



Weapons of Mass Destruction (WMD) represent a threat to the lives and safety of all Australians and to Australia's national interests. The Defence Trade Control and Compliance (DTCC) Section of the Department of Defence works closely with other agencies to help prevent the proliferation of WMD. However, DTCC also requires the assistance of industry in the identification of suspicious inquiries or purchases.

This publication contains information designed to assist industry to more readily identify suspicious activity which may indicate an attempt to procure items or services other than for their intended purpose. The publication also provides contact details that will be needed to report the activity.

Suspicious customer behaviour

- Approach from a previously unknown customer (including those who require technical assistance) whose identity is not clear, who respond reluctantly to questions regarding their identity or connections, or whose credentials are unconvincing.
- Checking of details reveal that the customer appears to be non-existent, unknown to industry liaison bodies or company registration authorities and not listed in any telephone or trade directories, Internet website or other sources of information.
- Customer is unable/reluctant to provide details of other commercial entities with which they have previously dealt.
- Customer's reluctance to provide information on the locations of the plant/place where the equipment is to be installed.
- Customer's reluctance to explain sufficiently what raw materials are to be used with the equipment.
- Customer's reluctance to provide clear answers to routine commercial or technical questions.
- Customer is associated or employed with a military-related business, such as a foreign defence ministry or foreign armed forces.
- Customer's reason for purchasing the equipment does not match the customer's usual business or technological level.
- Customer's reluctance to give sufficient explanation of the items to be produced with the equipment and/or the purpose or use of those items.
- Customer does not request a guarantee, warranty or service contract when this is generally standard for the equipment sought.
- Customer does not request, declines or refuses the assistance of a technical expert (or training assistance) when the assistance is generally standard for the installation or operation of the equipment.

Suspicious orders

- Transaction involving an intermediary agent and/or third part/consignee that is unusual in light of their usual business.
- Unusually favourable payment terms, such as a higher price or better interest rate than the prevailing market or a higher lump-sum cash payment.
 - Requests for normally unnecessary devices (for example, an excessive quantity of spare parts) or a lack of orders for parts that are typically associated with the product being ordered, coupled with an unconvincing explanation for the omission of such an order or request.
 - Customer states or documents that the plant, equipment or item is for a use inconsistent with its design or normal intended use.
 - Equipment to be installed in an area under strict security control, such as an area close to military-related facilities or an area to which access is severely restricted.
 - Equipment to be installed in an area that is unusual and out of character with the appropriate use of the equipment.

- Contractor is denied access to parts of the plant other than those directly involved with the contract.
- Modification of plant, equipment or item in an existing or planned facility that changes production capability significantly and could make the facility more suitable for the manufacture of WMD.
- Customer cancels sale, but manufacturer/distributor receives a request a short time later to purchase the exact same product with the same specifications and use, under a different name.
- Customer cancels sale, but the exact same product is stolen or “lost” shortly after the customers enquiry.

Suspicious behaviour relating to the packaging and/or shipment of the goods

- Unusual customer request for excessive confidentiality regarding the final destination or details of the product to be delivered.
- Unusual customer request concerning the shipment or labelling of the goods.
- Packaging and/or packaging components are inconsistent with the shipping mode or stated destination.

Suspicious behaviour related to intangible technology transfers

- Inquiries from nationals of countries suspected of proliferation about enrolling as students or seeking employment on research projects.
- Applications by nationals of countries suspected of proliferation for work or training in industry areas with potential WMD applications.
- Requests from nationals of such countries to attend conferences and seminars.
- Requests from unknown individuals, institutions and companies for help and advice in a specific area of technology and/or technical process.
- Requests relating to matters on which scientists, experts, research institute and laboratory staff etc would not normally seek advice or information and for which unconvincing reasons or evasive explanations are given.
- Failure to explain or give convincing reasons for why the technology/know-how transfer and training is being sought.
- Failure to explain or give convincing answers to questions regarding commercial or technical aspects of a contract.
- Failure to demonstrate that the requesting party possesses the expertise normally required for such projects.
- Arrangements which appear excessive in view of the nature of the services to be rendered or which demonstrate that the requesting party is clearly unfamiliar with the usual security requirements for such contracts.

FURTHER INFORMATION

Export controls and the WMD Act:

Defence Trade Control and Compliance
Phone: (02) 6266 3459
Mobile: 0416 265 192

National Security Hotline: 1800 123 400