



CITS

CENTER FOR INTERNATIONAL TRADE & SECURITY

THE UNIVERSITY OF GEORGIA

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**



PRODUCER

IMPORTER

High-Tech Industry



Hsin Chu Science Park
450 companies
Annual revenue: USD 30 billion





Nuclear Energy

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**

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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?

TAIWAN AND GLOBAL PROLIFERATION REGIME: FALLING BETWEEN THE CRACKS



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]**

TAIWAN AND GLOBAL PROLIFERATION REGIME: FALLING BETWEEN THE CRACKS



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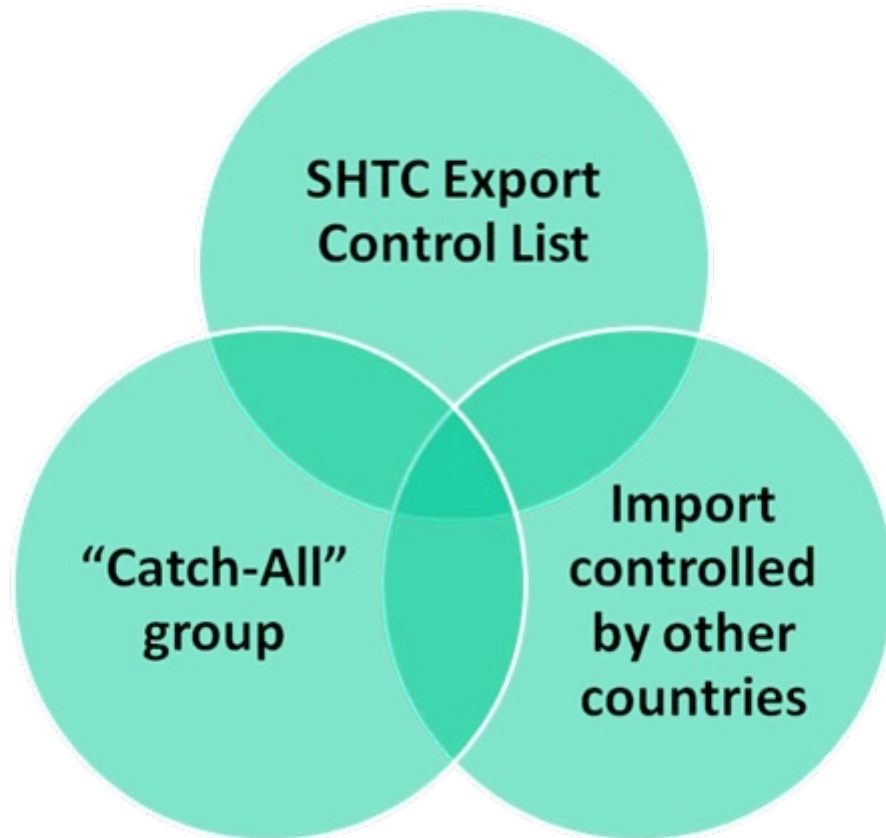
**Issues with extraditing Taiwanese criminals back to
Taiwan**

**How to keep an “outsider” in check and ensure
commitment to international norms?**

LEGISLATION



- ***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)



Technology transfers

Deemed exports

Brokering

Transit

Transshipment

Control List

Catch-All

**“Restricted”
areas**

SCL

ENFORCEMENT



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)**



2007 – Royal Team Corporation

- 14 transactions
- Precision equipment (North Korea)

RESULT: MINIMUM SUSPENDED SENTENCE

2007 – Yicheng Company

- Precision equipment (North Korea)

RESULT: UNKNOWN

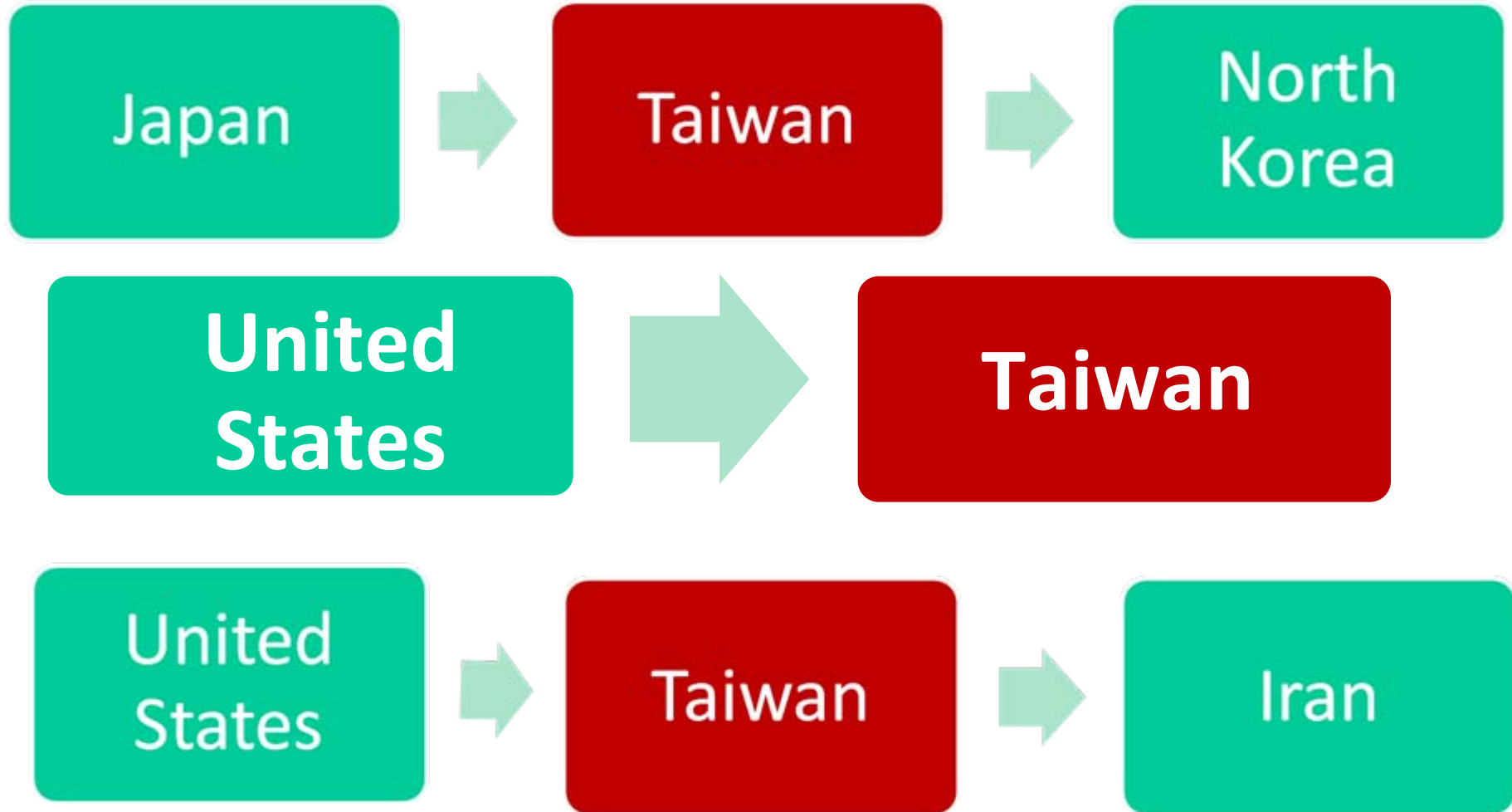
Taiwan



North Korea

2008 - administrative penalties imposed on 14 companies

ENFORCEMENT (External)





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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