UNSCR 1540 and Taiwan

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Presentation Outline

1. UNSCR 1540: Taiwan’s Critical Role
2. International Regimes: “Falling Between the Cracks”
3. Taiwan’s Proliferation Controls
High-Tech Industry
Hsin Chu Science Park
450 companies
Annual revenue: USD 30 billion

Source: Hsin Chu Science Park
Nuclear Energy
• 3 nuclear power plants (6 reactors) in operation

• 1 nuclear power plant under construction
  (2 advanced reactors)

• Potentially 6 more reactors will be added
NUCLEAR INDUSTRY

- 3 nuclear power plants (6 reactors) in operation
- 1 nuclear power plant under construction (2 advanced reactors)
- Potentially 6 more reactors will be added
1,000,000 transit containers annually at just one port (Kaohsiung)
MARITIME BORDERS

Source: Lonely Planet
TAIWAN AND GLOBAL PROLIFERATION REGIME:

Outside of WMD nonproliferation treaties and multilateral export control regimes (MECRs)

Adheres to MECRs (control lists)

Member of CSI and Megaports Initiative

Subscribes to PSI principles (not an official member)

How does UNSCR 1540 apply to Taiwan?
Limited access to information-sharing (MECRs, OIs)

Limited access to intelligence (example: communication with Interpol by methods other than I24/7)

Safe haven for foreign criminals? [lack of extradition agreements]
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Issues with extraditing Taiwanese criminals back to Taiwan

How to keep an “outsider” in check and ensure commitment to international norms?
• **Foreign Trade Act (1993)**
• **Strategic High-Tech Commodities (SHTC)** = Controlled Items

**SHTC Export Control List**
- Dual-Use Items
- Munitions
- Sensitive Commodity List (North Korea and Iran)

**“Catch-All” group**
Import controlled by other countries
PENALTIES

Violations involving non-restricted areas: NT$ 300,000 (~US$9,683)
Violations involving “restricted” areas: 5 year in prison or NT$ 1.5 mln. (~US$48,418) (2010)
ENFORCEMENT (Taiwan)

2007 – Royal Team Corporation
- 14 transactions
- Precision equipment (North Korea)
RESULT: MINIMUM SUSPENDED SENTENCE

2007 – Yicheng Company
- Precision equipment (North Korea)
RESULT: UNKNOWN

2008 - administrative penalties imposed on 14 companies
Taiwan’s nonproliferation performance – critical

Creative approaches are necessary

Progress made, gaps remain

AREAS FOR FUTURE GROWTH

- advanced controls (on technology transfers, deemed exports, transit and transshipment, brokering)
- additional resources for licensing
- detection and punishment
Thank you for your attention!

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