

REPORT FROM

Breakout Session Group 3 “Challenges in Strategic Trade Control Enforcement”

**22nd Asia Export Control Seminar
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Tokyo, Japan**

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Group Composition and Interests

- **16 total participants representing**
 - 8 different countries / areas,
 - 3 international / multilateral organizations
 - 1 non-government organization
- **And consisting of representatives from**
 - Foreign affairs agencies
 - Trade/economy-related agencies
 - Customs agencies
- **With interests in:**
 - Learning more about STC enforcement challenges “within” and “without”
 - International cooperation on STC enforcement
 - What to do when domestic STC systems “break down”



Session Topics and Agenda

1. Context

- “External” STC enforcement challenges
- Elements of strategic trade control (STC) enforcement

2. Open discussion of STC enforcement challenges and related questions

3. Small-group discussion of the “greatest” STC enforcement challenges and potential solutions/responses

Questions on Challenges in STC Enforcement



- What are some of the challenges to STC enforcement in your country / region?
- How does Customs in your country check and verify the exporters' STC classification of items to be exported? Do you have any special training programs for frontline Customs officers?
- Do you have any mechanisms for inter-agency communication and cooperation on STC enforcement

Identified Challenges to STC Enforcement

- **Prioritization of STC enforcement with other Customs, border, and law enforcement priorities often an issue**
- **Having/securing the necessary political will (in general and in specific areas such as in the implementation of “catch-all” controls)**
- **Identifying/verifying strategic items at the frontlines and in general**
- **Lack of intelligence information**
- **Challenges to acquiring sufficient evidence of STC violations**
- **Difficult to monitor intangible transfers of strategic technology**
- **Verifying end-uses and end-users given the use of front companies**
- **Lack of STC awareness and training among enforcement agencies**
- **Bilateral cooperation and regional issues**
- **Consistency among different checkpoints**
- **STC awareness and compliance among small-and-medium enterprises**

Small Group Discussions



- **Broke into 4 smaller groups**
- **Each group asked to decide what the group believes to be the 3 greatest challenges in STC enforcement**
- **Also asked to propose 3 potential “responses” or solutions to those challenges, whether they be a particular STC enforcement element, practice, or**

Outcomes of Small Group Discussions

“Greatest” STC Enforcement Challenges	Proposed Response/Solution
Necessary political will (and competing priorities)	<i>Convincing leadership that nonproliferation and STC enforcement are international imperatives and worth the “investment”</i>
Identifying/verifying strategic items and ITT control challenge	<i>Training and “upstream awareness” (industry outreach)</i>
Sufficient training for frontline officers and capacity-building in general	<i>International training programs and train-the-trainer approach</i>
Identifying end-use and end-users	<i>Post-shipment checks and information-sharing with trade partners</i>
Inter-agency cooperation / consistency across system	<i>Frontline/central gov. communication channel; inter-agency meetings at all levels</i>

Conclusion

- ***Thank you for your time and attention, I would be happy to answer any questions!***

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