Import, Export and Aggregate National Data (AND) of Scheduled Chemicals

Industry Workshop / 2019
OPCW Declarations under Art. VI
Scheduled Chemicals, DOC and PSF Chemicals

• Schedule 1

• Schedule 2

• Schedule 3

• Discrete Organic Chemicals (DOC), PSF-Chemicals
  • "Discrete Organic Chemical" means any chemical belonging to the class of chemical compounds consisting of all compounds of carbon except for its oxides, sulfides and metal carbonates, identifiable by chemical name, by structural formula, if known, and by Chemical Abstracts Service registry number, if assigned.
  • PSF chemical: an unscheduled discrete organic chemical containing the elements phosphorus, sulfur or fluorine
S1 Notifications of Export – Import

Only applicable for SPIEZ LABORATORY for Schedule 1 chemicals
Schedule 1: Export – Import
Stringent requirements for declarations and notifications

Exporting State Party

ANNUAL DECLARATIONS

30 DAY NOTIFICATION to OPCW

Importing State Party

ANNUAL DECLARATIONS

30 DAY NOTIFICATION to OPCW
Schedule 2 and Schedule 3: Export – Import
Export Licence (SECO) vs. Declarations Obligations (LS)

Be aware of different obligations of traders

→ SECO – to obtain an export licence of Scheduled Chemicals (Licensing office; ELIC)

→ LABOR SPIEZ – to declare exports of Scheduled Chemicals above threshold (Meldestelle LS)

See online Information: CWC National Authority Web-Site
Timeline: Annual declarations of Past Activities (ADPA)

- **ADPA_2018**
  - Report Activities of Past year
    - Schedule 1, Schedule 2, Schedule 3
    - DOCs/PSF Trade

- **End of year**
  - Collecting data

- **End of year + 90 days**
  - OCPFs and Traders required!

- **Current year**
  - 2018
  - 2019
# Companies Declaration Obligations

**Annual Declaration of Past Activities (ADPA; Mid of February)**

<table>
<thead>
<tr>
<th></th>
<th>Production</th>
<th>Processing</th>
<th>Consumption</th>
<th>Trade(r)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Schedule 2</strong></td>
<td>Plant</td>
<td>Plant</td>
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<td>Import: AND, Export: AND</td>
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</table>
What are **Aggregate National Data (AND)**

**Schedule 2 and 3**

Declarations from Plant Sites and traders to Spiez Laboratory e.g. S3-exports declared to DEU

**ADPA_18**

AND declared to OPCW

Exports from CHE to DEU

<table>
<thead>
<tr>
<th><strong>AND</strong></th>
<th>100to</th>
</tr>
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<tr>
<td>Thionylchloride (S3) to DEU</td>
<td></td>
</tr>
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</table>

Names revealed to LS

No names revealed to OPCW

- Thionylchloride (S3) export 30to/DEU CHE trader 1
- Thionylchloride (S3) export 20to/DEU CHE trader 2
- Thionylchloride (S3) export 50to/DEU CHE OCPF

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LABOR SPIEZ, FB Chemie, Einführung OPCW-Deklarationen
## Import - Export: Thresholds

Concentrations / Quantities for AND

<table>
<thead>
<tr>
<th>Schedule 2A and 2A*</th>
<th>Concentrations (Mixtures)</th>
<th>Declarable above quantities</th>
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<td></td>
<td>see ChCO</td>
<td>see ChCO</td>
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| Schedule 2B        | ≥30 %                     | 100kg                       |

| Schedule 3         | ≥30 %                     | 100kg                       |
Due to different (or no) declarations from States Parties to the OPCW regarding imported and/or exported Scheduled chemicals, the Technical Secretariat observes a discrepancy.

Exporting State Party

Declaration AND State Party A e.g. 100to S2

Importing State Party

Declaration AND State Party B e.g. 50to S2

OPCW Transfer discrepancy letter: $\triangle 50$to S2
Definition of Discrepancy
Current Criteria

• Since 2006 discrepancy only if difference between total quantity declared by exporting State Party and importing State Party is greater than declaration threshold for that chemical
  • 1 tonne for Schedule 2B chemicals
  • 30 tonnes for Schedule 3
Break Down Schedule 2, 3 and resolved

[Bar chart showing numbers for Schedule 2, 3, and resolved for different ADPA years, with TD total, Schedule 2, Schedule 3, and resolved categories indicated.]
How do we tackle the issue?

- Inform TS about CHE efforts
- Check CHE declaration (clerical error?)
- Contact by phone company or...
- Contact (by e-mail) concerned NA abroad respecting confidentiality
- ...prepare and deliver letter to appropriate company
- Adobe Acrobat Document
- Adobe Acrobat Document
- Adobe Acrobat Document
Resolve Transfer Discrepancies
Analysing Schedule 2 and 3 declarations

State Party A
AND

State Party B
AND

CHEMICAL 1
Amount exported

Amount imported
CHEMICAL 1

CHEMICAL 2
Amount exported

Amount imported
CHEMICAL 2

CHEMICAL 3
Amount imported

Amount exported
CHEMICAL 3

NA reports AND findings back to OPCW
Nature of Export-Import discrepancies

- Free ports
- Chemicals in transit
- Country of Origin

- Typing
- Unit of measure
- Identification of the Chemical

- Different sources of information used
- Different concentration limits applied
- Weights vs Volume
- Different aggregation methods used
- Different weight limits applied

- Def of Imp/Exp
- Free Trade Areas
- Mixtures

No declaration
Technical Secretariat Information
Not Declaring AND

- From the declarations received 124 State Parties (plus 3 States not Party) appear to be involved in S2/S3 transfers during last declaration period
- Only 76 States Parties declared AND
- Another 48 States Parties appeared to be involved in trade but provided no AND
  - 20 of these had discrepancies!

Possibly due to a lack of effective national CWC implementation
Key prohibitions Export – Import of Scheduled Chemicals

→ Shipments of Schedule 1 chemicals to non-States Parties and to third States are prohibited

→ Shipments of Schedule 2 chemicals above specified concentration limits to non-States Parties are prohibited

→ Shipments of Schedule 3 chemicals to non-States Parties without assurance that said chemicals will only be used for purposes not prohibited by the Convention (EUC) - only "recipient States" are defined as the providers of such certificates (and not companies).
CWC States Parties
August 2019 [www.opcw.org]

- **green:** 193 States Parties (PSE in Jun 2018)
- **Yellow:** 1 Signatory States: Israel
- **red:** 3 Non-Member States: Egypt, North Korea, South Sudan (2019?)
Annual Declarations of Anticipated Activities (ADAA)

Schedule 1
Due date beginning of year - 90 days

Schedule 2, Schedule 3
Due date beginning of year - 60 days

Collecting data

Beginning of new year

2019

2020

End of year

ADAA_2020

Report outlook next year

OCPFs and Traders not required!
## Companies Declaration Obligations

### Annual Declaration of Anticipated Activities (ADAA; Mid of Sept)

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How do Determine if Chemical is Subject to the CWC Declarations?

For more background information consult OPCW-Webpage:
*Declarations Requirements for Scheduled Chemicals*

- Determine the CAS registry number

- More extensive: Scheduled *Chemicals Database* with up to 34'300 scheduled chemicals (E-mail, Password) (e.g. sub search 111-; NaCN: 143-33-9; HCN: 74-90-8)

- Advise from National Authority → SPIEZ LABORATORY
Determination of country of origin
Who is the Importer/Exporter of Scheduled Chemicals for the CWC?
Determination of country of origin

<table>
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<th>Contract and financial transaction</th>
<th>Physical way of the chemicals</th>
<th>Country of Origin in respect to the declarations</th>
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<td>A Swiss company has a contract with a Norwegian company (dealer only) for the delivery of a chemical which is subject to the CWC control regime. The Norwegian company has a contract with a manufacturer of the very chemical in Russia. The Swiss company pays the Norwegian company which then pays the Russian manufacturer.</td>
<td>The delivery of the chemical is direct from Russia to Switzerland by aircraft.</td>
<td>Russia</td>
</tr>
<tr>
<td>Rational: The chemical is imported directly from Russia. It is not transited through or nationalised by any other country. Financial transactions are not relevant.</td>
<td></td>
<td></td>
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Customer/CH  
1. Financial transaction  
Chemical is imported from Russia directly to Switzerland

Dealer/NOR  
2. Financial transaction

Manufacturer/RU
Determination of country of origin

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<td>A Swiss dealer has a contract with an US manufacturer for the delivery of a chemical which is subject to the CWC control regime. The Swiss dealer resells the chemical to a customer within Switzerland. The customer transfers the payment to a UK Bank. The US manufacturer is paid by the UK Bank.</td>
<td>The delivery of the chemical is from the US by ship to the port of Rotterdam, then by lorry transited through Holland and Germany to be finally imported (nationalised by customs procedures) in Switzerland.</td>
<td>USA</td>
</tr>
</tbody>
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Rational: The chemical is transited through Holland and Germany only, but not imported by customs. Financial transactions are not relevant.

Customer/CH  
Dealer (Importer)/CH  
Bank/UK  
Manufacturer/USA

Transit through Holland and Germany
## Determination of country of origin

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| A Swiss company has a contract with an Indonesian manufacturer for the delivery of a chemical which is subject to the CWC control regime. The payment is made directly from the customer to the manufacturer. | The delivery of the chemical is from Indonesia by ship to the port of Rotterdam, then it goes by transit through Holland to France where it is nationalised by customs procedures and then imported into Switzerland. | France  
Rational: The chemical is treatised through Holland. But then it was formally imported into France (customs procedures) before it has been imported into Switzerland. Whether or not there has been any treatment of the chemical is not relevant. Financial transactions are not relevant. |

### Diagram

- **Customer/CH**
- **Indonesian Manufacturer**

- **Financial transaction**
- **Customs procedures (Nationalisation)**

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Turn to Practice - Examples
Example in your Handout

• Trader CHE/0084

⇒ Please consult instructions
Thank you!