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1. Name of Registrant	2. Registration No.
Representative of German Industry and Trade (RGIT)	4274

3. This amendment is filed to accomplish the following indicated purpose or purposes:

- To correct a deficiency in
  - Initial Statement
  - Supplemental Statement for July 31, 1992
- To give a 10-day notice of a change in information as required by Section 2(b) of the Act.
- Other purpose (specify) \_\_\_\_\_
- To give notice of change in an exhibit previously filed.

4. If this amendment requires the filing of a document or documents, please list-

Statement of German industry on issue of export controls, along with agenda and participants list for roundtable at which statement was read and distributed.

5. Each item checked above must be explained below in full detail together with, where appropriate, specific reference to and identity of the item in the registration statement to which it pertains. If more space is needed, full size insert sheets may be used.

One additional event should have been reported as a "political activity" in question 12:

June 2, 1992

Hartmut Schneider of RGIT participated in a roundtable sponsored by the American Institute for Contemporary German Studies entitled "Export Controls: New Challenges/Next Steps." Other participants included representatives of the European Community and the German Government, as well as US-Government and industry representatives. Mr. Schneider delivered a position paper from German industry focusing on steps taken in Germany to prevent the proliferation of potentially dangerous products and the need for effective multilateral controls.

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92 SEP 21 AM 10:48  
FEDERAL BUREAU OF INVESTIGATION  
U.S. DEPARTMENT OF JUSTICE

The undersigned swear(s) or affirm(s) that he has (they have) read the information set forth in this amendment and that he is (they are) familiar with the contents thereof and that such contents are in their entirety true and accurate to the best of his (their) knowledge and belief.

L. T. ...  
(C. R. ...)

(All copies of this amendment shall be signed and sworn to before a notary public or other person authorized to administer oaths by the agent, if the registrant is an individual, or by a majority of those partners, officers, directors or persons performing similar functions who are in the United States, if the registrant is an organization.)

Subscribed and sworn to before me at the Army Navy Club Building, Washington, D.C.  
this 18<sup>th</sup> day of September, 19 92 R. L. Burton  
(Notary or other officer)

Rita L. Burton  
Notary Public, District of Columbia  
My commission expires My Commission Expires Nov 30, 1996

Participants' List

Export Controls: New Challenges/Next Steps

June 2, 1992

9:00 a.m. - 2:00 p.m.

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Edward Alden

-Inside U.S. Trade

Stuart Auerbach

-The Washington Post

Edward Black

-Computer and Communications Industry Association

Keith Bradsher

-The New York Times

John Despres

-Select Committee on Intelligence

Patrick Donovan

-Honeywell Corporation

Arthur Downey

-Johnson & Gibbs; Former Under Secretary of Commerce

Walter Earle

-Department of Defense

David Earnest

-CSIS

Tom Farmer

-Prather, Seeger, Doolittle & Farmer

Fritz Fischer

-The World Bank

Marci Gordon

-Associated Press

Thomas Graham

-U.S. Arms Control and Disarmament Agency

92 SEP 21 10:15:48  
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**John Henshaw**  
-Henry L. Stimson Center

**Eric Hirschhorn**  
-Winston & Strawn

**Dan Hoydysh**  
-Unisys

**Kempton Jenkins**  
-APCO Associates; Former Deputy Assistant Secretary of  
Commerce and Deputy Assistant Secretary of State

**Gail Kalin**  
-Export Control News

**Igor Khripunov**  
-Embassy of the Russian Federation

**James LeMunyon**  
-Department of Commerce

**Howard Lewis**  
-Vice President International, National Association of  
Manufacturers

**Robert Gerald Livingston**  
-The American Institute for Contemporary German Studies

**Harold Luks**  
-Arnold & Porter

**Jurek Marten**  
-Financial Times

**Christopher Mayer**  
-Embassy of Britain

**Boyd McKelvain**  
-General Electric Corporation

**Gary Milhollin**  
-Wisconsin Project on Nuclear Arms Control

**Homer Moyer**  
-Miller & Chevalier; Former General Counsel, Department of  
Commerce

**Lionel Olmer**  
-Paul, Weiss, Rifkind, Wharton, & Garrison; Former Under  
Secretary of Commerce

**Michael Pulch**  
-Embassy of the Federal Republic of Germany

**Bob Rarog**  
-Digital Equipment, Inc.

**Wolfgang Reinicke**  
-The Brookings Institution

**John Schiebel**  
-Office of Representative Sam Gejdenson

**Hartmut Schneider**  
-Representative for German Industry and Trade

**Lorenz Schomerus**  
-Ministry of Economics, Federal Republic of Germany

**Ralph Schuchat**  
-Paul, Weiss, Rifkind, Wharton, & Garrison

**Peter Sullivan**  
-Department of Defense

**Jonathan Tucker**  
-U.S. Congress, Office of Technology Assessment

**Marlene Urbina de Breen**  
-Department of State

**Mitch Wallerstein**  
-National Academy of Sciences

**John Walsh**  
-Senate Banking, Housing, and Urban Affairs Committee

**Don Weadon**  
-Weadon & Associates

**Erik Wemple**  
-Export Control News

**Klaus Werndl**  
-Embassy of the Federal Republic of Germany

**Richard Wright**  
-Delegation of the Commission of the European Communities

The Institute would like to express its gratitude to The German Marshall Fund of the U.S. for its support of this event.

*W. W. - (Chen) 2/6*

## Export Controls: New Challenges/Next Steps

June 2, 1992

9:00 a.m. - 2:00 p.m.

- 9:00 a.m. Introduction  
Kempton Jenkins, Consultant
- 9:10 Presentation  
Assistant Secretary (Ministerialdirektor) Lorenz  
Schomerus, Ministry of Economics, Bonn
- 9:40 Presentation  
James LeMunyon, Deputy Assistant Secretary,  
Department of Commerce, Washington, DC
- 10:00 Presentation  
Howard Lewis, Vice President, National Association of  
Manufacturers
- 10:10 Presentation  
Hartmut Schneider, Representative for German Industry and  
Trade, Washington
- 10:15 Coffee break
- 10:30 General Discussion  
Lead off: Professor Gary Milhollin, Wisconsin Project on Nuclear Arms  
Control and Richard Wright, Counselor, Delegation of the Commission  
of the European Communities
- 12:30 p.m. Luncheon  
Closing comments by Lorenz Schomerus and Kempton  
Jenkins
- 2:00 Conclusion

REPRESENTATIVE OF GERMAN INDUSTRY AND TRADE

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WASHINGTON, D. C. 20006

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FEDERATION OF GERMAN  
INDUSTRIES  
BDI

DELEGIERTER DER DEUTSCHEN WIRTSCHAFT

Export Controls: New Challenges/ Next Steps (AICGS-Roundtable June 2),

German Industry's point of view:

- 1 Cases of illegal proliferation brought to the light in the 80s were extremely embarrassing to German business. Credibility and respectability of our industry were at stake which - as you know - depends very much on exports. Not only moral consternation but also industry's very interest in eliminating "black sheep" in their ranks led to the conclusion that the legal framework had to be strengthened in order to stem the proliferation of weapons of mass destruction worldwide effectively in the future.

As a consequence German industry has played a very constructive role in formulating new rules, which in the end led to probably the most stringent export control system worldwide.

And you certainly will agree that without the cooperation of industry an efficient export control system simply cannot work. Government/ industry cooperation continues to be of utmost importance in order to be able to adapt to new proliferation problems in the "post cold war era".

- 2 No legal system can be made a 100 percent leakproof, there will always be diversions, enforcement has its limits. Proliferation can only be controlled successfully if the legal and administrative framework is complemented by self controls on the side of industry. A good example is the voluntary self control system established by our chemical industry in the area of precursors for CW and drugs; it has an excellent record: No German chemical producer has been involved in any illegal or dubious export since its inception.

But as the scope of proliferation controls in Germany has widened considerably - including a "catch-all clause" for dual-use technology of conventional weapons - now all companies with a major interest in exports are forced to establish their own internal control procedures. This is quite an organisational (and costly) burden espec. for small and medium sized industries, but they simply have to do it: Not to get involved in any dubious export activity is nowadays of vital interest to every exporting company in Germany.

Yet internal controls can only work if information about "projects of concern" is made available. An "early warning system", established informally between BDI (as the umbrella association of German industry) and our Economics Ministry has so far been successful in stopping exports in a number of cases.

Intelligence sharing, however, has to be put on a broader, international basis, including exchange of information between the "services". After the end of the "cold war" they all should have spare capacity to shift priorities to proliferation problems.

- 3 As an immediate effect of this most stringent system of new, partly unilateral (or "bilateral"/ US-German) controls German industry faces similar problems as US industry. At stake is now the "reliability" of German deliveries worldwide, but also a tendency of "designing out" in joint projects with some of our western partners - a phenomenon well known to our American friends in the past. Deterioration of German industry's competitiveness on the world market may be welcome to our competitors, who still don't have the same kind of controls; yet from our point of view it is intolerable.

But not least because unilateral controls cannot stem proliferation worldwide - "foreign availability" is usually far spread in these cases - we urgently need an international harmonisation of all export controls, first among industrialized nations, but as a second step including the NIC's and the new states in Central and Eastern Europe.

We certainly appreciate the progress that has been made in developing the existing non-proliferation regimes, especially in the area of nuclear dual use and missile technology; in the Australia Group, though, the equipment list has not yet been agreed upon among all member states. A lot more needs to be done to harmonise all proliferation controls, including enforcement mechanisms.

- 4 Our greatest concern at this point - however - is the harmonisation of export controls within the European Community. We are somewhat pessimistic about the course and the speed of the ongoing negotiations in Brussels. What German (and the European) industry ask for in this exercise (to be completed by the end of this year!) is - in a nutshell:

- = One single list of controlled commodities for exports outside the EC (LFZ) which contains nothing but the internationally agreed lists;
- = One list of proscribed destinations, as categories within the list of controlled commodities;
- = One warning list of projects, companies, individuals of concern, to be updated on a continuing basis using the intelligence available worldwide. (This should enable us to abstain from "catch all"-regs that are a nightmare for all exporters.)
- = One coordinating mechanism of member states and EC Commission to ensure efficient and harmonised methods of licensing and enforcement; it should also have a monitoring function and coordinate intelligence sharing.

It's certainly still a long way to go until all EC member states - in the near future to be complemented by the EFTA states and others - will be able to agree on this kind of common approach. But I think it will be worthwhile doing a good job in the end of the day. Once the EC has managed to create a functioning system of harmonised export controls the results might well serve as a model in a broader context of multilateralisation.

- 5 One word as to the future of COCOM: It's still unclear what exactly the results of yesterday's HLM - in particular of its "strategy discussion" - were. The Baker-Initiative which aims at the inclusion of the CIS and the Eastern European countries by means of a Cocom Cooperation Council is certainly a step in the right direction.

But this can't leave the old Cocom procedure untouched:

- First, the general exception rule should be replaced by "national discretion" (linked to consultation procedures where necessary); it must by no means be transferred into a new comprehensive system of proliferation controls.

- Secondly, Cocom itself has to change drastically: It doesn't make sense to fight about the liberalisation of telecommunications technology - a technology which has never been Cocom-relevant in itself ! - and at the same time to think of including most of the "proscribed countries" in a system of non-proliferation. It will be necessary to accelerate the revision of the "Core list" and the phase-out of the strategic east-west-controls considerably in the course of the next months.

H. Schneider, 6-1-92