
Broadening and Deepening Our Proliferation Security Initiative Cooperation

By

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From the outset, Poland has been a key partner in the proliferation security initiative (PSI) and my government is grateful for its strong efforts to further the work of the Initiative. Three years ago, in Krakow, President Bush proposed the creation of the Proliferation Security Initiative, bringing together those nations willing to work together to stop the trafficking in weapons of mass destruction and their means of delivery. Today, the sixty-six nations gathered here in Warsaw, and others that have endorsed the PSI, demonstrate the breadth of that global commitment. Our presence sends a strong message to proliferators that we are united in our determination to use our laws, our capabilities, and our political will to ensure that proliferators will not find safe haven within our borders, air space, or territorial waters for their deadly trade.

We are here in Poland not only because we agree that the proliferation of weapons of mass destruction is intolerable and a threat to all of us. We are also here because we understand the need to defeat the weapons of mass destruction (WMD) threats posed by states like Iran and North Korea, terrorist groups like al Qaeda, and the facilitators willing to buy and sell sensitive technology for these states and groups. Our readiness to find and implement solutions to the legal, operational, and policy issues surrounding proliferation will remove the inhibitions against action and will ensure that we succeed in addressing these threats.

Proliferation Security Initiative and the Broader Proliferation Strategy

The governments represented here have undertaken varying levels of engagement and participation in the PSI. Some have been active in PSI from the start. Others have joined recently. Many have participated in exercises or cooperated in PSI interdictions. Some, having made the political commitment to support PSI and to engage in some PSI activities, may still be considering how to make their commitment most effective.

In many ways, these differences reveal the essence of PSI. Individual states contribute as their capabilities and their laws allow, using their diplomatic, military, economic, law enforcement, and intelligence tools to combat the trade in proliferation creatively within the context provided by a shared commitment to the principles on which we are all agreed. PSI countries have put all of these assets to work in a multinational, flexible, yet targeted, fashion.

Three years into the PSI, it is useful to assess the progress of the initiative to reinforce why PSI has become a vital component in the fight against the proliferation of WMD and a standard of good nonproliferation behavior. We should consider how to develop further the capacities needed to defeat the threat posed by such proliferation, including what new tools are required to ensure that the PSI remains a dynamic initiative. This too is consistent with our obligations under United Nations (U.N.) Security Council Resolution 1540, which requires states to put in place laws and enforcement mechanisms to stop the proliferation of WMD.

One area for further development is the creation of tools to interdict payments between proliferators and their suppliers. We need to develop additional tools such as denying proliferators access to financing, which my treasury colleague will discuss in more detail on the next panel. For

our part, the United States has put in place a new executive order, which prohibits U.S. persons from doing business with entities designated because of their proliferation activities.

When the PSI was first envisioned, responsible states were becoming increasingly aware of the dangers posed by black market networks operating in the shadows of legitimate business to deliver WMD and missile-related technologies to states and persons of great concern. The threat posed by terrorist networks seeking to acquire WMD, and the inability of any one state by itself to stop the proliferation of WMD, heightened this awareness. In essence, a gap existed that proliferators had become adept at exploiting. Proliferators were succeeding by taking advantage of governments that did not have adequate information or capabilities, or in some instances the political will to enforce legal authorities against the proliferation trade.

The PSI principles were developed to reinforce political will, cooperation, and legal frameworks to close this gap and deny proliferators the ability to operate. Thus, the principles recognize that each sovereign state has national authorities, the ability to use them broadly, including in conjunction with international legal authorities and in cooperation with like minded states, to bring effective pressure against the proliferation trade.

The exercise training program and operational meetings of the PSI have been effective tools in directing our efforts to turn these agreed principles into action. To date, we have held twenty-three exercises improving and testing our capabilities on land, air, and sea. Recently, in Turkey, more than thirty nations participated in the most far-reaching exercise to include training in each of these modes of shipment. Another area for training that we will experience first-hand this afternoon albeit in an abbreviated form is the gaming simulations designed to highlight the interaction between limited information, varying legal authorities, and available operational capacity.

Proliferation Security Initiative Interdictions and National Capacity

Turning from exercises to concrete results, we should be proud of the PSI record. While it might be instructive to discuss more details, it is inevitable that much of our work is done quietly and with cooperation in sensitive channels outside the public spotlight. We should welcome this. Discreet actions often help us stay one step ahead of the proliferators and give them less insight into steps they can take to evade detection.

Between April 2005 and April 2006, the United States worked successfully with multiple PSI partners in Europe, Asia and the Middle East on roughly two dozen separate occasions to prevent transfers of equipment and materials to WMD and missile programs in countries of concern. For example, PSI cooperation has stopped the export to Iran's missile program of controlled equipment and dual-use goods. One PSI partner has also stopped the export of heavy water-related equipment to Iran's nuclear program.

As we evolve the PSI, our efforts will need to be flexible in order to adapt to the lessons we learn in real world interdictions, as well as in our training exercises, and in assessing responses by proliferators to evade our efforts. One clear lesson is that PSI must continue to operate as a results-oriented activity; one that identifies problems and develops innovative solutions. For such an approach to continue to be effective, timely information sharing will remain a key element of the PSI and one in need of emphasis in the next year.

Continuing to Build the Proliferation Security Initiative

As we consider what we want to accomplish in the next year, I would highlight three opportunities for further development of our Initiative. First, because PSI is an activity, not an organization, much of the forward momentum of PSI rests on the sustained commitment and innovative efforts of each of the participating nations. Maintaining our readiness to respond to proliferation activities must be

a shared objective of all PSI states. Regular participation in training exercises that test capacities and legal authorities is a positive way to maintain our operational readiness against what are creative and clever adversaries.

While this meeting is an opportunity for all governments to take stock of PSI's rapid development and to reinforce the strong message of deterrence to proliferators, we must be ready to discuss the hard questions we face when considering actions to stop proliferation. Furthermore, we must continue to explore the limits of our legal authorities, to address the liability questions that could arise, and, perhaps most importantly, to overcome the difficulties in sustaining the political will to enforce laws pro actively against states of proliferation concern.

A second challenge is broadening global participation in the Initiative. As President Bush said when he announced the PSI three years ago:

“Over time, we will extend this partnership as broadly as possible to keep the world’s most destructive weapons away from our shores and out of the hands of our common enemies.”

We are making good progress with more than seventy countries now supporting the PSI. This is a testament to the outreach activities conducted by PSI partners. However, as PSI partners we all need to continue an active outreach campaign to encourage additional countries to commit to the PSI Statement of Interdiction Principles and to be prepared to take action against proliferation. The more global the PSI reach, the less the opportunity for proliferators to find safe haven for their activities.

Significant percentages of global commerce transit through such key strategic areas as the Straits of Malacca, the Suez Canal, the Middle East and Gulf regions, as well as major air routes which crisscross the globe. Since this time last year, the PSI has been endorsed by many states in Central Asia and the Middle East and Gulf regions. The participation by these states adds an important element to our efforts to deny proliferators access to maritime and air routes. We continue to engage with states in Asia, an important region for enhancing our cooperation, as well as in Latin America and Africa. We should increase our efforts to gain more PSI partners from each of these key regions.

To further secure increased participation, we will need to dispel any misunderstandings about the PSI Principles. Some countries do not fully understand the flexibility of the Initiative and its complete consistency with national and international legal obligations, particularly when questions of infringement on national sovereignty arise. The partners gathered here understand that each country involved in a PSI interdiction will rely on its own legal authorities, which may be different from another nation’s. Governments can look to take action when and where their own laws as well as international authorities provide the necessary legal basis. Even though authorities may differ among states, what remains constant is the ability for all states to enforce existing authorities strictly and to develop new laws as needed.

A third challenge for the Initiative is developing solid information and suggested courses of action to respond to proliferation activities. The unraveling of the A.Q. Khan proliferation network demonstrated the importance of working with key supplier and transshipment countries to share information. A.Q. Khan’s nuclear network highlighted for the world the ability of an illicit network to operate without detection by law enforcement and other regulatory bodies. The network also relied on a number of vulnerable points along the supply chain, including financiers, shippers, distributors, and front companies.

It is vital to our success that we have solid information that we can use. We need to consider how we can do more to build the kind of partnerships it will require to exchange information and recommendations for action in a timely way. Connecting the dots and sharing associations between the various pieces of the supply chain used by proliferators are important areas for enhancing our

interdiction capabilities. To do this, we need to sensitize and invigorate the attention to proliferation-related activities by our enforcement personnel across a range of disciplines, including financial regulators, customs officials, consular officers, and traditional law enforcement officers.

In the United States, PSI has been an important organizing factor in our review of interdiction opportunities with the full range of intelligence, law enforcement, diplomatic, economic, and military tools. We have learned through both our PSI successes and failures the importance of gathering expertise from all of our relevant agencies and to integrate a wide range of operational capabilities to respond quickly and effectively to information of proliferation activity. We have heard from many PSI partner governments, such as Poland, Canada, and Portugal, that the PSI similarly has helped them establish regular interagency coordination.

In conclusion, the next year should be an opportunity to further develop the initiative not only among states participating in this meeting today, but new states ready to join in the fight against proliferation. On behalf of the United States, I urge each nation to commit to the following actions in the coming year:

- First: think innovatively. Undertake a review of your laws and how they can be strengthened to deny the proliferation of WMD and missile-related shipments and services that support proliferation from or through your states
- Second: enforce aggressively. Develop a regularized interagency mechanism in your government to review enforcement data and share information on possible interdictions of shipments, personnel, funds, and other services that aid in proliferation
- Third: engage regularly. Commit to active outreach and to host and participate in PSI exercises in your region and beyond

These activities will ensure that all of our governments are both developing the capacity to act against proliferators and creating connectivity and operations for action with other PSI partners. Carrying out these activities also will send a strong signal to proliferators that PSI partners are prepared to take effective actions against them. Together, we can broaden and deepen our partnership against proliferation of nuclear, chemical, and biological weapons, their related materials, and means of delivery. This is a preeminent threat to international peace and security. We must continue to do all we can to combat this threat.