

**Combating Proliferation of Weapons of
Mass Destruction with Nonproliferation Programs:
Non-Proliferation Assistance Coordination Act of 2001
Testimony of Vann H. Van Diepen
Acting Deputy Assistant Secretary of State
Before the
Subcommittee on International Security, Proliferation & Federal Services
Senate Committee on Governmental Affairs**

Chairman Akaka, Senator Cochran, Members of the Committee:

I am very pleased to be here in response to your invitation to Under Secretary Bolton to discuss nonproliferation assistance programs and coordination. I agree with the points made by participants in the November 14 hearings you hosted about the urgency and complexity of the environment in which we operate. While the Cold War weapons legacy still must be addressed, these threats are not new to us. The Cold War has been over for more than a decade and we have moved beyond "post Cold War" to new relationships and strategic frameworks with Russia and other countries in the region.

The proliferation of nuclear, chemical, and biological weapons and the missiles capable of delivering them, is now a central security threat facing the United States, our allies, and our friends. Where once we faced thousands of nuclear weapons under centralized command of a great rival power, September 11 and the biological attacks since have shown how much more diverse and less predictable the threat has become. In this new world, it is not just the Soviet legacy that demands our attention, but many avenues from which rogue countries and terrorists and their supporters may choose when seeking to advance their attack capabilities.

The programs that we use to counter this threat originated in 1992 under the first Bush Administration. They have served us well. The programs and the agencies that manage them have also responded and evolved as they gained experience and as circumstances changed. The hallmark of something that was well crafted is that it can be adapted without losing its essential characteristics. I believe that our nonproliferation programs meet that test.

I would like to address each of the five questions you posed:

State Department Nonproliferation Programs

The State Department has direct responsibility for several nonproliferation programs directed at or relevant to the countries of the former Soviet Union. More broadly, we provide foreign policy guidance and diplomatic support for the programs of other agencies, and participate actively in the review, approval, coordination, and implementation of other programs concerning nonproliferation and former Soviet weapons of mass destruction or advanced conventional weapons materials, facilities, technologies, or expertise.

Weapons Materials and Technologies

When the Soviet Union collapsed, the absence of any system of controls over the export of technology and materials needed in WMD and missile programs posed an immediate threat. The new countries lacked laws, expertise, and technical resources to implement controls. At first our export control assistance program concentrated on establishing and improving export control systems in the new independent states of the former Soviet Union that inherited nuclear weapons related facilities and materials, and in eastern Europe. The early focus of the program was to establish basic legal and regulatory frameworks and licensing and enforcement processes in countries that supply key technologies.

As funding increased and the program matured, the focus has expanded to working with the neighbors of potential supply countries as well as with key transshipment states -- countries through which WMD materials and technologies are likely to transit, while continuing to support the development of more robust systems in the supplier states, including providing advanced imaging and detection equipment. This program has grown from less than \$5 million per year in the mid-1990s to the President's request for \$39 million for this fiscal year (\$17 million from NADR; \$22 million from FREEDOM Support Act/NIS account).

The State Department chairs an inter-agency working group on export control assistance, which directs and coordinates the work of the various U.S. agencies that implement these programs in over 25 countries worldwide. These efforts are also coordinated with the international narcotics and law enforcement programs which also provide assistance to customs and border guard agencies of other countries.

Weapons Expertise

Among our earliest concerns was addressing the threat posed by the thousands of Soviet weapons scientists who no longer would be supported after the Soviet Union's demise. With continued economic flux in Russia and elsewhere in the region and aggressive pursuit of this expertise by countries like Iran, this effort continues to be a high priority. The international science and technology centers began their work in Moscow in 1994, and in Kiev in 1995. The original focus of these

centers was to stem the threat of "brain drain" of underemployed and unemployed weapons scientists and engineers to WMD programs in other countries.

As the science center programs matured, the focus has shifted to emphasize redirecting scientists toward sustainable careers in peaceful, transparent, civilian endeavors in their home countries, be these commercial ventures or continuing scientific contributions to areas of international and global interest. The program started with Russia and Ukraine and now embraces communities in nations of particular interest to the United States' war in Afghanistan: Uzbekistan, Kazakhstan, the Kyrgyz Republic, Armenia, and Georgia. Other key regional states -- Tajikistan, Azerbaijan, and Moldova -- are in the process of joining one of the science centers. Belarus also participates in the program, but currently receives no U.S. assistance.[\[AMH1\]](#)

For the past four years, the State Department has been an active participant in the USG interagency effort to redirect former Soviet biological weapons scientists. Through this program, the U.S. has been given increased access and transparency at a number of the key civilian facilities in the former BW program. In addition to providing incentives for these individuals to refrain from cooperation with terrorist groups or states harboring them, our redirection efforts also pay additional dividends by focusing these scientists' considerable expertise on areas of critical public health needs, such as HIV/AIDS, multi-drug resistant tuberculosis, and a number of plant and animal diseases. The solid collaborative research basis that we have developed through this effort will be a springboard for expanded work that will respond to the Bush-Putin initiative to counter bioterrorism.

Utility Infielder

The Nonproliferation & Disarmament Fund – created to permit a rapid response to unanticipated requirements or opportunities – is a flexible, responsive nonproliferation tool. The NDF undertakes a broad spectrum of special tasks to assist U.S. nonproliferation efforts in this region and around the world. For example, the NDF played a key role in Project

Sapphire in 1994, during which we removed more than 600 kilograms of highly enriched uranium from Kazakhstan to ensure that this material was properly protected and properly disposed of.

Of particular relevance to the request of this committee is NDF's work on Tracker – a stand-alone software package that permits a country to use modern computer tools to track export licensing and enforcement matters from application throughout the process, among central government agencies, and with the export control personnel at ports and border posts. This system is now deployed in 8 countries, with further applications in process.

In addition to our budgetary and oversight responsibility for the programs above, State leads the diplomatic efforts for a number of nonproliferation programs, some of which are funded by other agencies. These include the Plutonium Disposition Agreement signed last year, the 1997 Plutonium Production Reactor Agreement, U.S. support of the IAEA in safeguarding nuclear materials worldwide, and coordinating efforts to prevent nuclear smuggling.

Another priority is making sure that our friends and allies are shouldering their fair share of the burden for these nonproliferation efforts. The State Department plays a leading role in identifying needs and encouraging assistance from other countries for a variety of nonproliferation efforts. It is important to build a community committed to paying more than lip service and we are not shy about letting our allies know when we think they should be providing more resources.

Funding and Coordination

On your question concerning how these programs are funded and how they are coordinated, the Department of State leadership takes its responsibility for nonproliferation programs very seriously and works hard to make sure that those programs continue to enjoy strong support both within the Executive Branch and with Congress.

All U.S. policy, implementation, and oversight of nonproliferation

assistance to the states of the former Soviet Union is coordinated at senior levels by the Proliferation Strategy Policy Coordinating Committee. This Committee, or PCC, is chaired by a National Security Council senior director and includes assistant secretary level representatives from State, Defense, Energy, and other concerned agencies, including the State Department's Coordinator for U.S. Assistance to Europe and Eurasia.

This NSC-led Committee works to ensure that individual assistance programs are coordinated within and across agencies, and that they serve Administration nonproliferation and threat reduction priorities as effectively as possible. The Committee has also been charged to develop a strategic plan to guide near- and farther-term nonproliferation and threat reduction cooperation with Russia and Eurasia.

In addition, there are standing working level groups responsible for day-to-day coordination of the export control, science and technology centers and biotechnology redirection programs. These working groups not only ensure close policy coordination among the programs, they also ensure effective integration so that the programs compliment, not compete, with each other in addressing U.S. nonproliferation objectives. The work of these groups feeds directly into the senior level committee.

This structure works well and substantially addresses what is proposed in the Nonproliferation Assistance Coordination Act of 2001. As noted in several of the statements from your November 14 hearing, despite the number and complexity of nonproliferation assistance programs, effective implementation and senior level coordination already exist.

All State Department nonproliferation programs are funded out of Foreign Operations appropriations. In past years many of these programs were funded in whole or part from the FREEDOM Support Act account. With Congress' help, we are consolidating program funding in the Nonproliferation, Anti-terrorism, Demining, and Related Programs (NADR) account, and our intent is to complete that process with fiscal year 03 appropriations. This will provide for more integrated

financial and policy oversight.

Future Plans

As you know, President Bush directed that a rigorous review be conducted of all U.S. nonproliferation and threat reduction assistance to Russia and the countries of the former Soviet Union. That review is now in its final stages

Without prejudging the White House's final decision, we expect State Department's nonproliferation assistance programs will continue to play a critical role in combating the proliferation of WMD. In the post September 11 world, we believe that stemming the flow of weapons of mass destruction materials, technologies and expertise worldwide has to be among our highest national priorities and our programs must address that challenge. We also must remain flexible and look at how the programs we have developed and the lessons we have learned can be applied to new opportunities and situations.

Coordination with Private Sector & Non-Governmental Efforts

The private sector and non-governmental organizations (NGOs) play several important roles. First, in our efforts to redirect former weapons scientists to peaceful civilian scientific and commercial research, it has long been part of our strategy to engage the private sector. It was never our intent to support these scientists indefinitely, and U.S. industry can be a key partner in helping scientists and their institutes make a permanent transition to peaceful pursuits. The science and technology centers' industry partners program now attracts over \$20 million annually in corporate funding. Industry partners take advantage of the science centers' administrative and oversight mechanisms, and tax and customs exemptions, to fund applied research using the talents of the former weapon scientists and the company's R&D funds.

This arrangement is a win-win situation. The U.S. industry partner develops technology at costs lower than possible in the West and the former weapon scientists gain industry partners and an avenue to

commercialize and profit from the results of their efforts. Partnerships with industry allow the U.S. government to leverage its funds with the industry partner funds to achieve U.S. nonproliferation objectives; and recipient countries like Russia ultimately receive economic benefit from the industry-scientist partnership.

Also, when we deal in the world of export controls, we are looking at buyers and sellers. U.S. companies have a great deal of experience in implementing export control regulations internally, know the ins and outs of licensing systems, and have a great deal of knowledge to share with countries and companies that are new to this world. U.S. companies play an important role in our effort to inform and educate.

A number of think tanks and private foundations actively support nonproliferation dialogue and projects. During the past year, a new opportunity for public-private nonproliferation partnership emerged with the establishment of Ted Turner's Nuclear Threat Initiative (NTI). This is still a new organization, but NTI's management and board of directors, which includes several members of Congress, have consulted actively with the Administration on their program and have made a commitment to coordinate their activities with us. We do not believe that NTI should replace appropriate government nonproliferation functions, but we are open to exploring appropriate ways that our activities can work synergistically.

Non-Proliferation Assistance Coordination Act of 2001

I think it is clear from what I have said about the nature of our interagency coordination process that the Bush Administration fully shares the objectives that led Senator Hagel and the other sponsors of S. 673 to offer this legislation. I believe that this hearing and a close examination of how we are coordinating policy and implementation of these programs today will provide clear evidence that we already are doing what Congress would have us do in this regard. S. 673 is not needed, as the Bush Administration has already acted and taken the kinds of steps this legislation calls for. Furthermore, such legislation could intrude on the President's prerogatives and responsibilities.

We look forward to working with you and other committees, and to keeping you fully informed on how we conduct these programs of U.S. nonproliferation assistance to the states of the former Soviet Union, how we work with other concerned governments to increase their contributions and ensure that our respective assistance is complementary and not duplicative, and how we seek to work with private sector donors of assistance in these areas.