

## “Global risks have greatly expanded.”

Widely unknown, the Wassenaar Arrangement plays a crucial role for export controls of conventional arms and dual-use goods, preventing them falling into the wrong hands. Ambassador Jean-Louis Falconi of France, who holds the 2017 WA Plenary Chair, and Ambassador Philip Griffiths, the Head of the Vienna-based Secretariat, explain how it works.



H.E. JEAN-LOUIS FALCONI

Ambassador Falconi, a “Chevalier de l’Ordre national du Mérite”, is the Ambassador and Permanent Representative to the United Nations and International Organisations of France in Vienna since September 2016. The graduate of the “École Supérieure des Sciences Economiques et Commerciales” and the “ENA” also served as Director of the French General Secretariat for Defense and National Security.



H.E. PHILIP GRIFFITHS

Ambassador Griffiths was appointed to Head of the WA Secretariat in June 2012. Prior to that he was New Zealand’s Ambassador and Permanent Representative to the International Organisations in Vienna. He has also served as Ambassador to Poland, Estonia, Latvia and Lithuania and held other postings in Europe, Asia and the Middle East, as well as senior positions in the Ministry of Foreign Affairs and Trade in Wellington, New Zealand.

### The Wassenaar Arrangement

**Basics.** The WA is an intergovernmental forum for cooperation on export controls for conventional arms and dual-use goods and technologies (e.g. sensitive items that have military as well as commercial applications). The currently 41 WA Participating States share information and cooperate to address challenges to international and regional peace and security posed by the destabilising accumulation and diversion of conventional arms, and to prevent the acquisition of these and related items by terrorists.

**WA Members.** Argentina, Australia, Austria, Belgium, Bulgaria, Canada, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Japan, Latvia, Lithuania, Luxembourg, Malta, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Republic of Korea, Romania, Russian Federation, Slovakia, Slovenia, South Africa, Spain, Sweden, Switzerland, Turkey, Ukraine, United Kingdom, United States of America.

[wassenaar.org](http://wassenaar.org)



The celebration of 20 Years Wassenaar Arrangement took place at the Austrian Foreign Ministry in December 2016.

Interview: Rainer Himmelfreundpointner



The WA Ambassadors Falconi (right) and Griffiths during the interview at the WA Secretariat in Vienna.

**CD:** Ambassador Falconi, this year France has the responsibility of chairing the Wassenaar Arrangement Plenary, the overall decision-making body, taking over from Finland in 2016. As the Permanent Representative of France to the International Organisations in Vienna, can you please outline your major focus points?

**JEAN-LOUIS FALCONI:** It is an honour for France and for me personally to assume the WA Plenary Chair in 2017. France was one of the founding members of the WA which can be seen as the post-Cold War successor to the Paris-based COCOM – the Coordinating Committee for Multilateral Export Controls. France attaches a high importance to the WA’s work. As is well-known, conventional arms are those that are used with the most devastating consequences around the world, in particular small arms and light weapons which are also the weapons of choice of terrorists. Export licensing is an important instrument by which governments can help prevent such weapons and related goods and technologies from falling into the wrong hands.

**Even if the 41 participating states stick to the Wassenaar Arrangement recommendations, what about other exporting countries?**

**FALCONI:** Of course, national controls are most effective when they are applied together with efforts by other countries sharing a similar commitment to vigi-

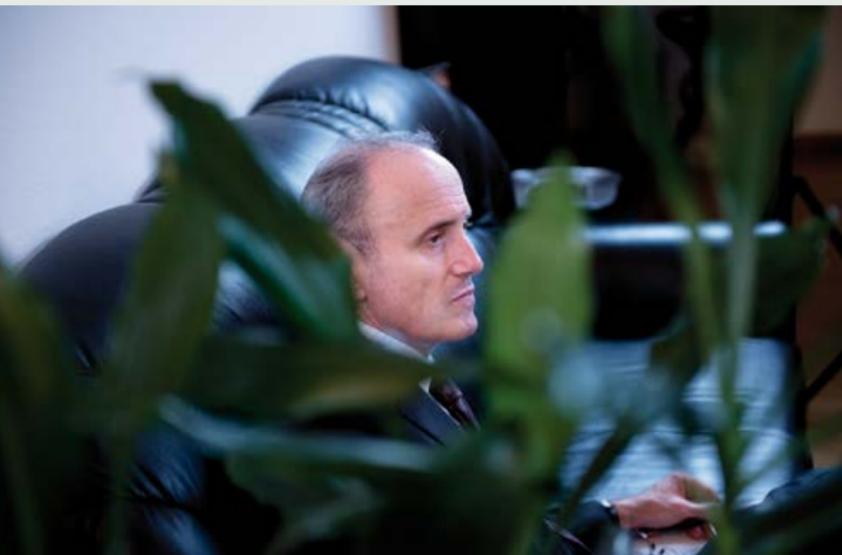
lance and restraint, in particular those that are major producers and exporters of the relevant items. This cooperation is an underlying rationale of the WA, both in terms of protecting national and international security, and in seeking to create a level playing-field for international trade. While challenges remain, the WA has a solid record of consensus-based work over twenty years and has established itself as a repository of international expertise in this area. Its control lists and guidance documents are freely available on the WA website. And an increasing number of non-WA countries base their export controls on the WA’s work without seeking to join, while several applications for WA membership are currently under consideration.

**Ambassador Griffiths, in your responsibility as current and third head of the WA Secretariat here in Vienna with only 13 employees, can you please go into detail of how the Wassenaar Arrangement really works in reality?**

**PHILIP GRIFFITHS:** The WA Participating States come together to agree on lists of items that should require an export licence at the national level, to share information on transfer risks in different parts of the world, as well as details of their own transfers and licence denials, and to develop non-binding guidelines for effective export control procedures and practice. On average, around 25 group meetings involving a to-

PHOTO: RALPH MANFREDA (2), WASSENAAR ARRANGEMENT

The full text of the interview is also accessible on the Cercle Diplomatique website (<http://www.cercle-diplomatique.com>) Issue 01/2017.



“Rapid technological advances, many driven by the civilian sector, have increased the need to respond in timely and coherent way to the evolving international threat landscape. At the same time, the WA makes clear that it does not impede bona fide civil transactions.”

tal of more than 1,600 officials from WA Participating States are held each year. The objective is to achieve common understandings and to assess the scope for coordinating national export control policies. All WA decisions are taken by consensus. The WA's work is characterized by a balance between collective agreement on key principles and the preservation of national discretion in implementing them. The role of the Secretariat is to facilitate and support interaction among the participating states. In 2016, in addition to celebrating its 20th anniversary, the WA conducted a fifth self-assessment with a view to improving its overall functioning. Some specific 2016 outcomes included further changes to the WA lists taking into account international security developments, technological advances and market trends, an updating of best practices, for example on brokering and enforcement, and establishment of a regular review mechanism for all such documents, as well as adoption of new internal guidelines for outreach activities and agreement to promote technical dialogue with some other export control regimes.

**Given the central role of the WA control lists, what drives the changes to these lists and what are they aimed at?**

**FALCONI:** I believe that the WA can be proud that its control lists continue to be seen as the international standard for export controls on conventional arms

and dual-use goods and technologies. WA governments invest considerable resources in the core technical work of keeping the lists up-to-date. They consult industry in this process. Of course, export controls and the risks being addressed have expanded in the twenty years since the WA was established. Rapid technological advances have increased the need to respond in a timely and coherent way to the evolving international threat landscape. This is a priority for the WA. At the same time, the WA makes clear that it does not impede bona fide civil transactions and that it is not directed against any state or group of states.

**GRIFFITHS:** The WA Control Lists are more extensive than those of other international export control regimes concerned with weapons of mass destruction and their means of delivery. For instance, the WA Dual-Use List contains more than 1,000 entries, ranging from special materials, to electronics, computers, lasers and navigation, marine and aerospace equipment. Drawing on the former COCOM lists, which were used as a basis at the start, the WA has been continuously developing and reviewing its Munitions and Dual-Use Lists to ensure their strategic and technical relevance. This is an iterative process, typically involving each year some 80-90 different proposals like new entries or modifications, relaxations or deletions of existing entries and some thirty expert meeting days in Vienna, as well as intensive intersessional work. It is vital, for both national security and commercial interests, that the WA list specifications are set precisely to focus licensing decisions on items of concern while allowing other items to be traded freely. Where necessary, of course, WA members also control non-listed dual-use items through a “catch-all” mechanism, which enables account to be taken of all proliferation risks, as well as UN Security Council mandated sanctions and embargoes or relevant regional or national measures.

**Which are the main criteria for dual-use goods to get listed by the Wassenaar Arrangement?**

**GRIFFITHS:** While the main WA selection criterion for munitions items is whether they are a major or key component for military capability, the criteria for dual-use items are more complex, including foreign availability, the ability to control an item's export effectively, the ability to specify it clearly and objectively, and non-duplication with other export control regimes. The WA lists have continued to expand in the dual-use area, in particular, where Participating States

see the WA as the appropriate forum in which to address emerging technologies of concern. It is significant that new technologies with military potential, which were traditionally developed by defence industries, are now increasingly being developed in the civilian sector and then used for military applications. This reversal complicates the challenge of seeking to minimise the lag between rapid technological advances and the pace with which effective export control list changes can be agreed and implemented.

**Given the rapid advance of digitalisation, what is the WA doing about cyber security and other merging technology challenges?**

**GRIFFITHS:** In 2013, the WA adopted new export controls related to „cyber tools“ and internet surveillance systems which, under certain conditions, may be detrimental to national security and international stability. A challenge has been to find the right balance between controlling technologies for the generation of „intrusion software“ on the one hand, and not hindering the development of industry expertise on the other. Work has continued in the last three years to further refine understandings, while proposals related to „3-D printing“ and communications interception and monitoring equipment have also been under consideration. These and other new technologies, e.g. related to drones and artificial intelligence, can be expected to remain in focus given their potentially disruptive impacts. On the other hand, export controls on some information security and related equipment have been relaxed or removed taking into account the increasing integration of such functionalities in consumer products.

**How is the WA contributing to the fight against terrorism?**

**FALCONI:** The WA's focus is on sharing information to prevent the diversion of licensed exports to terrorist purposes. In this context, a particular focus has been on proliferation risks related to Small Arms and Light Weapons or SALW, including Man-Portable Air Defence Systems, so-called MANPADS. The WA lists and regularly updated Best Practice guidelines already provide for export controls on these arms and their ammunition. However, in the light of recent developments, including terrorist attacks in some WA Participating States themselves, and given the existence of illicit trade and secondary markets, further attention is being given to strengthening standards in this area, such as those for the permanent deactivation of fire-



arms.

**Sharing information obviously is one of the key elements for making the Wassenaar Arrangement work. But how does the WA ensure and promote its effectiveness?**

**FALCONI:** The WA represents a political rather than treaty-based commitment by each of its Participating States. All measures taken with respect to the WA, including meeting the agreed reporting obligations, reflect this voluntary undertaking to cooperate to promote transparency and responsibility. The pooling of information, both general and specific, and the opportunity provided to raise any matters which Participating States may wish to bring to the attention of partners, helps to build confidence and is a crucial part of the benefit derived from the WA. WA reporting goes further, in scope and frequency, than is required under the United Nations or the Arms Trade Treaty, known as ATT, and includes national arms transfers, as well as transfers and denials of certain dual-use items, to non-WA countries on a six-monthly basis. Denials reporting draws like-minded partners' attention to acquisition activities that one Participating State considers detrimental to the WA's objectives, thereby helping others to avoid inadvertent undercuts. Also, Participating States are to notify export approvals of certain controlled items where export was previously denied, although I do not recall such instances. The reporting database is continuously available

“In 2013, WA adopted new export controls related to ‚cyber tools‘. A challenge has been to find the right balance between controlling technologies for the generation of ‚intrusion software‘ on the one hand, and not hindering the development of industry expertise on the other.”

PHOTOS: RALPH MANFREDI



“We are confident that, when its Participating States are pulling together, the Wassenaar Arrangement will continue to further enhance its contributions to international peace and security.”

“Particular vigilance will be required in respect to the fast evolution of communications and other technologies with potential military implications.”



to Participating States on the secure WA communications system to support transparency and consistency.

In addition, many WA Participating States have well established public reporting requirements and make national export licensing decisions public. While the WA is a voluntary undertaking, and there are consequently no formal verification or compliance monitoring mechanisms, all Participating States recognise the importance of meeting their commitments. At any time, any Participating State may seek further information, within the WA forum or bilaterally, as to the rationale behind another's national licensing decision. In this way, and by the exchange of national implementation experiences, the WA provides for an element of peer learning and peer review.

#### What are the major current and future challenges for WA?

**FALCONI:** Export controls and the risks being addressed have greatly expanded in the twenty years since the WA was established. Warfare and instability associated with conventional military threats have not gone away. At the same time, international developments, including security challenges related to preventing destabilizing accumulations of conventional arms, regional conflicts, and the proliferation and diversion of increasingly sophisticated dual-use goods and technologies to non-state actors, including terrorists, reinforce the need for effective national export controls, both within the WA and globally.

The continued relevance of the WA is dependent on

its capacity to adapt to trends and technological developments. In that context, particular vigilance will continue to be required in respect of the fast evolution of communications and other technologies with potential military implications. Ensuring the cooperation of industry and the research sector in addressing challenges related to intangible transfers of technologies will also be crucial.

**GRIFFITHS:** Continuing active outreach to non-WA members will also be important in achieving the WA's goals by promoting the widest possible application of effective export control systems. The WA held a successful technical workshop in Vienna in June 2016 for an expanded group of outreach partners as a focus of its 20th anniversary programme. In this regard, the Arms Trade Treaty is a valuable complementary development and one that WA Participating States have welcomed.

#### So even given the many armed and deadly conflicts, you remain confident in regard to the WA's contribution?

**FALCONI & GRIFFITHS:** Yes. There is no doubt that without multilateral efforts to regulate such transfers, the world would be confronted with many more challenges to peace. We are confident that, when its Participating States are pulling together with a sense of common purpose, the WA will continue to exercise leadership in this important area and sustain and further enhance its contributions to international security and stability. ●

PHOTOS: RALPH MANFREDA