

## Proliferation Security Initiative (PSI)

### Introduction

- 2.1 The Proliferation Security Initiative (PSI) was launched by President Bush in May 2003, in response to the growing challenges posed by the worldwide spread of weapons of mass destruction (WMD), their delivery systems and related materials. PSI is aimed at impeding illicit WMD related trade (to and from states and non-state actors of proliferation concern) by having nations commit to disrupting the illicit trade in WMD. In terms of achieving this objective, member nations commit in a consensual voluntary manner to:
- take specific actions in support of interdiction efforts regarding cargoes of WMD...and their delivery systems or related materials to the extent that their national legal authorities permit and consistent with their obligations under international law and frameworks.<sup>1</sup>
- 2.2 PSI is a voluntary multilateral compact which adheres to the United Nations, its declarations and resolutions as well as the views of its member nations. It comprises approximately 80 countries, of which approximately 20 play a more active role in counter proliferation via participation in the Operational Experts Group (OEG).
- 2.3 According to Defence, the perception of PSI as an enforcement regime is inaccurate, as it is more of a capacity building tool that is designed

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<sup>1</sup> Mr Michael Pezzullo, *Transcript 30 March 2007*, p. 2.

to effectively facilitate member nations undertaking interdictions within the legal framework. Moreover, it was articulated to the Committee that PSI has helped to bridge a gap in the struggle to achieve WMD counter-proliferation as it has addressed the:

...lack of an operational mechanism on the ground to facilitate international cooperation on countering proliferation activities similar to those operational arrangements that exist...in relation to drugs or illegal migration.<sup>2</sup>

## **Operational Experts Group (OEG)**

- 2.4 The OEG comprises approximately 20 of the 80 states that have signed up to the principles of PSI. The purpose of this body is to drive PSI exercise schedules, develop procedures and protocols and provide a forum to share information and expertise. The OEG is also involved in organising PSI exercises in various theatres around the world including the Europe-Mediterranean area, Asia-Pacific and the Americas.
- 2.5 The OEG usually meets quarterly in various locations around the world. Discussion at these meetings encompasses a range of topics including exercise programs, practical lessons learned and procedural matters. These gatherings are crucial to PSI in that they provide a forum for exchanging information, especially in relation to the effectiveness and outcomes of the various PSI exercises conducted around the world.
- 2.6 In terms of structure and practice, the OEG is unique in many respects as it has no formal chairmanship (rotating or otherwise), is not an institution and does not have a secretariat. In relation to managing the meetings, this role is usually filled by the hosting nation. There are a limited number of countries involved in the OEG and Defence advised that 'we would like more active OEG members and more parties signed up to the overall principles'.<sup>3</sup>

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2 Mr Michael Pezzullo, *Transcript 30 March 2007*, p. 4.

3 Mr Michael Pezzullo, *Transcript 30 March 2007*, p. 9.

## Impact on Australian Law

- 2.7 The Statement of Interdiction Principles and the PSI principles themselves do not oblige Australia to adopt any specific legal or administrative measures to enable interdiction. However, signatory states of the PSI are expected to:
- ...consider what enhancements might be able to be made to their domestic jurisdictional arrangements...[in order to] increase their capacity to counter proliferation.<sup>4</sup>
- 2.8 The Committee raised the issue of making the PSI principles binding under international law, rather than relying on countries to participate on a voluntary basis. Defence was of the view that negotiating a treaty level agreement under the auspices of the United Nations would be extremely complex and may undermine confidence in the PSI. Further, Defence believed an agreed set of protocols without reference to particular countries or threats would be counterproductive in that:
- ...you would lose the momentum at the practical level and everything would then be diverted into a massive global debate.<sup>5</sup>
- 2.9 The Attorney-General's Department is currently involved in examining possible enhancements to domestic law which would improve the Australian Government's capacity to combat WMD proliferation. The Department has recently completed a review of legislation pursuant to the statement of principles and is preparing a list of legislation which could be strengthened to better reflect PSI principles. Subject to Government consideration and approval, there may be some minor amendments to relevant legislation to better implement the principles outlined in the PSI.
- 2.10 Regardless of the PSI principles, Australia has existing, comprehensive legislation to protect its sovereign territory and territorial seas based on current domestic and international law.

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4 Mr Michael Pezzullo, *Transcript 30 March 2007*, p. 4.

5 Mr Michael Pezzullo, *Transcript 30 March 2007*, p. 6.

## Australia's Involvement

### Meetings

- 2.11 Australia has been a key driver of the initiative since its inception and has actively participated in all PSI meetings. Australia's strong involvement has also been demonstrated by the fact that it has hosted a number of gatherings including:
- the second plenary meeting which was held in Brisbane in July 2003 for the purpose of advancing an operational framework called the Statement of Interdiction Principles; and
  - a major meeting of legal and operational experts which was held in Sydney in December 2004, where agreement was reached to begin exploring the steps involved in air interdiction exercises and operations, and to expand cooperation between government and key industry sectors.

### Expansion of PSI Signatories

- 2.12 In addition to attending meetings, Australia has also supported the PSI by encouraging several regional neighbours to join the initiative including Cambodia, Brunei, the Philippines, Papua New Guinea and Sri Lanka. The Department of Foreign Affairs and Trade has been instrumental in this outcome.
- 2.13 Despite the fact that Australia has helped to encourage a number of regional neighbours to join the initiative, there are still a large number of other nations in the Asian region who are yet to become members to the PSI, including China and India.<sup>6</sup>

### PSI Exercises

- 2.14 On behalf of the Government, Defence has hosted two major PSI exercises, Pacific Protector 2003, in the Coral Sea in September 2003 and the air/ground interdiction exercise Pacific Protector 2006 which was held in Darwin in April 2006. This later exercise was especially successful as it was the first PSI air interdiction exercise to be held in

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<sup>6</sup> *Proliferation Security Initiative Participants*, <<http://www.state.gov/t/isn/c19310.htm>> (Accessed on 25 July 2007).

the Asia Pacific region, with representatives from 32 countries in attendance.<sup>7</sup>

- 2.15 Both exercises featured a strong whole-of-government approach with operational elements and policy staff participating from a number of departments and government agencies including Defence, Foreign Affairs, Attorney-General's, Customs, Australian Quarantine Inspection Service and the Australian Federal Police. In addition to federal agencies, Defence also engaged very closely with state and territory agencies.
- 2.16 The depth of the relationship was highlighted following Pacific Protector 2006, when the Minister of Defence wrote to the Chief Minister of the Northern Territory to express his 'appreciation for the involvement of the Northern Territory government and the various jurisdictional agencies'.<sup>8</sup>

## Recommendation 1

**The Committee recommends that an invitation be extended to Defence sub-committee members to observe and/or participate in the next Pacific Protector exercise hosted by Australia.**

- 2.17 In August 2005, Defence also participated in operation Deep Sabre 05 – Proliferation Security Initiative 05-1 which involved a maritime WMD interdiction exercise. This operation was conducted in Singapore with participation from Canada, France, Germany, Holland, Japan, New Zealand, Russia, Singapore, United Kingdom and the United States.<sup>9</sup>
- 2.18 Although only PSI signatories may participate in PSI exercises, non-signatory countries may observe such exercises. This initiative is extremely valuable in promoting PSI principles and complements DFAT's extensive outreach program with countries in the Asia Pacific region.

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7 Department of Defence, *Annual Report 2005–06*, p. 143.

8 Mr Michael Pezzullo, *Transcript 30 March 2007*, p. 7.

9 *Australia's Commitment to the Proliferation Security Initiative*, <<http://www.minister.defence.gov.au/2005/160805.doc>> (Accessed on 22 March 2007).

## Improving Capabilities

- 2.19 A priority for Australia, and all other PSI participants, is to maintain and refine capabilities for interdicting WMD-related trade. In the past two years, countries participating in PSI activities have developed their maritime, air and ground interdiction capabilities through a program of joint training exercises in Europe, Asia and North America. These exercises have achieved the following outcomes:
- enhanced operational responsiveness by testing national interdiction capacity;
  - improved mechanisms for conducting joint interdiction operations with other countries;
  - bridged differences in training and operational systems; and
  - allowed operational crews and policy experts to work together in a cooperative and collaborative manner.<sup>10</sup>

## Conclusion

- 2.20 The PSI is an international framework introduced to counter the spread of WMD. Although participation is voluntary, over 80 countries are signatories to the initiative, with 20 countries members of the OEG. A continued leadership role within the region will assist Australia in convincing more countries to become signatories to the PSI.
- 2.21 The Committee commends Defence's role in hosting the PSI exercise Pacific Protector and in leading a whole-of-government-approach to the PSI within the Asia Pacific region. Through regular dialogue and exercises, common policies and procedures can be developed, consistent with domestic and international law, for participating nations to have the necessary tools to counter the proliferation of WMD.

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<sup>10</sup> *Proliferation Security Initiative*, <<http://www.dfat.gov.au/globalissues/psi/>> (Accessed on 25 July 2007).