

“Role of APEC CTTF in International Cooperation”

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It is my privilege to be invited here, especially knowing that the Pacific Economic Cooperation Council is the “godmother” of the Asia-Pacific Economic Cooperation. In our country, godmothers are the most influential in any family. Their advice is precious. And I want to specially thank Christopher Findlay for this invitation.

I have been mobile these past few months in my capacity as Philippine Ambassador-at-Large for Counter-Terrorism and Chair of the APEC Counter-Terrorism Task Force. And in every airport I stopped, it was encouraging to note how security measures have been enhanced by today’s technology.

You might be interested to know that the most secure and most efficient means is really not yet through the magic of ICTs, but still through the well-trusted diplomatic lane. That express counter stands out to me as the earliest model of Advance Passenger Information System. Unfortunately, that is something that cannot just be replicated in the processing of every cargo, traded good or traveler.

Rationale for Counter-Terrorism Task Force

The rationale for establishing a task force on counter-terrorism within the APEC framework first took shape in Los Cabos, Mexico in October 2002, when APEC Leaders issued their *Statement on Fighting Terrorism and Promoting Growth*. This was exactly one year after they had met in Shanghai and agreed to cut transaction costs in international trade by 5 percent across the region by the end of 2006 – which is next year.

The need to have a task force surfaced because of difficulties experienced by APEC in coordinating the various security and counter-terrorism-related activities following the unexpected events of 9/11. So in February 2003, the APEC Counter-Terrorism Task Force was activated.

Specifically, the CTTF has been mandated to do the following:

- Coordinate the implementation of Statements made by APEC Leaders and Ministers on counter-terrorism and trade security;
- Assist APEC economies to identify and assess counter-terrorism needs;
- Coordinate counter-terrorism capacity building and technical assistance programs;
- Cooperate with international organizations;
- Facilitate cooperation on counter-terrorism matters; and
- Recommend proposals and projects to Senior Officials.

As you might sense, the implicit instruction here given to the Task Force was to coordinate all APEC security actions so they do not unduly delay trade transactions on account of heightened counter-terrorism measures. Put another way, the command comes off like this: *facilitate secure trade*.

Apparently, these could be achieved through one strategy: international cooperation, which basically covers most of our functions, specially coordinating the implementation of Leaders' statements, coordinating delivery of agreed 'deliverables' and coordinating capacity building and technical assistance.

The first two years of the CTTF, under Ambassador Makarim Wibisono of Indonesia, were mostly devoted to establishment work and to bringing together all APEC economies to agree to a set of specific outcomes. A few economies held the view that security issues were better left outside the ambit of APEC. Nonetheless, the CTTF succeeded to shape itself as APEC's focal point for counter-terrorism and security matters.

CTTF Work Plan 2005

Then last year the Philippines was selected as the next Chair of the APEC CTTF. As the Philippine Ambassador-at-Large for Counter-Terrorism, I was appointed to head the CTTF by our President, Gloria Macapagal-Arroyo.

As duly-appointed Chairman, I have focused accordingly on the key initiatives, reviewed the deliverables, and set out to forge consensus only on what could be done in our two years at the helm.

What's feasible from 2005 through 2006 is laid out below. This is our Work Plan:

- A. Respond to Statements by Leaders and Ministers by reviewing each economy's progress on commitments to secure trade in APEC.
- B. Review and assess all 21 Counter-Terrorism Action Plans and go further by cross-analyzing them and listing needs and opportunities for regional capacity building and technical assistance.
- C. Deliver the CTTF deliverables by coordinating various projects on strengthening regional and maritime security, implementing business mobility initiatives and enhancing travel security.
- D. Provide essential support to the APEC Structure by working closely with the different working groups.
- E. Consider new initiatives for strengthening APEC security such as the adoption of INTERPOL's database project, the secure handling of radioactive sources, and the spread of interfaith solidarity to enhance APEC's commitment to peace.

New Security Agenda

Each area, as you might notice, is quite extensive. Letter A alone contains statements issued with political weight. It is also associated with differing national

interests and varying national capacities. Nonetheless, responding to the Statements made by APEC Leaders and Ministers is every APEC economy's prime obligation.

Our first task is to review the progress on commitments to counter-terrorism and secure trade by looking at efforts to:

- dismantle transnational terrorist groups,
- eliminate the danger posed by weapons of mass destruction,
- develop measures consistent with the APEC guidelines on the control and security of MANPADS,
- adhere to IAEA protocol,
- confront other direct threats to the security of the APEC region,
- enhance STAR (Secure Trade in the Asia-Pacific Region)
- take appropriate financial measures to prevent the flow of funds to terrorists, and
- ratify UN conventions on fighting terrorism.

Covering all these can be quite tricky, but absolutely necessary. Firstly, the definition of security has already broadened. Almost every organization and forum in the world has pushed counter-terrorism on top of their agenda, and the focus on practical solutions is now a common theme.

In Riyadh this year, where I attended the first Counter-Terrorism International Conference, the counter-terrorism message was unmistakable. Despite differences in politics, countries such as the United States, Lebanon, Syria and China agreed to a common stand: fight terrorism by strengthening international cooperation and focusing only on the practical solutions, particularly through anti-money laundering, anti-drug trafficking, and anti-arms smuggling.

Secondly, APEC, as far as the CTTF is concerned, has now assumed a "security exchange" personality – led by the APEC leaders themselves, who demand more from every member concrete manifestations of fighting terrorism to promote growth.

And thirdly, APEC is working to build a community for the entire region, as reflected in this year's theme: Towards One Community: Meet the Challenge, Make the Change." Arguably, one cannot pursue this line without committing to the social, political and security dimensions of the effort.

In line with this, during our last meeting, economies began reporting on the progress they're making in compliance to the APEC Leaders given instructions.

Use of Counter-Terrorism Action Plans (CTAPs)

Our second task centers on the use of counter-terrorism action plans. The Counter-Terrorism Action Plans present a particularly useful means of identifying areas for capacity building and technical assistance. They provide a window to all

the measures planned or being undertaken by any economy, to enhance a secure trade environment in the Asia-Pacific. These measures include protecting international cargo, protecting ships in international voyages, protecting international aviation, protecting people in transit, protecting the health of communities, halting terrorist financing, and promoting cyber security.

A simple comparison of items contained in two CTAPs (e.g. capacity-building in advance passenger information system) would instantly reveal a capability gap or a shared need between two economies. A thorough cross-analysis of all 21 CTAPs will provide planners and decision-makers credible basis for bilateral capacity-building and technical assistance. Likewise it will raise the need for multilateral cooperation against threats to APEC security on account of identified common themes and opportunities.

Project Priority

Because of the core importance of the CTAPs, we have already fast-tracked the second necessary step: outsourcing experts to conduct the cross-analysis. We have convened a core group, submitted the project proposal and the APEC Budget and Management Committee has already given the green light.

By 15 September of this year, the cross-analysis will have been completed.

Then by November, prior to the Leaders' meeting in Korea, the CTTF will have succeeded to provide APEC both *the operational and strategic bases for the delivery of counter-terrorism capacity-building assistance to all needy APEC economies*. This could include arrangements for the installation of automatic identification systems, regulation of Man Portable Air Defense Systems, exchange of anti-piracy measures or the simple sharing of crisis management models.

APEC economies' participation in the CTAPs project demonstrates international cooperation at its elemental level.

CTTF Key Deliverables

In addition to our cross-analysis project, we are committed to deliver the CTTF agreed deliverables this year. These include:

- strengthening regional maritime and port security,
- sustaining counter-terrorism capacity building,
- implementing business mobility initiatives, and
- enhancing travel security

Regional maritime and port security will be strengthened through compliance with the SOLAS Chapter XI-2 and the International Ship and Port Facility Security (ISPS) Code and increased sharing of expertise between economies.

Counter-terrorism capacity building will be sustained by:

- updating on projects funded under the Regional Trade and Financial Security Initiative with ADB;
- adopting necessary steps to control the cross-border movement of dual-use equipment and materials, as well as people and financial resources involved in terrorist activities;
- enhancing the free flow of legitimate travelers, trade and investment; and
- encouraging domestic legislation consistent with the provisions of international legal guidelines.

Business mobility initiatives will be implemented by facilitating the establishment of Advanced Passenger Information (API) System and the development of the Regional Movement Alert List (RMAL) System – the latter through the RMAL pilot project in the region and adoption of an enhanced version of the Customs Asia-Pacific Reporting System to address legal issues.

And travel security will be enhanced by:

- fostering cooperation on adoption of Machine Readable Travel Document with biometrics, if possible;
- accelerating efforts at replacement of non-MRTDs with MRTDs on best endeavor principles; and
- facilitating the implementation of ICAO travel document security standards while respecting domestic privacy laws and standards

Now here the CTTF, I must point out, wields no real control.

Improving maritime and aviation, for instance, is done by the Transportation Working Group.

The Informal Experts Group on Business implements the API System Pathfinder Initiative and explores the development of a RMAL System. It is also moving ahead with the Immigration Liaison Officer Cooperation Networking.

The APEC Telecommunications and Information Working Group is responsible for all cybercrime and cybersecurity recommendations.

And the Finance Minister's process takes care of preventing the flow of funds to terrorists.

We only play support.

A key difficulty we have here is lack of authority to coordinate directly with these Working Groups and ask for updates.

Support for APEC Structure

The CTTF also provides essential support to the APEC structure in many ways, such as taking appropriate actions on the recommendations from the 3rd Secure

Trade in the APEC Region (STAR) Conference in Seoul and supporting the work of the various Working Groups and Sub-Committees, as shown.

One of the notable recommendations we got from STAR III this year was heightening private sector partnership. The STAR III organizers had been correct in their observation about the dip in the involvement (and possibly interest) of private companies. The lack of a coordinative mechanism, however, has become a factor for effective dissemination.

Consider New Initiatives

Lastly, we are considering new initiatives to further strengthen the regional security architecture. Two proposals are now being considered for inclusion in our timeline: ICPO's database project on lost and stolen travel documents and the secure handling of radioactive sources.

Effectiveness Factors

The CTTF covers a rather large area. Indeed, we look over the entire terrain, but our focus for now is on the cross-analysis project, for the main reason that its outcomes will provide the basis for capacity building and technical assistance based on identified common themes and priorities. This is going to be the key reference for coordinating international cooperation against terrorism.

You may note at this point that international cooperation is well and truly embedded in our functions – from responding to Leaders' Statements to adopting new initiatives. How effective are we in pushing cooperation down to the deliverables, however, requires further study.

There are key reasons underlying the difficulty.

Firstly, the structures for counter-terrorism are not well established and appropriately distributed, particularly in the developing economies. If one talks, for instance, of airport security, there is a wide discrepancy between developed economies and developing ones. On the ground, it is not unusual to still see sniffing dogs in lieu of EOD detectors; physical body searches, instead of automated scans; villages crowding into the end of runways, instead of buffer zones.

The new ICTs seen to better facilitate trade and protect people – from biometrics to global positioning satellites to radioactive sensing – are not yet absorbed in an ideal integrated regional system – in which case, economies will need to come together to agree on the “least common denominators,” or greatest common practical measures.

Secondly, some cultures are not quite ready for ICT-based security structures. One of the key targets of counter-terrorism effort identified in the first Counter-Terrorism International Conference in Riyadh this year was terrorist financing.

The approach rides on the assumption that terrorists also use the modern banking networks. A number of them, however, still depend on the *havala* system, based on identity and trust, which leaves virtually no traces of money transfers. International cooperation, involving dialogues and cultural and educational exchanges would be necessary to fully integrate the systems of some member economies into the mainstream of APEC's security initiatives.

Thirdly, the ends diverge for all stakeholders in security. I just came from the inaugural staging of the Asia-Middle East Dialogue (AMED) in Singapore, where I talked about strengthening cooperation against international terrorism. The past two months I had likewise been in a few engagements - notably in Kuala Lumpur for the Association of Asia-Pacific Airlines Security Meeting, and in Jeju, Island, Korea, for the 7th CTTF meeting.

For APEC, the end is trade facilitation and the building of an APEC 'community'. For AMED, which includes all APEC economies, the end state include greater mutual understanding, deeper exchanges, and dominance of the moderate voice between the peoples of Asia and the Middle East. For AAPA, it is the bottom line of business – the profitability and security of the airline companies, numbering around 17 in the region, and their stakeholders.

If I may just point out, the comments of the members of AAPA were quite revealing. During the 7th AAPA SC meeting, when I suggested that security should be a joint responsibility of the government and the private sector (I was referring to their concern about MANPADS), they made their position clear: security is the duty of the government. To them, compliance to the new demands by the regulatory regimes has been costly enough; no one was willing to shoulder the burden of significantly heightened CT measures, specifically acquiring anti-MANPADS devices. I am sure the members of the maritime association in Asia takes up the same position. Unfortunately, no Asia-Pacific government can fully underwrite security. *If we want to really have trade both facilitated and kept secure, the private sector, which has the greater resources, must step in and share the load.*

Fourthly, the projections for trade facilitation may have been too sanguine. As far as I know, the targeted 5 percent cut in transaction costs established by APEC leaders was not established as a "reduced figure," but based mainly on the Osaka Action Agenda. The first direct casualties of the terror attacks in America were the victims. The second were the big industry players, particularly airline and insurance companies. The third was general transactions having to do with the West because of the other possibly planned terrorist acts.

A reduced figure would have been more realistic. Of course, I am no expert on this, but in studies made by AAPA members, new security impositions as simple as the ban on butane lighters have already resulted in increased costs, from new screening procedures to undue flight delays. For some developing economies,

whose business structures are not so resilient or resistant to threats, meeting the 5 percent projection will absolutely compete with complying with new security standards.

Lastly, the CTTF lacks the capability to coordinate counter-terrorism efforts. Current practice merely allows us to serve mostly as a receiving post. There is no mechanism that allows us to interact directly with other agencies and working groups within and outside of APEC to follow up on progress on work on counter-terrorism. My participation here, for instance, had to have the consensus of all members and the clearance of SOM. In cases of unexpected developments and meetings on security, it may be necessary for the Chair or any CTTF member to attend, without obtaining consensus, as long as the APEC Secretariat is informed. In addition, since the real work of the CTTF is done intersessionally, timely exchanges and coordination with other agencies are crucial.

Conclusion

As APEC's facilitator of international cooperation against terrorism, the CTTF is up on all four engines. But for the CTTF to fully fill its role, it will need the mechanism to coordinate all counter-terrorism capacity building and technical assistance programs, cooperate with international organizations, and facilitate cooperation on counter-terrorism matters – functions clearly specified under our Terms of Reference. Without that, the other factors affecting APEC's outlook on counter-terrorism and security *and* trade facilitation will remain variable.

Beyond that, international cooperation cannot be consummated without all sectors, particularly the private and public, meeting at the core and center of the security and trade issue. This is imperative. For no matter how we look at it, the war on terror and call for secure trade has imposed new barriers and burdens. These new barriers and burdens should be reason for us to more, not less, realistically carry on. After all, everyone's now aboard, and we're all headed in one direction.

During the Asia-Middle East Dialogue, where I gave the Philippine presentation, I said "our universe is so ordered that we learn to bear another's burdens, for there is no nation without a burden. None is sufficient in itself, none is wise in itself. Therefore, it is imperative that we support one another, comfort one another, help and advise one another."

Similarly, between PECC and CTTF, let's keep it this way.

Thank you.