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Mr. Chairman, Senator Biden, members of the committee, thank you for the opportunity to discuss the U.S. Government's assistance to Libya in the elimination of its Weapons of Mass Destruction (WMD) and MTCR class missile programs.

On December 19, 2003, Libya issued a pathbreaking statement, announcing that Libya had been conducting talks with the United States and the United Kingdom about weapons of mass destruction, and had already shown U.S. and UK experts "the substances, equipment and programs" – including centrifuges for uranium enrichment and "equipment to carry chemical substances" – Libya possessed that "could lead to the production of internationally banned weapons."

The Libyan government announced that it had, of "its own free will," agreed "to get rid of these substances, equipment and programmes and to be free from all internationally banned weapons." Libya also declared that it had "decided to restrict itself to missiles with a range that comply with the standards of the [Missile Technology Control Regime]" (a range of at least 300 km and a payload of at least 500 kg). Libya declared its intention to comply in full with the Nuclear Non-Proliferation Treaty (NPT) and the Biological Weapons Convention (BWC), and that it intended to sign the IAEA Additional Protocol and adhere to the Chemical Weapons Convention (CWC). All of these remarkable steps, Libya announced would be undertaken "in a transparent way that could be proved, including accepting immediate international inspection."

I have been involved in verification for a long time, and the opportunity presented by Libya's decision is unique. This is one of those rare times that a state has volunteered to rid itself of its WMD programs – and it is a first for a state sponsor of terror to do so without regime change. Helping Libya to achieve success in fulfilling these commitments is an excellent step in its own right. Perhaps even more importantly, we must do our best to ensure that Libya's decision stands as a model for other proliferators to mend their ways and help restore themselves to international legitimacy.

As President Bush declared on December 19 just after the Libyan announcement, Colonel Gadhafi had made a decisive commitment that, when fulfilled, would make the world a safer place. The President pledged that as Libya fulfills its commitments and demonstrates its seriousness, the path would be open to better relations with the United States and other free nations. President Bush expressed his hope that Libya would thereby be able to help regain a secure and respected place among nations. But let me emphasize this one point: improvement in Libyan-American relations is subject to progress on the WMD dismantlement front.

Before I get into the details of this project let me just say that Libya's efforts reflect very substantial progress in meeting its commitment to rid itself of its WMD and MTCR-class missile programs. To date, Libya has cooperated closely with our teams, with our British partners and international organizations. With Libya's agreement, we removed significant and dangerous elements of its nuclear weapons program and key guidance parts from Libya's most advanced missile program and stand ready to remove more still.

Assistant Secretary Burns will discuss the political and diplomatic track and our plans for diplomatic relations with Libya. I am here to describe our efforts in assisting Libya in dismantling its Weapons of Mass Destruction and MTCR-class missile programs.

Background: U.S. Counter-Proliferation Policy

It may be helpful if I begin, however, by putting the Libya effort into the context of this Administration's counter-proliferation policy. With an eye to the terrible threat to U.S. national security interests – and to the lives and well-being of thousands or perhaps millions of innocent people – posed by the proliferation of weapons of mass destruction (WMD) around the world, the President has developed a bold strategy to use every tool at our disposal to halt the spread of these weapons. We use diplomacy at all times, economic pressure when we can, military pressure when we must. The President, indeed the entire U.S. Government, has demonstrated a strong commitment to the goal of nuclear, chemical and biological nonproliferation. This commitment has had a galvanizing effect on the world's views on the trade of WMD.

We have made steadfast efforts over the past three years to change dramatically the cost-benefit calculations of proliferators and would-be proliferators around the world. We have penalized proliferators by imposing sanctions on them far more aggressively than during the previous administration; we have organized like-minded friends to improve our collective abilities to interdict WMD-related shipments; and we have shown ourselves more than willing to take dramatic action – even to the point of deposing a cruel dictator in Iraq who was intent upon developing such weapons.

We have isolated and pressured outlaw states dedicated to developing WMD, and engaged our friends and allies in a range of multinational diplomatic, economic, and even military coalitions to combat this danger. Thanks to our efforts proliferation is today becoming riskier and more uncertain, and we are now sending the message that the pursuit of WMD brings not security but insecurity. At the same time, we have made clear that countries that abandon such dangerous pursuits can enjoy the prospect of improved relations with the United States and our friends.

Origins of the Project

In March of 2003, Libya made quiet overtures to the UK and U.S. intelligence services about “clearing the decks” with regard to WMD. This matter was handled as a matter of the utmost secrecy within the U.S. and UK governments. In the U.S., in fact, the secret discussions that began in March involved only a handful of officials.

Even as the discussions continued in October 2003, the U.S., UK, German and Italian governments worked together to arrange the diversion of a shipment of centrifuge components bound for Libya. These components had been secretly purchased on the international nuclear black market from the illicit Pakistan-based nuclear smuggling network headed by Abdul Qadeer Khan. It was clear, at that point, that we knew a great deal about Libya’s secret nuclear weapons program. To its credit, Libya increased its cooperation with us in October, and permitted joint U.S. and UK teams to secretly visit a number of WMD and missile-related facilities in Libya.

During two visits to Libya by these teams – in October and then December of 2003 – Libya made available a great deal of information about its clandestine programs. The substantial knowledge of the Intelligence Community regarding Libya’s WMD and missile programs was invaluable during these discussions. These visits laid the groundwork for all the successes we are pleased to report since Colonel Gadhafi’s groundbreaking announcement on December 19.

The Role of the State Department

After the Libya effort became public in December, the role of coordinating this remarkable program fell to the State Department. Today, we coordinate an effort that quickly came to involve not only multiple bureaus within the Department but also a range of interagency participants including the Department of Energy, the Defense Department, and the CIA. The Department’s role has been overseen by Under Secretary John Bolton, under whose leadership I am coordinating the day-to-day effort, including the interagency Proliferation Strategy Policy Coordinating Committee.

Within the Department, the Nonproliferation (NP) and Arms Control (AC) Bureaus have also played instrumental roles, and we have worked hand in glove with the Bureau of Near Eastern Affairs (NEA). Our effort has also enjoyed the close personal involvement and support of Secretary Powell and Deputy Secretary Armitage – who have been instrumental in our success so far. The Department of Energy’s National Nuclear Security Administration (NNSA) and the Defense Department’s Defense Threat Reduction Agency (DTRA) have also contributed vital personnel and expertise to our in-country operations.

It is also worth emphasizing how cooperatively we have been working with our British allies in this important project. From the very beginning – in the secret Libyan discussions in 2003 – the U.S. and UK have worked together very closely. The successes

achieved to date stand as a testament to our two governments' shared counter-proliferation goals and firm commitment to the Libyan elimination and verification effort. Our partnership in this project has been crucial to its success.

Establishing the Framework

The basic architecture for our approach to the Libyan elimination and verification project was established in late December of last year. We began, in early January, by developing a series of papers approved by the U.S. interagency process and carefully coordinated with our British partners. These papers spelled out in some detail our proposals for how to help Libya fulfill its December 19 commitments with respect to nuclear, chemical, biological, and missile programs.

I'd like to take a moment to sketch the basic contours of this program. Our program is aimed to assist Libya in promptly identifying and securing proliferation-sensitive items, eliminating all elements of its nuclear and chemical weapons programs, restricting its missile efforts in accordance with MTCR standards, and helping it demonstrate effective transparency of its biological activities. We also proposed to help Libya with its declarations to the International Atomic Energy Agency (IAEA) and the Organization for the Prohibition of Chemical Weapons (OPCW). To facilitate this work, and to help provide confidence that declaration and elimination activities are based upon complete and accurate information, we also proposed to conduct surveys and other activities to evaluate the extent of Libya's programs. We also proposed a tentative timeline for the first portions of the elimination and verification effort.

This was an ambitious program, but our four papers outlining our nuclear, chemical, biological, and missile proposals – along with an overarching “common elements” paper, which was translated into Arabic – were presented to the Libyans by NSC, CIA, and State Department officials at a meeting in London on January 8. At that meeting, the three parties agreed upon a “checklist” of priority items to be removed during the first visits of the bilateral and interagency teams assisting Libya with elimination and verification. That was also the same week that Libya made its first legal step down the road toward WMD elimination, by acceding to the Chemical Weapons Convention.

U.S. Organization for the Libya Effort

Organizationally, we established a structure that revolved around a Washington-based coordination effort centered in my bureau but closely involving experts from the NP and AC bureaus, as well as interagency participants. We quickly set up experts' groups in the various subject-matter areas – nuclear, chemical, biological, and missile – to provide the overall technical guidance and advice needed to direct corresponding subject-matter teams in Libya. We have since created additional teams to work on the conversion of Libya's Tajura research reactor to low enriched uranium (LEU), and on developing ways to redirect Libyan WMD and missile scientists, engineers, and technicians to civilian

pursuits. These groups work through a small coordination cell in the VC bureau, which also oversees the work of our in-country personnel. We selected Ambassador Don Mahley of the Arms Control Bureau to be the Senior WMD Representative in Libya, where he coordinates the work of the technical assistance groups and works closely with his Libyan hosts.

I should also emphasize the importance in this process of the State Department's Nonproliferation and Disarmament Fund (NDF). Libya has long faced some of the most severe economic and political sanctions the U.S. has ever imposed. But the same restrictions that have so successfully imposed pressure on Libya greatly restrict our ability to conduct operations there in order to implement the trilateral elimination and verification program. NDF has proven indispensable in that it is one of the few funds available with the requisite fiscal authority. It is hard to express just how central NDF has been to our successes so far. We have spent around \$2.5 million in NDF funds so far in support of our activities in Libya, and NDF personnel have been instrumental in working through the innumerable logistical and paperwork problems that inevitably arise when doing such complicated things under such unusual circumstances. With NDF, I can assure you, Congress has been getting huge value for its nonproliferation dollar.

First WMD Elimination Phase

Pursuant to the January 8 London agreement, the State Department-led teams arrived in Libya for the first time on January 18. We enjoyed outstanding cooperation from our Libyan counterparts, who took very good care of our personnel. They allowed our teams to visit any location, and they were forthcoming about the myriad aspects of Libya's WMD and missile development programs.

It was, in fact, remarkable how much the Libyan, U.S., and UK effort accomplished during its first month. By the time our first teams left Libya on January 29, we had already eliminated some of the most proliferation-sensitive aspects of Libya's WMD and missile programs.

Our first step was to remove detailed nuclear weapons designs Libya had acquired as part of its weapons program. These designs had been purchased from the nuclear black market network of Pakistani scientist A.Q. Khan. The weapons designs were handed over to the joint U.S./UK team on January 20, and flown out of Libya aboard a chartered aircraft in the custody of State Department personnel on January 22.

Later that week we also removed several containers of gaseous uranium hexafluoride (UF₆), centrifuges from Pakistan's Khan Research Laboratories – some of which, of the advanced "P-2" variety, were still in their original packing containers – a large number of additional centrifuge parts and equipment, and centrifuge documentation.

On the missile front, we received a detailed description of a range of Libyan missile research and development activities, and removed from Libya five SCUD-C guidance

sets, including their gyroscopes, thereby making inoperable all of Libya's existing SCUD-C missiles produced with extensive assistance from North Korea.

All these items and materials were loaded aboard a large cargo aircraft in Tripoli and flown safely and securely on January 26 to Knoxville, Tennessee. The Department of Energy has stored the sensitive nuclear materials at Oak Ridge.

During this U.S./UK team visit, at our suggestion, Libya began consolidating its stockpile of CW agent at a more secure location in order better to safeguard it against theft by terrorists and make easier its eventual destruction. U.S. and UK experts have also been working closely with Libya to help it prepare its initial CWC declaration. As part of that effort, Libya allowed U.S. and UK chemical engineers complete access to the former chemical weapons production plant at Rabta. Libya also started destroying unfilled munitions in our team's presence, destroying the first two of its chemical bombs on January 26. The U.S./UK team carefully videotaped this destruction in order to permit verification by the OPCW.

Cooperation with International Agencies

This first phase of the process also illustrated the cooperative relationship we developed with the International Atomic Energy Agency (IAEA). Under Secretary Bolton traveled to Vienna on January 19 to join his British counterpart, William Ehrman, for discussions with IAEA Director General Mohamed ElBaradei about how best to coordinate the trilateral Libya/U.S./UK elimination and verification project with the Agency. Their agreement formed the basis of a cooperative approach that has worked well on the ground in Libya.

The IAEA sent two officials – nationals of nuclear weapons states – to be present as U.S. and UK experts examined the weapon designs in Libya. These IAEA officials, with agreement of the U.S. and UK teams, placed the designs under IAEA seal before the U.S. and UK team flew them out of the country. The documents are in U.S. custody.

IAEA officials also accompanied our U.S. and UK experts while they inventoried, packed, and moved nuclear-related items out of Libya. At the request of the IAEA, some items of centrifuge equipment and the centrifuge documentation were placed under seal. These items were segregated and stored separately upon their arrival in the United States.

We have worked with the IAEA in order to help them preserve their own investigatory interests in acquiring a full understanding of Libya's handling of safeguarded nuclear material and related activities. Pursuant to Under Secretary Bolton's agreement in Vienna with Director General ElBaradei on January 19, the IAEA was invited to be present when the seals were broken on the Libyan nuclear weapons designs a couple of weeks ago here in Washington. Two IAEA officials attended. The IAEA will also be invited to be present when seals are removed on other equipment or items removed from Libya, including the UF6 containers and some centrifuge components.

In addition, we have been cooperating closely with the OPCW, which recently sent its first Technical Secretariat (TS) delegation to begin working with Libya. Under the terms of the CWC, of which Libya is now a State Party, the OPCW Executive Secretariat will have to approve plans for the destruction and verification of Libyan Chemical Weapons stockpiles, as well as for the elimination of dual use equipment connected with past chemical weapons efforts. We have been working closely with Libya to facilitate this effort.

What's Next?

While much has been done, it is only a start. Our teams returned to Libya on February 14, and we are well underway in implementing the next phase of our project. We have already brought out of Libya much of the most proliferation-sensitive nuclear items but only a small percentage of the nuclear equipment – by volume, at least – has been removed. Even as I talk with you today, for instance, our experts are working with Libya to inventory, pack, and soon remove a large quantity of additional equipment related to Libya's nuclear centrifuge program. We are also working to help Libya convert its Tajura reactor to LEU fuel. We will also help "redirect" Libyan WMD personnel to more productive ends.

On the chemical weapons front, there remains a large stockpile of chemical weaponry – and a sizable stockpile of CW agent – still to be destroyed. As I noted, we have been assisting Libya in preparing their initial CWC declaration, which is due on March 6. We will be working closely with Libya and the OPCW to determine how best to destroy Libya's CW and precursor agent stockpiles. We will also investigate the status of Libya's past efforts regarding biological weapons. On the missile front, we are working with Libya to ensure that it meets the goal of not retaining MTCR-class missiles or the capability to produce them.

Summary

A/S Burns will describe the other aspects of our relationship with Libya as the elimination and verification program progresses. We should emphasize, however, that progress in eliminating WMD and missiles is the *sine qua non* for progress in the political realm.

As a professional verifier and the coordinator of the U.S. interagency effort, it's my hope to assist and to verify Libya's fulfillment of its courageous and commendable commitments as rapidly as we can. I'm happy to say that so far, Libya's work to implement its December 19 commitments has been outstanding, and every indication so far has been that these commitments are indeed sincere.

Colonel Gadhafi made an historic decision to bring his country into compliance with crucial treaties banning weapons of mass destruction. This was not an easy decision for him to make and he deserves credit for doing so. The United States, the United

Kingdom, and Libya have worked together as a team to eliminate Libya's WMD programs and to normalize relations between Washington and Libya. We only hope that states with even more advanced nuclear weapons programs like Iran and North Korea will learn from Libya's example and agree to rejoin the community of civilized nations and give up these terrible weapons.

Thank you for inviting me here today.