, conclusions, and next steps

In promoting the benefits of implementing strategic trade controls in continental Southeast Asia, it is important to highlight the side benefits. Two areas of particular interest are facilitating regional market integration as part of the ASEAN Economic Community (AEC) and building capacity and expertise to combat illicit trafficking. Continental Southeast Asian participants recognized the value of strategic trade controls

and were in general agreement that implementing them is in their interests. In addition to the nonproliferation benefits, they appreciate that implementing such controls will enable them not only to reap important economic benefits associated with integration into the international supply chain for high technology products, but also to better combat other forms of illicit trafficking.

Regional cooperation on strategic trade controls should be strengthened. Universal implementation of strategic trade controls in ASEAN would eliminate weak links that proliferators seek to exploit. With the establishment of the AEC, implementing national-level controls is a critical first step to fully realize the regional economic integration envisioned in the AEC blueprint. States in the region must find ways to share information about product specifications and trafficking networks.

Yet participants had different views about the extent to which strategic trade management should be a part of the ASEAN Single Window. Some thought it would help solidify trade controls in the region, while others argued it would be too difficult to implement. All thought success or failure would depend on the specific ways in which strategic trade management principles were integrated into the AEC. This is an area for future study.

APPENDIX A



**Council for Security Cooperation in the Asia-Pacific
Workshop on Strategic Trade Controls in
Continental Southeast Asia
Sokha Phnom Penh Hotel, Cambodia, Sept. 23-25, 2015**



AGENDA

Wednesday, September 23, 2015

18:30 Opening Dinner

Thursday, September 24, 2015

8:15 Registration

8:45 **Welcome Remarks**
H.E. Amb. Pou Sothirak
Carl Baker

9:00 **Session 1: International Trade and Strategic Goods**
This session will focus on what strategic goods are and how they are traded. What is a strategic good? What are the broad categories of strategic goods? How are they identified? What is dual-use technology? Why are these goods and technologies protected? What impact does this protection requirement have on business decisions regarding production and shipment of these goods? What is illicit trafficking? What are proliferation networks? How do they operate? Why are they worrisome?

Presenters: Stephanie Lieggi
 Kentaro Ide

10:30 **Coffee Break**

10:45 **Session 2: Strategic Trade Controls – An Overview**
This session will give an overview of strategic trade controls. What are the core components of an effective system of strategic trade controls? What impact do these controls have on trade and economic development? What relevance is UN Security Council Resolution 1540 to the development of a strategic trade control program?

Presenters: Anupam Srivastava
 Mohamed Shahabar Abdul Kareem
 Pheakdei Mauk

12:15 **Lunch**

- 13:30 **Session 3: National Legislation**
This session will explore the role of national legislation in implementing strategic trade controls. What are the key legal authorities associated with strategic trade controls? What are the best practices in developing national legislation? What are the key obstacles to developing new legislation?
Presenters: Karla Mae Pabelina
 Akepop Vearasilp
 Guo Xiaobing
- 15:00 Coffee Break
- 15:15 **Session 4: Control Lists, and Licensing Procedures**
This session will examine issues related to control lists and licensing procedures. What are the key elements of an effective regulatory framework for developing control lists and ensuring the licensing process is efficient and effective? What have countries done to streamline licensing procedures? What role do internal compliance programs play in the licensing process?
Presenters: Bryan Early
 Khin Moe Aye
- 17:00 **Session Adjourns**
- 18:30 **Dinner**

Friday, September 25, 2015

- 9:00 **Session 5: Detection and Enforcement**
This session will focus on the role of detection and enforcement. What are the primary mechanisms used to detect violations? What mechanisms are best for dealing with violators? What is the relationship between detection and enforcement? What good practices have been identified in implementing such measures?
Presenters: Chin-Hao Huang
 Nguyen Thi Bich Thien
 Pich Chan
- 10:15 Coffee Break
- 10:30 **Session 6: Interagency Coordination and Industry Outreach**
This session will explore the role of interagency coordination and industry outreach in adopting and implementing strategic trade controls. What are the key agencies involved in the establishment and operation of strategic trade controls? What are the main factors that determine the composition of the interagency group? How have other states managed the coordination process? How have they reached out to the private sector?

Presenters: George Tan
Mi-Yong Kim

11:45 Lunch

13:00 **Session 7: Capacity-Building and Assistance Programs**

This session will focus on capacity-building and assistance programs available to help states adopt and implement strategic trade controls. Who are the main donors? What are their programs? How can states interested in these programs reach out to donors?

Presenters: Hisashi Riko
Nick Gillard

14:15 Coffee Break

14:30 **Session 8: Wrap-Up, Concluding Remarks, and Next Steps**

This session will summarize the meeting's key findings and reflect on next steps for better adoption and implementation of strategic trade controls by continental Southeast Asian states.

15:30 **Meeting Adjourns**

APPENDIX B



**Council for Security Cooperation in the Asia-Pacific
Workshop on Strategic Trade Controls in
Continental Southeast Asia**

Sokha Phnom Penh Hotel, Cambodia, Sept. 23-25, 2015



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