

Proliferation Security Initiative Operational Experts Group

London, 12-14 April 2016

CHAIR'S SUMMARY

The 2016 Proliferation Security Initiative (PSI) Operational Experts Group (OEG) met at Lancaster House, London, 12 – 14 April, to explore developments in the counter proliferation world since last year's OEG in Canada. The OEG discussed a wide range of issues, including current trends and challenges; transferrable skills and capacity building; transit and trans-shipment; and the legal basis for PSI interdictions. The 2016 OEG also continued work from last year's OEG on proliferation finance and intangible technology transfers.

The meeting was attended by delegates from all 21 PSI OEG countries. Over 100 government delegates were joined by experts from academia, think tanks, international organisations and industry. These included representatives from the United Nations Panel of Experts on the Democratic People's Services Institute, World Customs Organisation, SIPRI, Supply Chain Compliance, HSBC, Lloyds Insurance and Maersk Shipping, amongst others.

Director General for Defence and Intelligence at the Foreign and Commonwealth Office, Sarah MacIntosh, opened the PSI OEG. Tobias Ellwood MP, Parliamentary Under-Secretary of State at the Foreign and Commonwealth Office, also addressed the OEG delegates. The meeting was chaired by Rob Tinline, Head of Counter-Proliferation Department at the Foreign and Commonwealth Office.

In opening statements, delegations reaffirmed their commitment to the PSI and the priority placed on countering the proliferation of WMD and WMD-related materials. They also updated the meeting on their main activities since the last PSI OEG:

- PSI Med Initiative; Frankfurt, June 2015
- PSI Med Initiative; Paris, October 2015
- PSI Leading Edge; Qatar, November 2015
- PSI APER; New Zealand, November 2015
- PSI Asia regional workshop; Seoul, July 2015
- PSI Mid-Level Political Meeting; Washington, January 2016
- PSI CCP Review Team Meeting; Canberra, February 2016

New Zealand circulated the latest PSI newsletter to all OEG members at the conference. Australia briefed on the work of the Critical Capabilities and Practices (CCP) Review Team, reporting that all tools had now been reviewed, updated and classified with a summary cover sheet, and a CD of CCP tools was provided to all PSI endorsees in attendance. There were a number of new tools which were being reviewed as they were submitted. The US reported back to the OEG on the Mid-Level Political Meeting which took place in Washington in January; this had been a valuable opportunity for PSI countries to reaffirm their commitments to the PSI and analyse what work needs to be done to meet the objectives set at the High-Level Political Meeting in Warsaw in 2013.

Looking at wider developments since the last meeting, many countries stressed the success of the Iran negotiations leading to the Joint Comprehensive Plan of Action, but also highlighted recent ballistic missile activity, and emphasised the importance of the effective operation of the procurement channel. Members also expressed deep concern at the DPRK's violations of Security Council resolutions, stressed the importance of the full implementation UN Security Council Resolution 2270, and the role that PSI should play. Members also highlighted the need to analyse proliferators' methods and activity to predict future trends.

The OEG identified two emerging areas to address as Additive Manufacturing, also known as 3D printing, and intangible technology transfers. Countries stressed the need to continue to monitor the advances in materials and processes, and also intangibles such as software and intellectual property, remaining alert to how the different export control regimes look to handle these.

For the first time, the PSI OEG discussed the issue of illicit trafficking of conventional weapons, and whether there were any lessons or linkages which could strengthen the PSI's work to tackle proliferation of weapons of mass destruction. Countries recognised that transnational threats such as illicit trades in drugs, small arms and light weapons, and people smuggling might share some commonalities in approaches.

Following discussions on proliferation finance at the 2015 OEG and 2016 Mid-Level Political Meeting, opportunities for further work in this field were examined to complement the efforts of the Financial Action Task Force and others. OEG countries encouraged all PSI endorsing states to work with their financial sectors to improve sanctions enforcement. The OEG also discussed the changes in transportation networks, which span many jurisdictions and regulatory bodies, and the challenges of identifying shipments of concern and then taking swift action.

OEG participants took part in a fictional tabletop exercise to explore the complexities of carrying out interdictions. This highlighted the importance of all States having the appropriate legal authorities, especially to implement Security Council resolutions, and the critical role of prompt information sharing and co-operation within national systems and between international partners.

Looking forward to future activities:

- the CCP Review Team, under Australia's leadership, circulated a revised Terms of Reference to guide the development of CCP tools and resources, and to define the team's work and next steps;
- Canada will take over leadership of the CCP Review Team for the year ahead and plans to host a meeting of the CCP Review Team in early 2017;
- Germany announced that both the private PSI Website for endorsing states and the open PSI website will be completely redesigned;
- the UK will operate a PSI contact list to improve coordination amongst endorsing states and allow for easier communication;
- Italy will host a PSI Mediterranean Initiative Tabletop Exercise (TTX);
- Exercise Phoenix Express (Mediterranean Sea Maritime Exercise) will take place 19-25 May;
- Argentina will host a Latin America Interdiction Workshop later this year;
- Estonia will host a Baltic Regional PSI Workshop and TTX 14-15 July;
- Romania will host a Regional PSI Workshop and TTX in September;
- Singapore will host Exercise Deep Sabre (PSI Asia-Pacific Exercise Rotation), 26-30 September.

Singapore announced that it would host the 2017 OEG, working towards the next High-Level Political Meeting to be held in France in 2018.

Further events and regional workshops are likely over the coming year; information about these will be posted on the PSI website.

London, 14 April 2016