

PRESENTATION TO EXERCISE MARU
PROLIFERATION SECURITY INITIATIVE
17 NOVEMBER 2015

ASIA PACIFIC PROLIFERATION TRENDS AND ISSUES

North Korea

The greatest WMD challenge in the Asia Pacific today is the growing North Korean nuclear and bio-chemical weapons capability. The proposed nuclear deal with Iran initially led to speculation that it might pave the way for a similar agreement with the DPRK. Simply put it won't. The Iran and DPRK situations are completely different. But hopefully the Iran agreement will put an end to cooperation between the two on nuclear matters.

The DPRK already has nuclear weapons and has carried out tests on these weapons. Pyongyang is convinced that the retention of this capability is the only guarantee that the United States will not try to destroy the regime, illogical as that may seem to external observers. I have just attended the General Conference of the Council for Security Cooperation in the Asia Pacific, known as CSCAP which this year was held in Mongolia. A number of North Koreans were present. To give you an idea of the North Korean mind-set, they argued that the aim of South Korean – United States military exercises was to practise the seizure of Pyongyang and the destruction of their Government.

Paranoia about US intentions prompted Pyongyang in 2012 to embody its nuclear weapon status in its Constitution, making it much harder to step back from its nuclear programme. Since then it has increased its stockpile of nuclear weapons, accumulated additional fissile material and extended the range of its submarine-launched missiles.

There has been talk of reviving the long-stalled Six Party Talks last held back in 2008. Pyongyang has no interest in doing so if the other Parties insist that the DPRK commit to dismantling their nuclear weapons capability before talks can start. Some analysts believe China could do more to push North Korea towards a more accommodating position. I have serious doubts.

In September I was invited by China's institute for International Security to participate in a conference held to mark the 10th anniversary of the joint statement agreed at the 2005 Six Party Talks which set out a roadmap to the denuclearisation of the Korean Peninsula and ultimately a peace treaty that would bring to an end the last remaining vestige of the Cold War. The aim of the Conference was to look for ideas for reviving the Six Party Talks. North Korea was invited, but much to China's disappointment, pointedly declined to take part. The DPRK remained a ghost at the table.

Contrast this with the situation two years previously when at a similar conference, the DPRK was represented at senior vice minister level. This suggests to me that China's ability to influence the DPRK constructively has rapidly waned. Similarly Russian representatives at

the September Conference admitted that despite significant fanfare a year or so ago about a renewed relationship with the DPRK with a focus on economic cooperation, Russia had made little or no headway in enhancing economic cooperation.

In these circumstances and given that ever-tougher sanctions seem to have strengthened the North's conviction that the United States' real motive is to bring an end to the regime, is there any way forward? Possibly but it is unlikely to be acceptable to some if not all, the other five Parties. To get the DPRK back to the table may require a tacit if temporary acceptance of the DPRK's nuclear weapon status, while seeking to make progress in other areas, but with the long term objective of a nuclear free peninsula.

There have been predictions for a number of years that the DPRK will implode leading to a unified Korea minus nukes. Implosion is seen by some as a positive outcome. Aside from the massive dislocation of people, however, which could dwarf the current refugee problem in Europe, there is the potential for an even worse result: the challenge presented by a possible breakdown in the control of its WMD capability.

Intelligence about the location of North Korea's nuclear weapons facilities is sketchy at best. The same can be said about its bio-chemical programme. Even inside the DPRK that information is very tightly held. It is highly likely that the North has been developing first generation blister, choking and nerve agents, and it quite possible that more advanced chemical weapons have been produced, and that they have developed CW-armed artillery shells. Even less is known about their biological weapons programme.

Locating, seizing and securing these weapons will prove a very difficult task. In the likely confusion that would follow a regime collapse there is the disturbing possibility of such weapons falling into the hands of terrorist groups prepared to pay handsomely corrupt DPRK officials. In such circumstances close monitoring of maritime traffic from North Korean ports would be imperative as would movement across land borders.

These are enormous manpower intensive time-sensitive tasks that would be exacerbated by the problem of finding Korean language speakers conversant with the highly technical language that would have been used by the DPRK. A further complication is Chinese sensitivities. China would inevitably and understandably demand a significant role in any such mission.

The rise of non-state actors and UNSCR 1540

Internal security and terrorist threats vary across the region, but the prospect of non-state actors getting access to WMD materials cannot be discounted. The use of nuclear, chemical or biological weapons, materials or technology by a terrorist organisation anywhere in the Asia Pacific would have dramatic consequences well beyond the immediate location in which any attack took place.

Who are the non-state actors of concern in the region? They include the Moro Islamic Liberation Front, Abu Sayyaf, the Rajah Sulaiman Movement, elements of Jemaah Islamiyah, and potentially Islamic State.

Growing concern about non-state actors led the UN Security Council in 2004 to pass Resolution 1540. This Resolution requires all states to implement measures aimed at preventing non-state actors from acquiring WMD-related materials and their means of delivery. It is legally binding on all UN member states. Measures include export and border controls, nuclear security and physical protection, prevention of terrorist financing, and other related activities. It calls on states to cooperate in preventing the illicit trafficking of NBC weapons and related materials and to provide assistance to states that lack the capacity to implement the resolution. States are required to table reports on their implementation efforts to the 1540 Committee.

There is also the UNSCR 1540 Resource Collection, a body which examines implementation of 1540. It details implementation efforts in all regions and in all member states. This year New Zealand was elected as one of the Vice Chairs of this body.

North Korea aside how is the region faring?

Globalisation has many benefits, but as the Carnegie Endowment for International Peace points out, it has turned the Asia Pacific into one of the most important international trade hubs, and home to leading dual-use companies. The region is also likely to see the world's most significant growth in nuclear energy. These trends create new sources of WMD proliferation.

In addition to those countries that possess nuclear capabilities including advanced civilian and military capabilities or civil nuclear fuel cycle technology, there are several nuclear research reactors located throughout the region, dozens of nuclear energy reactors planned for construction over the next decade, and a growing level of expertise in nuclear technology.

Industries using biological and chemical materials and technology are also expanding through the Asia Pacific, and a few states now possess advanced rocket technology. Dual-use technologies and materials have legitimate peaceful applications, but they can also be used to develop illicit nuclear, biological, or chemical weapon programmes or to conduct terrorist attacks.

As the globe's most dynamic region, the Asia Pacific sits strategically at the intersection of sea lanes with a huge volume of cargo traffic and a high potential for illicit trafficking of sensitive materials and technologies. Transshipped cargo presents the most significant challenge to preventing proliferation of dual-use technologies and NBC-related materials in the region. The shorter dwell-times, lack of shipping data, and space constraints associated with transshipped cargo allow smugglers to circumvent traditional export and border controls at checkpoints into and out of a port.

The Nuclear Threat Initiative (NTI) notes that many ports in Asia have been used both as transshipment hubs and manufacturing conduits for sensitive materials. This Centre notes that although China promulgated a comprehensive set of export controls in 2002, Beijing has continued to struggle with bridging the gap between legislation and enforcement. China is a member of the Nuclear Suppliers Group and has made efforts to regularly update its export regulations and control lists to meet international standards. Despite this Chinese entities have often been involved in the transfer of sensitive commodities to suspected proliferators. A number of Japanese companies, too, have exported dual-use technologies without a license. International inspectors found Japanese components at nuclear-related facilities in North Korea and Libya. Japan has since strengthened its export controls. There have also been a few cases in South Korea of sensitive commodities being transferred to Iran. So even technologically advanced states with strong export control legislation and enforcement mechanisms can face UNSCR 1540-related implementation challenges.

The NTI notes that in South-east Asia states have slowly realised the need to strengthen their controls including transshipment and brokering controls on sensitive materials. Singapore is the most advanced in this regard – hardly surprising given the importance to its economy of its role as a major transshipment port. Malaysia for similar reasons has strengthened its legal controls. Progress elsewhere in the region, however, has been slow. Cambodia, the Philippines, Thailand and Vietnam have sought assistance from the UN's 1540 Committee with regard to drafting legislation and developing effective measures to protect facilities and to monitor border traffic. And six ASEAN's including the four just mentioned along with Brunei and Singapore have engaged at some level with the PSI, with Vietnam being the most recent new participant from this region. Note that Indonesia does not appear on any of the lists I have just mentioned.

Regional responses

The UN's 1540 Committee has undertaken numerous outreach efforts in South-east Asia and the South Pacific as have other international organisations and member states including Australia, New Zealand, Japan the United States, and the EU. The IAEA, the OCPW, and the ASEAN Regional Forum (ARF) have also organised similar events as has the Council for Security Cooperation in the Asia Pacific. The latter has provided a very important parallel track two approach to that of the ARF and has organised no fewer than 17 meetings and produced a very useful handbook on Preventing the Proliferation of WMD in the Asia Pacific. APEC, too is stepping up its efforts in respect of counter-terrorism and secure trade. APEC has the advantage of established links to key stakeholders in the private sector which could be leveraged to reach industry and improve awareness of strategic trade controls.

Obstacles to further progress

Despite the various implementation initiatives mentioned at both the national and regional level, progress overall in South-east Asia and in the South Pacific remains challenging. Limited political will in some states is the primary factor hindering the effective implementation of Resolution 1540.

Many countries continue to regard export controls as a potential threat to economic progress. Efforts are therefore now being made to emphasise how improving the management of sensitive materials can boost economic development. Improvements in port security and border controls can have a positive impact on both the national economy and on security.

As regional countries become more capable of manufacturing and trading high tech commodities, their ability to control dual-use materials both in import and export terms will grow in importance. As NTI points out major trading partners already consider a state's ability to abide by international standards in relation to strategic trade management when deciding that a destination country is a safe trade partner. Ports will also need to be seen as capable of combatting illicit trafficking and transshipment if they are to grow and be considered by global partners to be secure.

Paul Sinclair

Acting Director

Centre for Strategic Studies

Victoria University of Wellington

November 2015