

Council for Security Cooperation in the Asia Pacific (CSCAP)
presentation to the
ASEAN Regional Forum Inter-Sessional Support Group (ARF-ISG)
on Confidence Building Measures and Preventive Diplomacy
April 20-22, 2009; Seoul, Korea

Introduction

This is a brief report of the CSCAP Co-Chairs to the ARF-ISG on Confidence Building Measures and Preventive Diplomacy (CBM/PD) on April 20-22, 2009 in Seoul, Korea. CSCAP appreciates and encourages this close association with the ARF and hopes that our observations, findings, and recommendations will continue to stimulate thinking and help inform the ARF agenda.

CSCAP is a Track Two non-governmental process dedicated to promoting dialogue and conducting policy studies on security matters in the Asia Pacific region. It continues to focus on the preparation of in-depth studies and policy recommendations on important issues of security interest in the region and beyond through its multinational Study Groups. This report will briefly review Study Group activities and highlight some recent CSCAP findings and recommendations that may be of interest to ARF members.

We are pleased that the ARF used CSCAP's earlier *Working Definition and Statement of Principles of Preventive Diplomacy (PD)* in developing its own official version and that many CSCAP recommendations in the PD area, to include the development of an *ARF Vision Statement* and the development of a standardized *Annual Security Outlook* format are now being seriously considered by the ARF. We hope some of the additional CSCAP proposals and recommendations outlined in this report and in our report to the ISG last October will similarly prove useful.

CSCAP Study Groups

CSCAP has established Study Groups to examine and develop policy recommendations in the following areas:

The **Study Group on Countering the Proliferation of Weapons of Mass Destruction in the Asia-Pacific** is examining multilateral approaches for dealing with the threat posed by the proliferation of weapons of mass destruction (WMD). As part of this effort, it is developing an *Asia-Pacific Handbook to Prevent the Proliferation of Weapons of Mass Destruction* along with a companion *Action Plan* containing policy recommendations for dealing with the growing WMD threat. As part of this effort, it has developed a *Statement of Objectives* and a set of *Basic Principles* that should guide the counter-proliferation effort in the Asia Pacific region. These are provided at the end of this report, in hopes that they might be able to help guide the efforts of the ARF Inter-Sessional Meeting on Nonproliferation and Disarmament (ISM/NPD). The WMD Study Group also developed a *Statement of Principles for a Charter for Peace and Security in Northeast Asia* which has been provided to the chairman of the Six-Party Talks Northeast Asia Security

Mechanisms Working Group. Other specific WMD Study Group recommendations will be provided later in this report. The Study Group's next meeting will be held back to back with the first ARF ISM/NPD, tentatively scheduled in late June in Beijing.

The **Export Controls Experts Group (XCXG)** operates as a sub-group of the WMD Study Group. It assesses national export control programs, identifies vulnerabilities and shortcomings, and develops recommendations for improving both individual export control capacity and mutual cooperation. It has recently produced *CSCAP Memorandum No. 14: Guidelines for Managing Trade of Strategic Goods*, which lays out the common elements required for an effective management regime, along with specific recommendations for establishing such a regime. Copies of CSCAP Memo No. 14 will be distributed at this meeting and could provide the basis for comprehensive ARF discussions on export controls at the ISM/NPD and other meetings.

CSCAP has had a number of study groups that have focused on various aspects of maritime security cooperation and capacity building, including a newly-formed **CSCAP Study Group on Naval Enhancement in the Asia-Pacific**. It will explore the benefits and risks associated with the improved capabilities and enhanced capacities resulting from naval and coast guard modernization efforts in the region, while exploring the primary rationale for such modernization efforts. A key issue for consideration will be whether the maritime strategies that are emerging in the region are cooperative or competitive. Cooperative strategies would assist in tasks such as the protection of sea lanes of communication (SLOCs) that are a common interest of all regional countries. The SG will also explore possible maritime confidence and security building measures (MCSBMs) that would help ensure that the benefits of naval modernization are exploited and the possible risks reduced. It will meet for the first time on May 25-26, 2009 in Singapore. We hope to hold future meetings back-to-back with the ARF/ISM on Maritime Cooperation to enhance track I/II interaction.

Another maritime-related effort involves the **Study Group on the Safety and Security of Offshore Oil and Gas Installations in the Asia-Pacific** which plans to look at both operational safety and the security of such installations from attack, understanding that incidents in the regional offshore oil and gas industry would cause further short-term oil/gas price instability; put pressure on regional security arrangements; increase operating costs through increased security requirements, workforce concerns and higher insurance premiums; and provide adverse publicity, impacting negatively on public and business confidence in the sector and those who operate, regulate and protect it. A specific related issue for consideration by the SG will be regional arrangements for the disposal of decommissioned installations which can become a hazard both to navigational safety and fishing activities. The outcome of the Study Group will be a short CSCAP Memorandum to provide guidelines of policy relevance covering the following key issues:

- Scope for cooperation in the provision of security and safety of offshore installations;

- Contingency arrangements for response and search and rescue following a major disaster involving an offshore installations;

- A common interpretation of jurisdictional issues relating to offshore installations; and
- A possible regional position on the disposal of decommissioned installations.

The **Study Group on Multilateral Security Governance in Northeast Asia/North Pacific** will address institution building and institutional coordination under the umbrella of the Six Party Talks other issues involving multilateral security governance in Northeast Asia. It will argue that mutually coordinated institutional linkages, whether bilateral, multilateral, regional, or global would generate a synergistic effect on regional stability and are thus critical for developing a security multilateralism, rather than establishing a single multilateral institution. There already exist many useful institutions covering Northeast Asia -bilateral, sub-regional, regional and global - that could contribute to regional peace and stability if they were interlinked and integrated in an appropriate way. The Six Party Talks provide an excellent laboratory to discuss the possibility of creating a multilateral security framework in the region. The success of the Six Party Talks depends to a large extent on whether various institutions can successfully be linked and coordinated with each other. Its first meeting was held in February in Tokyo.

The **Study Group on Security Implications of Climate Change** will attempt to enhance awareness and knowledge of the latest thinking on issues and solutions related to the causes and consequences of climate change especially those facing the Asia and the Pacific. Using the key policy-relevant findings of Working Group II of the Intergovernmental Panel on Climate Change (IPCC), which examined the impacts of climate change on natural and human systems, the Study Group will seek to arrive at recommendations that are tailored for governments in the region. The Study Group will determine which of the climate-change scenarios are likely to have serious security implications and will discuss specific measures that can be taken to deal with those scenarios that pose serious repercussions for security in the region. It plans to share information and best practices on policies that will spur actions and responses that can be taken to avoid or manage the risks climate change poses; promote national cooperation and understanding on risks climate change poses to security; and foster partnerships between policymakers, experts, practitioners and other stakeholders to advance climate change solutions. Its first meeting was held in Manila on Feb. 15-16, 2009.

The **Study Group on the Establishment of Regional Transnational Organised Crime Hubs in the Asia-Pacific** will seek to identify strategies and opportunities to counteract threats including better regional and national policing strategies led through appropriate national and regional intelligence frameworks and supported by more appropriate regulatory environments to impede crime. Through a scientific approach the project will identify and then assess conditions that increase the probability of emergence and propagation of certain crime categories within existing regional crime hubs and the likely evolution of new crime hubs. It will build on the outcomes of, and seek to support the ongoing efforts initiated from the establishment of the *“Work Programme to Implement the ASEAN Plan of Action to Combat Transnational Crime”* at Kuala Lumpur on 17 May, 2002; target areas where these crime types have emerged and through an inductive process identify common criteria that facilitated such emergence; through a risk based

assessment process - develop models of predictability around each crime type focusing upon the probability of that criteria emerging in different locals within the Region; develop new materials and directions; and draw upon existing outputs generated by relevant international organizations. It aims to develop a monitoring tool, combining available statistical evidence with local knowledge and expertise on transnational crime, money laundering and terrorism in the region, that would enable Improved targeting of countermeasures by early identification of high-risk hubs; greater cost-effectiveness ratios for preventive measures through the ability to monitor “what works”; and the identification of new “critical issues” that warrant CSCAP and Track 1 attention. Its first meeting will be in Bangkok on April 30-May 2, 2009.

Finally, the **Study Group on Asia-Pacific Cooperation for Energy Security** discussed the prospects for cooperation in ensuring the security, stability and sustainability of energy supplies. The Study Group has completed its workshops and is now in the process of compiling selected papers for the publication of a CSCAP and finalizing a draft memorandum for consideration. The Energy Security Study Group concluded that the way forward is to engage and develop closer cooperative mechanisms at the regional level to secure energy resources, further noting that the establishment of an integrated energy market could stabilize the prices of energy resources, and ensure security of supplies in the region. It recommended that energy efficiency and conservation be adopted to curb the demand for energy resources. In terms of diversification, the use of renewable sources, including nuclear energy, addresses the issue of sustainability and would alleviate the pressures on conventional fossil fuels. Nations within the region should cooperate in order to foster better information sharing and technology transfer. Energy security is intricately tied to other global issues such as climate change and food security. While global institutional frameworks are required to address these specific problems, and also taking into account the multiplicity of challenges in the globalized era, the SG concluded that it is crucial that solutions developed for energy security not heighten or lead to other or new problems for developing countries.

Recent CSCAP Studies and Findings

CSCAP Study Groups provide a number of different products ranging from workshop summaries to reports of key findings and conclusions to academic papers and volumes of collected works emanating from the various Study Groups. These represent the views of the Study Group co-chairs or, when indicated, the views of the assembled Study Group members, not CSCAP as a whole. CSCAP Memorandum, on the other hand, are fully coordinated CSCAP Steering Committee reports. It should be noted that while we strive for full consensus on our CSCAP Memorandum, the CSCAP Charter allows for publication as long as a minimum of 80% of assembled or canvassed member committees agree, which allows individual member committees the option of disagreeing with a particular report without preventing its publication.

CSCAP Memorandum No. 14: Guidelines for Managing Trade of Strategic Goods

This memo lays out the common elements required for an effective management regime: comprehensive legislation; effective procedures for licensing and enforcement; associated incentives and penalties; and fostering good inter-ministry cooperation as well as mandatory and sustained outreach to industry. It provides over 30 specific recommendations divided into five general categories: legislation; licensing procedures, enforcement, industry-government relations, and financial and technical assistance. Appendix 1 also provides a list of *Export Controls Guiding Principles* that the ARF might find useful in its own examination of how best to use this important non-proliferation tool. It should be noted that CSCAP-Russia, while acknowledging its positive potential, had reservations regarding Memorandum No. 14, given the sensitive nature of export controls to a country's national security and the deep differences in the export control systems of the countries in the region which makes the proposal to create the unified control list and common license criteria seem highly controversial at this point. Nonetheless, our Russian colleagues supported tabling the Memo at ARF ISG/ISM/SOM to promote discussion on this important subject. We would strongly encourage the ARF ISM/NPD to examine the Export Control Guidelines and Guiding Principles contained in Memorandum No. 14 as well as the WMD Study Group's broader listing of Basic Principles aimed at Preventing the Proliferation of Weapons of Mass Destruction attached to this report.

CSCAP Memorandum No. 13 - Guidelines for Maritime Cooperation in Enclosed and Semi-Enclosed Seas and Similar Sea Areas of the Asia Pacific

This memo offers a list of fundamental, non-binding principles to guide maritime cooperation in the enclosed and semi-enclosed seas of the region, and to help develop a common understanding and approach to maritime issues in the region. It recommends "best practice" guidelines that might be followed by countries adjacent to key seas in the Asia-Pacific region, with the objective of achieving a higher level of maritime cooperation in those seas than exists at present. The *Guidelines* serve as a basis for preventive diplomacy, constituting an important regional confidence-building measure that lays down general principles for regional maritime cooperation in line with the ARF's long term objective of becoming a mechanism for conflict prevention. They encourage cooperation, particularly in enclosed or semi-enclosed seas with overlapping claims to maritime jurisdiction. They also serve as a step in the process of enhancing oceans governance in the Asia Pacific region based on UNCLOS and the notion of integrated management of oceans issues.

CSCAP Memorandum No.12 – Maritime Knowledge and Awareness: Basic Foundations of Maritime Security.

This memorandum notes that the failure to achieve a satisfactory level of maritime security cooperation in the region is partly due to a lack of recognition of the advantages of cooperation and of the benefits of relevant regimes. Key actions to overcome this situation recommended in the memo include:

- Clear arrangements for inter-agency coordination on maritime security.
- A process for dialogue and cooperation between regional navies and coast guards.
- Wider support for all relevant international maritime security regimes.
- Legal workshops under the auspices of the ARF and/or CSCAP to promote broader adherence to relevant regimes.

- Completion of a lexicon of agreed maritime security expressions to overcome some of the difficulties with language and interpretation identified in the memo.

CSCAP Regional Security Outlook

For the second straight year, CSCAP has produced a *CSCAP Regional Security Outlook (CRSO)* report which addresses some of the major security challenges in the region. Copies are being provided to ARF members at this meeting. The full report is also available on the CSCAP web site: www.cscap.org. This is an academic journal. The views expressed represent the views of the individual authors and do not necessarily reflect the views of their respective CSCAP member committees or of CSCAP as a whole.

The 2008 *CRSO* focuses on the challenges and concerns for human security in the region and the growing importance of non-traditional security threats. It argues that regional states must assume greater responsibility for deriving cooperative solutions to global problems and promote proactive regional multilateral institutional responses within broader systemic regimes for food security, disease prevention, non-proliferation, and adaptation and mitigation of climate change. It also outlines the longer-term implications of Asian military enhancement efforts and examines traditional security challenges emanating from the Korean Peninsula and the maritime areas of Northeast Asia.

This survey of Asia-Pacific security developments in 2008 yielded two fundamental observations, both of which are highlighted in the *CRSO*:

- The year's most pervasive crises -- shortages and sharply rising prices of both food and fuel -- illustrate not only the interconnectedness of states, but also the interconnectedness of issue areas.
- As the world's center of gravity continues its shift toward Asia, that region will be expected to assume a much greater share of the responsibility for solving such problems of global dimensions.

In addition, the 2008 *CRSO* highlighted the following:

- Asia is the region hardest-hit by natural disasters. In many cases, the intensity of these disasters very quickly overwhelms national capacities. While it is encouraging that there are an increasing number of agreements for regional cooperation, states need to do a better job of actively implementing the commitments that they have made on paper.
- Although Asian states generally refrain from referring to each other as security threats, regional military procurement priorities tell a different story. More specifically, a number of states that occupy regional "trouble spots" are acquiring destabilizing weapons systems that do not augur well for long-term regional peace.
- Southeast Asian energy insecurities, which were exacerbated last year by the rising prices of fossil fuels, have bolstered arguments for pursuing the nuclear option. While all of these governments have declared their peaceful intentions, it is nonetheless incumbent upon them to demonstrate a higher level of compliance with both international and regional treaties related to nuclear safety and non-proliferation.

Taken together, these crises and longer-term concerns suggest a much stronger and more proactive role for regional multilateral organizations such as the ARF and CSCAP. The CRSO notes that these multilateral organizations risk becoming obsolete if they do not shift their focus from formality to function. In addition, the functions must more closely reflect 21st century problems such as scarcity of vital resources, and the fragility that arises from an increasingly interconnected world.

WMD Study Group Recommendations

In the process of developing the WMD Handbook and Action Plan, a number of preliminary observations, findings, and recommendation have evolved which are offered here to stimulate thinking within the ARF and particularly at the upcoming ISM/NPD. These have not yet been codified and do not represent a consensus listing but rather are preliminary in nature.

- It is important for all ARF states to accept and support the NPT. In this regard, states in the region should be encouraged to sign and implement the Additional Protocol.
- The ARF should support the implementation of UNSCR 1540 by all states and should consider developing a liaison with the UNSCR 1540 committee to encourage implementation in the region. As a corollary to implementation of 1540, the ARF should encourage programs that increase awareness of UNSCR implementation
- The ARF should encourage early development of a regional mechanisms for managing fissile materials in anticipation of the development of nuclear power facilities in the region. TO this end, it should encourage ASEAN to consider declaring itself a *Reprocessing and Enrichment-Free Zone* to close NPT loopholes and minimize the proliferation risks associated with nuclear energy production.
- The ARF should support the development of a regional nuclear safety and security network to enhance national level efforts to improve management of radiological source material in the region and otherwise encourage and support nuclear transparency.
- The ARF could serve as a clearinghouse for outreach programs that have been established by individual states to improve the global nonproliferation regime.
- ARF members should encourage the continued development of an action plan for the implementation of SEANWFZ action plan, to include serious consideration of the afore-mentioned *ASEAN Reprocessing and Enrichment-Free Zone*.
- The ARF should support the integration of nonproliferation principles into the charter for peace and security in Northeast Asia.

**CSCAP WMD Study Group Basic Principles aimed at
Preventing the Proliferation of Weapons of Mass Destruction**

Any effort to prevent the proliferation of WMD in the Asia Pacific region should be based on the following basic principles:

- a commitment by individual nations and the region as a whole to prevent and stop the proliferation of WMD, their delivery systems, and related materials, including dual-use goods and technology;
- a commitment to prevent and stop WMD terrorism;
- a commitment to support effective multilateralism that acknowledges a key role for the United Nations and its instruments in global nonproliferation work, but includes regional, subregional, and plurilateral initiatives. This includes the commitment by individual nations to comply with both the spirit and the letter of their nonproliferation commitments and disarmament obligations under relevant UN resolutions and the international treaties to which they are party;
- a commitment to take all measures to ensure proper protection and safeguarding of nuclear facilities and relevant materials in their territory;
- a commitment to a wide spectrum of measures, ranging from peaceful dispute resolution to the elimination of conditions that lead nations to develop WMD to consequence management if WMD are used. Prevention, counter- and nonproliferation should be included;
- a recognition of the growing possibility that nonstate actors may acquire or develop WMD, components, materials, or know-how;
- a recognition of the centrality of export controls in any effort to stem the proliferation of WMD, their components, materials, and know how;
- a recognition that the prevention of WMD proliferation should not hamper regional growth and development or international coordination in the use of materials, equipment, and technology for peaceful purposes; and
- a recognition that individual countries will pursue their commitment to take action in ways that reflect their national practices.
- Underlying the above principles is the recognition that weapons of mass destruction pose a unique threat to the inalienable right of all nations and peoples to live in peace and pursue economic prosperity.