

Status of the Proliferation Security Initiative

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Key Points

- The PSI underpins UN non-proliferation obligations, complements WMD treaties and provides an export control safety net. It has galvanised global commitment against proliferation and strengthened cooperation between countries.
- The PSI has been very successful, but interdiction operations, by their nature, are generally not publicised. PSI cooperation has stopped the transshipment of items bound for WMD and related missile programs in countries of concern.
- PSI interdictions and exercises have built capacity within countries and regions and increased the effectiveness of responses by individual countries.
- The PSI has increased the cost and risks of proliferation, thereby serving as a deterrent to would-be proliferators.
- For ongoing effectiveness, the PSI needs the inter-related attributes of widespread support, substantial capacity building, actionable information on proliferation activity and efficient international cooperation.

1. Introduction

Preventing WMD proliferation is one of the most significant security challenges facing the international community. The globalisation of the world economy has provided proliferators with greater opportunities for their illicit WMD procurement activities. Countries of concern deliberately disregard international non-proliferation rules and norms. All countries that use, manufacture and transport WMD-sensitive items are vulnerable to illicit proliferation activities. The proliferation problem is especially relevant to regions where strategic shipping lanes, aviation routes and transshipment ports are located, including in Asia, the Middle East and the Gulf.

Despite efforts to develop robust international non-proliferation rules and norms and implement export controls to prevent proliferation, illicit WMD-related trade persists. The PSI was formed in 2003 as a strategy to prevent WMD-related transfers involving countries of proliferation concern and non-state actors. Eighty-eight states have now endorsed the PSI Statement of Interdiction Principles, which represent a commitment to act against proliferation-related shipments to or from states or non-state actors of proliferation concern. Countries that participate in PSI activities do so on a voluntary basis, consistent with their national legal authorities and international law.

2. Benefits of the PSI

The PSI has drawn together a geographically diverse range of countries with varied capabilities in pursuit of a common goal to disrupt WMD-related trade. States review and provide information on their national legal authority to conduct interdictions at sea, in the air or on land. They identify national assets that might contribute to PSI efforts, such as law enforcement, military assets and information resources. States should be willing to establish a concrete basis for cooperation with PSI efforts, and be able to participate in interdiction training exercises and actual operations.

As a new strategy for international cooperation, the PSI is based on shared interests and objectives, and works through coordinated endeavours that draw upon national authorities. The PSI is about strengthening international resolve and action to impede and prevent proliferation – improving capabilities at the national level and increasing cooperation between countries. There is a deterrence dimension to increase the costs and risks of proliferation. In this way, the Initiative supports the implementation of UN Security Council non-proliferation resolutions including Resolution 1540 (2004), complements the major WMD treaties and serves as a safety net for export controls.

The PSI is a unique model of multilateralism that would be extremely difficult to replicate through an international bureaucracy. Institutionalising the PSI would run the risk of adding bureaucratic layers, which could lessen the speed and flexibility of interdictions and reduce willingness to exchange intelligence for interdictions. Having no formal treaty or obligations allows for operational flexibility and timely action. The PSI may best be thought of as a set of partnerships that establishes the basis for cooperation on specific WMD-related interdiction activities. It is an open and agile architecture that has raised the proliferation awareness of PSI partners and other states leading to actual interdictions.

In its short history, the PSI has been very successful. Interdiction operations, by their nature, are generally not publicised. PSI cooperation has stopped the transshipment of materials and equipment bound for ballistic missile programs in countries of concern. The PSI interdiction of illicit centrifuge equipment bound for Libya in October 2003 contributed to the unravelling of the AQ Khan nuclear procurement network and the decision by Libya two months later to renounce WMD. In one twelve month period, PSI supporters in Europe, the Middle East and Asia worked successfully to interdict WMD-related trade to countries of concern on about two dozen separate occasions (this has been noted publicly by senior United States official, Robert Joseph, former Under Secretary for Arms Control and International Security).

3. Australia's perspective on PSI capacity building

PSI participation has strengthened Australia's effectiveness on counter-proliferation through the requisite sharpening of our focus, national legal authority, inter-agency coordination, international cooperation and operational asset deployment readiness. Our aim is to identify and reflect international best practice in counter-proliferation, which is a major benefit from regular PSI consultations and exercises. We also want to ensure that our cooperation with other countries is as efficient as possible.

On legislative aspects, paragraph 3 of the PSI Statement of Interdiction Principles calls on countries to strengthen their relevant national legal authorities. In response to this principle and based on our experience in PSI activity, we have reviewed our legislation relevant to counter-proliferation and recommended improvements. Based on this review, we have amended our customs and export control legislation, and are considering amending legislation in other areas such as proliferation financing. PSI countries, including Australia, contributed to generating international support for the 2005 Protocol to the Convention for the Suppression of Unlawful Acts Against the Safety of Maritime Navigation (SUA) which contains provisions on preventing and stopping WMD-related proliferation. PSI States have also strongly endorsed Australia's initiative in the International Civil Aviation Organization (ICAO) to negotiate the inclusion of a WMD-related aviation transport offence in the Montreal Convention.

Counter-proliferation operations in Australia are predicated upon strong inter-agency coordination. An inter-agency coordination group meets monthly to examine relevant issues and coordinate on individual cases. The agencies involved include Foreign Affairs and Trade (national policy, chair), Defence (operational capabilities), Customs (border control and law enforcement), Attorney General's (national and international law) and Transport (transport regulations) and intelligence. Australia's PSI participation has been a catalyst for the strengthening of this coordination.

Australia's international cooperation through PSI exercises – including TTX (table top exercises), CPX (command post exercises), FTX (field training exercises) and LIVEX (live exercises) – has helped us to identify areas to improve our operational readiness. More than 30 PSI exercises have been held around the world, including multinational marine interdiction and air interdiction gaming exercises. These exercises have helped us, among other things, to practice and improve our national coordination and international communications capabilities.

4. What the PSI is not

The PSI provides states with a practical means to cooperate to prevent proliferation. It is not a substitute for working to strengthen WMD treaties or export controls. WMD treaties have established international rules and norms, provided assurances, facilitated disarmament and countered proliferation. Concerted efforts are needed to strengthen the Nuclear Non-Proliferation Treaty, the Biological and Toxin Weapons Convention, and the Chemical Weapons Convention. We must bring into effect a Comprehensive Nuclear Test Ban Treaty, negotiate a Fissile Material Cut-Off Treaty, and achieve widespread adherence to the IAEA Additional Protocol.

Export controls support the non-proliferation provisions of the WMD treaties while providing scope for active intervention in preventing illicit shipments being approved for export. They are an important responsibility of government. For export controls to be a more effective tool in preventing proliferation, they need to be improved in two main ways. First, international export control arrangements need to be developed continually to take account of new technologies and threats, and thereby develop and maintain high non-proliferation standards. Second, countries that do not participate in particular arrangements need to be encouraged to improve their national safeguards and adopt export controls consistent with the regimes.

It is difficult to know the extent to which the PSI and other layers of defence against proliferation are preventing clandestine transfers of WMD, or their impact on states of concern, particularly North Korea and Iran, or non-state actors. What we do know is that the PSI is still limited by its geographic reach, so this is a priority to address. For example, a sizeable proportion of global trade transits through strategic areas such as the Straits of Malacca and the Suez Canal. The participation of states in Asia, the Middle East and the Gulf would add much needed geographic coverage to efforts to deny proliferators access to important transit routes.

The challenge for governments is to ensure that we keep pace with the activities of determined proliferators who would seek to circumvent existing non-proliferation frameworks for illicit WMD trafficking. A major challenge is to expand participation in the PSI, widen its geographic coverage and enlist the direct support and related efforts of major countries still outside the PSI. Increased international support for the PSI remains central to expanding the operational reach of the Initiative, strengthening capacity, and responding to opportunities to disrupt illicit WMD-related trade.

5. Australia's efforts to expand participation in the PSI

Australia has sought actively to promote counter-proliferation initiatives within Asia. Asia is vulnerable to WMD proliferation, with countries in the region having some of the world's busiest sea and air ports and transshipment locations. Our PSI outreach is part of a broader strategy to underline that WMD proliferation threatens all countries, and to convince neighbouring countries of the relevance of strategies such as the PSI.

What we have found is that some states which otherwise willing to take steps to prevent WMD proliferation hesitate to support the PSI because of uncertainty about its exact nature, including what PSI support would require of them. Some non-PSI countries have expressed concerns about the legality of the Initiative under international law, its purpose and activities, and the resources and costs involved in participating in PSI activities. They have also questioned whether the PSI could infringe state sovereignty, restrict commerce or undermine multilateral frameworks.

In response, we have highlighted that the PSI Statement of Interdiction Principles limits the call on states to actions that are consistent with their obligations under domestic and international law. In addition, states participate in the PSI to the extent that they are comfortable. We have also expressed the view that institutionalising the PSI runs the risk of adding bureaucratic layers and could lessen the speed and flexibility of interdictions and reduce willingness to exchange intelligence for interdictions.

Australia's counter-proliferation outreach aims to raise awareness among regional countries about obligations required by UN Security Council Resolution 1540, and provide assistance on implementing arms control and non-proliferation treaties, and the adoption of effective national export controls. For example, we have conducted dialogue and training on export controls with a number of regional countries. We have also sought to increase understanding of the PSI among regional countries in representations undertaken bilaterally, including at a high political level, and jointly with other countries that support the PSI.

Australia has used the opportunity provided by PSI training exercises to engage Asian countries. The 'Pacific Protector' PSI exercise in Darwin in April 2006 involved Singapore, Japan, New Zealand, the United Kingdom, the United States and Australia as participants, and all ASEAN countries except Indonesia and Vietnam accepted our invitation to observe the exercise. Observer countries that were not PSI supporters were India, Pakistan, South Korea, Malaysia, Laos, Thailand, Fiji, South Africa and Qatar, as well as Chile, Sri Lanka, Cambodia, Brunei, Papua New Guinea and the United Arab Emirates (the latter six countries have since expressed support for the PSI). East Timor accepted the invitation but in the event was unable to attend. China declined the invitation. To foster practical understanding of the PSI, and to place the event in its policy context, we provided detailed briefings on the rationale, policy and modalities of the PSI, and used the event to illustrate key features of the Initiative.

6. Ensuring that the PSI remains effective

International support is critical to expand operational reach, strengthen capacity and respond to disruption opportunities. Unless support for the PSI continues to grow, the Initiative will not realise its full potential to disrupt WMD trade on a global scale, with its operational reach confined to certain geographic areas. It is most valuable to increase support among countries that will further PSI objectives, for example, major transshipping and flag-of-convenience countries. This will enhance the international standing of the Initiative and help it to become truly global in nature.

We should seek to generate further support for the PSI through continuing efforts to explain the detail of the Initiative. We would encourage PSI-supporting countries to seize opportunities to build understanding of, and support for, the Initiative. The key objective of efforts to expand PSI support is to secure a willingness to cooperate with other countries to stop proliferation, rather than simply to secure a public expression of support for the Statement of Interdiction Principles. Outreach to build PSI support should be accompanied by practical assistance in areas like law enforcement and border/customs enforcement, especially at transshipment points.

The reality is that most of our PSI work is not about dramatic interdictions at sea – it is the every day work of good intelligence, export controls and law enforcement efforts – all of which means that most of our work takes place in port.

In our experience, one of the best ways for non-PSI participants to understand the Initiative is to participate in regional outreach activities hosted by PSI Operational Experts Group (OEG) states or to observe a PSI exercise or activity. As mentioned, in Australia's case, we hosted an outreach program in parallel with 'Pacific Protector' exercise in 2006 to enable interested regional countries to observe the nature and scope of such activities. The strong response from non-PSI countries to Pacific Protector 2006, held in a region where acceptance of the PSI could still be expanded, illustrates the value of practical forms of outreach.

7. Conclusion

Since its inception in 2003, the PSI has complemented WMD treaties and export controls to strengthen our defences against WMD proliferation. It has provided states

with the practical means to cooperate in implementing their UN obligations to stop the spread of WMD. The need to close gaps to stop proliferation is more important than ever, given the threat from terrorism and the posture of states of proliferation concern, especially Iran and North Korea.

Next week the United States will mark the fifth anniversary of the PSI with a high level meeting of PSI-supporting states in Washington DC. The meeting will review progress with the PSI, and set strategic directions for the future. A major challenge is to further increase participation in the PSI, which will expand the operational reach of the Initiative and help to strengthen its capacity to respond to disruption opportunities.

In its short history the PSI has achieved a great deal, but there remains more to do. If the international community cannot prevent WMD proliferation, then everyone loses. Our perspective is that a spirit of transparency, and ongoing efforts to explain the purpose and mechanics of the PSI, will generate greater support for the Initiative, and through that, the realisation of its objectives.