

# Strategic Export Controls Indian developments in relation to international agreements

November 8, 2017  
Ashok Dhingra  
Ashok Dhingra Associates  
Attorneys At Law  
202, Time Center, Gold Course Road  
Sector 54, Gurugram - 122002 (Haryana) India

## Index

S. No.	Particulars
1	Strategic Export Controls - Why?
2	Multilateral Non-Proliferation Export Control Regimes
3	Missile Technology Control Regime
4	The Australia Group
5	The Wassenaar Arrangement
6	Nuclear Suppliers Group
7	India- Recent Changes
8	India- International Recognition

## Strategic Export Controls - Why?

- Global treaties and regimes play crucial role in providing strong layer of defense against proliferation of nuclear, biological, and chemical weapons.
- Effective export control system maintained by becoming party to treaties, agreements and adherence to non-proliferation multilateral export control regimes.
- India committed to its international obligations on non-proliferation.
- India's trading partners to be assured that Indian regulations are in line with global commitments.
- Adoption of export control regimes enables larger role in global supply chain and facilitates access to high technology and production/ export of strategic items.

2

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## Multilateral Non-Proliferation Export Control Regimes

- Informal groups of like minded supplier countries seeking to contribute to non-proliferation of Weapons of Mass Destruction (WMD) and delivery systems through national implementation of Guidelines and Control Lists.
- Participating Member Countries are expected to play their role in implementing international standards for responsible non-proliferation behavior.
- Participating Member Countries not legally bound, voluntarily implementation.
- Various multilateral export control regimes are:
  - Missile Technology Control Regime.
  - The Australia Group.
  - Nuclear Suppliers Group.
  - The Wassenaar Arrangement.

3

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## Missile Technology Control Regime

- Established April 1987.
- Aims to limit risks of proliferation of WMDs i.e. nuclear, chemical and biological weapons.
- All decisions taken by consensus of members.
- Presently 35 member countries including India, who joined on June 27, 2016.
- No legally binding obligation on members and no punitive action taken for non compliance.
- Non treaty association with guidelines about information sharing, national control laws and export policies for missile systems.
- Controls not intended to impede peaceful aerospace programmes or international cooperation, if they could not be used to develop delivery systems for WMD.

4

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## Missile Technology Control Regime - Cont...

- Works together with International Code of Conduct against Ballistic Missile proliferation also known as Hague Code of Conduct to achieve objective of non-proliferation of delivery systems capable of delivering WMD.
- India agreed to join Hague Code of Conduct to bolster its position as responsible nuclear state and strengthen its case for membership of other multilateral export control regimes like Nuclear Suppliers Group, Australia Group and Wassenaar Arrangement.

5

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## The Australia Group

- Established in 1985.
- Aims to allow exporting/ transshipping countries to minimize risk of chemical and biological weapon proliferation.
- Presently 41 countries as participants plus European Union.
- No legally binding obligations on members.
- Licensing measure used to ensure exports of chemicals, biological agents, and dual use chemical and biological manufacturing facilities and equipment.
- All participants parties to Chemical Weapons Convention and Biological Weapons Convention.
- India not participant yet.

6

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## The Wassenaar Arrangement

- Established 1996.
- Presently 41 participant countries.
- Promotes transparency and greater responsibility in transfer of conventional arms and dual use goods and technologies.
- Participating States agree to -
  - maintain national export controls on items included in the Wassenaar Arrangement Control list, implemented through national legislation.
  - report on arms transfer and transfers/ denials of specified dual use goods and technologies to destinations outside the Wassenaar Arrangement.
  - exchange information on sensitive dual-use goods and technologies.
- India not participant yet.

7

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## Nuclear Suppliers Group

- Created following explosion in 1974 by non-nuclear weapon State, demonstrating that nuclear technology transferred for peaceful purposes can be misused.
- Presently 48 countries are members.
- Participating Supplier Government authorises transfer only when satisfied such transfer would not contribute to proliferation of nuclear weapons.
- Implemented by Participating Government by national export control laws and practices.
- NSG Guidelines are consistent with and complement various international, legally binding instruments in the field of nuclear non-proliferation.
- India not a member of Treaty on the Non-Proliferation of Nuclear Weapons.
- In 2008 removed ban on India's participation in nuclear trade with its members.

8

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## India - Recent Changes

- Operationalization of catch all controls and capture non listed dual-use and military items having potential risk of diversion to WMD or missile system or military end use.
- Special Chemicals, Organisms, Materials, Equipment and Technologies (SCOMET) IC contains most precursors controlled both by the Australia Group and the Chemical Weapons Convention.
- Significant changes made to SCOMET list to harmonize with Guidelines and Control lists of the Wassenaar Arrangement and the Australia Group.
- India updated its SCOMET List w.e.f. May 1, 2017 as part of continuing obligations as member of Missile Technology Control Regime and adherent to Nuclear Supplier Group Guidelines.
- New Category 8 titled '*Special Materials And Related Equipment, Material, Processing, Electronics, Computers, Telecommunications, Information Security, Sensors and Lasers, Navigation and Avionics, Marine, Aerospace and Propulsion*' added to harmonize India's export control list with the Wassenaar Arrangement.
- Category 6 titles 'Munitions List' reserved now populated.
- List of Military Stores rescinded.

9

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## India - Recent Changes

- Procedure for SCOMET export authorization for 'Stock and Sale' clarified and for re-export or re-transfer of SCOMET items by Stockist entity framed.
- SCOMET export permission provisions to facilitate bulk exports to cater to orders of multiple end users from stock point subject to permission from licensing authority for re-transfer to definite end user.
- Permission for export of spare parts covered under SCOMET to be applied in application for main equipment itself.
- Authority to grant Licenses for various SCOMET categories prescribed.

### Changes with regard to chemicals

- Export of chemicals specified in Category 1C of SCOMET list, to non-party to Chemical Weapons Convention to require a Government signed End-use Certificate
- 25 chemicals notified under new Category 1D to SCOMET list - though export of which to members of the Australia Group would not require prior authorization.

10

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## India - International Recognition

- India and Australia entered into bilateral agreement on co-operation in peaceful use of Nuclear Energy in 2014, wherein Australia agreed to become a long term reliable supplier of Uranium to India.
- India entered into bilateral agreement with United Kingdom and Ireland for co-operation in peaceful use of Nuclear Energy in 2014, which encompasses initiatives to share technical, scientific, and financial and policy expertise.
- India and Japan entered into bilateral civilian nuclear cooperation agreement in 2016 - first for Japan's with a country that has not signed nuclear Non-Proliferation Treaty.

11

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# Thank You