

**Opening Remarks by Acting, Deputy Assistant Secretary of  
State Tony Foley**

**PSI Regional Operational Experts Group Meeting**

**June 22, 2009**

**Sopot, Poland**

Distinguished Participants/Colleagues,

I am pleased to be here representing the United States at this Regional Operational Experts Group Meeting. It is gratifying to see so many countries represented here today. I want especially to thank the Polish Government for its work in organizing this meeting. I believe the agenda for the meeting will form the basis for a very productive session looking toward the future. The U.S. Delegation looks forward to learning more about how our European partners and the European Union implement the PSI Statement of Interdiction Principles.

I want to take a few moments to also highlight that on May 31, the United States, Poland, and other partner nations marked the sixth anniversary of the Proliferation Security Initiative (PSI). The PSI, launched in Krakow, Poland, in May 2003, is a success story in the fight against illicit trafficking of weapons of mass destruction (WMD) and their delivery systems. Beginning six years ago with eleven states that came together to establish the principles underlying the PSI, there are now 95

nations worldwide that have endorsed these principles and seek results in stopping transfers of these dangerous items and materials. And we are pleased to see that Poland invited the 95<sup>th</sup> endorsee, the Republic of Korea, to this meeting. I'm sure we all look forward to working with the Republic of Korea, which is truly on the front lines of one of the biggest WMD proliferation threats in the world.

Poland has been a vital partner in the PSI's development since its inception. As an integral member of the Operational Experts Group, it has played a leading role in organizing PSI political meetings, regional exercises and conducting intensive outreach activities which is highlighted by their leadership role in hosting this Regional Operational Experts Group meeting in Sopot for the next 3 days. We hope PSI states in other key regions of the world will take similar initiatives designed to improve capabilities to address unique regional proliferation problems.

On April 5 in Prague, President Obama outlined a new nonproliferation agenda, one that seeks the peace and security of a world without nuclear weapons. He pledged to do so with patience and persistence, and in concert with our international partners.

In the area of arms control, the President affirmed that the United States will pursue steps to reduce and eventually eliminate all existing nuclear arsenals. The President also announced our strong support for entry-into-force of the Comprehensive Test Ban Treaty and for negotiating a verifiable Fissile Materials Cutoff Treaty in the Conference on Disarmament.

The President is determined to work with our international partners to strengthen the Nuclear Non-Proliferation Treaty. To echo President Obama, the United States believes that the basic bargain enshrined within the NPT is sound: countries with nuclear weapons will move towards disarmament, countries without nuclear weapons will not acquire them, and all countries can access nuclear energy for peaceful purposes. To ensure the viability of this bargain, we need to strengthen the International Atomic Energy Agency's ability to conduct inspections and ensure that peaceful nuclear cooperation takes place in a way that limits access to fuel cycle technologies that can also be used for military purposes.

Despite a clear record of success over the last six years, the proliferation threat has continued to evolve and new challenges rise up to replace those that are satisfactorily resolved. The United States is committed to build on efforts to

break up black markets, use financial tools to disrupt the dangerous trade in nuclear material, *and detect and interdict materials in transit*. This final point of the President's speech in Prague addresses the challenge that we all face.

The United States will vigorously pursue these ambitious arms control and nuclear security objectives. However, we cannot achieve these objectives if, while we are seeking to reduce our reliance on nuclear weapons and eliminate other forms of WMD, others are pursuing their acquisition with equal if not greater vigor. It is one of the reasons we are gathered here, and why the Proliferation Security Initiative remains a critical component of international nonproliferation policy.

President Obama fully supports the PSI. He wants to strengthen and expand it, to ensure it remains effective over the long term in improving states' capabilities to stop illicit shipments of WMD, their delivery systems, and related materials worldwide. He has directed his Administration to review ways to ensure the sustainability of the PSI. We view this as a joint effort with our PSI partners.

For six years, the Proliferation Security Initiative has brought together responsible nations -- including those in this room -- to prevent proliferators from transferring all forms of

weapons of mass destruction, their delivery systems, and related materials and technology. The PSI community must maintain the agility to adapt as the proliferation environment evolves. A key requirement for being prepared to meet new challenges is to continue to build and strengthen existing capacities to prevent proliferation. As most of you already know, training to refine existing capacities and build new ones is one of the hallmarks of the PSI and one of the keys to its success. In this regard, PSI partners are willing to provide assistance to help develop and build those necessary capacities. The fundamental concept of the PSI is that each country contributes as its capabilities and laws allow, using those diplomatic, military, economic, law enforcement and intelligence tools as it has available. Where there are gaps, partners work together to address those gaps and increase capabilities - through the PSI exercise program, table top discussions, workshops and other bilateral and multilateral exchanges.

The robustness of PSI exercises, through their multi-agency and multi-national character, is an important aspect of improving capabilities that distinguishes the PSI from other counterproliferation efforts. To date, as we all know, there have been over 37 exercises involving participation by over 70 nations, including countries that have not endorsed the PSI (or

at least not yet) but attend to observe and learn. There will be several exercises in the future including one hosted by Singapore in October of this year, and one hosted by the U.S. and the UAE in January 2010.

In less than 3 weeks, the United States, with the assistance of some members gathered here today, will host the first of several Regional PSI Counterproliferation workshops as part of a PSI partner capability-building effort. This first workshop will focus on partners from the Middle East/Persian Gulf region with the aim of assisting them to participate more actively in the PSI, including interdictions, by building on the PSI Model National Response Plan and on lessons learned by PSI partners through their own experiences.

We have a solid record of success. The PSI exercise program, the review and strengthening of legal authorities, the sharing of law enforcement and export control best practices, the consultations on organizing governments to address the prevention of proliferation—all of these have translated into building our collective abilities to conduct real-world WMD-related interdictions.

The confidential nature of interdictions conducted by PSI partners limits what we can report publicly about this vital

work. Nonetheless, we have succeeded in disrupting and interdicting transfers of sensitive, WMD-related items and technologies, frustrating the efforts of proliferators to evade international controls and sanctions. As you will recall, partners in this room have given a flavor of the types of successful interdictions that PSI cooperation has facilitated in briefings at the PSI Fifth Anniversary Event and at previous Operational Experts Group meetings. For example, two PSI partners cooperated to block a license to export coolers to Iran's heavy water program. And on multiple occasions PSI partners have coordinated efforts to offload, inspect, and return to the countries of origin dual-use material, such as ammonium perchlorate and chromium-nickel steel plates, bound for Iran's ballistic missile industry. In another case, two PSI partners tracked, offloaded, inspected, and conducted laboratory analysis of a suspect shipment that confirmed the presence of propellants, for use in SCUD-types missiles, en route from North Korea to a Middle Eastern country; through this cooperation among PSI partners, the goods were seized. And PSI partners also have, on a number of occasions, prevented possible ballistic missile-related cargo flights from North Korea to Syria by denying overflight clearance.

The Obama Administration views the PSI as a valuable complement to the more formal structures of the various nonproliferation regimes. And it relies on these structures for providing the foundation for encouraging states to enact and enforce stringent export control authorities. The export control lists of the Nuclear Suppliers Group, the Australia Group, the Missile Technology Control Regime, and the Wassenaar Arrangement, along with relevant catch all provisions, provide the standard starting point for PSI partners to judge which materials pose the greatest threat and therefore should be targeted for interdiction. In addition, we must not overlook the significant problem of transfers of dual use items or items uncontrolled but that can be "almost as good." Moreover, UN Security Council Resolutions passed in response to proliferation by Iran and North Korea also provide one of the bases for determining which end-users should not receive WMD- and missile-related materials. The case of North Korea highlights the dangers of noncompliance with the NPT and the threat such behavior brings to international peace and security. We remain committed to a peaceful resolution to this challenge, and to the realization of the goals articulated in the 2005 Joint Statement, in which North Korea committed to abandon all nuclear weapons and return to NPT and IAEA safeguards. The Security

Council adopted Resolution 1874 on June 12. This resolution creates new measures to address the threat posed by North Korea's nuclear and missile proliferation activities, requires the DPRK to commit itself to denuclearization and urges the DPRK to reengage in political dialogue. With the adoption of Resolution 1874, North Korea now faces a strengthened sanctions and an inspection regime reflecting the international community's determination to enforce UN Security Council resolutions and counter the proliferation activities that are deepening North Korea's self-imposed isolation. Resolution 1874 has three new components: an expanded arms embargo to deprive North Korea of weapons and revenue used to fund its proliferation activities; financial measures targeted at North Korea's proliferation activities; and inspections to ensure that past UNSC measures are enforced and to counter the DPRK's proliferation activities. We will continue to work with allies and partners in the United Nations Security Council and in the Six-Party Talks with North Korean disarmament as the objective. To complement the diplomatic track, vigorous implementation of UNSCRs 1718 and 1874 by UN Member States will send a clear message that the DPRK should honor its obligations and take the steps necessary to return itself to good standing among the community of nations. PSI participants have an excellent

opportunity to demonstrate leadership in that implementation. In turn, the PSI also reinforces and can complement the formal regimes by providing them with a well organized means for enforcing their restrictions and prohibitions.

The Obama Administration also views the PSI as a forum to build support for and strengthen existing international law, such as the Convention for the Suppression of Unlawful Acts Against the Safety of Maritime Navigation, known as the SUA, and its 2005 Protocol, which when ratified by four more states and finally brought into force, will provide a treaty framework to address the unlawful transportation of WMD-related material on the high seas.

So, the PSI has come a long way since its inception in 2003. It has a demonstrated record of success, but much work remains to be done. Determined proliferators continue to adapt their efforts and networks to exploit gaps in international efforts. As we prepare to enter year seven of the PSI, we must ask ourselves how we can ensure that the PSI will remain an effective activity for the future. We need to consider how we maintain and even increase the PSI's momentum; how we broaden participation across all regions of the world and amplify the PSI's relevance for those states that are not located along traditional proliferation routes; how we enhance the capacity of

those states that are lacking in resources; and how we adapt the PSI to the circumstances of 2009 and beyond without compromising its fundamental principles -- its voluntary, flexible, and multinational nature.

President Obama committed in Prague on April 5 to turn the Proliferation Security Initiative into a durable international institution. We must work together to find solutions to these questions. The United States is committed to work with our PSI partners to search for these solutions. The Operational Experts Group meeting in Miami took steps towards that, which will be explained later today.

Finally, let me reiterate, the Obama Administration is committed to enhancing and strengthening international partnerships for countering the scourge of WMD proliferation. The Proliferation Security Initiative is an important cornerstone in collectively working toward our common goal of a world free from the dangers and threats posed by weapons of mass destruction. Not only must we continue our work together, but we must also expand the PSI community to include more states in all regions of the world. That is why our work over the next three days, and continued outreach efforts by all PSI partners is so vital. Thank you for your dedication and efforts towards

ensuring that the gains we make in the Proliferation Security Initiative are lasting and durable.