

OUTPUT GROUP 3 –
INTERNATIONAL AND
NATIONAL SECURITY
POLICY

5



OUTPUT 3.1 – INTERNATIONAL POLICY

Output	Performance Information
Advice, briefing and support to the Prime Minister, the parliamentary secretaries and their officers on Australia's international relationships.	Satisfaction of the Prime Minister with advice, briefing and support in relation to international issues.

ROLE OF THE DIVISION

The International Division provides the Prime Minister and the departmental executive with international policy advice and support on foreign affairs, trade and aid issues. It also develops a targeted program of overseas visits by the Prime Minister designed to promote and protect Australia's major national interests.

OUR PERFORMANCE

The Prime Minister and his office expressed a high level of satisfaction with the output from International Division. Key areas involving policy formulation and delivery of policy advice included initiatives to drive the work of the G20 in tackling the global financial crisis, to engage early with the new Obama administration, and to strengthen policy settings towards Fiji. Visit support and whole-of-government coordination functions were highly appreciated. The Secretary and departmental executive commended the invigorated strategic policy focus to the division's work, which has been focused on addressing key international policy challenges, furthering Australia's relationships and looking ahead at the future policy agenda.

Addressing key international policy challenges: Together with Economic Policy Division, International Division led work during the year to drive whole-of-government action and initiatives on G20 efforts to address the global financial crisis. This work has helped the Prime Minister to play an important role in shaping the G20 agenda, and in invigorating the G20 as the major forum for international leaders to coordinate efforts to bolster the global economy. We also worked closely with Defence, Intelligence and Research Coordination Division on Australian policy towards Afghanistan, culminating in the Prime Minister's announcement of an enhanced military and civilian commitment to that country.

Regional policy work enjoyed a high profile, centering on initiatives to advance the Prime Minister's Asia-Pacific community proposal. We advanced new policy settings on Fiji, including an initiative – endorsed by Pacific leaders – to suspend the Fijian interim government from the Pacific Islands Forum. We worked closely with the Department of Foreign Affairs and Trade to prepare policy directions for Australia's chairing of the Pacific Islands Forum in August 2009.

We worked closely with other Australian Government agencies to produce and implement strategic policy submissions, including for the 2008 APEC Leaders' meeting, Australia's United Nations Security Council non-permanent membership bid, and Australian membership of the International Renewable Energy Agency.

SPECIAL FEATURE: NATIONAL SECURITY AND INTERNATIONAL POLICY GROUP

The National Security and International Policy Group provides advice on Australia's foreign relations, trade and treaty matters, and the full spectrum of national security issues. The group also coordinates security-related science and technology research, manages Australia's national pandemic response, and plays a leadership role in the development of integrated national security policy.

The group was formed in December 2008, a product of the Prime Minister's landmark National Security Statement. Reporting to the National Security Adviser, the group comprises:

- International Division
- Defence, Intelligence and Research Coordination Division
- Homeland and Border Security Division, and
- National Security Chief Information Officer.

In May 2009 the Ceremonial and Hospitality Branch transferred its functions to the Ministerial Support Unit as part of a broader strategy to enable the department to offer more integrated and timely support to government.

THE NATIONAL SECURITY AND INTERNATIONAL POLICY GROUP COMPRISES:

- INTERNATIONAL DIVISION
- DEFENCE, INTELLIGENCE
AND RESEARCH
COORDINATION DIVISION
- HOMELAND AND BORDER
SECURITY DIVISION, AND
- NATIONAL
SECURITY CHIEF
INFORMATION OFFICER.

Furthering Australia's relationships: International Division strategically shaped the Prime Minister's international engagement using key global challenges – economic, strategic and environmental – to give new energy to established bilateral relationships.

Early engagement with the United States, through the Prime Minister's March 2009 visit to Washington, was underpinned by new policy initiatives across the breadth of the bilateral relationship. We also led major policy work to give new depth to our security partnerships with the United Kingdom and India. We led and coordinated the work of other departments to develop 14 new initiatives to promote the Trans-Tasman economic relationship.

Cooperation with the Republic of Korea was elevated during the Prime Minister's visit to the Republic and President Lee's visit to Australia, resulting in agreements to negotiate a free trade agreement and to expand security cooperation. Security and other cooperation was also enhanced during the Prime Minister's visits to Malaysia, Singapore and Indonesia during the year.

Fresh vigour and a new basis for relations with Iraq were advanced during the year through six new memoranda of understanding for civilian-related support. New levels of engagement were achieved with some non-traditional partners, such as the United Arab Emirates.

Ongoing policy advice and assistance was provided to support the Prime Minister's international engagements, including 11 overseas visits involving 19 countries, and letters and phone calls to other leaders.

Looking ahead: The incorporation of the International Strategy Unit into the International Division has enhanced our strategic policy-making capacity. Since its establishment in September 2008, this unit has helped to position Australia for the future by developing policies and measures to address medium-to-long term challenges in the foreign policy and international security domains. The unit's work during this year followed a number of policy themes, including the emerging security challenges identified in the Prime Minister's National Security Statement of December 2008.

OUTPUT 3.2 – NATIONAL SECURITY POLICY

Output	Performance Information
Advice, briefing and support to the Prime Minister, the parliamentary secretaries, their officers and departmental executives on national security issues	<p>Satisfaction of the Prime Minister with advice, briefing and support in relation to national security issues.</p> <p>Development of National Security Strategy Statement.</p> <p>Coordination of the government’s response to the Homeland and Border Security Review.</p> <p>Review of Maritime Security Enforcement programs.</p> <p>Finalisation of the COAG Review of Hazardous Materials.</p> <p>Successful management of domestic and international collaborative research programs.</p>
<i>Design and implementation of national exercises of pandemic preparedness as part of whole-of-government planning to prevent and prepare for a possible human influenza pandemic.⁶</i>	<i>Pandemic exercises achieve their exercise objectives and a basis for reviewing and refining plans and policies where appropriate.</i>

ROLE OF THE DIVISIONS

The Defence, Intelligence and Research Coordination Division and the Homeland and Border Security Division provide strategic advice to the Prime Minister and the government, and coordination and leadership to stakeholders (including the states and territories), on national security policy and projects. Our contribution spans the full suite of national security issues, including:

- defence policy
- operations and capability
- intelligence policy and coordination
- counter-proliferation
- counter-terrorism
- border protection
- maritime and aviation security

⁶ Issues relating to human influenza pandemic prevention and preparedness were originally reported against Output 2.1.

- law enforcement
- e-security
- critical infrastructure protection
- emergency management, and
- health security.

We promote and coordinate research to address national security capability needs, including through the management of national and international research programs. We also provide secretariat services to a number of high-level committees, notably the National Counter-Terrorism Committee, the Strategic Policy Coordination Group and the Homeland and Border Security Policy Coordination Group. Underpinning our efforts is a determination to strengthen the effectiveness and cohesion of the national security community.

The National Security Chief Information Officer supports the National Security Adviser in providing the leadership necessary for creating an integrated national security community. This role includes harmonising policy, governance and legislative arrangements and providing coordination and oversight of information management across the national security community.

OUR PERFORMANCE

Advice, briefing and support in relation to national security issues

The Prime Minister and his office expressed a high level of satisfaction with the advice, briefing and support we provided on national security matters. Key achievements included implementation of the recommendations of the Homeland and Border Security Review and delivery of commitments outlined in the Prime Minister's National Security Statement.

Defence: In a year of significant defence activity, we led central agency policy advice on the development of the Defence White Paper and the Defence Budget, including in relation to major proposals for new or upgraded Australian Defence Force capabilities. We will continue to play a significant role in relation to the implementation of the Defence White Paper, with a focus on delivery of the new capabilities required for Force 2030, the Strategic Reform Program and rationalisation of the Defence Estate.

Our coordination role and policy advice to government have been critical in supporting important Australian Defence Force operations, including in Afghanistan, Iraq, Somalia, Sudan and East Timor. Our work on the Iraq Status of Forces Agreement/Troop Withdrawal and increasing Australia's troop commitment in Afghanistan was a major commitment. The strategic guidance we provide continues to be valuable to Australian Defence Force operations, including counter-piracy efforts.

Intelligence: This past year saw significant change in the area of intelligence – primarily around the creation of the National Intelligence Coordination Committee in February 2009. We led the development of a broader framework for national intelligence priority-setting that reflects the concept of an expanded intelligence community. Ministers use the new National Intelligence Priorities – which encompass foreign, security and law enforcement priorities – to direct the work of agencies with intelligence functions.

The National Intelligence Priorities assist our ongoing assessment of the performance of the intelligence community – an important part of our role in supporting the Prime Minister and the National Security Committee of Cabinet in the oversight and management of the Australian Intelligence Community. In this role, we also contributed to the Foreign Intelligence Coordination Committee (until its functions were subsumed by the National Intelligence Coordination Committee), the National Intelligence Collection Management

Committee and other intelligence-related groups. Our work has been vital in ensuring that the efforts of Australia's intelligence agencies are effective, coordinated and aligned with Australia's national interest and the government's priorities.

Non-proliferation and disarmament: We worked across government on non-proliferation and disarmament matters, with key contributions including our support to the International Commission on Nuclear Counter-Proliferation and Disarmament and in relation to the signing in December 2008 of the Convention on Cluster Munitions and ongoing activities for ratification.

We continue to play a leading role in the National Counter-Terrorism Committee's Chemical Biological Radiological and Nuclear (CBRN) Security Sub-Committee, responsible for monitoring the security environment and providing advice about the development and maintenance of comprehensive CBRN security policy and capabilities. In 2008–09 our CBRN counter-terrorism engagement included leading Australia's delegation to the Quadrilateral Group on CBRN terrorism and strengthening the group's strategic focus. We also actively supported activities led by the Department of Foreign Affairs and Trade that focused on South East Asia.

Counter-terrorism, law enforcement and aviation security: We have advised and supported the Prime Minister and a wide range of government stakeholders on counter-terrorism, law enforcement and border protection. Our support to the Clarke Inquiry into the case of Dr Mohamed Haneef, the government's response to the findings of the inquiry and the implementation of inquiry recommendations (including establishment of the National Security Legislation Monitor) required major commitment of effort. Our establishment of, and provision of secretariat support to, the International Students Taskforce – announced in parliament by the Minister for Foreign Affairs on 2 June 2009, to develop the government's response to attacks against international students – was also a significant undertaking.

Issues of continuing relevance include the Federal Audit of Police Capabilities, Australian Federal Police overseas deployments, the Commonwealth Organised Crime Strategic Framework, telecommunications interception and surveillance, and the relisting of certain organisations as terrorist organisations under the Criminal Code. Our contribution to aviation security – including in relation to the Aviation White Paper, aviation security reviews and airport policing and processing arrangements – also remains substantial.

Border protection and maritime security: Maintaining the integrity of Australia's border and the security of our maritime domain is an ongoing focus for effort. We have worked closely with key policy and operational agencies in advancing collaboration and enhancing border security capability, including through a substantial contribution to the development of a strategic framework for border management.

Managing irregular maritime arrivals has continued to be a high priority. We have guided government policy advice and coordinated major submissions to strengthen the effectiveness of our approach to this challenge. Until December 2008 – when the Prime Minister announced in the National Security Statement changes to the coordination of the Australian Government's management of irregular maritime arrivals – we chaired and provided secretariat support for the inter-agency People Smuggling Task Force.

In April 2009, the government established the Border Protection Committee of Cabinet and the senior officials Border Protection Taskforce, which provides whole-of-government policy advice to government on maritime people smuggling. To support the work of these two bodies, the government established the Border Protection Working Group in May 2009 within the department. The Border Protection Working Group included seconded officers from the Department of Foreign Affairs and Trade, the Australian Customs and Border

Protection Service, the Attorney-General's Department, the Department of Immigration and Citizenship, the Department of Defence and the Australian Federal Police.

We continue to support integrated strategic planning in relation to the range of civil maritime security threats, including through identification of opportunities for greater coordination and efficiency, and potential synergies for future capability development. In 2008–09 this work was assisted through our coordination of the Strategic Maritime Management Committee, a deputy secretary-level committee chaired by PM&C and comprising representatives from 17 other government departments/agencies. The committee, which met every quarter, promoted a whole-of-government, strategic approach to civil maritime security.

Homeland and Border Security Policy Coordination Group: In April 2009 the Strategic Maritime Management Committee's core responsibilities were transferred to the Homeland and Border Security Policy Coordination Group. The establishment of this group in February 2009 represents a major development. Its role is to initiate, and support the delivery of, whole-of-government policy for Australian homeland and border security. Chaired by the Deputy National Security Adviser, the group comprises deputy secretary-level representatives from the following departments and agencies:

- Attorney-General's Department
- Department of Immigration and Citizenship
- Department of Infrastructure, Transport, Regional Development and Local Government
- Australian Security Intelligence Organisation
- Australian Federal Police
- Australian Customs and Border Protection Service, and
- Australian Crime Commission.

In 2008–09 the Homeland and Border Security Policy Coordination Group met eight times (including for three extraordinary sessions). The group is providing a more efficient and effective strategic coordination mechanism for homeland and border security policy matters.

Crisis and Emergency Management: Our crisis and emergency management efforts were significant in 2008–09. The new crisis coordination arrangements we developed with the Attorney-General's Department contributed to enhanced whole-of-government coordination and management of crises. Following the Black Saturday Bushfires in Victoria, we provided secretariat and policy support to the Commonwealth Victorian Bushfires Taskforce meetings, chaired by the Prime Minister, and coordinated input to the Commonwealth's response to the Victorian Bushfires Royal Commission.

We led development of an initiative for the COAG to review and reform Australia's natural disaster arrangements. We also chaired the COAG Working Group that was tasked with developing recommendations on ways to strengthen further Australia's resilience to natural disasters. In addition, we facilitated whole-of-government input and provided briefings and policy advice towards the establishment of a joint Australia–Indonesia Disaster Reduction Facility in Jakarta.

Also through COAG, we initiated and led the Critical Infrastructure Protection Review and coordinated Commonwealth, state and territory input into the review. Our work on a three-phased reform of national minimum regulatory standards for the private security industry continues.

The **Pandemic Emergency Taskforce**, which was activated on 28 April 2009, is a dedicated team of officers drawn together in the event of an influenza pandemic. The Taskforce coordinates whole-of-government policy advice and support for the Prime Minister and his office and provides whole-of-government communication

coordination. The taskforce provides secretariat support for the National Pandemic Emergency Committee and the Commonwealth Government's Deputy Secretaries' Interdepartmental Committee on Influenza Pandemic Prevention and Preparedness. The latter committee met seven times between 1 July 2008 and 30 June 2009, while the National Pandemic Emergency Committee met eight times.

National Security Chief Information Officer: The National Security Chief Information Officer (CIO) position was established on 14 April 2009 in response to a key recommendation of the Homeland and Border Security Review. The National Security CIO has developed a clear vision statement and key principles that underpin the national security community's approach to information management. It has helped to integrate the new members of the national security community into the intelligence and information sharing environment, and developed a plan of action for information management, based on extensive consultation. Significant to these efforts has been a review of connectivity at the top secret level within the national security community. The National Security CIO's strategic priorities are to drive new governance, strengthen trust, create sweeping electronic connectivity, build capability, and enhance collaboration across the national security community. Over the next year, the National Security CIO will work with partners to:

- develop a map of the current national security information management arrangements
- implement gateway projects to rationalise, harmonise and extend connectivity
- develop common data standards and compatible platforms
- achieve mutual recognition of personal security clearances, and
- develop a common security classification nomenclature.

Development of the National Security Strategy Statement

Consulting with other Australian Government agencies, we led development of the National Security Statement which the Prime Minister delivered to the parliament on 4 December 2008. This statement outlined the Australian Government's vision for national security and announced the government's decision to accept the recommendations of the Homeland and Border Security Review.

PEOPLE PROFILE MALINDA COLE



I was born in Wollongong and moved to Canberra when I was 10 years old. I am a qualified florist but had always wanted to join the APS and did so in 2004 with the Department of Immigration and Multicultural Affairs where I worked as an executive assistant in the Legal Division.

I am currently the executive assistant to Rachel Noble, the National Security Chief Information Officer (CIO). I also provide executive, financial and administrative assistance to the National Security CIO team and I provide secretariat support to a number of committees chaired by the National Security CIO.

I REALLY ENJOY WORKING AT PM&C. I THINK I HAVE BEEN LUCKY TO HAVE WORKED AND CONTINUE TO WORK WITH REALLY GREAT PEOPLE WHO MAKE WORK SOMETHING TO LOOK FORWARD TO.

Working in a small team within a new group in PM&C has been very exciting and has been something to look forward to after returning from nine months maternity leave in May.

My daughter is almost one and I have a son in primary school. Having a young family and being able to work part time allows me to balance my home and work commitments. Having my daughter and buying a house have been tremendous highlights for me over the past year. Returning back to work and managing domestic duties and work commitments with small children is challenging but very rewarding.

I also worked in the executive for a couple of deputy secretaries and worked for the division head in the Compliance Policy and Case Coordination Division. After moving over to PM&C in April 2007 with my division head, Dr Wendy Southern, I worked in Cabinet Division which Wendy headed up. I tried something different when I moved into the Community Cabinet Secretariat to provide administrative support.

I really enjoy working at PM&C. I think I have been lucky to have worked and continue to work with really great people who make work something to look forward to.

Coordination of the Government's response to the Homeland Border Security Review

Appointment of the National Security Adviser and creation of the National Security and International Policy Group: On 4 December 2008, Mr Duncan Lewis AO DSC CSC was appointed as the inaugural National Security Adviser to advise the Prime Minister on all policy matters relating to the security of the nation and to oversee the implementation of all national security policy arrangements. The National Security Adviser is providing improved strategic direction within the national security community, supporting whole-of-government national security policy development and crisis response, and promoting a cohesive national security culture. The National Security and International Policy Group was created to support these tasks.

Establishment of the National Intelligence Coordination Committee: Established in February 2009, the National Intelligence Coordination Committee (NICC) is chaired by the National Security Adviser. The NICC gives effect to the Homeland and Border Security Review's recommendation for a single, overarching framework for national intelligence coordination and priority setting, and for establishing a closer relationship between the Australian Intelligence Community (AIC) agencies, the intelligence analysis units within non-AIC agencies and key policy agencies. The NICC has subsumed the work of the Foreign Intelligence Coordination Committee, with expanded terms of reference covering foreign, security and law enforcement intelligence activities. The NICC has agreed to an extensive work plan for its first year which includes addressing the findings of the Homeland and Border Security Review.

Implementation of the National Security Statement and Homeland and Border Security Review: The Deputy National Security Adviser chairs the interdepartmental committee responsible for overseeing the implementation of the National Security Statement and the Homeland and Border Security Review. We have led the development of two key recommendations: a National Security Executive Development Program to enhance the capacity of senior national security officials to develop and implement whole-of-government national security policy; and a strategic policy framework for national security to set priorities, allocate resources and evaluate performance across the national security community.

Counter-Terrorism White Paper: The Prime Minister announced through the inaugural National Security Statement that a Counter-Terrorism White Paper would be delivered in 2009, as part of the government's national security reform agenda. The department is responsible for coordinating the white paper, and a team within the HBS Division is developing the paper in close consultation with other agencies.

Review of Maritime Security Enforcement programs

Under the auspices of the Strategic Maritime Management Committee, we led a major interdepartmental review of Australia's maritime security enforcement efforts across the wide spectrum of civil maritime threats and challenges. The review assessed the effectiveness, efficiency and appropriateness of the Australian Government's activities regionally and in Australia. We presented the review's conclusions and recommendations to government in December 2008 and continue to oversee implementation of the recommendations.

Finalisation of the COAG Review of Hazardous Materials

We led the COAG Review of Hazardous materials which concluded in 2009, and in October 2008 COAG had endorsed the report on the Management of Chemicals of Security Concern. In April 2009, COAG endorsed recommendations for Security Sensitive Ammonium Nitrate regulatory reform, concluding the work of the review. We are engaged in ensuring the effective implementation of the COAG-agreed Reviews of Security Sensitive Biological Agents and Radiological Materials.

Successful management of domestic and international collaborative research programs

We award discretionary grants through the Research Support for Counter-Terrorism program to industry, universities and government research agencies for projects in identified priority areas. In 2008–09 we committed funding, including co-funding contributions, of \$6.7 million to 14 new projects with a combined value of \$16.1 million. Projects we completed during the year on closed circuit TV, facial recognition, biometrics and critical infrastructure enhanced understanding of new technologies and demonstrated the benefit of engaging with industry partners as research providers and users. Other projects delivered counter-terrorism agencies with new information on peroxide-based explosives and inter-operable communication tools. We also manage two agreements with the United States of America's Department of Defence and Department of Homeland Security, which facilitate collaborative national security research between government agencies, universities and industry partners. Activities under the agreements have included workshops on risk assessment, emergency management and biological threats, and the commencement of eight new projects. Positive feedback has been received from researchers and practitioners in both countries about the management of programs and the outcomes produced.

We are leading the development of a National Security Science and Innovation Strategy, as announced in the National Security Statement. We have maximised collaboration by using interdepartmental forums to prepare material, seconding officers from other agencies and consulting across government and with other sectors.

We continue to work with other Australian Government agencies on their approaches to national security science and innovation, including through the Publicly-funded Agencies Collaborative Counter-Terrorism, which brings together research and counter-terrorism agencies and for which we provide the chair and secretariat. We have also engaged with universities and think-tanks to encourage research on national security matters.

ADMINISTERED ITEM: NATIONAL COUNTER-TERRORISM COMMITTEE

Output	Performance Information
Administered item	Satisfaction with secretariat support provided
National Counter-Terrorism Committee (NCTC). to the National Counter-Terrorism Committee	

ROLE OF THE COMMITTEE

Australia's counter-terrorism arrangements are coordinated through the National Counter-Terrorism Committee (NCTC), comprising officials of relevant Australian Government agencies, Premiers' and Chief Ministers' departments and jurisdictional police services.

The role of the NCTC is to implement the national counter-terrorism framework as set out in the Intergovernmental Agreement agreed by the Prime Minister, Premiers and Chief Ministers on 24 October 2002. This role involves:

- maintaining the National Counter-Terrorism Plan and associated documentation
- providing expert strategic and policy advice to Heads of Government and other relevant ministers
- coordinating an effective nationwide counter-terrorism capability
- maintaining effective arrangements for the sharing of relevant intelligence and information between all relevant agencies in all jurisdictions, and
- providing advice in relation to the administration of the special fund to maintain and develop the nationwide counter-terrorism capability.

We provide the permanent chair for the NCTC at deputy secretary level, and the secretariat to support the work of the committee.

PERFORMANCE

During 2008–09 the NCTC Secretariat:

- supported three meetings of the National Counter-Terrorism Committee (NCTC), represented PM&C at over 15 NCTC Sub-Committee meetings; facilitated engagement of the states and territories on implementation of recommendations from the recent Homeland and Border Security Review; and led oversight of the NCTC capability development program
- contributed to work on the structure of the National Security Community, especially by making arrangements for the creation and support of the Homeland and Border Security Policy Coordination Group
- supported leadership of Counter-Terrorism related Australian Government and National Crisis Committee meetings, including during the response to the Victorian Bushfires, the Ashmore Reef incident, the attacks on Mumbai and during Exercise Mercury 08
- led maintenance of departmental plans for continuity of executive government in a crisis
- provided policy oversight for special event protective security, including the upcoming 2010 Commonwealth Games in Delhi and Australia's bid to host the 2018 or 2022 FIFA World Cup
- coordinated crisis communications policy, including advice on radio communications inter-operability within the COAG context and the Wireless Priority Service System, and
- provided input into the scoping and development of recovery measures which seek to capture the broad suite of financial and taxation assistance options that may be made available by the Australian Government in the event of a terrorist incident.

