



Engaging Whole Community: The Role of Industry and Intergovernmental Organizations in Furthering Nonproliferation Goals and Implementing UNSCR 1540

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As with most governments across the Global South, engagement on issues pertaining to the nonproliferation of weapons of mass destruction (WMD) in the Caribbean Community (CARICOM) has been recognized as the absolute responsibility and purview of member governments. Because governments of the sub-region face monumental human-security and development challenges with limited responsive capacity, nonproliferation might reasonably occupy a low priority for most states of the Caribbean Basin. Consequently, the extent to which national entities—whether in government, local industry, or civil society—have elevated nonproliferation as a national priority has been largely dependent on a government's ability to frame the issue as being relevant to higher-order national-security and development challenges.

Internationally, the role of industry in proliferation prevention has become a subject of increased interest over the past few years. Yet while the role of the private sector in preventing the proliferation of weapons of mass destruction has been, for the most part, accepted and promoted as a critical necessity in the most advanced industrialized states, the reality remains significantly different in the Global South, including across the Caribbean Basin. Indeed, given that region's contemporary history as it relates to security, the existing threat perception regarding WMD has been concomitant with the prevailing low-risk environment in the geographic area. Hence, the private sector's engage-

ment in this regard within the Caribbean has been negligible, even though its role will be critical to any preventive regime.

This reality undoubtedly poses significant challenges at a time when asymmetries within the international system demand increased collaboration to face these threats and require governments, industry, and other sectoral interests to forge productive partnerships to prevent proliferation.²

In general, there is an awareness in the Caribbean of the pivotal role of the region in the international trade supply chain, and an accompanying appreciation that co-operation between governments and industry is vital to defending the supply chain against terrorist attacks and potential exploitation by proliferation networks.³ Nevertheless, there remains a need for creative engagement that allows industry to perceive clear benefits to participating businesses that comply with minimum security criteria.

In order to stimulate dialogue and promote concerted action on nonproliferation, states that have had tangential engagement on nonproliferation, as is the case with CARICOM members, must receive critical support that will engender a security culture that recognizes the importance of WMD proliferation. This awareness-building would have the primary benefit of prompting governments to encourage practical synergies between national

enforcement/operational entities and industry, such as customs-business partnerships to promote supply-chain security based on international standards and best practices.⁴

Without question, building cooperation between government and the private sector in furthering nonproliferation objectives largely rests on government's ability to convey the message to industry that it, as an entity, is the first line of defense against WMD proliferation.

In general, private industry continues to view end-use controls, the administration of end-user checks and certifications, and requirements for the provision of letters of assurance and necessary shipping documentation as an exercise in bureaucratic encumbrance.⁵ True public-private partnerships cannot be formed until industries fully accept the reality that nonproliferation standards will help, not harm, their bottom line.

Although industry remains the primary source of products and technology that attract controls, CARICOM governments have not had much success in convincing the Caribbean private sector that preventing proliferation is a mutually beneficial exercise. Therefore, industry regards end-user scrutiny and attendant due diligence as the exclusive responsibility of regional governments. This mindset, in turn, has undermined the understanding of the indispensable role of industry in implementing and maintaining an efficient export-control system.⁶

Caribbean governments, like others within the international system, understand their clear enforcement and administrative responsibilities relating to port and border security, as well as the need to implement and maintain protocols that afford effective controls. At a minimum, it would be reasonable to expect regional security actors to play a more definitive role in whole supply-chain management, including partnering with government in basic but consequential efforts, such as preventing the use of falsified documentation.⁷

Indeed, a logical starting point would be for CARICOM governments to interpret engagement efforts with the private sector as fulfilling operative paragraph 8 (d) of United Nations Security Council Resolution 1540,⁸ which envisions a complementary role between government and industry for implementation.

Preventing Proliferation and Promoting Trade Liberalization: The Role of Caribbean Industry

The question of the private sector's participation in confronting proliferation and managing the movement of commodities in the Caribbean has assumed increasing importance. As CARICOM members continue to intensify economic integration through trade liberalization and the collective exploitation of an expanded global trading environment characterized by the lowering of barriers to trade in general and to services in particular, the role of industry has become even more important.⁹

The region's drive to increase market access, along with its heightened emphasis on the expansion of its economic and trade relationships with traditional partners in North America and Europe, as well as new players in Asia and South America, will undoubtedly increase vulnerabilities relating to security and will demand a more immediate and deliberate focus on strengthening existing laws, regulations, and administrative controls to prevent proliferation. Regrettably, just as the enhanced flow of goods has benefited economic development and expansion in the region, the concomitant rise of illicit items threatens physical security and the region's ability to remain competitive across the global market.

The Economic Partnership Agreement¹⁰ signed by the European Union and the Caribbean Forum nations in October 2008 exemplifies the magnitude of the challenge facing CARICOM member states in implementing an important trading arrangement that will require increased attention, if not vigilance, relating to attendant import and export-control obligations. Under that agreement, products that constitute one single consignment may be transported through other territories, with trans-shipment or temporary warehousing in such territories, provided "they remain under the surveillance of the customs authorities in the country of transit or warehousing and do not undergo operations other than unloading, reloading or any operation designed to preserve them in good condition."¹¹ As the accord stipulates, any activity of this nature must necessarily bring to bear corollary control strictures that will ensure that parties are structurally and administratively in compliance. The imposition of strategic trade-control systems—composed of a functional legal framework, effective licensing regimes, and credible enforcement capabilities, and bolstered by strong industry-government cooperation—will be funda-

mental to fostering such a process. The interplay of these elements entailing law, policy, and administrative procedures enables and promotes licit trade while curtailing illicit activity.

Implementing workable strategic trade-control systems will require Caribbean governments to engage the private sector more effectively beyond traditional regulation. It must engender strong public-private sector partnerships that prevent dual-use items from being diverted for harmful and destructive purposes.

For CARICOM member states, including those in the Organization of Eastern Caribbean States¹² sub-region, the successful implementation of strategic trade controls will require a combination of strategies that simultaneously build industry awareness, improve local administrative response systems, and provide confidence to exporters that the effective management of strategic trade can actually enhance trade, not interfere with it.

A comprehensive approach would focus on critical administrative functions, such as the export-licensing process, acquainting both authorities and industry with key requirements, including:

- Form and content of end-user certificates.
- Conditions for the issuance of individual licenses.
- Funding and maintaining a dedicated help facility that allows industry to interact meaningfully with licensing authorities.

Practical measures—such as communicating the benefits of strategic trade management to the exporting public through local chambers of commerce, trade associations, the academic community and scientific research councils—would buttress governments’ awareness-building efforts and move the concept of strategic trade controls from an abstract activity to a necessity.

International, Regional, and Subregional Organizations

Between April 2004 and the United Nations 1540 Committee’s Comprehensive Review Meeting in October 2009, the majority of the UN member states in the Caribbean failed to submit initial reports required by the resolution.” While the committee, the 1540 Group of Experts, and the

United Nations Office for Disarmament Affairs continued outreach efforts and reminded member states about their reporting obligations, reporting frequency remained unchanged.

Member states reported continued capacity challenges in meeting obligations and noted that there were significant difficulties in furnishing reports on other related Security Council resolutions, namely UNSCRs 1267¹³ and 1373¹⁴. In addition, member states raised questions about the perceived vagueness of UNSCR 1540, about the lack of clarity on reporting requirements by ministries of foreign affairs, and about other important line ministries, including ministries of national security, justice, and legal affairs. Of greater concern was the fact that these challenges had the functional impact of relegating important reporting requirements and other initiatives related to the 1540 implementation process to an elective exercise.

Without question, absent the CARICOM-UNSCR 1540 Program, there is consensus that the significant increase in reporting by CARICOM members to the 1540 Committee since the program began in June 2009, and the attendant legal and regulatory activities aimed at fully implementing UNSCR 1540, would not have happened.¹⁵ More importantly, without sustained support from the international community, prospects for long-term concerted action on UNSCR 1540 are uncertain. Therefore, future successful nonproliferation efforts must be predicated on viable cooperation among the CARICOM Secretariat, CARICOM member states, and the international community.

The geography and structural reality of the majority of CARICOM members constitute a net positive for this cooperation going forward as the scale and scope of required activities allow for an integrated approach with respect to necessary legal, regulatory, and enforcement measures. This cooperation must take into account the unique environment and context of the region, and it must seek to capture ongoing integration efforts that can advance the regional nonproliferation agenda.

CARICOM member states lack the legal foundations upon which to build and enforce an effective regional system of export controls and border security as mandated by UNSCR 1540 and subsequent UN resolutions. Despite the CARICOM member states’ endorsement of nonproliferation objectives, regional implementation of UNSCR

1540 continues to be challenged by lack of capacity and competing national priorities.

Meaningful cooperation is therefore required to ensure that the region's export-control architecture is in keeping with the threats and strategic environment it faces. None of the CARICOM countries have comprehensive national export-control laws or regulations.¹⁶ Efforts to harmonize customs policies on a regional level have not gone far enough to meet the proliferation challenges described above. In addition, limited personnel and infrastructure resources, porous borders, and widespread poverty exacerbated by the recent economic crisis compound transshipment challenges, complicate enforcement of effective nonproliferation policies, and stymie efforts to institutionalize regional interagency cooperation.

Regional organizations like CARICOM as well as hemispheric entities such as the Organization of American States, can help nations harmonize export-control systems across the region, encourage inter- and intra-agency cooperation in the export-licensing process, facilitate information sharing and coordination among regional governments, and enhance regional customs and border-security capacities, thereby allowing them to handle any increased flow of cargo and people without undermining regional security. A recently concluded legislative-gap analysis, which entails a detailed review of CARICOM member states' national laws and regulations to promote domestic export control, is an important step forward in this regard.

A modern regional export-control and border-security system consisting of well-crafted legislation, efficient infrastructure, and rigorous enforcement would mitigate the threats posed by the free movement of suspect people; the unlawful proliferation of sensitive technologies, materials, and expertise; and illegal trafficking in arms, narcotics, and contraband. At the same time, effective border control and customs services would foster economic development in the Caribbean by easing the flow of legitimate cross-border trade. These activities would also increase employment opportunities, broaden the regional tax base, and allow for more transparent and efficient migration control. Increased assistance from regional organizations and the international community would also undoubtedly be beneficial.

As a regional entity, CARICOM has been able to leverage its traditional role as a facilitator of regional security-related frameworks and protocols to include broad regional institution- and capacity-building in relation to UNSCR 1540. This multi-lateral engagement has enabled member states to cooperatively approach the issues of improving maritime and port security within the region. Additionally, there has been progress in harmonizing customs-control procedures and systems, and in providing needed training to operational personnel to make the best use of tools and techniques to identify suspect transfers and end-users, including automated risk profiling, databases, and watch lists. All of these initiatives underscore CARICOM's full comprehension of collective security¹⁷ and highlight its core relevance to achieving regional nonproliferation goals.

More broadly, this regional cooperation on UNSCR 1540 has incorporated enforcement entities, along with vulnerable productive sectors, such as the region's tourism industry¹⁸. In the Caribbean, the significant vulnerability of tourist sites and cruise lines to a terrorist attack was noted in the regional security assessment prior to the staging of the Cricket World Cup 2007, and the lack of capacity and available resources has continued to constrain governments and security practitioners in the region in rising to this challenge.

There is an urgent need for tourism-industry interests, the public, and regional governments to adopt whole-society approaches and to deepen their cooperation to counter this threat. The pirate attack on the Bahamas-registered MV Seabourn Spirit in November 2005, while it was on a luxury voyage from Alexandria, Egypt, to Mombasa, Kenya,¹⁹ underscored the need for a greater focus on threats to maritime security and was a wake-up call to Caribbean economies that are highly dependent on the cruise industry.²⁰

The Whole Community Approach and the Way Forward

The full implementation of UNSCR 1540 in the Caribbean requires an interplay of partners to an unprecedented degree of multisectoral engagement in the region. The two primary security concerns in the Caribbean—trafficking in small arms and illegal narcotics—do not traditionally involve any rigorous end-user verification practices nor are they predicated on close collaboration with the private sector.

Enforcement approaches do not typically employ national export-licensing systems, which seek to implement accepted controls reflected in existing multilateral export-control regimes.²¹ Preventing nonstate actors and nascent WMD programs from acquiring controlled items demands distinctly different engagement protocols from those currently employed in CARICOM member states and requires resources and capacities that these small states are incapable of leveraging without external support. Indeed, the absence of such engagement protocols contributed to CARICOM states' making only marginal progress on national implementation from the UN Security Council's adoption of Resolution 1540 in April 2004 until the inception of the CARICOM program in June 2009.

It is now settled opinion that continued progress on 1540 implementation within the region will depend on the ability of member states—through the CARICOM Secretariat—to benefit from the support of the United Nations 1540 Committee as well as from continued facilitation from key UN member states, such as the United States and Canada, which have been significant partners with the region in advancing CARICOM's nonproliferation goals. As CARICOM members make progress in establishing laws and regulations to prevent trade in strategic goods, continued assistance from the international community, and particularly the private sector, will ensure that the considerable gains that have been made across the Caribbean in meeting nonproliferation goals since 2009 are sustained and deepened.

Endnotes

- ¹ The fifteen members of CARICOM are Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, Saint Lucia, Saint Kitts and Nevis, Saint Vincent and the Grenadines, Suriname, and Trinidad and Tobago.
- ² Philip E. Auerswald, Lewis M. Branscomb, Todd M. La Porte, and Erwann O. Michel-Kerjan, eds. *Seeds of Disaster, Roots of Response: How Private Action Can Reduce Public Vulnerability*. New York: Cambridge University Press, 2006: 401.
- ³ Michael McNicholas. *Maritime Security: An Introduction*. London: Elsevier/Butterworth Heinemann 2008: 132.
- ⁴ Customs-Trade Partnership Against Terrorism, *Supply Chain Security Best Practices Catalog*. US Customs and Border Protection, January 2006.
- ⁵ Ilhan Berkol and Virginie Moreau. *Post-export Controls on Arms Transfers: Delivery Verification and End-use Monitoring*. Group for Research and Information on Peace and Security, April, 2009: 3.
- ⁶ *Key Elements of an Effective Export Control System*, updated November 20, 2011. Institute for Science and International Security, www.exportcontrols.org/key_elements.htm.
- ⁷ Heigo Sato. "Nuclear Nonproliferation and US-Japan Cooperation," in Yuki Tatsumi, ed., *The New Nuclear Agenda: Prospects for US-Japan Cooperation*. Henry L. Stimson Center, 2012: 62
- ⁸ UNSCR 1540, United Nations Security Council. "Resolution 1540 (2004)," S/RES/1540 (April 28, 2004), www.un.org/sc/1540/resolutionstatements.shtml.
- ⁹ J. F. Hornbeck. *CARICOM: Challenges and Opportunities for Caribbean Economic Integration*. Congressional Research Service, January 7, 2008: 1–5.
- ¹⁰ *The Economic Partnership Agreement: Towards a New Era for Caribbean Trade*, updated October 27, 2011. Caribbean Policy Research Institute, www.capricaribbean.org/research/economic-partnership-agreement-towards-new-era-caribbean-trade.
- ¹¹ "Council Regulation (EC) No 1528/2007, Economic Partnership Agreements," December 20, 2007. EUR-Lex, eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32007R1528:EN:NOT.

- ¹² The six independent members of CARICOM—Antigua and Barbuda, Dominica, Grenada, Saint Lucia, Saint Kitts and Nevis, and St. Vincent and the Grenadines—are also members of the Organization of Eastern Caribbean States. *www.oecs.org/about-the-oecs/member-states*.
- ¹³ UNSCR 1267, United Nations Security Council. “Resolution 1267 (1999),” S/RES/1267 (October 15, 1999), *www.un.org/ga/search/view_doc.asp?symbol=S/RES/1267(1999)*.
- ¹⁴ UNSCR 1373, United Nations Security Council. “Resolution 1373 (2001),” S/RES/1373 (September 28, 2001), *daccess-dds-ny.un.org/doc/UNDOC/GEN/N01/557/43/PDF/N0155743.pdf?OpenElement*.
- ¹⁵ “CARICOM Tackles Weapons of Mass Destruction.” *Jamaica Observer*, May 4, 2011, *www.jamaicaobserver.com/news/Caricom-tackles-weapons-of-mass-destruction*.
- ¹⁶ “Enhancing Export Controls in the CARICOM Community Through Legal-Regulatory Assistance.” Submission by Seema Gahlaut of the Center for International Trade and Security, University of Georgia, to the CARICOM Secretariat, October 14, 2010, Georgetown, Guyana.
- ¹⁷ “CARICOM Chairman Says Deeper CARICOM Union Is Inevitable.” Caribbean Community (CARICOM Secretariat, February 10, 2006, *www.caricom.org/jsp/pressreleases/pres37_06.jsp*.
- ¹⁸ One Team, One Space, One Caribbean, CARICOM Implementation Agency for Crime and Security, 2007. *http://caricomimpacs.org/impacs/pdf/07.pdf*.
- ¹⁹ “Cruise Ship Repels Somali Pirates.” BBC, November 5, 2005, *news.bbc.co.uk/2/hi/4409662.stm*.
- ²⁰ Peter E. Tarlow. “Tourism Risk Management in an Age of Terrorism.” *Economía Autónoma* 4, no. 7, January–June 2011.
- ²¹ “existing multilateral export control regimes” refers to the Australia Group, the Missile Technology Control Regime, the Nuclear Suppliers Group, and the Wassenaar Arrangement.

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