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Subject : Six-monthly Progress Report on the implementation of the EU Strategy against
the Proliferation of Weapons of Mass Destruction (2007/I)

Delegations will find enclosed the Six-monthly Progress Report on the implementation of the EU Strategy against the proliferation of Weapons of Mass Destruction (2007/I), as endorsed by the Council on 18 June 2007.

Six-monthly Progress Report on the implementation of the EU Strategy against the Proliferation of Weapons of Mass Destruction (2007/I)

A. Executive Summary

During the past six months notable progress has been made in the implementation of the WMD Strategy. The EU has strengthened its role and increased its visibility in multilateral disarmament and non-proliferation fora and through its determined support for the multilateral treaty regimes, other non-proliferation instruments and international organisations. Attention is drawn in particular to the following developments:

- The 1st NPT Prepcom was a major event in the first half of 2007. In playing a key role in the substantial debates and in removing procedural obstacles the EU has in a significant way contributed to a successful start of the current NPT Review Cycle. The balanced approach of the EU as enshrined in the 2005 Common Position has been reaffirmed and made operational in the form of several common EU working papers. The EU will build upon these and other contributions in the further process.
- WMD Monitoring Center becoming operational with regular meetings between Council Secretariat and the Commission.
- Continued support for concrete projects of relevant International Organisations (UN, IAEA, OPCW, CTBTO) and in third countries in implementing existing Joint Actions.
- Adoption of a new Joint Action in support of OPCW activities in the field of national implementation and universality.

- Preparation of a new Joint Action in support of nuclear security projects of the IAEA (making the EU the main contributor to the IAEA Nuclear Security Fund) and a new Joint Action in support of the CTBTO aimed at enhancing the verification and monitoring capabilities (both to be adopted by the Council in due course).

- Successful start of preparations for the CWC-Review Conference 2008 (Commemoration of 10th anniversary, Draft Common Position).

- EU - demarches carried out in support of the ratification of the CTBT and the universalisation and implementation of the HCoC as well as organisation of an International Conference on HCOC with the same objective.

B. Report

I. Introduction

This progress report on the implementation of the WMD Strategy covers EU activities in the first half of 2007. As in the past, it has been established by the Office of the HR's Personal Representative on non-proliferation in co-ordination with the Commission services. It concentrates on main developments and trends rather than containing an exhaustive repetition of all items mentioned in the Strategy. It is suggested that the version of the "List of priorities for the implementation of the EU WMD Strategy", adopted in December 2006 (doc.5184/07) does not yet require updating.

II. Support to international Treaty system and international organisations

The support to the international treaty system and international organisations remains a cornerstone of the activities developed by the EU in order to fight against proliferation of WMD. The adoption of UNSC Resolutions 1540 but also 1718 (DPRK) , 1696, 1737 and 1747 (Iran), are examples of the UN Security Council's central role in the field of non-proliferation. The EU is fully implementing all provisions of these resolutions.

In order to underline the EU's commitment to multilateralism in general , the EU and its Member States have played an active role in the difficult discussions leading finally to the successful start of the new NPT Review Process, particularly hosted and supported events on the occasion of the 10th anniversary of the entry into force of the Chemical Weapons Convention (CWC, details below) and considerably strengthened the role and the visibility of the EU within the Conference on Disarmament in Geneva by contributing jointly to all items on the agenda.

When this support takes the form of Joint Actions implying financial resources in favour of International Organisations (UN, IAEA, OPCW, CTBTO), such resources are entirely devoted to concrete projects of assistance to third countries and do not constitute an additional contribution to the functioning costs of the organisations through which these Joint Actions are implemented.

1) Nuclear issues

- Council Joint Actions in support of the IAEA

In order to achieve the objective of strengthening the security of nuclear and radio-active materials, a series of assistance projects have been undertaken or are under preparation in countries in the Balkans, Caucasus, Central Asia, the Mediterranean region, Africa and in Southeast Asia. Through a financial contribution in the order of 20 million EUR since 2004, the EU has now become the major donor to the IAEA nuclear security fund.

The IAEA has completed the implementation of Joint Action 2004/495/CFSP of 17 May 2004. The implementation phase of Joint Action 2005/574/CFSP of 18 July 2005 is being extended till December 2007. The assessment phase of Joint Action 2006/418/CFSP, adopted by the Council on 12 June 2006, has been completed in May 2007 and the selection of beneficiary countries has been carried out. A new Joint Action , enlarging the scope of application to countries in Southeast Asia, has been prepared with a view to its adoption.

As to the detailed state-of-play in the implementation of Joint Actions:

a) Joint Action 2004/495/CFSP

11 countries, situated in the Balkans, Caucasus and Central Asia, have received assistance in different areas of nuclear security:

Project 1: Strengthening the Physical Protection of Nuclear Materials and other Radioactive Materials in Use, Storage and Transport and of Nuclear Facilities:

Armenia, Bulgaria, Kazakhstan, Romania, and Serbia & Montenegro

Project 2: Strengthening of Security of Radioactive Materials in Non-Nuclear Applications:

Bulgaria, Bosnia and Herzegovina, Croatia, Former Yugoslav Republic of Macedonia, Moldova and Serbia and Montenegro

Project 3: Strengthening of States' Capabilities for Detection and Response to Illicit Trafficking:

Albania, Azerbaijan, Bosnia and Herzegovina, Bulgaria and Serbia/Montenegro

b) Joint Action 2005/574/CFSP

Assistance projects in 20 countries have been implemented or implementation is close to completion.. The following countries benefit from nuclear security assistance:

Project 1: Strengthening the Physical Protection of Nuclear Materials and other Radioactive Materials in Use, Storage and Transport and of Nuclear Facilities:

Armenia, Bulgaria, Egypt, Kazakhstan, Libya, Morocco, and Serbia

Project 2: Strengthening of Security of Radioactive Materials in Non-Nuclear Applications:

Subproject 2a): Strengthening the regulatory infrastructure:

Albania, Algeria, Kyrgyzstan, Lebanon, Tajikistan and Uzbekistan

Subproject 2b): Protection of vulnerable radioactive sources

Algeria, Azerbaijan, Lebanon, Serbia, Tajikistan and Turkmenistan

Project 3: Strengthening of States' Capabilities for Detection and Response to Illicit Trafficking:
Algeria, Jordan , Lebanon, Morocco, Serbia and Tunisia

Project 4: Legislative Assistance for the Implementation of States' Obligations under IAEA
Safeguards Agreements and the Additional Protocols:
Armenia, Bulgaria, Georgia, Kazakhstan, Turkey, Ukraine and Uzbekistan

c) Joint Action 2006/418/CFSP

In accordance with the results of the assessment phase of Joint Action 2006/418/CFSP, adopted on 12 June 2006, the following 35 countries have been identified to receive nuclear security assistance:

Project 1: Legislative and Regulatory Assistance :

Angola, Azerbaijan, Botswana, Burundi, Cameroon, Cape Verde, Comoros, Croatia, Former Yugoslav Republic of Macedonia, Gabon, Madagascar, Mauritius, Mozambique, Namibia, Rwanda, Senegal, Swaziland, Zimbabwe

Project 2: Strengthening the Security and Control of Nuclear and other Radioactive Materials:

Algeria, Armenia, Ghana, Kazakhstan, Kenya, Morocco, Niger, Nigeria, Serbia, South Africa, Tajikistan, Tunisia, Turkmenistan

Project 3: Strengthening of States' Capabilities for Detection and Response to Illicit Trafficking:

Ghana, South Africa, Sudan, Tanzania, Uganda, Zambia

d) Joint Action in support of the IAEA 2007

This new Joint Action is likely to be submitted soon to the Council for adoption.

- Physical protection of nuclear material

The Commission and Member States are proceeding with the ratification of amendments to the Convention on the Physical Protection of Nuclear Material with a view to its early entry into force. This will result in the strengthening of the physical protection regime within the EU and support the efforts of the EU to ask for early ratification of CPPNM amendments by all states..

- Community activities in Russia and CIS

Securing nuclear materials in Russia and CIS : The Joint Research Centre continues to be involved in the implementation of important programmes to secure nuclear materials in Russia and CIS within the TACIS context. In 2004, it was agreed with the Russian Authorities that the new phase of the programme will be more focused on nuclear security with an emphasis on the fight against illicit trafficking of nuclear materials. Seven past and on-going projects in three countries for a total amount of 14.7 Meuros have been or are being implemented in close co-ordination with other major actors (IAEA, US/DOE, etc.) For the period 2005-2010, the Joint Research Centre support to TACIS programme has been estimated to 30 Meuros and concerns 14 projects: 7 in the Russian Federation, 2 in Ukraine, 2 in Kazakhstan, 2 in Armenia and 1 multi-country project. 15.4 Meuros have already been committed end of 2005. Major projects aim at improving accountancy/control of hold up and waste as well as implementing measures to combat illicit trafficking of radioactive and nuclear material (border crossing stations, improved capabilities to analyse seized materials).

Redirecting scientists work. Since 1994, the Community and other donors (USA, Japan) have funded the International Science and Technology Centre in Moscow (ISTC) and the Science and Technology Centre in Ukraine (STCU) in order to prevent former weapon scientists expertise from proliferating while redirecting their work towards civil research.

The work in the first half of 2007 has build on activities in 2006 during which the ISTC funded 183 projects with a total value of \$50.8 Million. Moreover, 119 new projects were funded through the STCU with a total value of \$ 19,8 Million. Overall, the EU contributed for 36% of the total amount. The total number of former weapon scientists involved in these projects is 11 299. The EU supported two new targeted initiatives aiming at (1) promoting a collaboration of researchers for the development of Law Enforcement Technologies with the Russian Ministry of Interior and (2) establishing a collaboration between STCU and the Ukrainian Academy of Sciences in order to further contribute to the sustainable reconversion of former weapon scientists to peaceful research activities.

Whilst the Science Centres have had considerable added value since 1994 (through the employment of former WMD weapons related scientists and engineers to avoid the risks of WMD knowledge proliferation. After more than 10 years of operation, the European Commission has decided to reassess the level of the present threat and the non proliferation impact of such programs. An evaluation of the non proliferation activities in both centres, starting beginning of January 2007, was therefore instructed. In parallel, discussions about the centres' future are on-going within their respective Governing Boards. The ISTC Governing Board members will have a Strategic Planning Session on 6 June 2007 in Moscow. For STCU, Strategic Planning discussions will take place at the end of May 2007 on the occasion of the next Governing Board meeting in Chisinau. The outcomes of those sessions, together with the Commission study, will be available to inform future funding decision. An interim solution is currently being proposed for 2007/2008 with the view to further activities, through the Stability Instrument, in this field.

- Council Joint Action in support of the CTBTO

Working for an early entry-into-force of the Comprehensive Test Ban Treaty and enhancing its verification system remains an important objective of the EU WMD strategy. Especially in the light of the nuclear test conducted by DPRK, the EU urged all States that have not yet signed or ratified the CTBT to do so as soon as possible, in particular the few remaining States mentioned in Annex II of the Treaty, whose ratification is necessary for entry into force. The issue was systematically raised especially with the latter through political dialogue. Additionally, the EU conducted high-ranking demarches to to all Annex II States and to 46 non-Annex II States.

The Council adopted on 20 March 2006 a Joint Action (2006/243/CFSP) on support for activities of the Comprehensive Nuclear-Test-Ban Treaty Organisation (CTBTO) in the area of training and capacity building for verification. It allows for the development of capacity, through e-learning, for the training of station operators of the stations of the CTBTO monitoring network. Providing them with adequate and timely training can significantly contribute to ensure the credibility and the smooth operation of the verification system. The CTBTO Secretariat has concluded a financial agreement with the Commission in July 2006. The implementation of the project is expected to begin soon.

A second Joint Action in support of the CTBTO, aimed at enhancing the verification and monitoring capabilities, is likely to be submitted soon to the Council for adoption. It focuses on strengthening capabilities in the field of radio-nuclide monitoring, in particular noble gas detection, and on contributing to the conduct of the 2008 field exercise in the area of on-site inspection. The financial agreement is to be concluded soon between the CTBTO and the European Commission.

- EU support for the NPT review cycle 2007 -2010

In view of the first Preparatory Committee of the 2010 NPT Review Conference, the Council adopted, on 23 April 2007, conclusions aimed at preserving and strengthening the NPT regime. The EU Common Position 2005/329/PESC relating to the NPT Review Conference, which was adopted on 25 April 2005, remained the basis for substantial contribution by the EU to the work of the PrepCom. In the run-up to the PrepCom, the EU has consulted with a number of partners. On the basis of papers prepared by Member States, the EU has introduced six working documents to the Conference on Export Controls, Safeguards and Verification, Withdrawal, FMCT, Nuclear Security and Multilateral Nuclear Fuel Assurances. Besides a general intervention at the beginning of the conference, the EU made statements to every item on the agenda. The EU was actively involved in efforts to ensure a good dialogue, particularly with NAM countries, and a substantial outcome of the PrepCom.

- Multilateral nuclear fuel assurances

Multilateral Nuclear Fuel Assurances aim at creating incentives for countries not to develop national enrichment and reprocessing technologies and corresponding capacities. Drawing from rich EU experience in the development and management of a multinational nuclear industry, the EU and Member States have provided substantial input to the IAEA for the preparation of a Board document which will serve as a basis for further discussions and has circulated a working paper at the occasion of the First Preparatory Committee of the current NPT review cycle. The EU works in the direction to harmonise its position concerning this matter by developing criteria for the assessment of the different proposals made in this regard. The criteria are based on a common analysis that tensions must be taken from the NPT by avoiding antagonisation amongst the States Parties to the NPT.

2) Chemical Weapons

- Joint Actions in support of OPCW

a) Joint Action 2005/913/CFSP

The implementation of the Joint Action adopted in December 2005 (2005/913/CFSP) continued, following an extension of the financial agreement between the Commission and the OPCW Technical Secretariat until November 2007. This has allowed, inter alia, for the organisation of a seminar in Algiers in June 2007 in order to promote awareness of the Convention among States in Africa as well as for the proper implementation of the capacity building projects presented by national authorities from the selected countries reported in the second progress report. The current number of OPCW Member States is 182.

b) Joint Action 2007/185/CFSP

On 19 March 2007 the Council adopted Joint Action 2007/185/CFSP in support of OPCW activities for an amount of EUR 1 700 000. This Joint Action takes into account the new circumstances concerning universality and national implementation of the CWC - as a result, among other factors, of the implementation of the two preceding Joint Actions - and includes new projects in areas such as assistance and protection, database development, support for industry outreach activities and support for visits to chemical weapons destruction facilities in possessor states. This Joint Action will favour bilateral visits to enhance universality (instead of regional seminars) with a particular focus in Africa, and will continue to finance capacity building projects for national authorities.

c) 10th anniversary of the CWC

The celebration of the 10th anniversary of the entry into force of the CWC in 2007 has also been taken into consideration when preparing this Joint Action. The EU will sponsor the OPCW Industry and Protection Forum to be held in The Hague on 2-3 November 2007.

At the occasion of the 10th anniversary of the entry into force of the Chemical Weapons Convention in 2007, EU Member States have been active, beyond the Joint Action, in organising a series of commemorative events during the first half of the year:

- International Conference on the 10th Anniversary, Rome. Italy, 19 April 2007
- Symposium on the occasion of the 10th anniversary: Freeing the World of Chemical Weapons, Berlin 25-27 April. Co-organised by the Federal Foreign Office and the German Institute for International and Security Affairs (SWP).
- 10th Anniversary Conference, (Brussels, Belgium, 15 May 2007)

The support given to the OPCW activities through Joint Actions by the EU was highlighted in the interventions at the above referred events.

On 9 May in The Hague, a memorial in commemoration of all CW victims was inaugurated in presence of her Majesty the Queen of The Netherlands. The HR's Personal Representative on non proliferation attended the ceremony.

All these events have contributed to set the pace for the preparation of the Review Conference of the CWC in 2008.

3. Biological and Toxin Weapons

- Council Joint Action in support of BTWC

The Joint Action (2006/184/CFSP), adopted by the Council on 27 February 2006, has two objectives: to promote universalisation of the Convention and to ensure full national implementation of its provisions.

The first objective is pursued through organisation of regional seminars. The third seminar, which targeted Latin America and Caribbean states, took place in San José in January 2007. One country, not party to the Convention (Trinidad and Tobago), participated in the seminar as well as thirteen Latin American and Caribbean States party to the Convention. In view of the strong participation of states party, the seminar addressed also national implementation issues. The fourth regional seminar took place in Senegal in April 2007 and eight out of ten target countries participated (Angola, Central African Republic, Chad, Côte d'Ivoire, Eritrea, Gabon, Guinea, and Liberia) as well as 7 states party to the Convention from the West and Central African region. The fifth regional seminar is scheduled to take place in Jordan on 27-28 June 2007.

The second objective (full national implementation) is pursued through providing technical (legislative drafting) assistance to States which are party to the Convention. The assistance is channelled either through an internet based Information and Collaboration Management System (operational from March 2007 with the public site accessible via www.btwc-euja.eu), or through visits of experts in the target states. The EU already agreed to provide legislative assistance to Peru and is currently examining the request by a Middle East country. Two more countries in Africa and Asia showed interest in this project.

- Implementation of the EU Action Plan on BTWC

In order to set a good precedent for other BTWC States, the EU Member States agreed to submit to the UN on a yearly basis CBM returns and to up-date the list of relevant experts and laboratories to which the UN Secretary General could resort in order to facilitate any investigation of alleged chemical or biological weapons production or use. In 2007 the EU has pursued the implementation of these activities, as set out in the EU Action Plan.

- BTWC Intersessional meetings

The EU Member States have been actively preparing contributions to the first meeting of experts in the intersessional period in August 2007. They are discussing possible EU papers through the EU BTWC e-task force.

- Joint Action in the area of bio-safety and bio-security

The HR's Personal Representative has established contacts with the new Director General of the WHO, who informed her about the types of outreach and assistance activities carried out by the WHO in the bio-safety and bio-security area and how to share experience. The EU Member States considered the draft project proposal by the WHO in the area of bio-security and bio-safety outreach, with the view to the preparation of a Council Joint Action in this area.

4. Missiles

Efforts in support of an early membership of all new EU Member States in the MTCR were pursued during the MTCR RPoC in Paris in April 2007, but without success so far. The Presidency submitted a "Proposal of the EU Member States participating in the MTCR on an MTCR watch list Iran" for consideration by MTCR partners in exercising utmost vigilance in the context of UNSCR 1737.

The EU carried out demarches to 46 partners in May 2007 encouraging compliance with the Hague Code of Conduct obligations, in particular with regard to pre-launch notifications and to annual declarations as well as participation in the upcoming HCoC meeting of Subscribing States. A second set of demarches aiming at universality of the Code was carried out to 12 relevant partners of particular relevance, namely in the Middle East and in South and East Asia. In addition, the Presidency systematically raised HCoC universalisation with relevant partners in political dialogue meetings. The Council decided on 23 April 2007 to organise an international conference on the eve of the HCoC meeting of Subscribing States in Vienna on 30 May 2007 in order to promote universality of the Code and multilateralism in the field of missile proliferation in general. A substantial number of partners whose subscription to the Code would be particularly welcome, participated in the conference.

5. Support for UNSC Resolution 1540 (2004)

The EU decided to co-finance two additional sub-regional workshops on the basis of the Joint Action in support of the implementation of the UNSC Resolution 1540(2004), adopted by the Council in June 2006. The two sub-regional seminars, which were held in the first semester of 2007 in Jamaica and in Jordan, were building on lessons learnt from previous outreach activities, also co-financed by the EU in respective regions in 2006, and aimed at raising awareness about the requirements of UNSC Resolution 1540.

One of the major lessons learnt from the seminars held in 2006 is the importance of reinforcing Export Control, Border Management and more generally training at working level.

6. Cooperation with the UN

The HR's Personal Representative on non-proliferation has continued cooperation with the UN DDA in New York and in Geneva. She has also maintained contacts with Ambassador Burian, Chairman of the 1540 Committee. These contacts have been particularly important in the context of the preparation of EU outreach activities related to the implementation of the UNSCR 1540, the BTWC as well as the CCW.

III. Assistance to third countries

- Russian Federation: Physical protection of a nuclear site

In 2004 the Council adopted a Joint Action for the support of the physical protection of a nuclear research centre in the Russian Federation, the Boshvar Institute in Moscow (2004/796/CFSP). Following signature of an agreement between the German government, which under the Joint Action is in charge of its implementation, and Russian authorities, the implementation of the project has now been launched. Once implemented, this project will result in the enhanced physical protection of an important Russian nuclear research site against possible theft of nuclear material and acts of nuclear terrorism.

- Russia: Chemical Weapons Destruction

The Council adopted on 19 March 2007 adopted a further Joint Action in support of Chemical Weapons destruction in the Russian Federation under the CWC. The Joint Action provides funding, which will allow to complete the electricity supply infrastructure at the Shchuch'ye chemical weapon destruction facility, thereby contributing to the destruction of 1 900 000 million artillery and rocket munitions containing some 5 500 tonnes of nerve agents, which are stored at Shchuch'ye awaiting destruction.

This Joint Action forms part of the EU's commitment under the Global Partnership and shall complement and reinforce the value of the earlier project funded by the EU at Shchuch'ye. The financial reference amount is EUR 3 145 000.

IV. Export Controls

- *Reinforcing the efficiency of export controls in an enlarged Europe:*

Based on discussions concerning the implementation of the 2004 Peer Review of Member States implementation of export controls of dual use items, both within the Working Party on Dual Use Goods and the Article 18 Coordinating Group and on the results of consultation meetings with exporters, on 18 December the Commission forwarded to the Council a Communication (doc. 16989/06 ADD1) and a proposal for a recast Council Regulation setting up a Community regime for the control of exports of dual use items and technology (6989/06). The Communication and proposal take into account the recommendations of the Peer Review and the results of a subsequent impact assessment study, as well as the EU's obligations under UNSCR 1540. The Dual Use Working Party is currently examining the proposal.

Further to changes to control lists agreed by the export control regimes, based on draft updated annexes to the Dual Use Regulation suggested to the Commission Services by the Dual Use Working Party in April 2007, the Commission is preparing a proposal to amend the Dual Use Regulation ensuring that Member States comply with their obligations under the regimes.

The EU database for denials has been successfully set up. The Commission Services and Member States are currently discussing the feasibility and practicalities for setting up an online "e-system" for sharing and accessing denials.

- *Export control training and assistance for states in need of technical knowledge:*

The EU and Member States have held numerous seminars and meetings providing export control training and assistance for states in need of technical knowledge. Such states include the *Western Balkan countries and Moldova*. In addition, the cooperation and assistance programmes under the 2005 and 2006 Pilot Project programme of the European Commission, implemented by BAFA (Germany's export control agency) with the assistance of national experts from Member States, are being carried forward in *Albania, Bosnia and Herzegovina, China, Croatia, the former Yugoslav Republic of Macedonia, Montenegro, Morocco, Serbia, Ukraine and the United Arab Emirates*. Cooperation and assistance to Russia is also carried forward under the EU - Russia cooperation programme with the same mechanism as for the Pilot programme.

Long-term assistance activities are under preparation under the Stability Instrument.

V. Non-proliferation in relations with third countries

- *Cooperation with key partners*

The EU has continued to work with the US for the implementation of the 2005 Joint EU-US programme of work for the Non-Proliferation of WMD. This issue was also addressed in the Declaration of the EU-US Summit which took place in Washington on 30 April 2007. A third session of the EU-US Dialogue on Verification and Compliance [has taken place in Brussels on 4 June 2007 with the participation of AS DeSutter and representatives of Member States]. The HR's PR pursued contacts in particular through her visit to Washington on 16 February 2007 and through her participation in a ARF Seminar on the implementation of Res. 1540 in San Francisco in February 2007.

The EU is stepping up its dialogue on these issues also with Russia on the basis of the External Security Common Space adopted at the 2005 EU-Russia Summit. In addition to political dialogue meetings at various levels, there are regular contacts between the Council Secretariat and the Russian mission in Brussels as well as counter parts in Moscow, in particular concerning the Iranian issue.

The Joint Statements on Non-Proliferation adopted in 2004 with Japan and China have also been further implemented through regular contacts, in particular through the continued information exchange between their respective missions in Brussels and the HR's PR on issues like Iran or DPRK.

The new EU strategic partnership with India constitutes the framework for the EU-India Security Dialogue. The dialogue, which took place most recently on 2 May 2007, allowed for an exchange of views on topical issues in the area of non-proliferation and disarmament, to identify concrete areas of cooperation (in particular in the area export control) and to inform about the progress in the implementation of the US-India civil nuclear cooperation.

- WMD clauses in contractual relations and Neighborhood Action plans

The EU has been continuing, according to its WMD Strategy, to mainstream non-proliferation of WMD into its contractual relationship with third states. Successful negotiations have been concluded so far concerning more than 90 States around the world. The HR's PR or her Office have been involved in the negotiations.

More specifically the following developments with a view to the inclusion of WMD clauses took place during the first half of 2007:

- Exploratory talks with South Korea have taken place with a view to updating the current TCA with South Korea.
- The mandate for the negotiations of a FTA with India, which has been adopted by the Council, does not foresee the negotiation of a WMD clause. Instead, a clear legal and institutional link shall be established between the FTA and the existing framework agreement and a parallel political agreement.
- China: Negotiations for a PCA have been started.
- Ukraine: Negotiations for a New Enhanced Agreement have been launched.
- Negotiations have been launched for a TDCA with South Africa.

- During his visit to Brussels on 16 February 2007, Pakistani Alternate Foreign Secretary Hyder confirmed to the Office of the PR the willingness of his authorities to make progress on negotiations of a political agreement based on Art. 24 of TEU containing a WMD clause.

Essential elements of this WMD clause have also been included in the relevant parts of the New Neighbourhood Action Plans. Action Plans have been concluded with Ukraine, Moldova, Armenia, Azerbaijan, Georgia, Jordan, Morocco, Tunisia, The Palestinian Authority, Israel, Egypt and Lebanon.

VI. Regional and multilateral issues

- G 8

The G8, and more specifically the **G8 Global Partnership against the Spread of Nuclear Weapons and Materials of Mass Destruction**, continue to play an important role in the field of WMD non-proliferation. The Office of the Personal Representative and Commission services have attended all relevant meetings held in the first half of 2007 under German Presidency. In particular the EU has contributed actively to the mid-term review of the Global Partnership of which it remains an important contributor. At the G8 Summit held in Kananaskis (Canada) in 2002 the Commission took the commitment to contribute EUR 1 billion to the G8 Global Partnership in line with other G8 Members. Today, the Commission has spent over EUR 400 million - mainly on nuclear safety, reconversion of former weapon scientists and nuclear submarines - and more than EUR 800 million are already committed. In parallel to the Commission efforts, and since the establishment of the Global Partnership in Kananaskis, the EU has continued to finance activities in Russia through Council Joint Actions (CFSP funds) in areas such as chemical weapons destruction (see above), physical protection of radioactive sources and fissile material disposition (plutonium in particular).

On 7 March 2007 a meeting on biological projects related to the Global Partnership was organised by the Foreign Office in London. United Kingdom, United States, Canada, France, European Commission and the Office of the PR gave briefings on their programmes, budgets, and spending priorities. Germany attended as an observer. A commitment was made to share information about national priorities and projects to promote coordination and avoid duplication of efforts. It was also signalled that there was a need for increased action in the areas of biosafety and biosecurity.

- Iran

Since Iran did not respond positively and in good time to the offer presented in June 2006 in Teheran by HR Solana, the group of six countries and the EU had no alternative but to start a process which led ultimately to the adoption of UNSCR 1696, then of measures under article 41 of the UN Charter through UNSC 1737 of 23 December 2007. Iran's continuation of enrichment related activities had left the UNSC no other choice than to step up pressure further by adopting another resolution (UNSC 1747 of 24 March 2007) which imposed additional measures. The EU took a leading role in the Process and ensured that resolutions were implemented at EU level.

The EU continues to pursue a double track approach: implementation of sanctions while leaving the door open to negotiations, in case Iran takes the necessary steps in order to resume negotiations. The continuing diplomatic efforts, and in particular the specific role played by the HR, continue to be supported by all EU Member States as well as USA, Russia and China. On 25 April HR Solana met Dr. Larijani in Ankara to exchange views on a possible way forward.

The Political and Security Committee was briefed regularly on developments e.g. in the context of the IAEA and the UNSC and GAERC conclusions have been adopted following joint assessments by the EU Ministers of the situation.

- DPRK

Relevant Common Positions and a Council Regulations in order to implement Resolution 1718 adopted on 14 October 2006 and of Resolution 1695 adopted on 15 July 2006 have been adopted by the Council.

The EU continues to support the Six-Party talks on the basis of the September 2005 the Beijing Joint Statement and reaffirms its readiness to contribute to its success.

The EU welcomes the positive outcome of the latest round of the six-party-talks. The "Initial Actions for the Implementation of the Joint Statement" agreed upon on 13 February can be an important step on the way to resolve the nuclear crisis on the Korean peninsula. DPRK's preparedness to make real progress towards denuclearisation through a verified suspension of activities at the Yongbyon nuclear site, would be an important first element to move the overall process forward. Yet, the 13 April deadline set up by the agreement to implement such actions was not met.

Concerning KEDO, after several years of project suspension, the KEDO board, in view of the DPRK's continued non compliance with its international non proliferation obligations, decided in May 2006 to terminate KEDO Light Water Reactor Project and is currently examining a proposal to retain an empty shell for financial liability and asset protection.

VII. WMD Centre

The GAERC having endorsed on 11/12 December 2006 the Concept Paper on monitoring and enhancing consistent implementation of the EU WMD Strategy through a WMD Monitoring Centre (doc. 16694/06), the WMD Centre has started to become operational with the PR playing her role of focal point:

- Regular meetings have been called during the first semester of 2007, bringing together experts from the Council Secretariat (Geographical desks, Relex, Legal Service, Sitcen, Office of the PR, Coordinator for Terrorism) and the Commission (DG Relex, Sanco, JRC, Europaid etc.), who have been invited according to the themes on the agenda. The agenda usually focussed on two items: one thematic issue (eg. activities in the field of BTWC, export control assistance) followed by a general exchange of information. The thematic discussions have proven to be useful with a view to the preparation of more substantial contributions/papers (eg. on nuclear terrorism, multilateral fuel assurance) to the work of Council bodies. The exchange of information has helped to give an overview on various ongoing and planned activities and assistance projects under various financial instruments available to the EU.

- The HR's Personal Representative and Mr. Richard Wright (Director, DG Relex, European Commission) have agreed to meet every 3 months, to take stock of the work. A first meeting took place on 23 March 2007.

- A WMD Centre meeting, called by the Personal Representative, with the participation of Member States took place on 7 May 2007. It allowed a first exchange of views on proposals received from WHO for joint projects in the area of biosafety/-security. It also provided information on export control outreach activities. Internal reports on the internal WMD Centre meetings (Council Secretariat with Commission) have been made available to Member States.
