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17th Asian Export Control Seminar

Sensitive Technology Control at Universities

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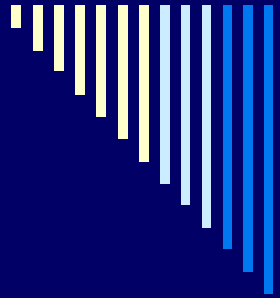


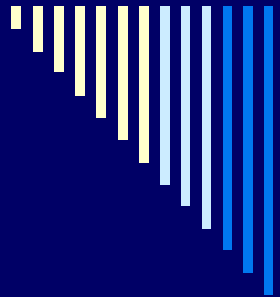
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1-1 Why Universities?

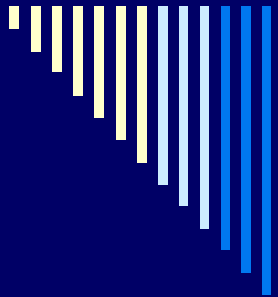
To fulfill international obligation to combat WMD proliferation



- 1 International agreements and frameworks including export control regimes
- 2 Foreign Exchange and Foreign Trade Act (FEFTA)

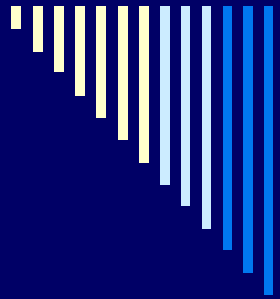
Purposes of the controls by Art.25 and Art. 48 of the FEFTA
= maintenance of the international peace and security

Universities did not necessarily recognize that the FEFTA was legally-binding on them, and such attitude was, to some extent, overlooked.



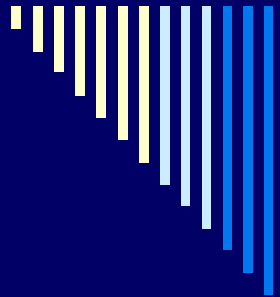
Why Now?

- 1 Changing Environments surrounding universities in the era of **globalization** and the increasing proliferation of WMD-related goods and technology (nuclear black markets)
- 2 “9.11” → SC Res.1540 (Res.1673, Res.1810) strengthened export control required
- 3 Increasing number of foreign students
As of May 2009, 132.720 (+7.2 %)
- 4 Increasing number of joint research projects between universities
As of 2000, 6317 → As of 2004, 11.292
- 5 Rapid development of the ICT → vigilance on the illicit technology transfer required



FEFTA obligates universities to get permission from METI:

- *to send the devices and materials overseas to be used for the presentation and joint research
- * to provide specified technology during the overseas business trip
- *to do Joint research involving the provision of specified goods and technology
- * to provide specified technology to the foreign students who are non-residents



Tighter export control on technology provision by the 2009 Amendment of the FEFTA

Until the end of Oct. 2009 ① residents → non-residents

Since 1 Nov. 2009

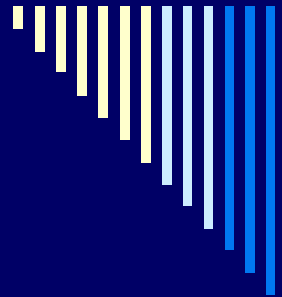
② **any person** → **any person** if specified technology is provided from Japan to any foreign country unless such technology is used by himself/herself. **ex. USB memory, e-mails**

③ residents to anyone in any foreign country unless such technology is obtained in a foreign country and the transaction concerned completes in the foreign country.

* Punishment and sanctions strengthened by the amended FEFTA

* Reputation risk

Since 1 Apr. 2010 Exporter's Compliance Standard (similar to Internal Control Program (ICP)) is to be made for the appropriate implementation, and the responsible person for export control has to be defined. → Universities also have to have their own ICP-like internal rules and responsible person(s) in order not to violate the FEFTA



2 Actions Taken by the Government

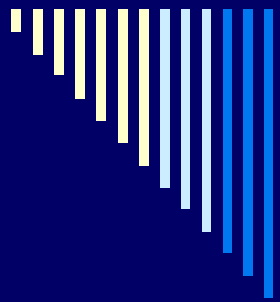
1 Apr. 2005 Notification “On the Strengthening of Export Control at Universities” by Director-General of the Trade and Economic Cooperation Bureau of METI

3 Mar. 2006 METI requested MEXT that he/she guide universities for the stricter export control

24 Mar. 2006 Vice-Minister of the MEXT conveyed METI’s request to universities

Deepening cooperation between METI and MEXT A series of outreach meetings to universities by METI



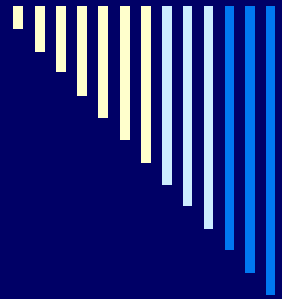


(2)

Jun. 2007 “Intellectual Property Promotion Plan of 2007” in which export control by universities is specified.

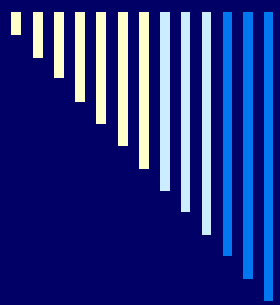
Jan. 2008 METI issued “Sensitive Technology Control Guidance relating to Security Export Control (for Universities and Research Institutions)”

(hereinafter “Sensitive Technology Control Guidance” or “STCG”)



Summary of the Sensitive Technology Control Guidance

- I Purposes p.1
- II Specified Technology in the FEFTA that is owned by universities pp.1-5
- III Sensitive Technology Control Guidance pp.6-15
- IV (Reference) Summary of the Security Export Control System of Japan fulfilled by the FEFTA pp.16-40



(3)

Mar. 2008, Notification from METI and MEXT on the “Request to strengthen Export Control System” to universities

1 Mar. 2009 Membership of the CISTEC open to universities

29 July 2009 Request by MEXT to raise awareness to the joint research and information exchange with scientists and students having DPRK nationality under SC Res.1874



(4)

Aug. 2009 *NPO Japan Society for Intellectual Production (JSIP)* issued 2 guidelines to implement METI's Sensitive Technology Guidance of 2008.

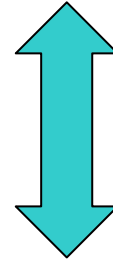
- ① Guidelines to establish and operate self-imposed management mechanisms relating to security Export Control (for managers)
- ② Security Export Control Guidelines for Researchers

24 Nov. 2009 Request by MEXT on the Export Control by Universities, paying due attention to the 2 guidelines made by the JSIP



3 Initiatives Taken by Universities

Incremental development of self-imposed export control system started around 2006



2006-2009 outreach meetings between METI and universities to all 47 prefectures in Japan



Jan 2009 CISTEC Journal No. 118 Features

“Export Control at Universities”

1. General Remarks
2. Results of the questionnaire survey of 69 major universities in Japan
3. Impact of the Security Technology Control Guidance: one year after by METI
4. & 5. Responses from Universities: cases of Tohoku Univ., Tokyo Univ. of Science, Hokkaido Univ., Chuo Univ., and Nihon Univ.
6. Interview survey of a company in case of a joint research with a university (Mitsubishi Electronics)
- 7 U.S. Univ. cases of the violation of the AECA/ITAR
- 8 CISTEC's efforts and actions




University Reacts: increasing number of ICPs by Universities

- 1 Academic freedom is guaranteed.” (Art.23 of the Constitution of Japan)**
- 2 Ignorance of the law**
- 3 independence of the departments and laboratories, independence of the project leader (faculty)**


it is changing--

- 1 Outreach efforts by METI in cooperation with MEXT**
- 2 Guidebook by METI, CISTEC and other organizations**
- 3 Practices of leading universities**
 - * * universities now own university ICPs to implement FEFTA**
 - seminars to study export control laws and management systems**
 - Pamphlets and other supporting materials issued**



An example of a pamphlet how to establish a system in a university

- Dec. 2009 Office for Society-Academia Collaboration of Innovation (SACI) of Innovation Collaboration Center (ICC) at Kyoto University issued a pamphlet to specify how an appropriate self-imposed export control systems can be constructed in a university with FAQ and attached tables



An example of the open seminar participated in by academics, private corporations and governmental officials

10 Nov. 2009 at Global Security Institute of Keio University
“Sensitive Technology Control at Universities: The first step”

1st session: Why universities have to control export

3 speakers by MEXT, METI and CISTEC

2nd session: university actions: its significance

Speakers:

Prof. Yuzo Murayama (Doshisha Univ.)

Prof. Tadashi Yoshida (Chiba Univ.)

Prof. Hisashi Suzuki (Chuo Univ.)

Disucuttant:

Prof. Soichi Makino (Obihiro Univ. of Agriculture and
Veterinary Medicine)



(2)

3rd Session Companies Best Practices

Mr. Ryoza Hata, Samsung Japan
Corporation

Mr. Ikuo Togo, Asahi Kasei Chemicals
Corporation

Discussions

About 50 participants from universities,
research institutions, private corporations
and mass media.

Conclusion: Japan's Experience

- 1 Outreach by the Governments most important
- 2 “Carrots and Sticks Approach” seems effective in the first phase, but consciousness as a human-being and a good citizen essential **Ethics**
- 3 Technical help to make ICPs from the CIESTEC-type bridging institute and the Government indispensable