

Information Note¹

- Event:** The 11th Secure Trade in APEC Region Conference
- Organizers:** Ministry of Foreign Affairs and the Ministry of International Trade and Industry, Malaysia under the APEC framework
- Date and Venue:** 20-21 October 2020, via GoTo Meeting Platform

Background

- On 8 October 2020, Ambassador Syed Mohamad Hasrin Aidid, Permanent Representative of Malaysia to the United Nations sent a letter to the Chair of the 1540 Committee, inviting the Chair to nominate an Expert to attend the 11th Secure Trade in APEC Region Conference (STAR Conference) via an online platform, and speak on “International Obligations to Secure Trade and Prevent Proliferation”. The letter stated that the Expert was encouraged to highlight the importance of APEC member economies in establishing relevant domestic legislation, as well as to promote the Committee’s role in efforts to implement resolution 1540 (2004).
- Resolution 1540 (2004) requires all States to implement, inter alia, effective domestic controls to prevent proliferation of nuclear, chemical or biological weapons, their means of delivery, including by establishing appropriate controls over related materials. To this end, the Member States shall: establish, develop, review and maintain appropriate effective national export and trans-shipment controls over such items.
- Resolution 2325 (2016) decides that 1540 Committee shall continue to intensify its efforts to promote the full implementation by all States of resolution 1540 (2004) and address all aspects of paragraphs 1, 2, and 3 of resolution 1540 (2004), particularly noting the need for more attention on national export and transshipment controls, amongst other aspects.
- OP 10 of resolution 1977 (2011) urges the 1540 Committee to continue to engage actively with relevant international, regional and subregional organizations drawing inter alia on examples of successful assistance, and to

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liaise on the availability of programmes to facilitate implementation of resolution 1540 (2004).

- OP 29 of resolution 2325 (2016) request the 1540 Committee to continue to organize and participate in outreach events on the implementation of resolution 1540 (2004) at the international, regional, subregional, and, as appropriate, national level.

Highlights and Overview:

The conference was opened by Mr. Kennedy Mayong Onon, Undersecretary, Multilateral Security Division, Ministry of Foreign Affairs of Malaysia and Chair of APEC Counter-terrorism Working Group (CTWG). He noted that it was timely to convene the 11th STAR conference since it had been more than four years after the last STAR Conference in Lima in 2016. The CTWG continued to explore ways to institutionalize STAR as a platform for conducting cooperation, coordination, progress assessment and discussion on future direction of activities on trade security. The STAR conference would contribute towards the APEC region, secure and support open and free trade, and ensure regional growth and prosperity. The conference facilitates info exchange amongst government authorities, private sector and relevant multilateral organizations.

Mr. Hairil Yahri Yaacob, Deputy Secretary-General, Ministry of International Trade and Industry and Chair of APEC Senior Officials Meeting (SOM), then delivered the opening remarks. In the remarks, he noted that COVID-19 had brought about significant disruptions to the trade and investment environment which had in turn inhibited economic growth in APEC economies. The APEC economies had collectively identified measures and responses to effectively address the percussions of the crisis. In July 2020, the APEC Ministers Responsible for Trade (MRT) meeting issued a MRT statement which outlines APEC's commitment and vast efforts into strengthening supply chain. The Ministers acknowledged the importance of a free, open, fair, non-discriminatory, transparent and predictable trade and investment environment to drive economic recovery at such a challenging time. Economies in the region were aware that a secure environment for economic activity is vital in ensuring regional growth and prosperity. Therefore, striking a balance between facilitating trade flow and

providing a safe, efficient and secure trade environment was more important than ever in current circumstances. Mr Yaacob noted that digitalization have put supply chains at risk including cyber risks, targeted by State and non-State actors. Emerging tech had become a double-edge sword. Global supply chain security was becoming more crucial. Comprehensive export control systems could work as an important tool in preventing proliferation.

Session 1 of the Conference focused on International Obligations and the Nexus between Counter-terrorism and Non-Proliferation of Weapons of Mass Destruction (WMDs). Mr. Zahid Rastam, Principal Assistant Secretary, Multilateral Security Division, Ministry of Foreign Affairs of Malaysia gave a presentation summarizing international obligations of non-proliferation of WMDs.

The participating 1540 Committee Expert made her presentation in this session. She introduced the general requirements of resolution 1540 (2004), particularly requirements under OP3(c)(d) on border/export controls over WMD related materials. She also introduced national implementation tools, the Committee's assistance mechanism, and the upcoming Comprehensive Review.

Session 1 was followed by a stand-alone session on The Financial Action Task Force (FATF) Guidance on Counter Proliferation Financing, in Malaysia's context. The session was presented by a representative from the Malaysia Central Bank.

Session 2 of the Conference was on strategic trade control in the APEC region. In this session, Mr. Juan Pablo Rosso Streeter, Directorate of International and Human Security, Ministry of Foreign Affairs of Chile made a presentation on a Survey on APEC Member Economies' Legal and Regulatory Frameworks and Good Practices on Strategic Trade Controls.

In this session, a representative from Malaysia's Ministry of International Trade and Industry then gave a presentation on Malaysia's Trade Act 2010.

Panel Session 3 on Day 2 was on supply chain security and risk management. A representative from DHL Express Asia Pacific gave an overview of supply Chain security and risk management.

In this session, a representative from World Bank Group spoke on lessons learned from the COVID-19 Pandemic on how to manage global supply chains from the disruption. The last presentation of this session was made by a representative from U.S.A. Homeland Security Investigations on the COVID-19 exploitation and its effects on the integrity of the medical supply chain.

A stand-alone presentation on Day 2 was delivered by a representative from Singapore Customs. He introduced Singapore's journey on strategic trade controls. Session 4 on Day 2 was dedicated to discussions on Collaboration in the APEC Region for a secure trade.

A representative from the Pacific Forum talked about regional harmonisation of strategic trade control and its potential to a secure trade in the APEC Region.

A representative from Japan Center for Information on Security Export Trade Control (CISTEC) then spoke on the private sector's role in an effective strategic trade management system. The last presentation was on Public-Private Partnership (PPP) to enhance trade security, delivered by a representative from Intel Microelectronics (M) Sdn. Bhd., Malaysia. He emphasized that with current emerging technology development, bridging the gap between governments' expectations and industries' capabilities is critical in ensuring secure trade.

Additional Comments

For further information, please contact the 1540 Committee experts by e-mail at 1540experts@un.org.