



CENTRE FOR SECURITY COOPERATION
Cooperative and Security Environment with Focus on Arms Control Pillar

“Customs Procedures and Licensing Issuance: Integrating the National Processing of Dual Use Goods and Conventional Weapons through Information Sharing”
CSE-07-W

EXTERNAL REPORT

Background

Pursuant to RACVIAC 2011 Programme, the Cooperative and Security Environment with Focus on Arms Control Pillar organized and carried out the workshop on “Customs Procedures and Licensing Issuance: Integrating the National Processing of Dual Use Goods and Conventional Weapons through Information Sharing ” (CSE-07-W). The workshop, the first RACVIAC activity dedicated to this topic, was co-organized with the OSCE Conflict Prevention Centre.

The purpose of the workshop was to provide participants with extensive knowledge on the best practices in the field of processing dual-use goods and conventional weapons in use within the region and to raise awareness of the types of conventional weapons movements to be expected in transit to and from neighboring countries.

Objectives were:

- To provide a concrete follow-up to the January 2011 Workshop on OSCE Efforts to Implement UNSCR 1540 by offering practitioners the possibility to exchange best practices and benefit from each others’ experience in addressing the strategic trade complexities from the facilitation, enforcement and risk analysis perspectives;
- To promote the guidance and intent of the Forum for Security Co-operation Decision No. 7/09, titled *Decision on best practice guide on United Nations Security Council Resolution (UNSCR) 1540 on Export Controls and Transshipment*;
- To promote the full implementation of the OSCE Document on SALW (2000) to fight the trafficking of illicit SALW through enhanced co-operation and information sharing of customs agencies at the regional level;

- To meet the commitments of the OSCE Border Security and Management Concept (MC/DEC 02/05) by offering technical experts the opportunity to discuss the necessary sharing of information on all levels of the strategic trade / dual-use corridors so as to establish effective intra-agency, inter-agency and international co-operation;
- To share OSCE participating states’ expertise on processes, information sharing and accountability pertaining to the movement of controlled small arms, light weapons and dual-use goods along and among the trade/transport pathways;



Workshop participants

Venue, duration and participation

The workshop was held at RACVIAC - Centre for Security Cooperation, from 24 to 27 October. It was organized as a four-day event, (three working days) and it gathered a total of 64 participants. It was conducted with the assistance of lecturers, independent consultants and special experts from: SEESAC (1), Albania (2), Croatia (1), the United Kingdom (2), France (1), Germany (3), Switzerland (1), Turkey (1) and the USA (2). The participants represented the following SEE countries: Albania (4), Bosnia and Herzegovina (4), Bulgaria (4), Croatia (8), Greece (3), former Yugoslav Republic of Macedonia* (4), Montenegro (2), Romania (3), Serbia (4) and Turkey (4). They

were mainly customs service risk analysts, customs service field supervisory senior level inspectors and licensing officials from the issuing offices of SEE national authorities dealing with customs procedures and licensing issuance.



Workshop Opening: Director of RACVIAC Ambassador Nikola TODORCEVSKI and Mr Mathew GEERTSEN, Head of FSC Support Section, OSCE, Conflict Prevention Centre

The event was carried out as a capacity-building workshop comprising introductory topical presentations, facilitated discussions and national presentations. The workshop was designed with the aim of sharing expertise, opinions and lessons learned, identifying problems and finding possible solutions, as well as exploring the way ahead. It also provided a favorable environment and atmosphere for valuable and focused discussions.

Acknowledgements

RACVIAC wishes to take this opportunity to express sincere gratitude to the OSCE Conflict Prevention Centre for its genuine support which made this activity possible.

The Execution

The opening session started on 25 October 2011 with the welcome remarks by HE Ambassador Nikola TODORČEVSKI, RACVIAC Director, followed by an address by Mr Mathew GEERTSEN, Head of FSC Support Section, OSCE, Conflict Prevention Centre. Both of them emphasized that Small Arms and Light Weapons (SALW) and conventional weapons still pose significant hazards to people, the environment and the security of countries. Intra-agency, inter-agency and international

information sharing and co-operation are cornerstones of the OSCE efforts to enhance multi-dimensional border security and management regimes. Linking these efforts to particular agencies within a nation and among neighboring nations reinforces mutually desired initiatives. Therefore, RACVIAC and the OSCE Conflict Prevention Centre joined forces to bring together officials from customs services and strategic goods licensing authorities in SEE to examine the criticality of knowing each other and the commonality of their duties when processing movements of small arms and light weapons and the commodities which have been designated by their national authorities as “dual-use” or controlled goods.



Attending the Workshop (first day)

During the 1st working day (Session I-II: role of licensing in fighting proliferation and intelligence or information driven risk management systems), the following topics were presented:

- *Do we know what proliferation looks like* by Mr Renaud CHATELUS, Independent Consultant, UNODC. The speaker examined the nexus of licensing and enforcement, and where proliferators and illicit arms dealers in the movement of commodities and arms have exploited it.
- *Licensing of Controlled and Dual-Use Goods* by Mr Kai Kristian KIESSLER, Federal Office of Economics and Export Control, BAFA, Germany. The speaker addressed today's world of licensing the movement of controlled commodities and arms, and the relationship to international counter-proliferation efforts and requirements.
- *End Use Controls: Pre-delivery checks/Post-delivery checks* by Mr James BEVAN, Independent Consultant and Mr Don PEARCE, Regional Export Control Officer, U.S. Singapore. As national licensing protocols require end use controls and may prevent the delivery of such goods entirely, the speakers

used case studies and examples to highlight the effectiveness of different licensing control methods.

- *Reporting and Information Exchange* by Mr Mike LEWIS, Independent Consultant Researcher, Arms trafficking and human security. The speaker demonstrated the significance of agreements through which states share information specific to transactions and accountability of small arms and light weapons, drawing attention to the fact that interaction by way of existing information sharing systems that track illicit movements might be tailored to the legitimate trade transactions.
- *What Risk Indicators are Available and Useful in Licensing* by Mr Kai Kristian KIESSLER. The speaker guided the workshop into a discussion on a how a collective assessment of risk by licensing officials and associated technical advisors can be effective in drawing a larger picture for all stakeholders in the risk management system.
- *Intelligence or Information Driven Risk Management and its Role in Counter-Proliferation* by Ms Ljiljana LEPOTINEC, Head of Section of Export Control of Dual Use Goods, Ministry of Finance, Croatia. The speaker examined today's approaches to risk management and the application of the system in counter-proliferation and combating illicit arms trafficking.

During the 2nd working day (Session III-IV: profiling the risk in proliferation and targeting – interception), the following topics were presented:

- *Customs Clearance/Strategic High-Tech Identification: The Supporting Role of the Licensing Authority* by Ms Ulrike BEHRNS, Federal Office of Economics and Export Control, BAFA, Germany. The speaker outlined the supporting role of the Licensing Authority in identifying strategic goods on different levels for customs and presented the customs role and the procedures at customs clearance in Germany, highlighting that an effective risk management as well as information exchange are essential tools for the systematic identification of risk.
- *Regional Profiling and Targeting – Sharing Transactions* by Mr Diman DIMOV, Team Leader, South Eastern and Eastern Europe Clearinghouse for the Control of Small Arms and Light Weapons (SEESAC). The speaker presented the experiences and good practices of one regional cooperative specific to the

proliferation and arms trafficking risks, offering ideas on how others may benefit through this type of information exchange.

- *What Information does the Customs Agency need for Counter Proliferation Enforcement* by Mr Juergen BOEHLER ROYETT, Head of Export Controls / Industrial Products (Dual-use), Swiss State Secretariat for Economic Affairs SECO, Switzerland. The speaker examined today's enforcement side risk assessments and how to ensure the flow of legal trade and the identification of illicit trade.
- *A presentation of the United Nations Office on Drugs and Crime programme for WCO Container Control* by Mr Renaud CHATELUS. The speaker presented the UN Programme aimed at anticipating the illegal goods trafficking by checking containers that are usually checked only in a small part.
- *The Risk Matrix and Proliferation* by Ms Myriam RAMELLA, Official of Export Control Unit, Ministry of Economic Development, Italy. The speaker addressed methods and examples of constructing a risk matrix that is specific to the potential risks of proliferation and illicit end use.



Attending the workshop (second day)

- *Technical Advice for Customs Officers* by Mr Juergen BOEHLER ROYETT. The speaker presented different ways of technical support for customs and licensing officers (laboratories, cooperative agreements with technical institutions and companies), examining the questions that may be raised on the roles of agencies and institutions in such technical support systems.
- *Officer Safety – Is Personal Worry Stopping Interceptions* by Mr Craig OLSON, EXBS Adviser to Serbia, Montenegro and Bosnia/Herzegovina, State Department, USA. The speaker drew attention to the risks and realities of detecting and inspecting dangerous cargoes by customs officers.
- *Risk Ownership – Spreading the Wealth* by Mr Jon TRUMBLE, Customs Adviser, OSCE Conflict Prevention Centre. The

speaker addressed the topic of risk ownership and how a healthy system of participation from all levels of the customs and licensing agencies could be achieved.

The end of the 2nd day and the 3rd day were earmarked for the National Representatives' presentations on their respective national points of view. They were given an opportunity to demonstrate the current capacities and initiatives of their respective nations in bringing together the most effective responses to counter-proliferation and controlled, accountable and effectively communicated legitimate trade in small arms and light weapons (Session V: Sharing the Risk in Counter Proliferation and Weapons Trafficking). The final part of the workshop was devoted to the evaluation of the workshop and the Closing ceremony.

Conclusion

The workshop agenda comprised speeches by high-level lecturers, which were followed by exchanges of experiences and points of view on common priorities and challenges, and by open discussions. Lecturers' professionalism and experience, demonstrated in the course of their presentations, were highly appreciated by the participants. The issues addressed by the main workshop moderator Mr Jon TRUMBLE, OSCE-CPC, proved to be particularly useful for all the participants as they gained realistic feedback about customs procedures and licensing issuance.

According to the participants' assessments provided at the end of the event, the workshop proved to be successful, very interesting and well organized. The participants were highly motivated during the workshop and they showed deep interest in all the workshop sessions. They expressed various ideas regarding the topics

for possible future activities, which may prove to be a valuable source of needs assessment. In particular, they supported the need to repeat activities of the same kind that promote regional stability and trust. These recommendations will certainly be taken into consideration by the co-organizers in the course of preparations for next year's activity.

This workshop has confirmed that activities in which customs inspectors and customs risk analysts from all SEE states come together with licensing officials (civilian and military) help create dialogue and communication networks through which the essential information could be shared. By examining national processes and international requirements as a group, these officials will not only learn more about their colleagues' work but also about the common efforts they all expend towards meeting the legal necessities of strategic trade movement. The workshop also establishes a knowledge base on the best practices in use within the region, and awareness of the types of movements that can be expected in transit to and from neighboring countries.

By promoting the OSCE Border Security and Management Concept and the OSCE Document on Small Arms and Light Weapons (SALW), this event has proved that RACVIAC's efforts are part of the capacity-building process in SEE countries. RACVIAC-Centre for Security Cooperation once again confirmed itself to be a hospitable setting for engaging in fruitful and constructive dialogue.

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* *Turkey recognizes the Republic of Macedonia with its constitutional name*