

OAS/CICTE PROJECT ON STRATEGIC TRADE CONTROLS: PREVENTING AND COUNTERING ILLICIT TRADE OF SENSITIVE MATERIALS IN LATIN AMERICAN FREE TRADE ZONES

The main purpose of the project “Countering Illicit Trade of CBRN materials in FTZs of Latin America”, implemented by the Inter-American Committee Against Terrorism of the Organization of American States (‘OAS/CICTE’), is to prevent and counter the proliferation of materials and technologies related to weapons of mass destruction in six Latin American countries (Argentina, Brazil, Chile, Mexico, Panama, and Paraguay) situated in four Free Trade Zones (FTZ), by securing and optimizing supply chains and strengthening strategic trade controls.

The general aim of the project is, firstly, to increase understanding of chemical, biological, radiological and nuclear (CBRN) threats in the region and, then, to promote effective implementation of international security standards, including implementation of UNSCR 1540 and international trade rules; to encourage adoption of trade compliance programs by customs administrations and private sector companies, including sustainable programs related to Authorized Economic Operators (AEO); to foster greater public-private sector cooperation; and to strengthen national capacity to effectively inspect and, if appropriate, interdict illicit commerce in FTZs.



*Container inspection training for private sector
Santiago - Chile January 2023*

The project, which seeks to consolidate better strategic trade controls in the Western Hemisphere, is expected to increase adoption of enforcement programs and other security measures to prevent and counter the illicit trade of CBRN materials in the various beneficiary countries. Training courses have been designed and delivered to customs officials and other governmental agencies to promote joint coordination and a common enforcement approach. These programs include the evaluation of existing AEO programs, to identify legal gaps and/or inter-agency obstacles, with particular focus on trade operators in FTZs.

The activities foreseen in the project change from country to country depending on their specific needs, but they overall include the development of workplans with recommendations on how to strengthen the AEO program in each beneficiary state. This involves the organization of training workshops for customs to increase understanding of threats, to close capacity gaps across levels, to improve communication within agencies, and/or to consider granting specialized benefits for private operators certified under AEO rules. The idea behind such workshops is to focus on risk analysis matrix preparation, validations visits, post-incident analysis investigation and verification of minimum-security requirements. Other trainings are tailored for customs and law enforcement agencies to strengthen cargo and conveyance inspections and seizures of illicit goods,

including risk analysis, collection and handling of evidence, interview techniques and identifying key criminal trends and distinctive modus-operandi of illicit actors.

Mutual cooperation to share best practices on validation exercises is also encouraged through the deployment of side-by-side validation practices among AEO officers of participating countries (taking into account the observation of aspects related to points of container, wall perimeter inspection, surveys for security personal, cybersecurity measures, etc.).

To increase the awareness of public and private sector officials of WMD threats in FTZ and to endorse greater cooperation and information exchange among them, an outreach/communication strategy is developed for each beneficiary state in order to promote AEO programs, teach basic supply chain security skills to private sector companies and encourage private sector involvement in such programs. This could also embrace the delivery of (virtual) training to private sector entities, in coordination with chambers of commerce, trade facilitation agencies and sub regional or global international organizations, and the organization of in-person workshops in cities identified by customs administration as having a critical number of FTZ operators and industries.



*Private Sector Engagement on Free Trade Zone
Asuncion - Paraguay March 2023*

Another one of the main aims of the project is to promote regional cooperation and coordination in supply chain security through the strengthening of mutual recognition agreements (MRA), and to organize a set of activities dealing with the identification of risks and with the consolidation of incident response preparedness in case of a use of dangerous materials (including weapons, chemical precursors, dual-use, and biological materials) in FTZs.

This project, which is generously funded by the United States builds on the experience of several ongoing OAS/CICTE's programs, including the UNSCR 1540/WMD program, the Cargo and Container Security program and the AEO program. As a whole, these programs have been contributing to a consolidation of stronger strategic trade controls and to the prevention of the proliferation of WMD in the Americas and overcoming various challenges at national and regional levels.