



Submission No 15

Inquiry into Australia's aid program in the Pacific

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Australian Government
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Senator Marise Payne
Chair
Human Rights Sub-Committee
Joint Standing Committee on Foreign Affairs, Defence and Trade
Parliament House
CANBERRA ACT 2600

Dear Senator

Submission by the Attorney-General's Department to the Joint Standing Committee on Foreign Affairs, Defence and Trade's Inquiry into the Impact of Australian Aid to the Pacific

I am pleased to provide the Committee with a submission from the Attorney-General's Department to the Inquiry into the Impact of Australian Aid to the Pacific. The Attorney-General's Department and its portfolio agencies are involved in a wide range of aid activities in the Pacific region. The submission details these activities. I trust this submission will aid the Committee in its work reporting on Australia's aid program and its impact on human rights and security in the Pacific.

The action officer for this matter is Peter Thomson who can be contacted on (02) 6250 6039.

Yours sincerely

Robin Warner
Assistant Secretary
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Australia's aid program in the Pacific

Submission by the Attorney-General's Department

The Attorney-General's Department (AGD) and its portfolio is involved in a wide range of aid activities in the Pacific region – some through AusAID, others through independent programs and international agencies. Domestically, AGD and its portfolio agencies have a clear responsibility for both human rights and security-related issues. As such, AGD and its portfolio agencies are increasingly being called upon to contribute to Australia's aid effort in the Pacific and thereby assisting in the promotion of security in the region.

This submission sets out the activities undertaken by AGD as part of Australia's aid program in the Pacific, detailing our current work under aid-funded programs and through other funding arrangements and organisational linkages. One portfolio agency – the Australian Federal Police – has made its own submission to the inquiry, however, others have provided information to AGD to include in this submission. These agencies include the National Judicial College of Australia, the Federal Court of Australia, the Federal Magistrates Court, AUSTRAC, the Australian Customs Service and the Commonwealth Department of Public Prosecutions.

AGD has a broad-ranging involvement in aid delivery in the region. Interaction between Australia and Pacific countries has increased in recent years as these countries have sought to strengthen democratic institutions and attract foreign investment by developing modern legislation to implement international instruments on transnational crime and terrorism.

This submission deals with three areas within the Standing Committee's terms of reference:

- strengthening law and justice
- anti-corruption and good governance measures, and
- supporting peace-building and community and civil society development.

Strengthening law and justice

The Enhanced Cooperation Program (ECP)

In late 2003 Australia and Papua New Guinea (PNG) agreed to implement the Enhanced Cooperation Program (ECP) to help PNG address key challenges in the areas of policing, law and justice, and economic and public sector management. AGD has been involved in the implementation of the law and justice component of the program which aims to significantly improve the functioning of PNG's justice system through the placement of senior officials in key law and justice sector agencies.

The original program involved the deployment of a significant number of Australian police and public service officials to take a direct role in PNG policing and public administration. Legal challenges have required some remodelling of the program, but the governments of Australia and PNG remain committed to the principles that underpin it and have agreed that the program

should continue, with a focus on fighting corruption in PNG. AGD deployees will play a key role in this anti-corruption strategy.

Seven AGD officials are currently deployed in the PNG non-policing law and justice sector under the ECP, including two legal policy managers, four prosecutors and one corrections officer. These officials are working to improve governance and help curb corruption. They have been effective, and have developed good working relationships with their counterparts.

The Legal Libraries Twinning Program

Accessing the law, including in the very concrete sense of locating the provisions of the law, can be difficult in the Pacific context. For this reason, the Lionel Murphy Library within AGD maintains formal linkages (termed 'twinning') with four legal libraries in the Pacific:

- Attorney-General's Department in Samoa
- Supreme Court in Samoa
- Department of Justice and Crown Law in Tonga, and
- Supreme Court in the Republic of Nauru.

This arrangement has been in place for 16 years and was instigated through an Australian Law Librarians Group initiative. Through this 'twinning' arrangement, the AGD Library assists in the maintenance of current collections of legal material, provides education and training to staff working in the libraries and supports the function of the libraries through assistance with reference and research services. The potential exists to extend and create a stronger cooperative network among legal libraries and users of the libraries in the region. This program is an important component of effective delivery of policy and legal advice in the region.

The Information Services Branch of AGD was successful in gaining an AusAID Pacific Governance Support Program grant to evaluate the twinning program in 2005–2006. As a result of this evaluation, a recommendation was made that the broader information management issues of records management and IT infrastructure (including web design) should be considered in future 'twinning' activities in the region, depending on the availability of funding.

Legislative drafting

Honiara and Nasonini Declarations

The Attorney-General's Department has been working with the Pacific Islands Forum (PIF) Secretariat to develop and implement the *Honiara* and *Nasonini* Declarations.

The 1992 *Honiara Declaration on Law Enforcement Cooperation* requires Pacific island countries to have in place policy and legislation to combat transnational organised crime, specifically extradition, mutual assistance and proceeds of crime regimes and effective anti-money laundering legislation.

Under the PIF's 2002 *Nasonini Declaration on Regional Security*, AGD has worked closely with the PIF Secretariat to produce a regional framework and model legislation to enable

Pacific island countries to comply with the international counter-terrorism conventions and the United Nations Transnational Organised Crime Convention and Protocols. AGD has entered a Record of Understanding with AusAID for funding to draft legislation for jurisdictions to enable them to comply with the *Nasonini* Declaration.

The Office of Legislative Drafting and Publishing (OLDP) within the Attorney-General's Department is responsible for drafting delegated legislation and legislative instruments. OLPD has signed agreements with the PIF Secretariat, on a fee-for-service basis, to draft anti-money-laundering, extradition, proceeds of crime and mutual assistance in criminal matters legislation for various jurisdictions to comply with the *Honiara* Declaration.

The Department entered into a Record of Understanding with AusAID specifically for funding to draft legislation for PNG. The Department assisted in the policy development and drafting of a '*Honiara*' suite of legislation, covering proceeds of crime, mutual assistance and extradition, which the PNG Parliament passed on 20 July 2005.

The Department has also provided legal policy advice and/or legislative drafting assistance on these Declarations to Fiji, Kiribati, Samoa, Tonga and Vanuatu. This assistance enables jurisdictions to more effectively fight transnational organised crime and terrorism in the region.

South Pacific Model Weapons Control Bill

The Department has also worked with the PIF Secretariat to provide legal policy and legislative drafting assistance to develop the South Pacific Model Weapons Control Bill. The model law improves public safety by imposing strict controls on the importation, possession and use of firearms, ammunition, other related materials and prohibited weapons. Pacific Islands Forum leaders have encouraged Forum members to adopt the model weapons control legislation to the fullest extent possible taking account of the different domestic situations. The Department has presented at several regional workshops to explain the model legislation and assist in 'fine-tuning' the Bill to suit the individual circumstances of jurisdictions.

Assistance to the Solomon Islands and Papua New Guinea

The Office of Legislative Drafting and Publishing has drafted legislation needed to support the Enhanced Cooperation Program in PNG and the Regional Assistance Mission to the Solomon Islands (RAMSI).

Pacific Islands Law Officers' Meeting (PILOM)

AGD participates in PILOM, the annual meeting of the (non-political) Attorneys-General, Heads of Justice Departments, Solicitors-General, Crown Counsel and Directors of Public Prosecutions of the Pacific Island Forum member states. A number of observers also attend, including the PIF Secretariat, the Commonwealth Secretariat, Pacific Islands Chiefs of Police, the Oceania Customs Organisation, the Pacific Immigration Directors Conference and the Law School of the University of the South Pacific.

The meeting provides a forum for sharing information on major legal issues and developments which are of particular relevance to government law officers in Pacific Island Forum countries. The discussions at PILOM contribute substantially towards a better understanding of current legal issues facing Pacific jurisdictions and continuing cooperation to address these regional issues.

The 24th PILOM was held in Vanuatu from 21–23 September 2005. The Australian delegation comprised senior officials from AGD. The key themes of the meeting were the Constitutions of Pacific countries, the need for PILOM to have a greater role in law and justice issues affecting the Pacific, and the ongoing need of all Pacific island countries for legislative drafting assistance. In 2005, PILOM also welcomed Australia's proposal for a program of workshops on international criminal justice cooperation and legislative drafting, to improve the knowledge and skills of legal officers in Pacific island countries.

An AGD delegation will attend the 25th PILOM in Kiribati in late 2006.

Bali Legal Issues Working Group

The Legal Issues Working Group (LIWG) was a key outcome of the Australia–Indonesia chaired *Bali Regional Ministerial Meeting on Counter-Terrorism* in February 2004, and comprises senior legal officials from the South East Asian region, as well as PNG and Fiji. The LIWG was tasked by Ministers to identify measures to further strengthen and consolidate regional counter-terrorism efforts, especially in the critical areas of legal frameworks and law enforcement.

Meetings of the LIWG have enabled general discussion and awareness-raising on the need to criminalise terrorist activity in domestic law, as well as the legal cooperation aspects of the UN's counter-terrorism conventions. LIWG participants have also made considerable progress in developing practical solutions to some of the challenges facing effective international legal cooperation.

To support regional efforts, Australia established the *Regional Legal Assistance Unit* in 2005 within AGD. The unit provides countries with legal expertise to assist with their implementation of international counter-terrorism obligations. The unit's role also encompasses the provision of assistance to improve extradition and mutual assistance arrangements to support the investigation and prosecution of terrorist activity.

Pacific Legal Knowledge Program

At PILOM in September 2005, the Attorney-General's Department tabled a proposal for a Pacific Legal Knowledge Program, involving the presentation of a series of workshops to law and justice sector officers from the Pacific island countries. The suggestion was welcomed by PILOM, and it was agreed that the workshops would be presented in two streams – international criminal justice cooperation and legislative drafting – and focus on both capacity and relationship/network building in these two key areas.

Countries use extradition, mutual assistance and proceeds of crime actions in the enforcement of criminal law. These are important law enforcement tools but, as with many developing countries, Pacific island countries are often unable to use them effectively. Pacific island countries also have an ongoing need for legislative drafting assistance and improved drafting capacity, as they often rely on donor assistance to draft important legislation.

The workshops focus on improving the knowledge and skills of line officers and junior to mid-level practitioners within Pacific island countries' law and justice agencies. They are intended to impart practical legal knowledge and skills in international criminal justice cooperation and legislative drafting. The workshops involve group discussions, exercises, problem simulations

and practical demonstrations. The workshops are conducted by officers from AGD, with involvement from other agencies as required. The Department may also seek involvement by experts based in the region where appropriate.

All members of the Pacific Islands Forum are invited to send representatives to attend the workshops (excluding Australia and New Zealand). The travel and accommodation costs for Pacific island countries' law officers attending the workshop are funded by the Department.

The first international criminal justice cooperation workshop was held in Vanuatu in December 2005, and was attended by law and justice agency line officers or prosecutors who are required to handle extradition, mutual assistance and proceeds of crime matters from PNG, the Cook Islands, the Federated States of Micronesia, Tonga, Fiji and Vanuatu. A legal adviser from the Pacific Islands Forum Secretariat (PIFSEC) also attended and participated in the workshop. The aim of the workshop was to introduce the key concepts of extradition, mutual assistance and proceeds of crime, and to help create an effective criminal justice cooperation network in the Pacific. A follow-up workshop will take place in Cairns, Australia, in August 2006. It will have a more practical focus, and will also cover some of the investigative and prosecutorial aspects of these areas.

The first legislative drafting workshop will take place in Canberra in July 2006. The workshop will be an introduction to legislative drafting, and will cover three main areas: taking, analysing and giving effect to instructions, the structure of an Act, and the use of plain language.

People movement

Australia's policies on people trafficking were developed through a whole-of-government approach, with Ministers and agencies seeking to address all of the issues associated with the problem. AGD coordinates the Australian Government's response on people trafficking, including monitoring implementation of the \$20m package to combat people trafficking (announced in October 2003). Individual agencies within the Australian Government are responsible for implementing particular measures within the package. AGD has responsibility for people trafficking legislation, the development of a trafficking community awareness strategy and arranging the ratification of the *United Nations Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children* supplementing the *United Nations Convention Against Transnational Organized Crime*.

AGD also works with other Australian Government agencies to address people trafficking issues within the broader Asia-Pacific region, including through the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime. The Bali Process was initiated at the *Regional Ministerial Conferences on People Smuggling, Trafficking in Persons and Related Transnational Crime* held in Bali in 2002 and 2003. It is co-chaired by the Governments of Australia and Indonesia. The Bali Process brings participants together to work on practical measures to help combat people smuggling, trafficking in persons and related transnational crimes in the Asia-Pacific region and beyond. Over 50 countries and numerous international organisations participate in Bali Process activities. AGD officers actively participate in Bali Process activities, including workshops on the development of model legislation and national action plans to eradicate people trafficking.

International child abduction

AGD's International Family Law Section has devised a project, funded by AusAID under its Pacific Governance Support Program, to focus on the development of support services in PNG for child abduction procedures and increased understanding of and linkages with the PNG family law system. The project is aimed primarily towards:

- developing a procedural framework that would enable PNG to actively participate in the transmission and processing of requests in relation to international child abduction and parental contact matters
- transferring corporate knowledge and promoting best practice administrative procedures with respect to issues of cross-border movement generally
- fostering linkages that will facilitate increased consultation and liaison between the International Family Law Section, relevant Australian Government agencies and the PNG law and justice sector
- providing targeted, operational-level support focused on the implementation of administrative processes pertaining to parental child abduction, and
- capacity-building on the use of electronic document and case management systems.

It is hoped that by fostering an ongoing support network between Australia and PNG, the project may also serve as a stepping stone to facilitate PNG's broader participation in the Hague Conference on International Law, and to its development of self-sustaining relationships within the broader international community.

National Judicial College of Australia (NJCA)

In May 2002 the National Judicial College of Australia (NJCA) was established to enhance the professional development of Australian judges, and to help the judiciary perform to its highest standards, through the delivery of judicial education programs. The Attorney-General's Department provides approximately 50 per cent of the NJCA's operating costs. The Secretary of the Department serves on the NJCA Council.

The NJCA contributes to strengthening law and justice in the Pacific by having judicial officers in the region participate in the professional development activities it conducts for the Australian judiciary. Judges and magistrates from the Solomon Islands and PNG are participating in NJCA programs this year. Their participation is partly funded by AusAID.

The NJCA is working with the Judicial Commission of New South Wales to establish a referral service to assist organisations providing judicial professional development in the Pacific region. To date service providers have approached Australian courts and judicial education bodies with ad hoc requests for assistance in developing and delivering programs in Pacific Island countries. In response to the recently announced Pacific Judicial Development Program (funded jointly by AusAID and NZaid), a more coordinated approach is being developed. In future requests from service providers are expected to be channelled through the referral service, ensuring that the Australian judicial officers most suited to providing assistance are identified and programs are professionally developed and delivered.

Federal Court of Australia

The Federal Court of Australia has participated in the following projects in the Pacific:

- *Asia Pacific Judicial Reform Forum (APJRF)*
This project is partnered with Asia Pacific senior courts. Its aim is cooperation and technical assistance to support regional judicial reform. The project brings together the senior judiciaries of Asian-Pacific countries under the umbrella of a commitment to undertake significant judicial reform by providing practical assistance in priority areas including expedition of cases, judicial education/development, judicial independence and access to justice.
- *Enhancing judicial and court administration*
This project is partnered with the Supreme Court of Tonga and the High Court of Fiji. Its aim is to conduct systems and procedural diagnostic work, then to assist with the development of efficient court and judicial administrative processes.
- *Basic judicial skills development*
This project is partnered with various courts in Niue. Its aim is to build the capacity of legal/judicial officers to perform judicial functions. Eighteen judicial/legal officers have been trained in a number of areas providing them with many basic skills required to conduct themselves as judicial officers.
- *Justice of the Peace capacity building*
This project is partnered with the Cook Islands judiciary. The aim of the project is to build the skills of trainers to delivery capacity building sessions to Justices of the Peace in the Cook Islands. Three workshops have been conducted in the Cook Islands. In the first, 10 Justices of the Peace attended an orientation workshop to introduce them to the role and responsibility. It also provided them with basic skills and knowledge of law and procedure required to perform their functions. In the second, five criminal law clerks have received training for their role in dealing the Criminal division of the Court. In the third workshop, five JPs have been trained in evidence law and procedure and the application of such in criminal matters.
- *Criminal law and procedure, Kiribati*
This project is partnered with single magistrates in Kiribati. The aim of the project is to increase skills and knowledge amongst single magistrates in Kiribati about criminal law/procedure. Six single magistrates from Kiribati were trained in criminal law/procedure, to be better able to assist in developing, designing and delivering continuing judicial education programs for their peers.
- *Evidence and sentencing – capacity building*
This project is partnered with Tongan magistrates. The aim of the project is to increase skills and knowledge amongst Tongan magistrates in the area of adjudicating evidence and sentencing processes. Eight magistrates from Tonga have been trained in evidence and sentencing procedures. Their understanding and application of the law were found to be so basic that train-the-trainer training was not appropriate. The Chief Magistrate did not invite court staff, preferring to focus on building the capacity of magistrates.
- *Benchbook project*
This project is partnered with Kiribati, Tonga and Niue. The aim of the project is to provide training on the use of benchbooks. Judges are now able to use the benchbooks, which outline the process and law to be followed in criminal cases before them.

- *Developing skills in land law and procedure*
This project is partnered with Samoa. The aim of the project is to increase awareness of lay land court judges about efficient processes and law.
- *Developing Pacific Court-Annexed Mediation (CAM) systems*
This project is partnered with Fiji, the Federated States of Micronesia, Niue, PNG, Samoa, Solomon Islands, Tonga, Vanuatu and Kiribati. The aim of the project is to focus on basic and advanced mediation skills and develop practice/procedure across the Pacific. The project has provided mediation skills training to 194 people in seven countries for 10 Pacific jurisdictions.

Federal Magistrates Court

In December 2004, Federal Magistrate Judy Ryan travelled to Indonesia as part of an Indonesia–Australia Legal Development Facility visit sponsored by AusAID through the University of Melbourne Private. The objective of the visit was to better inform the judicial officers and court administrators in the Indonesian Sharia Religious Courts about the Australian court system, judicial power in Australia, the jurisdiction of the Family Court, family law in Australia, divorce under Australian law and IT systems in court administration.

Australian Customs

In PNG, four Australian Customs officers are conducting the customs component of the Enhanced Cooperation Program (ECP) as part of the Border Management and Transport Security Sector of the ECP. Significant achievements to date include improved customs operations at Jackson's International Airport.

In the Solomon Islands, two Australian Customs officers are conducting the Customs Modernisation Program as part of the Regional Assistance Mission to Solomon Islands (RAMSI).

In Tonga, one Australian Customs officer is acting as Head of Tongan Customs as part of a joint interim program of assistance with New Zealand (New Zealand has provided a deputy). The program is focused on anti-corruption and institutional strengthening.

Australian Customs participates in the Oceania Customs Organisation (OCO), which comprises 23 members including Forum island countries, and French and US territories. Australian Customs is a member of the OCO Steering Committee and chair of the Technical Committee, which oversees capacity building activities.

The Customs International Executive Management Program (CIEMP) is a five-week long externally accredited course for Asia-Pacific customs administrations. Larger Pacific countries are often represented on the course and smaller Pacific island countries have participated occasionally. The heads/deputies of many Pacific customs administrations are former CIEMP participants.

Commonwealth Department of Public Prosecutions (DPP)

The DPP is a statutory agency with a function to prosecute crimes committed against Commonwealth law, and to recover the proceeds of crime. In that context, the DPP performs a number of roles which assist in the enforcement of anti-corruption laws and culture in the

region. These roles are currently conducted on a case-by-case basis as resources (both monetary and in terms of staffing expertise) permit. Currently, the DPP:

- is involved in mutual assistance, extradition and the international recovery of proceeds of crime; the DPP's commitment to these areas of practice has expanded and become more sophisticated in the last decade
- is involved in conferences and training in the region about prosecution, proceeds of crime and international legal cooperation – this serves to promote a culture of anti-corruption and compliance
- has been involved in making a number of officers with prosecution experience available to countries in the region, as both 'in-line' prosecutors (for example in PNG), and for specific prosecutions or cases, and
- has hosted prosecutors from overseas prosecuting agencies, focusing on both matters of general and specific interest.

The DPP's contribution in these areas can have a significant impact in terms of organisational management. This is especially the case with respect to making prosecutors available for longer term stays in countries in the region. The DPP may not always be in a position to provide the level of support requested, and must do so within resourcing constraints. However within its financial constraints, the DPP attempts to comply with the requests made.

Anti-corruption and good governance measures

Anti-Corruption for Development Strategy

A White Paper on Australia's Overseas Aid Program was released by the Minister for Foreign Affairs on 26 April 2006. Combating corruption is one of four strategies to maximise aid effectiveness identified by AusAID in the White Paper. Development of a whole-of-government Anti-Corruption for Development Strategy (ACDS) has commenced, focusing on three pillars:

- law and justice
- economic and fiscal management, and
- building internal demand within countries for greater transparency and anti-corruption.

A Core Group of government departments and agencies has been formed comprising the Attorney-General's Department, Australian Federal Police, Department of Foreign Affairs and Trade, Treasury, AusAID and the Department of Finance and Administration. The Core Group will maintain ongoing oversight of the ACDS and has formed a Working Group to assist in developing the strategy. The Working Group will draft the ACDS including:

- advising on anti-corruption aspects of the whole-of-government developing country strategies
- identifying research needs
- securing experts to help frame anti-corruption approaches, and

- providing input for New Policy Proposals on anti-corruption.

Anti-Money Laundering Assistance Team (AMLAT)

The Anti-Money Laundering Assistance Team (AMLAT) is an Australian Government program to assist Pacific island countries to develop anti-money laundering (AML) and counter-financing of terrorism (CFT) systems.

AMLAT includes advisers and consultants working for AGD, providing AML/CFT technical assistance and training in the areas of:

- legal policy and legislative advice
- awareness raising
- establishing and developing financial intelligence units (FIUs) and related whole-of-government operational links
- developing administrative procedures, forms, guidelines and regulations
- training in the analysis of financial intelligence, and
- training in the investigation and prosecution of money laundering and terrorist financing.

In 2005–06, AMLAT held AML/CFT awareness-raising workshops in Tonga and the Solomon Islands for government departments, reporting bodies, financial intelligence units and law enforcement agencies. AMLAT has also provided mentoring to the Solomon Islands FIU, and has agreed to provide assistance to the Cook Islands to harmonise its AML/CFT legislation with other domestic legislation. In June 2006, AMLAT held a regional workshop for Pacific financial intelligence units, attended by representatives of 13 Pacific island countries, which encouraged regional skill sharing and planning for FIU development and establishment.

High-level direction of AMLAT's activities is informed by a Strategic Priorities Reference Group (SPRG), comprising representatives of the Pacific Islands Forum Secretariat, the Asia Pacific Group on Money Laundering (APG), the Pacific Financial and Technical Assistance Centre (PFTAC), AUSTRAC, the Australian Federal Police, the Department of Foreign Affairs and Trade, AusAID, and the Westpac and ANZ banks.

Foreign bribery

The Australian Government has taken proactive steps to raise awareness of the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, and Australia's new foreign bribery offence. The awareness campaign has been directed towards Australian Government agencies and officials, as well as private businesses and business people with interests overseas. The aim of the campaign is to ensure that any allegations of foreign bribery against Australians or Australian companies are reported to the Australian Federal Police.

AUSTRAC

The Australian Transaction Report and Analysis Centre (AUSTRAC) is Australia's anti-money laundering regulator and specialist Financial Intelligence Unit (FIU). In its regulatory role,

AUSTRAC oversees compliance with the requirements of the *Financial Transaction Reports Act 1988* (Cth) by a wide range of financial services providers, the gambling industry and others. In its intelligence role, AUSTRAC provides financial transaction reports information to Commonwealth, State and Territory law enforcement, revenue, national security and social justice agencies. Internationally, AUSTRAC has strong intelligence exchange and technical assistance relationships with international counterparts and is involved in a number of multilateral initiatives aimed at combating money laundering and countering the financing of terrorism. AUSTRAC's current and recent projects in the Pacific include:

Pacific Islands' FIU Database Project (PFIUDP)

In November 2004, AUSTRAC commenced the Pacific Islands' FIU Database Project (PFIUDP). Under this 13-month technical assistance project, funded through the AusAID Pacific Governance Support Program (PGSP), AUSTRAC worked with seven Pacific Island FIUs (Cook Islands, Fiji, Marshall Islands, Palau, Samoa, Tonga and Vanuatu) to develop small-scale IT solutions to manage the receipt and analysis of financial transaction reports information. The Marshall Islands withdrew from the PFIUDP in July 2005 following the receipt of funds to develop its AML/CFT regime from the United States of America. The IT capacity developed under the PFIUDP will contribute to each country's capacity to detect and deal with terrorist financing and money laundering. This project concluded in December 2005 with successful implementation of the FIU-in-a-Box (FIB) Lite v.1 system in the FIUs of the Cook Islands, Palau, Samoa, Tonga and Vanuatu.

Fiji FIU Information Management System Online (FFIMSO)

A specialised solution for the Fiji FIU was identified as necessary under PFIUDP needs assessments, due to the high volume of financial transaction reports to be received from early 2006. As such, the Fiji FIU Information Management System Online (FFIMSO) Project was developed. AUSTRAC has been funded under the AusAID Pacific Governance Support Program (PGSP) to provide a complementary but larger scale information management system solution for the Fiji FIU than that provided under the PFIUDP. This enhanced solution will enable a fully sustainable online reports delivery system for the Fijian FIU to strengthen the capacity of the Fijian FIU to collect and analyse financial transaction reports. It is expected that the FFIMSO will conclude in early 2007.

AMLAT – Anti Money Laundering Assistance Team

AUSTRAC is also working with the Attorney Generals Department's (AGD) Anti Money Laundering Assistance Team (AMLAT). Two AMLAT officers are currently based within AUSTRAC offices, ensuring a coordinated approach to AUSTRAC and AGD efforts to aid the development of strong anti-money laundering and counter-terrorist financing programs in the Pacific region. Further, AMLAT and AUSTRAC are working cooperatively to deliver the AUSTRAC FIB Lite solution to a number of FIUs in the Pacific region.

Supporting peace-building and community and civil society development

Multi-Jurisdictional Exercise Mercury 05 – International Observer Program

The Protective Security Coordination Centre (PSCC) in AGD coordinated an International Observer Program for *Mercury 2005* conducted in October 2005. *Mercury 2005* was the largest counter-terrorism exercise conducted in Australia to date and involved over 4,000 participants. The International Observer Program provided participating countries with the opportunity to view activities within *Mercury 05*, with the aim of fostering cooperative counter-terrorism arrangements between allied and regional nations.

The *Mercury 05* International Observer program focussed on providing participants with a holistic understanding of Australia's counter-terrorism exercise and response arrangements. The content and structure of the observer program included access to major incidents to gain an initial picture and operational understanding of immediate emergency responses, operational centres and access to high-level coordination and decision-making activities associated with the exercise.

Progression through these locations was intended to add value to the observer program by giving participants the opportunity to observe the response to a particular incident from a variety of perspectives.

In consultation with relevant Australian Government departments and agencies, invitations to participate in the program were extended to foreign government representatives from 24 nations including Fiji, PNG and the Solomon Islands.

As part of this program, AusAID funded the participation of an observer from Fiji and PNG. In addition to AusAID's contribution, the Australian Federal Police funded one participant from both Fiji and Indonesia and two participants from the Solomon Islands.

Counter-terrorism discussion exercises

The PSCC provides support to a number of regional and international counter-terrorism (CT) related activities on an opportunity basis. These have included CT exercises coordinated by the Department of Foreign Affairs and Trade and the Department of Defence.

The PSCC was invited to major annual CT exercises in New Zealand and with quadrilateral partners in the United States and United Kingdom. In April 2005 two members of PSCC observed the CT exercise *Topoff* in the United States. PSCC also participated as an observer at the New Zealand CT exercise *Guardian* in May 2006.

As part of the Pacific Roundtable on Counter-Terrorism in New Zealand in May 2004, the New Zealand Prime Minister proposed that a Forum-wide counter-terrorism exercise be conducted. The proposal was subsequently endorsed by Pacific Islands Forum (PIF) leaders. The discussion exercise was conducted under the auspices of the PIF and was held at the Forum Secretariat in Suva in November 2005. The Australian delegation included representatives from PSCC (Chair), the Department of Foreign Affairs and Trade, Customs, the Australian Federal Police and the Department of Transport and Regional Services.

The Suva discussion exercise succeeded in challenging participants to think about CT response issues and provided further insight into capacity gaps. Australia offered to draft a basic 'all hazards' framework document for possible adaptation by PIF countries, including CT response.

The 'follow-up and next steps' phase III, of Exercise *Ready Pasifika* was held in Auckland on Friday 28 April 2006 in conjunction with the Pacific Islands Forum Working Group on Counter-Terrorism hosted by New Zealand. During phase III, two workshops took place. The first workshop, which Australia chaired, focussed on a possible template framework for an 'all hazards' national security plan. PIF delegates agreed that the plan should be a stand-alone counter-terrorism plan rather than an all-purpose model. Workshop participants redrafted the template as a basis for a counter-terrorism coordination plan focusing on five key areas:

- purpose of the document
- legal and administrative framework
- prevention and preparedness
- response, and
- recovery.

It is likely that PIF countries will need further assistance in developing their own CT plans.

The second workshop was a brainstorming session on whether a possible response to a terrorist incident might be to request external assistance. Participants agreed there was a need to have the endorsement of the Pacific Forum leaders before considering this in detail.

Crisis response

Emergency Management Australia (EMA) undertakes a broad range of activities in the Pacific region. A number of these could be classed as development related, although EMA is also involved in other types of activities.

EMA's involvement, particularly in the Pacific, has been built up over many years, and is based on partnerships with counterpart disaster management organisations. Our goal in these partnerships is to build a strong and effective capacity to deal with disasters. This promotes regional stability and sustainable development. Increasing evidence is emerging that the impact of disasters is one of the main issues to hamper development. Stability in our near neighbours ultimately protects Australia's national interests.

Not only does the Pacific region have a large concentration of poor people, it is also one of the most disaster-prone regions in the world. The management of disasters and of vulnerable groups during disasters in many of these countries still requires substantial refinement. EMA, as the Australian Government agency with the mandate for disaster management issues, maintains considerable expertise in this area, which can be used to provide capacity building assistance. Calls for EMA involvement in regional activities and bilateral projects related to disaster management are clear evidence of the value EMA can add to building the effectiveness of our near neighbours in this area.

Two recent crisis response activities have been conducted in the region. EMA assisted in the voluntary evacuation of the Solomon Islands, sending liaison officers to both Townsville and Brisbane where evacuation reception centres had been established. EMA staff coordinated the

reception arrangement with Queensland officials, as well as facilitating the voluntary departure of Australians, nationals of Australia's consular partners and nationals of other countries.

In May 2006, EMA assisted in the voluntary departure of Australians, nationals of Australia's consular partners and nationals of other countries from East Timor. EMA sent liaison officers to Darwin where the evacuation reception centres had been established. EMA staff coordinated the reception arrangements with Northern Territory officials and other Australian Government departments.

Other Pacific activities EMA has recently engaged in include:

South Pacific Equipment Program (2002–2005)

This program provides communications equipment or Emergency Operations Centre equipment to national disaster management offices in the Pacific.

Pacific Regional Disaster Management Directors Meetings (1993–2005)

These meetings are held every two years to bring together Directors of Pacific Disaster Management Offices, donors and technical specialists. They are a venue to build networks, address regional issues and develop key regional documents. The meeting is organised by the South Pacific Applied Geoscience Commission (SOPAC).

Workshops

Periodically EMA provides workshops on specific technical issues to the Pacific Islands, such as a post-disaster workshop in the Solomon Islands after the impact of tropical Cyclone Zoe. In 2003 EMA worked together with SOPAC, the Association of South Pacific Airlines (ASPA), QANTAS, and Air New Zealand to run an aviation safety workshop. A follow-up workshop is scheduled to be held in 2006.

Public awareness raising (2002–2005)

EMA has assisted national disaster management offices in the Pacific to develop materials to raise public awareness of hazards in their communities.

Introduction to disaster management, exercise management, training for trainers courses (1992–2005)

EMA training staff have worked together with SOPAC and The Asia Foundation (TAF)/Office of Foreign Disaster Assistance (OFDA) to provide a set of introductory courses for Pacific Island Countries in disaster management.

Participation in regional fora

EMA participates in regional fora to address current and emerging issues, build networks and develop key documents such as the Pacific Framework for Action, which provides guidance for the development of effective disaster management structures across government.

Institutional strengthening of Solomon Islands Disaster Risk Management Project (2004–2005)

EMA is contracted to manage this five-year project to build capacity in the Solomon Islands Disaster Management Office and in the larger community. The project has three components:

1. National Disaster Management Arrangements to improve national disaster management arrangements through enhanced commitment and participation
2. National Disaster Management Office (NDMO) Capability to strengthen the institutional capacities of the NDMO for coordination and other mandated tasks
3. Community Resilience to build better prepared and more resilient communities in partnership with stakeholders.

Parallel activity to augment Australian Tsunami Warning System activities (2005)

EMA has indicated to AusAID an interest, in coordination with Geoscience Australia and the Bureau of Meteorology, in undertaking activities which will improve Australia's tsunami warning systems through better engagement with Pacific Island countries. Details of activities are yet to be determined.