

**GLOBAL PARTNERSHIP AGAINST THE SPREAD OF WEAPONS AND
MATERIALS OF MASS DESTRUCTION
G8 SENIOR OFFICIALS GROUP
ANNUAL REPORT**

Our Leaders decided at the Kananaskis Summit to launch a new G8 Global Partnership against the Spread of Weapons and Materials of Mass Destruction to prevent terrorists, or those that harbour them, from acquiring or developing weapons of mass destruction. Their Statement set the scope of co-operation projects under this initiative to address non-proliferation, disarmament, counter-terrorism and nuclear safety issues. Among the priority concerns they identified the destruction of chemical weapons, the dismantlement of decommissioned nuclear submarines, the disposition of fissile materials and the employment of former weapon scientists. It was agreed to review progress on the Global Partnership at the Evian Summit. The Global Partnership Senior Officials Group, established to review progress of the initiative and to co-ordinate projects, has undertaken an active work plan to implement this initiative, first under the Canadian Chair and then in 2003 under the French Chair. In the first year of Global Partnership activities, the Senior Officials Group can report substantial progress to translate the Global Partnership initiative into concrete projects. At the same time, much work remains to be done, and the Senior Officials Group has outlined a challenging action plan to be accomplished before the next Summit.

The Senior Officials Group's activities over the past year have focused on four objectives: implementation and translation of the guidelines, as necessary, into concrete actions and agreements; initiation and development of concrete projects; financial contributions in conformity with the Kananaskis commitment to raise up to \$20 billion over the next ten years; and outreach activities towards non-G8 countries to expand participation in the Partnership. For each, the objective was to ensure that the Kananaskis promises were being translated into practice. In order to do so, work has been pursued with determination on resolution of outstanding implementation problems, successful negotiation of implementing agreements, development and initiation of concrete projects based on allocated funds, national financial commitments to raise up to \$20 billion over ten years, and inviting third countries to participate in the initiative and contribute to projects under the Partnership.

1. Implementation of Kananaskis guidelines

The Kananaskis Statement defined a set of guidelines that will form the basis for the negotiation of specific agreements governing projects. Implementation of these guidelines has been a primary task of the Senior Officials, and was addressed at each Senior Officials Group meeting. In the course of their discussions, Senior Officials noted the difficulties and obstacles that were hindering the initiation of projects, and have conducted an in-depth review of the outstanding issues related to the negotiation of bilateral and multilateral agreements required for projects falling under the scope of the Global Partnership.

We welcome the important progress that has been made on the issue of tax exemption on the basis of high-level political decisions. Several bilateral and multilateral agreements include such provisions. Nonetheless, these agreements have yet to be tested in practice. Full exemption from taxes, duties, levies and other charges is essential for projects to succeed; progress registered in this field is positive and has to be pursued.

Another essential issue for Partners is liability protection. The efficacious implementation of the guideline which states that "adequate liability protection from claims related to the co-operation project to be provided for donors countries, their personnel and contractors" has been discussed extensively by Senior Officials. All Partners agree that adequate liability protections are essential for project implementation, while recognising that the protections differ depending on respective national requirements. Partners reinforced the need to have adequate liability provisions in all bilateral and multilateral frameworks and welcomed progress in this regard. Partners agreed that there should be uniform treatment of donors in this respect.

The guideline regarding "adequate access to work sites" has also been under consideration by Senior Officials. The new proposal to simplify access to sites by reducing prior notification delay from 45 to 30 days through a procedure of annual lists has been considered as an improvement on past practice though still judged insufficient by some Partners. It should be evaluated over the next year.

Other guidelines such as monitoring, auditing and accountancy of funds, or the implementation of projects in an environmentally sound manner, and establishment of project milestones have not been raised as presenting problems. Some of these guidelines have been satisfactorily translated into bilateral agreements. However, the Senior Officials will duly address such issues as they may arise during the implementation of projects.

The Senior Officials have also noted in their discussions the importance of the guidelines concerning the assurance that "the material, equipment, technology, services and expertise provided will be solely for peaceful purposes" and "appropriate privileges and immunities will be provided for government donor representatives".

After one year, Senior Officials can report some progress regarding the implementation of the guidelines and welcome Russian efforts in that respect. They recognise that, given the importance of practical implementation of guidelines for engagement of new projects, sustained and broadened efforts in this field are necessary.

2. Partners report on the state of advancement of co-operation projects, and specific projects for new co-operation

A number of specific co-operation projects are moving forward into their concrete phase. For example, in the chemical weapons field, the Gorny facility was completed and went into operation, and has already destroyed 400 tonnes of yperite. After the conclusion of an agreement, the construction of the Chemical Weapons Destruction Facility in Kambarka can start in the next months. Construction of the Chemical Weapons Destruction Facility for nerve agents at Schuchye was initiated as well as other related

infrastructure projects. They are important milestones in the field of chemical weapons destruction. It is also to be reported that Italy and Russia have recently signed an Additional Protocol related to the Schuchye chemical destruction plant. A new stage in dismantling former nuclear submarines has been reached with the concrete and tangible results for implementation of new projects in Saïda Bay and at Zvezda Shipyard in the Far Eastern Region, as well as the funding of other projects for dismantlement of decommissioned nuclear submarines. Agreement has also been reached on a programme to end Russian production of weapons-grade plutonium and on acceleration of efforts to secure Russian fissile material and nuclear warheads, while significant progress can be noted in the negotiations on international support for Russia's plutonium disposition programmes, including increased pledges and substantial agreement on concepts for effective programme management and oversight. We look forward to completion of these negotiations. The safety and security of biological research facilities is being improved. With respect to employment of former weapons scientists, in addition to the continued efforts in the multilateral International Science and Technology Centre framework, new bilateral engagements have been initiated with former non-conventional weapons production facilities to assist in their reconversion to develop and manufacture commercial products.

The Senior Officials Group has followed closely the developments of bilateral contacts as well as multilateral consultations that preside over engagement of new projects. Additional efforts should be made to identify and start new projects. Partners have had an active programme of experts meeting and exchanges, including visits on the sites and seminars for dealing with concrete technical issues. This was the case for the seminar of experts on ecological problems in nuclear submarines decommissioning held in Vladivostok, and the meeting of submarine experts organised by Russia in Severodvinsk, followed by informal experts meeting on the same subject held by the presidency. Interested experts in the chemical fields also met in the margins of the Organisation for the Prohibition Chemical Weapons Executive Council sessions to discuss plans of countries to fund projects as well as outstanding needs. The Conference of the Non-Proliferation and Disarmament Co-operation Initiative hosted by the European Commission in Brussels under EU, US and Canadian Chairmanship also furthered the aims of the Global Partnership by facilitating information exchange, outreach to other countries and co-ordination of projects.

All Partners have engaged in intensive bilateral consultations with Russia to identify fields of co-operation and select specific projects to be carried forward. The Russian side identified lists of specific projects that were presented to individual Partners. These lists were studied in depth by Partners who have responded, others are still in the process of discussion of projects. They have all, while keeping in mind the full scope of the Global Partnership, addressed those priorities identified among others by Leaders in Kananaskis (destruction of chemical weapons, dismantlement of decommissioned nuclear submarines, disposition of fissile materials and employment of former weapons scientists). They have also taken into account the two priorities on which Russia has put special emphasis (destruction of chemical weapons, dismantlement of decommissioned submarines).

Despite all these efforts and active endeavours, Senior Officials note that for practical implementation of projects to progress as fast and as effectively as expected, sustained and broadened efforts will be needed.

3. Financial Commitments

Leaders in Kananaskis committed collectively to raise up to \$20 billion to support Partnership projects over a ten year period. Over the past year, this collective commitment has been translated into firm national commitments of up to: United States - \$10 billion; Germany - €1.5 billion; UK - \$750 million; France - €750 million; Japan - \$200 million; Italy - €1 billion; Canada - Can\$1 billion. The EU has pledged €1 billion and Russia \$2 billion. It is also to be noted that Partners have appropriated in their budgets of FY 2003 adequate funds for this year's projects.

4. Outreach strategy and modalities

Following the Leaders' invitation to other countries prepared to adopt the Kananaskis documents (statement, principles and guidelines) to enter discussions with Partners on participating in and contributing to this initiative, and their commitment to review this question at their next Summit, intense outreach activities have been developed. These activities were driven forward by the Canadian Chair, which sustained its efforts in this direction under the new French Chair. Contacts were made with countries that expressed an interest, and information was given on the content, aims and work of the Global Partnership. Meetings with interested countries were organised in Ottawa. Following bilateral additional consultations, an information meeting, co-chaired by Canada, France and the United States, was held in Paris on 8 April in order to encourage and facilitate potential donors to participate in the Global Partnership. Russia briefed potential donors about possible co-operation projects on the chemical weapons destruction and the dismantlement of decommissioned submarines. They were informed of the inclusive character of the Partnership and offered the possibility, having endorsed the Kananaskis documents, to make a formal announcement of their interest and their intention to pledge. The Chair indicated that the G8 would be ready to give due recognition to the new donors at the Evian Summit. Potential new donors were also informed of the possibility of having back-to-back meetings of the enlarged Partnership group with the G8 Senior Officials Group meetings until future structures are decided upon. A similar information meeting with interested countries was also organised by the United States in Washington on 25 April.

Although the initial Global Partnership focus was on projects in Russia as stated by the Leaders, the Partnership may extend to other recipient countries, including in particular those of the Former Soviet Union, prepared to adopt the Kananaskis documents. The Leaders stated the G8 willingness to enter in negotiations with such countries. In that respect, an official application was presented by the Ukraine. After discussion in the Senior Officials Group, it has answered positively, in principle, while recalling that the Partnership was still in its initial phase and thus focused on Russian projects. The Chair has expressed its readiness to enter into preliminary discussions with interested recipients willing to adhere to the Kananaskis

documents in order to prepare for their future inclusion in the Partnership. Some partners are already pursuing relevant projects in former Soviet States outside Russia.

While encouraging the importance of the universal adoption of non-proliferation principles, Senior Officials have been eager to underline the importance of Global Partnership and to publicise its objectives and activities to third countries as well as the United Nations, the European Union, the Non Proliferation Treaty Prepcom and others. In this respect, Senior Officials welcome the EU plan to organise an inter-parliamentary conference on Global Partnership in November 2003. This conference, to be held in Strasbourg on 21 November 2003, is fully supported by the G8 Partners and Chair, and the future EU Presidency, who view the event as an important step to provide information on the Global Partnership to parliamentarians whose support for funding the initiative will be essential over the ten-year period.

Senior Officials reviewing their activities over the year since Kananaskis note the progress achieved in implementing guidelines, the advancement of new projects, financial commitments and outreach activities, while recognising that in all these fields, further work has to be done. All of the Kananaskis documents thus remain under Senior Officials Group consideration and review, as part of a global ongoing process in order to yield substantive results.