

The Auditor-General

Audit Report No.5
Performance Audit

Commonwealth Agencies'
Security Preparations for the
Sydney 2000 Olympic Games

Australian National Audit Office

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Canberra ACT
24 August 1998

Dear Madam President
Dear Mr Speaker

The Australian National Audit Office has undertaken a performance audit in accordance with the authority contained in the *Auditor-General Act 1997*. I present this report of this audit, and the accompanying brochure, to the Parliament. The report is titled *Commonwealth Agencies' Security Preparations for the Sydney 2000 Olympic Games*.

Following its tabling in Parliament, the report will be placed on the Australian National Audit Office's Homepage - <http://www.anao.gov.au>.

Yours sincerely



P. J. Barrett
Auditor-General

The Honourable the President of the Senate
The Honourable the Speaker of the House of Representatives
Parliament House
Canberra ACT

AUDITING FOR AUSTRALIA

The Auditor-General is head of the Australian National Audit Office. The ANAO assists the Auditor-General to carry out his duties under the *Auditor-General Act 1997* to undertake performance audits and financial statement audits of Commonwealth public sector bodies and to provide independent reports and advice for the Parliament, the Government and the community. The aim is to improve Commonwealth public sector administration and accountability.

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Abbreviations

ABCI	Australian Bureau of Criminal Intelligence
ACS	Australian Customs Service
ADF	Australian Defence Force
AFP	Australian Federal Police
AGD	Attorney-General's Department
ANAO	Australian National Audit Office
APS	Australian Protective Service
AQIS	Australian Quarantine and Inspection Service
ASIO	Australian Security Intelligence Organization
CTFR	Counter Terrorist First Response
DFAT	Department of Foreign Affairs and Trade
DIMA	Department of Immigration and Multicultural Affairs
DIST	Department of Industry, Science and Tourism
DoD	Department of Defence
DTRD	Department of Transport and Regional Development
IOC	International Olympic Committee
IPP	Internationally Protected Person
MAL	Movement Alert List
MOU	Memorandum of Understanding
NATP	National Anti-Terrorist Plan
NSW	New South Wales
OCA	Olympic Co-ordination Authority
OSCC	Olympic Security Command Centre
OSWC	Olympic Security Working Committee
PACE	Passenger Analysis Clearance and Evaluation System
PASS	Passenger Automated Selection System
PM&C	Department of the Prime Minister and Cabinet
PMV	Politically Motivated Violence
PSCC	Protective Security Coordination Centre
SAC-PAV	Standing Advisory Committee on Commonwealth/State Cooperation for Protection Against Violence
SIDC-PAV	Special Inter-Departmental Committee on Protection Against Violence
SIDC-POC	Special Inter-Departmental Committee for the Prevention of Olympic Crime
SOCOG	Sydney Organising Committee for the Olympic Games
SPOC	Sydney 2000 Paralympic Organising Committee
Task Force	Sydney 2000 Games Coordination Task Force
TRIPS	Travel and Immigration Processing System

Summary and Recommendations

Audit Summary

Olympic security arrangements

1. The Sydney Organising Committee for the Olympic Games (SOCOG) and the Sydney 2000 Paralympic Organising Committee (SPOC) are accountable to the International Olympic Committee (IOC) and the International Paralympic Committee respectively for Olympic and Paralympic security. SOCOG has contracted its government agency security planning requirements through the Olympic Security Working Committee (OSWC) to the New South Wales Police Service. Under the model agreed by the SOCOG Board and the Commissioner of Police the ultimate responsibility for security for the Games will lie with the NSW Police Service, working in partnership with SOCOG. The contract is focused on the security of the Games themselves. However, there are also significant security implications relating to the Games where broader responsibilities are involved. For example, as the NSW Police Commissioner does not have jurisdiction outside state boundaries, other State Police Commissioners will have security responsibilities associated with Olympic soccer matches and for the protection of athletes and VIPs visiting their States.¹

2. In addition, the Commonwealth Government has constitutional responsibility for such aspects of security as border control, aviation security, dignitary protection, counter-terrorism planning and certain aspects of law enforcement. Given the wide range of agencies and jurisdictions an effective planning process will require a high level of coordination and cooperation. Similarly the roles and responsibilities of the various agencies will need to be clearly defined and understood for effective coordination to occur. It is expected that these matters will be clarified as issues arise.

3. The significance, size and international nature of the Games, together with the large number of agencies involved in security matters, have resulted in the establishment of a complex set of organisational arrangements to oversee and coordinate security planning and management both at the Commonwealth and State levels. The OSWC has divided the security program into thirteen sub-programs, each with a work group responsible for planning with respect to their sub-program area. There is substantial representation by Commonwealth agencies on most of the work

¹ Reference to States includes Territories, where appropriate.

groups. The NSW Police have established the Olympic Security Command Centre to coordinate and direct the work groups and to manage the overall security operations.

4. The Commonwealth Government has established special arrangements for coordinating its Games security responsibilities. The structure is based on a Ministerial Sub-Committee on Security for the Sydney 2000 Games. The Sub-Committee is chaired by the Minister Assisting the Prime Minister and supported by the Secretaries Committee on National Security. Since February 1998 the Sub-Committee has been serviced by a newly-formed Sydney 2000 Games Coordination Task Force (located in the Department of the Prime Minister and Cabinet). The Task Force will be responsible for the higher-level policy coordination for both security and non-security issues in relation to the Olympic and Paralympic Games.²

5. The Task Force will receive advice on security matters from an Olympic Security Reference Group comprising representatives from agencies with a security involvement in the Games. Prior to February, the focal point for the coordination of the Commonwealth's security interests in the Games was the Protective Security Coordination Centre (PSCC) in the Attorney-General's Department. The PSCC has considerable experience in coordinating security arrangements with the States. It will work in close consultation with the Task Force on security aspects.

The audit approach

6. The objectives of the performance audit were to provide assurance to Parliament concerning the adequacy of Commonwealth security planning and preparations for the Games and to identify areas for improvement early enough for any corrective action to be taken.

7. The audit coverage included Commonwealth security planning and coordination processes, intelligence gathering and threat assessment, border management processes, security at entry and departure points, visiting dignitary protection and national crisis management arrangements. This coverage recognised that there is a security continuum with intelligence as the first stage, followed by preventive action and lastly supported by crisis management in the event of a threat materialising.

8. The audit encompassed fieldwork in the following primary agencies with Olympic security responsibilities: Attorney-General's Department (AGD) - Protective Security Coordination Centre (PSCC), Australian

² Terms of Reference for the Sydney 2000 Games Coordination Task Force are at Appendix 4.

Customs Service (ACS), Australian Federal Police (AFP), Australian Protective Service (APS), Australian Quarantine and Inspection Service (AQIS), Australian Security Intelligence Organization (ASIO), Department of Defence (DoD), Department of Finance and Administration (DoFA), Department of Foreign Affairs and Trade (DFAT), Department of Immigration and Multicultural Affairs (DIMA), Department of the Prime Minister and Cabinet (PM&C) and Department of Transport and Regional Development (DTRD).

9. It was recognised, at the outset, that the audit was taking place in a dynamic environment and that changes would be occurring at a rapid pace, particularly as the Games approached. It was expected that issues identified during the course of the audit would be addressed at an early stage by the responsible agencies. In many cases, matters requiring remedial attention had already been noted by agencies and action was in train to resolve the particular issues. In other instances, the audit acted as a catalyst to focus attention on aspects that could have represented an impediment to developing a safe and secure environment for the Games. The audit did not address security matters under the control of State authorities. However, observations did extend to Commonwealth involvement in some joint arrangements.

Overall conclusion

10. A considerable amount of effort has been devoted to developing security arrangements for the Olympic Games. A variety of coordination and consultative mechanisms have been set in place to enable Commonwealth and NSW Government agencies to work together in developing joint plans and procedures. The IOC has expressed its satisfaction with the current NSW and Commonwealth security planning for the Games. The overall audit conclusion is that the development of Commonwealth security planning to date has generally been effective but there is scope for improvement in respect of specific issues.

11. The issues raised in this report do not indicate fundamental flaws in the Commonwealth's security preparations but represent opportunities to provide a greater assurance that security aspects have been fully addressed in the lead up to the Games. The absence of a Memorandum of Understanding between the Commonwealth and NSW Governments is seen as an important threshold issue. Similarly, the lack of agreement on cost-sharing arrangements may be impeding the ability of agencies to plan effectively. Finalisation of discussions on these two matters would represent a significant advance.

12. At the time of the audit, there was no consolidated statement of activities being undertaken by Commonwealth security agencies in preparation for the Olympics. Similarly, there was no particular timeframe set for completing different stages of these preparations or a formal mechanism to ensure regular progress reporting against these timeframes. In view of the number of different committees and agencies involved in Commonwealth Olympic security preparations, a Sydney 2000 Games Coordination Task Force was established recently within the Department of the Prime Minister and Cabinet. This is a significant step in facilitating a consolidated Commonwealth approach to key policy and planning aspects and in monitoring the subsequent implementation of plans to finality.

13. The ANAO also found some scope for improved integration of border management security and law enforcement responsibilities into Commonwealth security planning for the Games. There is a need to develop a border security purpose statement in which agency roles and responsibilities are defined and security and law enforcement tasks are identified and assigned.

Agencies' responses

14. When preparing the report of the audit the ANAO endeavoured to achieve an appropriate balance between public reporting to the Parliament and concerns about national security sensitivities. The proposed report of the audit was provided to relevant Commonwealth and State agencies in May 1998 and completed after considering their comments. Agencies responded positively to the proposed report and indicated that, since the audit fieldwork had been completed, there had been considerable progress in addressing issues raised in the report. Agencies indicated that the audit had contributed to security preparations for the Games. The ANAO made 22 recommendations to Commonwealth agencies aimed at improving their Olympic security preparations, all of which were agreed or agreed with qualification.

Key Findings

Planning and coordination (Chapter 2)

- There should be clear agreement on the respective roles and responsibilities of relevant State and Commonwealth agencies in a Memorandum of Understanding (MOU). Although the need for an MOU was recognised early in 1996 the ANAO found that agreement on the contents of this document had not been reached. Delays in the finalisation of a formal MOU and supplementary agreements with individual agencies may have affected the ability of agencies to plan effectively.
- The lack of agreement between the Commonwealth and Olympic organisers on cost-sharing arrangements is creating some doubt about the extent to which SOCOG will call on Commonwealth security services. In view of the lead times for certain types of equipment and training it is essential that this matter be resolved at an early date.
- There is no consolidated record of the total cost to the Commonwealth of its security effort in the lead up to and during the Games. The ANAO therefore developed an indicative estimate of these costs, which it found would exceed \$60 million (excluding Defence expenditure as no estimate could be made until requests from agencies had been further refined). A fuller understanding of these costs would facilitate discussions with NSW during cost-sharing negotiations.
- At the time of audit fieldwork there was no consolidated document detailing the roles and responsibilities of Commonwealth agencies with respect to Olympic security, including timeframes for the completion of tasks, linkages between the various agencies and the decision-making framework. A document of this nature would help ensure there are no gaps in the Commonwealth's preparations and provide a sound structure for monitoring and reviewing the effectiveness of actions. As a first step a list of Commonwealth commitments was provided in March 1998.
- There has been some concern expressed about the lack of feedback and communication by Commonwealth representatives on the OSWC work groups. The ANAO considers a more formal and systematic reporting process, to form the basis of regular reports to Ministers, would be beneficial.

- The ANAO considers the role and membership of the Special Inter-Departmental Committee for the Prevention of Olympic Crime should be examined to ensure that criminal aspects are fully integrated into the overall Commonwealth security preparations for the Games.

Intelligence (Chapter 3)

- The Commonwealth Government has the sole responsibility for national security intelligence. The Olympics represent a task well beyond the normal scope of intelligence activities, particularly as it will extend to areas outside the usual focus of Australia's security interests.
- The Australian Bureau of Criminal Intelligence (ABCI) has the designated role of coordinating the preparation of strategic criminal intelligence assessments before and during the Games. Although ABCI and ASIO's Federal Olympic Security Information Centre (FOSIC) will perform parallel functions relating to criminal and security intelligence respectively, they will provide intelligence separately to the NSW Olympic Intelligence Centre (OIC). The ANAO considers that more work should be done to integrate the criminal and national security intelligence functions and to maximise the opportunities for analytical interaction and coordination at the Commonwealth level.
- The risk management methodology employed by ASIO offers a sound basis for determining risk but does have weaknesses in that not all elements can be judged objectively and it may be too mechanical and inflexible. It is important that, in training its analysts in the methodology, ASIO draws attention to the limits as well as the strengths of its risk management framework.
- Security intelligence agencies have not undertaken a detailed cross-agency projection of the resources required for the Games. It is considered that an integrated human resources plan for security intelligence covering the resource requirements of the intelligence community should be developed along with a succession plan which covers strategies for meeting peak human resource demands and for replacing key officers as required.
- The Olympics will present challenges to ASIO in drawing on new overseas sources for information. It will take time to learn what information is available and how to deal with unfamiliar targets. It is important that processes be developed to maximise the access to sources of material and to avoid duplication of requests by Australian agencies.
- Access to open source material (eg Internet and the media) may also be used to supplement other intelligence material. However, overseas experience suggests that the use of open source material can be

resource-intensive. ASIO should undertake a thorough assessment of the extent to which this option should be used.

Border management (Chapter 4)

- Border management agencies, namely, Australian Customs Service (ACS), Department of Immigration and Multicultural Affairs (DIMA) and the Australian Quarantine and Inspection Service (AQIS), have incorporated Olympic issues into ongoing planning for normal business development, rather than developing specific Olympic security plans. With respect to the Olympics, border agencies have established close liaison arrangements with SOCOG and the NSW Police.
- General international movements of people to Australia are expected to increase from 15 million in 1997 to about 17.4 million in 2000, before taking into account the additional flow generated by the Olympics. At the time of audit fieldwork, estimates for the Olympic-derived increase ranged between 140 000 and 220 000. Added security tasks will flow from increases in passenger and cargo traffic and the generally increased risks of terrorist/criminal penetration resulting from the high traffic increases through the year 2000.
- A range of changes are occurring to electronic processing systems used by ACS and DIMA. Late in 1998 ACS will introduce an upgraded Passenger Analysis Clearance and Evaluation system (PACE) which will capture and validate passenger information, record passenger movement and permit sophisticated analysis of passenger data by selecting certain passengers for more detailed examination. ACS has formed a unit to take advantage of the analytical capability offered by this system. A significant contribution to border security and law enforcement could be made if there was active participation in it by all relevant agencies.
- An important element of the visa issuing process operated by DIMA is the check against the Movement Alert List (MAL), which contains data on persons who may not meet the 'good character' requirement for entry to Australia. MAL is used to limit the entry of people with a criminal background and in recent years steps have been taken to enhance its capability. The ANAO supports moves for law enforcement agencies to be more involved in the use of MAL and considers this could be enhanced through the development of protocols for decision-making on the use of MAL database entries.
- ASIO has an interest in border management, from a security perspective. To cope with the predicted increases and diversification of potential security risks flowing from the Olympics, ASIO will need to increase its analytical capacity and develop electronic systems to automate checking

processes currently handled manually. The ANAO considers that DIMA should establish an appropriate senior level forum with ASIO, ACS and DFAT to address matters regarding the security and effectiveness of border management systems used for security checking.

- At the time of audit, few performance standards or formal agreements had been established between border management agencies. The ANAO considers that the development of MOUs between ACS and DIMA would significantly improve the overall effectiveness of border management.
- Seaports and maritime entry and departure points have not received as much attention in developing effective border management arrangements, particularly in the Olympic planning context, and should be addressed.
- The ANAO found some scope for closer alignment of border management security and law enforcement responsibilities into Commonwealth-wide and Commonwealth/State joint security planning for the Games. There is no central security strategic plan for border management in which agency roles and responsibilities are defined and security and law enforcement tasks allocated among agencies. The ANAO considers that overall Games security planning would benefit from such issues being addressed and the initiation of appropriate action.

International entry and departure points (Chapter 5)

- The ANAO considers that air terminal access control barriers important to the operation of border agencies should be enforced. Agency responses to certain incidents seem to have exposed basic differences of view among agencies operating in international air terminals on what each one must do to support the security role of others. This situation creates uncertainty among agencies and could impair Olympic security planning. A joint review would help to improve the coherence of security at airports and resolve this issue.
- The deployment of a permanent State/Territory uniformed police presence at major airports appears to be uneven. In Melbourne State Police have a presence at the airport which recognises their community policing and incident management roles but in Sydney there are no police permanently stationed at the airport. Also the use of the APS in the Counter Terrorist First Response (CTFR) role is under review and the outcome could have implications for Olympic security planning. In view of the significance of Sydney Airport in terms of Olympic security the ANAO considers that DTRD should seek to obtain a resolution of CTFR arrangements, including the issue of a permanent police presence at the airport.

- Operational procedures for the resolution of incidents arising out of priority alerts during passenger processing at Australia's international airports require further codification. A joint review of incident response procedures to establish clear operational protocols would seem to be warranted.

Protection for visiting dignitaries (Chapter 6)

- The large number of dignitaries expected to attend the Olympics, the World Economic Forum (WEF) and the Pacific Rim Conference (PACRIM) in the year 2000 are likely to place heavy demands on protective security resources.
- Changes in key personnel and the lack of definitive information on dignitary numbers has hampered protective security planning. This may be overcome by the recent activation of a joint Commonwealth/NSW visit program group. Close coordination between this group and the organisers of WEF and PACRIM will also be necessary.
- The audit team found that a degree of uncertainty existed in a number of agencies as to the precise nature of the Commonwealth Olympic Dignitary Program. It was also apparent that Commonwealth agencies had undertaken planning based on differing estimates of the number of dignitaries requiring protection. It is particularly important that protective security planning by Commonwealth agencies proceed on the basis of agreed estimates and that they possess a shared understanding of the Program through regular exchanges between relevant agencies.

National crisis management arrangements (Chapter 7)

- The principal body responsible for the coordination of national crisis management arrangements in Australia is the Standing Advisory Committee on Commonwealth/State Cooperation for Protection against Violence (SAC-PAV). Through cooperation between relevant Commonwealth and State/Territory agencies SAC-PAV develops, monitors and reviews nation-wide arrangements and procedures to counter terrorism and other forms of politically motivated violence. These arrangements are set out in the National Anti-Terrorist Plan and come into effect when an incident requires a joint response.
- A central feature of the SAC-PAV arrangements is the exercise and training program coordinated by the PSCC. In response to reviews in 1993 and 1997, action has been taken to modify the exercise program to improve its effectiveness. Planning is well advanced on major exercises to be conducted prior to the Olympics. An important component to

achieve realism in these exercises will be the participation of Ministers and senior advisers who, because of their busy schedules, are not always available.

- The ANAO considers that SAC-PAV should assess the level of technical surveillance capability required for the Olympics and beyond and that ASIO implement any required upgrade to ensure full operability in time for the Olympics.
- A project has commenced to upgrade the current secure communications system available to SAC-PAV. Subject to the outcome of a pilot in NSW, the new system is expected to be operational in all States by December 1999. It is important that the functionality of the system be tested well before the Olympics. Efforts should be made to ensure there is no slippage in the installation timetable and, if possible, to accelerate its completion.

Recommendations

Set out below are the ANAO's recommendations with Report paragraph references and a summary of agency responses. The ANAO considers that agencies should give priority to recommendations 2, 3, 7, 8, 9, 12, 13, 14, 15, 16, 17, 20 and 21. Priority recommendations are shown below with an asterisk.

Recommendation No.1
Para. 2.26 The ANAO recommends that the Sydney 2000 Games Coordination Task Force, in conjunction with relevant agencies, identify the estimated overall costs to the Commonwealth of Olympic related security activities to enhance accountability at the Commonwealth level.

Task Force Response: Agreed.

PSCC Response: Agreed.

ASIO Response: Agreed.

***Recommendation No.2**
Para. 2.37 The ANAO recommends that the Sydney 2000 Games Coordination Task Force, in conjunction with the PSCC, should coordinate the development of a consolidated plan covering Commonwealth preparations for the Olympics and incorporating the activities of all Commonwealth security agencies.

Task Force Response: Agreed.

PSCC Response: Agreed.

ASIO Response: Agreed.

***Recommendation No.3**
Para. 2.55 The ANAO recommends that the Sydney 2000 Games Coordination Task Force introduce a formal reporting process to obtain regular reports from relevant Commonwealth agencies on the status of Commonwealth activities associated with security preparations for the Games.

Task Force Response: Agreed.

PSCC Response: Agreed.

ASIO Response: Agreed.

- Recommendation No.4**
Para. 2.77 The ANAO recommends that the Sydney 2000 Games Coordination Task Force examine the membership and reporting arrangements for the SIDC-POC to ensure that criminal aspects are fully integrated into the overall Commonwealth security preparations for the Games.
Task Force Response: Agreed.
PSCC Response: Agreed.
- Recommendation No.5**
Para. 3.31 The ANAO recommends that ASIO undertake discussions with ABCI aimed at:
(a) examining links between the criminal and national security threat assessment functions with a view to maximising the opportunities for interaction between analysts; and
(b) examining the prospect of collocating the FOSIC and the ABCI's Games criminal intelligence centre.
ASIO Response: Agreed.
ABCI Response: Agreed.
- Recommendation No.6**
Para. 3.47 The ANAO recommends that ASIO reinforce, in its training for analysts, the limits as well as the strengths of its risk management approach to developing threat assessments.
ASIO Response: Agreed.
- *Recommendation No.7**
Para. 3.52 The ANAO recommends that ASIO sponsor a joint review of the human resource requirements of the intelligence community for the Olympic Games and that the review team develop an integrated human resources plan for security intelligence to promote greater effectiveness.
ASIO Response: Agreed.
- *Recommendation No.8**
Para. 3.58 The ANAO recommends that ASIO develop an Olympic Games succession plan which covers strategies for meeting peak human resource demands and for replacing key officers at critical times.
ASIO Response: Agreed.
- *Recommendation No.9**
Para. 3.66 The ANAO recommends that ASIO review its requirement for open source collections for the Olympic Games period by:
(a) conducting a survey of the available open source collection capabilities;

- (b) determining the extent to which those services can assist ASIO in its work; and
- (c) identifying any requirements for in-house open source collection capability and implementing this well in advance of the Olympics.

ASIO Response: Agreed.

**Recommendation
No.10
Para. 4.30**

The ANAO recommends that ACS should advance discussions with the border and Commonwealth law enforcement agencies to consider their active participation in the Passenger Analysis Unit.

ACS Response: Agreed.

DIMA Response: Agreed.

ASIO Response: Agreed.

**Recommendation
No.11
Para. 4.43**

The ANAO recommends that DIMA, in collaboration with relevant agencies, develop detailed protocols for decision-making on the use of MAL database entries consistent with HOCOLEA procedural requirements.

DIMA Response: Agreed.

ACS Response: Agreed.

ASIO Response: Agreed.

***Recommendation
No.12
Para. 4.59**

The ANAO recommends that DIMA should establish an appropriate senior-level forum with ASIO, ACS and DFAT addressing any concerns regarding the security and effectiveness of border management systems used for security checking.

DIMA Response: Agreed.

ASIO Response: Agreed.

ACS Response: Agreed.

DFAT Response: Agreed.

***Recommendation
No.13
Para. 4.84**

The ANAO recommends that:

- (a) DIMA and ACS give priority to finalising border management MOUs and ensure a joint evaluation process is put in place to assess results; and
- (b) ACS accelerate work on other agency MOUs where not already completed.

DIMA Response: Agreed.

ACS Response: Agreed.

ASIO Response: Agreed.

***Recommendation No.14**
Para. 4.91

The ANAO recommends that ACS and DIMA:

- (a) develop a security plan for border processing at seaports with the first step of identifying risks, including gaps and weaknesses; and
- (b) periodically advise progress against the security plan to the Sydney 2000 Games Coordination Task Force.

ACS Response: Agreed.
DIMA Response: Agreed.
ASIO Response: Agreed.

***Recommendation No.15**
Para. 4.102

The ANAO recommends that the Sydney 2000 Games Coordination Task Force, in consultation with ACS and DIMA, consider the development of a border security purpose statement, for guidance of the various stakeholders, as part of Commonwealth security preparations for the Olympic Games.

Task Force Response: Agreed.
ACS Response: Agreed with qualification.
DIMA Response: Agreed.
ASIO Response: Agreed.

***Recommendation No.16**
Para. 5.26

The ANAO recommends that the Sydney 2000 Games Coordination Task Force should monitor the progress and outcome of interdepartmental actions to address the issue of international airport enforcement zones.

Task Force Response: Agreed in principle.
DTRD Response: Agreed.

***Recommendation No.17**
Para. 5.32

The ANAO recommends that DTRD:

- (a) pursue the finalisation of decisions on CTFR arrangements; and
- (b) through its representation on the Aviation Olympic Security Work Group, pursue with the NSW Police its plans for policing Sydney Airport.

DTRD Response: Agreed.
ASIO Response: Agreed.

Recommendation No.18
Para. 5.38 The ANAO recommends that ACS sponsor a joint review of incident response procedures arising out of passenger processing at Australia’s international airports in consultation with the Sydney 2000 Games Coordination Task Force.

ACS Response: Agreed.

Task Force Response: Agreed.

DTRD Response: Agreed.

DIMA Response: Agreed.

Recommendation No.19
Para. 6.29 The ANAO recommends that the Sydney 2000 Games Coordination Task Force ensure that:

- (a) all relevant agencies have a good understanding of the Commonwealth Olympic Dignitary Program;
- (b) planning by relevant agencies proceed on the basis of agreed up-to-date estimates of the number of dignitaries requiring protection; and
- (c) effective feedback from the Protocol Group is disseminated to relevant agencies.

Task Force Response: Agreed.

PSCC Response: Agreed.

ASIO Response: Agreed.

ACS Response: Agreed.

***Recommendation No.20**
Para. 7.25 The ANAO recommends that the PSCC should fully brief Ministers and senior advisers on their roles and responsibilities under national crisis management arrangements and have regard to the availability of Ministers in planning Olympic security exercises.

PSCC Response: Agreed.

ASIO Response: Agreed.

***Recommendation No.21**
Para. 7.32 The ANAO recommends that:

- (a) the PSCC initiate a SAC-PAV assessment of the appropriate level of national technical surveillance capability required for the Olympics and beyond; and
- (b) ASIO implement any required upgrade without delay, so as to ensure full operability for the Games.

PSCC Response: Agreed.

ASIO Response: Agreed.

Recommendation No.22
Para. 7.38 The ANAO recommends that the PSCC monitor progress against the proposed implementation timetable to ensure installation of ASNET at the earliest possible date.

PSCC Response: Agreed.

ASIO Response: Agreed.

Audit Findings and Conclusions

1. Background

This chapter sets out the objectives of the audit and government responsibilities for security during the period of the Olympics. In particular it outlines the Commonwealth's broad security role and the Olympic organisation structures responsible for coordinating Games security planning.

Introduction

1.1 The purpose of the audit was to assess the adequacy of Commonwealth security planning and preparations for the Sydney 2000 Olympic Games and to identify possible areas for improvement in Commonwealth Olympic security preparations. The focus of the audit was on the activities of Commonwealth agencies with a major role in security functions such as intelligence, border management and dignitary protection. The audit assessed the overall coordination and cooperation amongst agencies and the planning by individual agencies with respect to their role in security preparations for the Olympics.

1.2 The audit commenced some three years prior to the Games with a view to examining the strategies and planning processes in place, thus ensuring sufficient time for any required remedial action. The ANAO recognised from the beginning that the audit was taking place in a dynamic environment and that changes would be occurring at a rapid pace, especially as the Games approached. It expected that issues identified during the course of the audit would be addressed at an early stage by the responsible agencies. In many cases, matters requiring remedial action had already been noted by the agencies and action was in train to resolve the issue. In other instances, the audit acted as a catalyst to focus attention on aspects that could have represented an impediment to developing a safe and secure environment for the Games.

1.3 The overall audit conclusion is that to date, the development of Commonwealth security planning and procedures for the Sydney 2000 Games has been largely effective. Indeed, the International Olympic Committee (IOC) has expressed its satisfaction with current NSW and Commonwealth security planning for the Games. The issues raised in this report do not indicate any fundamental flaws in the Commonwealth's security preparations but represent opportunities for improvement. The ANAO has made a number of recommendations and suggestions designed to enhance the Commonwealth's security preparations for the Olympic Games.

Security arrangements

1.4 The Sydney Organising Committee for the Olympic Games (SOCOG), through the host city contract with the IOC and by agreement with the Sydney 2000 Paralympic Organising Committee (SPOC), is responsible for the delivery of the security program for the Sydney 2000 Olympic and Paralympic Games. SOCOG has contracted its government agency security requirements through the Olympic Security Working Committee (OSWC) to the NSW Police Service.

1.5 Primary responsibility for Games security, therefore rests with the NSW Police Service working in partnership with SOCOG and in consultation with the SPOC, the Olympic Co-ordination Authority (OCA) and Commonwealth and other State and Territory law enforcement agencies.

1.6 Security, in the context of the Games includes:

- law enforcement - community policing (public order, traffic management, response capabilities), criminal investigation;
- protective security - personal protection, venues and facilities, movement security, information security;
- national security elements - coordination and planning, intelligence services, border management and aviation security; and
- security related services - Defence Force Aid to the Civil Power, Defence Assistance to the Civil Community, technical surveillance capabilities and secure communications.

1.7 Despite the host city contract placing obligations on SOCOG and the NSW Police for Games security, there are many matters affecting security that are the constitutional and legislative responsibility of the Commonwealth and it is essential that Commonwealth agencies be closely involved in the development of security planning. Many of these constitutional responsibilities, such as the provision of security intelligence, the control of Australia's borders and aviation security, will be integral to the security of the Games. In addition to providing support to NSW, the Commonwealth has broader national responsibilities, such as the protection of Internationally Protected Persons,³ which include some Olympic Family members and other dignitaries at risk elsewhere in Australia. The Olympic Family can be broadly defined as IOC members, athletes, Games officials and accredited media.

³ Refer Appendix 5.

1.8 The security operations specifically associated with the Games involve the protection of the Olympic Family, Olympic villages, all competition and training venues, SOCOG and SPOC Operation Centres, the main Press Centre, the International Broadcast Centre and Sydney Airport, as well as the accommodation being used by the Olympic Family. These security requirements flow from the host city contract. However, the contract is focused on the Games themselves.

1.9 While the Games in Sydney will obviously remain the main focus of security attention, other activities will place demands on security resources for a period well in excess of the actual Games. There are also significant security implications arising from the Games extending beyond NSW. For example, when athletes and VIPs visit States other than NSW, either for training purposes or the conduct of soccer matches, Police Commissioners in those States will have jurisdiction for security. Similarly, the torch relay will pass through a number of police jurisdictions. In addition, there will be a number of test events and cultural activities prior to the Games that have the potential to attract high-profile visitors who may represent a significant security risk and who may wish to extend their visit to other parts of Australia.

1.10 Arrangements are also being made for the conduct of a World Economic Forum (WEF) in Melbourne immediately prior to the Sydney Games and a Pacific Rim Conference (PACRIM) in Sydney during the period between the Olympic Games and the Paralympics. Both of these events have the capacity to attract a large number of foreign dignitaries. In normal circumstances, even without the Games, these activities would give rise to a substantial security risk requiring considerable planning and resource investment by State and Commonwealth agencies concerned with security matters.

1.11 Any breakdown in security arrangements for the Games will reflect not just on Sydney and NSW but on Australia as a whole. Experience from the Atlanta Olympics has shown that there is a need for national involvement at an early stage. Close cooperation between all participants was seen to be a critical ingredient for a successful Games. The roles and responsibilities of all agencies involved in preparations for the Games should be defined at an early stage to enable coordinated strategies to be developed.

Commonwealth organisation structures

1.12 To oversight the Commonwealth Government's involvement with the Olympic Games, a Ministerial Committee on the Sydney 2000 Games has been established. It is chaired by the Minister Assisting the Prime

Minister for the Sydney 2000 Games and is responsible for all aspects of Commonwealth involvement with the Games except security.

1.13 An Officials' High Level Reference Group has been formed to provide advice and support, as necessary, to the Ministerial Committee on the Sydney 2000 Games. In particular, it is to monitor the work of Commonwealth agencies in relation to planning for the Games and of groups established to consider particular areas of planning for the Games, and to propose means to resolve cross-agency issues.

Ministerial Sub-committee on Security for the Sydney 2000 Games

1.14 The Commonwealth Government has established special arrangements for coordinating its Games security responsibilities. The structure is based on a Ministerial Sub-committee on Security for the Sydney 2000 Games. Its membership comprises the Minister Assisting the Prime Minister for the Sydney 2000 Games (Chairperson), the Attorney-General, the Minister for Defence and the Minister for Immigration and Multicultural Affairs with other Ministers coopted as necessary. In summary the role of the Sub-committee is to:

- coordinate and consider the Commonwealth's approach to security and related arrangements for the Sydney 2000 Games;
- consider, and maintain a watching brief, on the adequacy of the arrangements between the Commonwealth and NSW and the other States and Territories concerning the security preparations for the Sydney 2000 Games;
- ensure that the Commonwealth's contributions to the security effort for the Games are coordinated, with appropriate leadership to guarantee a cohesive approach is taken to providing security for the public, athletes and dignitaries; and
- approve expenditure only from programs approved by Cabinet, and ensure that any new expenditure proposals are submitted to the Expenditure Review Committee of Cabinet.

In addition, the Ministerial Sub-committee on Security is to draw to the attention of the National Security Committee of Cabinet any significant developments involving the Commonwealth's contribution to the security planning for the Games.

1.15 The Ministerial Sub-committee on Security is supported by the Secretaries Committee on National Security with the inclusion of the Director-General of Security, the Secretary Department of Immigration and Multicultural Affairs, the Commissioner of the Australian Federal Police and other senior officials as appropriate.

1.16 A high level officials group based on the Secretaries Committee on National Security and including the Director-General of OCA, the Chief Executive of SOCOG, the Commissioners of the NSW Police and the AFP and the Director-General of Security has been established to coordinate appropriate matters between the Commonwealth and NSW. This group reports to the NSW Minister for the Olympics and the Minister Assisting the Prime Minister for the Sydney 2000 Games. It is not a decision-making body but rather meant to facilitate coordination at the highest strategic level on matters of common interest.

Coordination of the Commonwealth Olympic Security Effort

1.17 There is a range of Commonwealth agencies with an involvement in security matters associated with the Games, including the Attorney-General's Department (AGD) - Protective Security Coordination Centre (PSCC), Australian Customs Service (ACS), Australian Federal Police (AFP), Australian Protective Service (APS), Australian Quarantine and Inspection Service (AQIS), Australian Security Intelligence Organization (ASIO), Department of Defence (DoD), Department of Foreign Affairs and Trade (DFAT), Department of Immigration and Multicultural Affairs (DIMA), Department of the Prime Minister and Cabinet (PM&C) and Department of Transport and Regional Development (DTRD). Each agency has separate statutory responsibilities extending to security interests.

1.18 Because of the large number of agencies involved in security aspects, coordination of their activities is essential to ensure that the Commonwealth's contribution accords with Government policy and accountability and responsibilities are clear. In February 1998 a Sydney 2000 Games Coordination Task Force⁴ was established within the Department of the Prime Minister and Cabinet. Establishment of the Task Force reflected the need for strengthened coordination of activities related to the 2000 Games within the Commonwealth and between the Commonwealth and NSW government agencies and the organising committees, as the event came closer.

1.19 The Task Force is responsible for the higher level policy coordination of all Commonwealth Olympic and Paralympic activities, including security matters. The head of the Task Force represents the Commonwealth on the NSW Olympic Security Working Committee (OSWC). The Task Force also briefs the Secretaries Committee on National

⁴ Terms of Reference for the Sydney 2000 Games Coordination Task Force are at Appendix 4.

Security and the National Security Committee of Cabinet on Games related agenda items, as well as providing secretariat services to the:

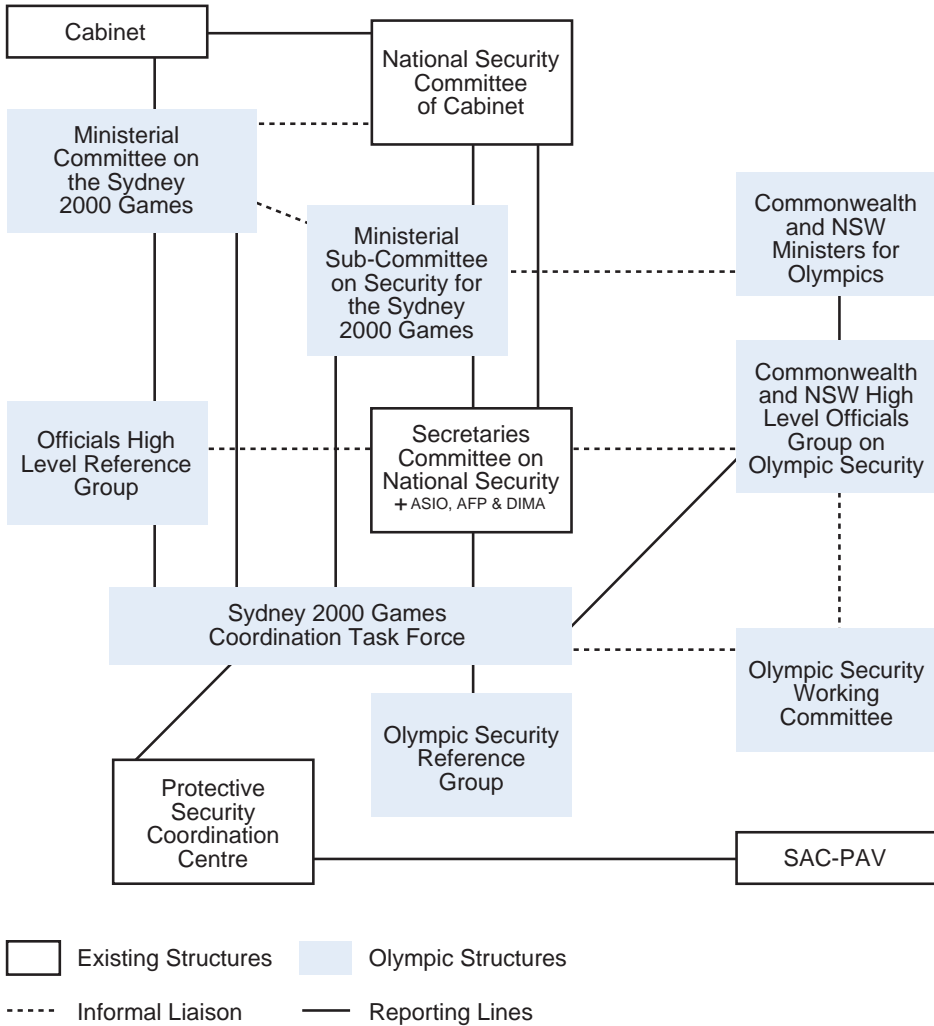
- Ministerial Committee on the Sydney 2000 Games;
- Ministerial Sub-committee on Security for the Sydney 2000 Games;
- Officials High Level Reference Group on the Sydney 2000 Games; and
- Commonwealth-NSW High Level Officials Group on Security for the Sydney 2000 Games.

1.20 Prior to the establishment of the Task Force an Olympic Security Coordination Unit had been formed within the PSCC. Created in September 1996 this Unit was the focal point for the coordination of the Commonwealth's security interests in the Games. The Unit supported the Commonwealth representatives on the various NSW planning work groups, provided advice and information to Commonwealth agencies and acted as an interface with NSW authorities.

1.21 The primary role of the PSCC is to coordinate policies, plans and arrangements for countering the assessed threat and risk of politically-motivated violence in Australia and for managing the Commonwealth's protective security responsibilities. The PSCC has considerable experience in coordinating security arrangements with the States and Territories and provides expert support to the Ministerial Sub-committee on Security. The key policy advising role of the Attorney-General's Department in relation to national security, together with its protective security and counter-terrorist coordination roles will not be affected by the establishment of the Task Force. The Department of the Prime Minister and Cabinet will continue to deliver secretariat support to high level security committees and also to provide advice in relation to national security matters.

1.22 The Special Inter-Departmental Committee on Protection against Violence (SIDC-PAV) had established an Olympic Security Sub-committee to facilitate coordination and planning among Commonwealth agencies. Both SIDC-PAV and the Sub-committee are chaired by the PSCC, which also provides secretariat services. The departments and agencies mentioned above in relation to security functions, together with the Department of Finance and Administration, are represented on the Sub-committee. The Sub-committee has been replaced by the Olympic Security Reference Group providing advice to the Task Force on security matters. The Commonwealth structure can be displayed diagrammatically.

Figure 1
Commonwealth Olympic Coordination Arrangements



New South Wales organisation structures

1.23 SOCOG is responsible for organising and staging the Sydney 2000 Olympic Games. It maintains a close relationship with the IOC, which determines the standards, guidelines and general requirements for the orderly conduct of the Games.

1.24 The Sydney Paralympic Organising Committee is responsible for organising and staging the Sydney 2000 Paralympic Games. It maintains a close relationship with the International Paralympic Committee as that Committee has a similar role to the IOC in relation to the conduct of the Paralympic Games. SOCOG and SPOC have agreed to share security planning and operating programs. As a consequence, Paralympic security requirements will be incorporated into the overall security planning.

1.25 The NSW Government is underwriting the cost of the Games and OCA has a statutory role to manage relationships with SOCOG. Specifically OCA is responsible for coordination across NSW agencies, including contributing to the development and review of proposals, for examining budgetary implications, for providing advice to Government and for managing the Government's involvement in the approval processes for strategies, plans and budgets.

1.26 SOCOG has contracted its government agency security requirements through the Olympic Security Working Committee (OSWC) to the NSW Police Service. The NSW Police Commissioner, as head of the Police Service, will have the final responsibility for security operations for the Games and will direct and control police command structures consistent with existing legislation and the host city contract.

1.27 Sydney has adopted a dual security model for the Olympic and Paralympic Games. This model assigns responsibility for core security matters to the NSW Police whose personnel will be directed towards tasks such as law enforcement, community policing, intelligence and counter-terrorism. SOCOG will assume responsibility for commercial security tasks such as asset protection and crowd management, using volunteers and private security personnel. NSW Police will manage the entire Games Security Program creating a single command and control structure. An Olympic Security Command Centre (OSCC) structure has been established by the NSW Police to plan and coordinate Olympic security matters. Additionally, other State and Territory police forces will have a role when Olympic soccer matches are played in their jurisdictions.

Olympic Security Working Committee

1.28 The Olympic Security Working Committee (OSWC) is responsible for the executive coordination of a totally-integrated security operation for the Sydney 2000 Olympic and Paralympic Games. The NSW Police Commissioner assumed the chair of the Committee in early 1997.

1.29 The Committee's structure and terms of reference were reviewed early in 1997 and a smaller executive decision-making group was formed comprising representatives from OCA, SOCOG, NSW Police Service and the Commonwealth (represented until February 1998 by the Director of the Protective Security Coordination Centre and subsequently by the head of the Commonwealth Sydney 2000 Games Coordination Task Force). Agencies such as the Sydney Paralympic Organising Committee, Ministry for Police, PSCC and ASIO attend meetings as regular observers. Other agencies may be coopted to provide advice on specific issues as, and when, required.

1.30 The OSWC's terms of reference are:

- Ensure that fully integrated strategic and operational plans which take account of resource implications and ownership issues are in place for the Sydney 2000 Olympic and Paralympic Games.
- Ensure that existing national and State crisis management arrangements are fully aligned and integrated to meet Olympic and Paralympic needs.
- Monitor, critically analyse, review and, where appropriate, modify security planning timeframes.
- Ensure that the impact of the Games on the NSW Government's non-Olympic policing obligations is taken into account in the development of strategic and operational plans.
- Facilitate, where necessary, the resolution of NSW Government and Commonwealth/State Government policy issues.
- Make recommendations to Government through the Director-General, Olympic Co-ordination Authority, on critical issues, including any budgetary impacts, associated with security for the Olympics and Paralympics.

1.31 The OSWC has divided the security program into a number of sub-programs, each with a work group responsible for planning within their functional area. At the time of the audit thirteen work groups had been formed to deal with the following specific security planning areas: Marine Security, Intelligence, Personal Security, Communications, Accreditation, Industry Liaison, Training, Equipment, Nuclear Biological and Chemical, Community Safety, Security Volunteers, Aviation Security and Venues, Villages and Sites. (The Venues, Villages and Sites work group was disbanded in the latter half of 1997 and the OSWC decided to disband the Community Safety and Accreditation work groups in May 1998).

1.32 The OSWC meets quarterly and receives a consolidated status report from the OSCC on tasks undertaken by the work groups. The Committee reports, on a regular basis, through the Director-General, OCA, to the NSW Minister for the Olympics and the Commonwealth Minister Assisting the Prime Minister for the Sydney 2000 Games. The NSW Minister for Olympics as President of SOCOG provides the report to the SOCOG Board and the IOC Co-ordination Commission.

National coordination of counter-terrorist activities

1.33 The Commonwealth and all States and Territories are linked to the national coordination mechanism for countering terrorism and politically-motivated violence through the Standing Advisory Committee on

Commonwealth/State Cooperation for Protection Against Violence (SAC-PAV). Commonwealth departments represented on SAC-PAV include AGD, PM&C, DTRD, AFP, DoD, ASIO and the APS. State/Territory representatives include officials from Premier's and Chief Minister's Departments and State Police Services. In addition to developing policies and advising governments on counter-terrorism capabilities, SAC-PAV manages a program with four broad aims:

- developing strategies for the prevention of terrorism and politically-motivated violence;
- maintaining a viable operational capability in each police service for managing incidents of terrorism or politically-motivated violence;
- maintaining arrangements which will deliver national support to a police service that is called upon to deal with a major incident (support includes use of the Defence Force in aid to the civil power); and
- maintaining plans and facilities for the national management of incidents of terrorism, eg. joint crisis management arrangements.

1.34 Major event security (such as the Olympics) is a key result area for SAC-PAV. Meetings have been used as a forum to inform other States and Territories about the security planning arrangements for the Games through briefings provided by NSW representatives.

1.35 SAC-PAV's role in Olympic security is the coordination of issues between States (eg. operational support, standardisation of security arrangements for athletes and VIPs requiring protection, the provision of training and specialist equipment and the conduct of exercises to test counter-terrorism arrangements). Should a terrorist incident occur during the Games, the SAC-PAV network will be used to facilitate a response under the National Anti-Terrorist Plan. The SAC-PAV mechanism and the cooperation of other SAC-PAV members underpins Games planning in relation to politically-motivated violence.

1.36 Olympic security is also a standing agenda item at the Australasian Police Commissioners' Conference, the Australian Crime Conference and meetings of the Heads of Commonwealth Law Enforcement Agencies.

The audit

1.37 The objectives of the performance audit were to provide assurance to Parliament concerning the adequacy of Commonwealth security planning and preparations for the Games and to identify areas for improvement early enough for corrective action to be taken.

1.38 The audit coverage included Commonwealth security planning and coordination processes, intelligence gathering and threat assessment,

border management processes, security at entry and departure points, visiting dignitary protection and national crisis management arrangements. This coverage recognised that there is a security continuum with intelligence as the first stage, followed by preventive action and supported by crisis management in the event of a threat materialising.

1.39 The audit encompassed fieldwork in the following primary agencies with Olympic security responsibilities: Attorney-General's Department - Protective Security Coordination Centre, Australian Customs Service, Australian Federal Police, Australian Protective Service, Australian Quarantine and Inspection Service, Australian Security Intelligence Organization, Department of Defence, Department of Finance and Administration, Department of Foreign Affairs and Trade, Department of Immigration and Multicultural Affairs, Department of the Prime Minister and Cabinet, and Department of Transport and Regional Development.

1.40 The audit covered, by necessity, a wide range of activities within these agencies and involved extensive discussions and review of documents. Material on the planning processes and practices adopted by overseas agencies involved in major event security was gathered for comparative purposes during overseas fieldwork. The audit was conducted in conformance with ANAO Auditing Standards and cost \$415 000.

1.41 The following consultants were engaged to provide expert advice to the audit team: Mr Brian Boland PSM, Mr Christopher Conybeare AO, Mr Allan Gyngell, Mr Ian Thomas and Mr Alan Thompson. The Department of Immigration and Multicultural Affairs seconded one of their officers, Mr Bill McLaughlan, to the audit team for the fieldwork stage of the audit. The ANAO appreciates the significant contributions they made to the audit.

1.42 Audit fieldwork was conducted substantively in the period from August to November 1997. Audit matters were discussed with agencies throughout the audit. Discussion papers consolidating the findings from the audit were distributed to relevant Commonwealth agencies in December 1997 and discussed at a series of meetings commencing in mid January 1998. Agencies have already initiated action to implement many of the findings and recommendations from the audit. The proposed report of the audit was provided to relevant Commonwealth and State agencies in May 1998 and revised after considering their comments. When preparing the report of the audit the ANAO endeavoured to achieve an appropriate balance between public reporting to the Parliament and concerns about national security sensitivities.

Agencies' responses

1.43 Agencies responded positively to the proposed report and indicated that, since the audit fieldwork, there had been considerable progress in addressing issues raised in the report. PM&C commented that "the report provides valuable background and information on the Commonwealth's security responsibilities for the Games". ASIO responded that "there is no doubt that this audit has been timely and has contributed in a substantive way to our preparations in respect of the security management of the Sydney 2000 Olympic and Paralympic Games". DIMA commented that "overall the audit appears to have been a very successful and useful exercise". The AFP noted that "implementation of the recommendations will help to ensure a safe and secure Olympic Games". DFAT found the report "to be very useful and of high quality".

1.44 The Attorney-General's Department commented that "the audit resulted in a comprehensive analysis of the Commonwealth's security planning arrangements for the Games and that it had assisted security planning to a considerable extent". The Department expressed concern about aspects of the report from a security sensitivity perspective, and a number of amendments were made to the report in response to that concern. These amendments did not affect the basic integrity of the report or any of the report's recommendations.

1.45 The report summarises findings from the fieldwork phase of the audit and outlines action taken by agencies to address the issues identified by the ANAO. In some cases action was still outstanding and the report contains 22 recommendations directed towards resolution of these matters. Agencies agreed, or agreed with qualification, to all recommendations.

2. Commonwealth Security Planning and Coordination

This chapter details the Commonwealth's broad Olympic security responsibilities as well as a number of issues affecting the coordination and planning of the Commonwealth security effort. It highlights the need for stronger agency coordination, the development of a Memorandum of Understanding, agreement on cost-sharing arrangements and improved Commonwealth strategic planning.

Introduction

2.1 To achieve the security mission, the security risk to the Games will need to be properly managed. At the strategic level, it will be necessary to ensure the safety of those people attending the Games and the public at large. It will also be necessary to reduce to a reasonable and prudent level the risk of security incidents disrupting the Games in ways that might prevent Australia from capitalising on the opportunities which would otherwise result from staging the Games.

2.2 While the Olympic security mission statement uses concepts such as 'safe environment', the concept of security, in practice, largely takes its shape from particular circumstances - there is no absolute concept or standard of appropriate security for the Games. The principal factors influencing the shaping of the security concept for the Games are:

- Government obligations and responsibilities for, and interests in, Games security;
- the security obligations of Games organisers;
- risk assessments based on an analysis of the level of threat, the likelihood of the threat eventuating and the consequential harm or cost;
- lessons and experience gained from the conduct of previous modern Olympic Games;
- the shape and quality of existing Australian security arrangements and capabilities; and
- the application of cost-effectiveness principles.

2.3 A major factor influencing the security of the Games is an appreciation of the nature and level of threat. However, in assessing the threat environment years before the Games it is not possible to predict specific threats with confidence. The strategic planning process relies on judgments based on the experience of previous Olympics and on

extrapolations from the nature and levels of the contemporary and anticipated threat environments as assessed by ASIO. The principal sources of threat being addressed in the Games planning are described in Appendix 1.

2.4 Olympic experience indicates that international attention focuses on the host city and the country rather than just on the host State. Consequently, the Commonwealth has a clear national interest in the success of the Games and a high degree of ownership of many of the security arrangements.

2.5 NSW authorities have a primary security interest in matters associated with the Games themselves; the events, venues, transport, accommodation and infrastructure. The Commonwealth, by virtue of its national and international responsibilities, must maintain a broader view, looking beyond the events to a range of related matters, such as border management and the security of certain members of the Olympic Family and VIPs elsewhere in Australia. These Commonwealth responsibilities are complementary to the aims of the NSW Government. Ongoing communication and sound coordination between both Governments is necessary in order to optimise the use of resources and to ensure effective security arrangements.

2.6 In addition, the Commonwealth must continue to provide its usual range of security related functions, albeit at an increased level, in support of NSW. These include coordination of dignitary protection, the provision of intelligence, counter-terrorism planning and coordination, aviation security, border control (customs, immigration and quarantine) and protective security, as well as the law enforcement responsibilities of the AFP. The central agencies with responsibility for these functions are the PSCC, ASIO, DTRD, ACS, DIMA and AFP. These functions are described in Appendix 2.

2.7 The Australian Defence Force (ADF) is likely to have a significant role in regard to the 2000 Olympics. Some of its activities clearly have a strong nexus with security, particularly its counter-terrorist role under the National Anti-Terrorist Plan (NATP). Other aspects of its involvement had not been clearly defined at the time of the audit. In September 1997 SOCOG provided a list to PM&C requesting assistance from Commonwealth agencies specifying any cost recovery implications. Under the heading of security-related functions a total of 77 items were listed, of which 59 items related to ADF support. These included such matters as communication, logistics, transport, training, aviation, marine facilities, medical and clearance diving. Although the request for support covered an extensive range of ADF capabilities it did not contain specific details on the extent of

the support being sought. As a consequence the Commonwealth response to SOCOG indicated that further information would be required before a definitive response could be provided. In view of the audit's focus on the central coordination and planning agencies and given the uncertainty of the extent of the ADF's involvement in the Games, this report does not examine the Defence role in detail. It is understood that more detailed information on possible NSW requirements for assistance on security is being prepared.

2.8 The ANAO examined a range of issues relating to the planning and coordination of security related matters involving Commonwealth agencies, including their interaction with NSW agencies.

Memorandum of Understanding

2.9 A range of matters will need to be agreed between NSW and the Commonwealth, and possibly other States and Territories, to meet special security and other requirements associated with the Games. As a first step, there should be clear agreement on the respective roles and responsibilities of relevant State and Commonwealth agencies contained in a Memorandum of Understanding (MOU) between the two Governments and SOCOG.

2.10 The ANAO found that the need for an MOU was recognised early in 1996 and drafts have been prepared by both the NSW and Commonwealth agencies during the past two years. The Commonwealth-NSW High Level Officials Group agreed at a meeting in June 1997 that there be two 'umbrella' MOUs, one covering agreements that will be legally binding (because they are commercial in nature, eg. Australian Government Analytical Laboratories for drug testing; AQIS for importation of equestrian horses), and one covering agreements that are not legally binding (those under whose provisions services are provided free of charge or are not wholly commercial). Agencies will attach 'schedules' to the appropriate umbrella MOU with details of the agreement relating to provision of a specific service.

2.11 Despite attempts to develop appropriate MOUs, agreement had not been reached on the contents of 'umbrella' Memoranda at the end of March 1998. A document had been prepared for signature in November 1997 but, as there was still not full consensus between the parties, it was not signed at that time. SOCOG has developed a 'partnership' proposal which may override or replace the MOU. At the time of audit the Commonwealth was considering its response to the proposal. PM&C now expect that one umbrella MOU will cover all individual agreements.

2.12 Although some planning is continuing at the operational level, delays in the finalisation of a formal MOU and supplementary agreements with individual agencies may have influenced the ability of Commonwealth agencies to plan effectively. An MOU would assist agencies by providing a clear understanding of the respective roles and responsibilities of relevant State and Commonwealth agencies, guide decision-making and ensure that overall security coordination responsibilities in all jurisdictions are clear and working effectively.

2.13 The Ministerial Sub-committee on Security for the Sydney 2000 Games agreed at its December 1997 meeting that it was important for the Commonwealth to continue to press NSW on the need for an umbrella MOU under which agencies could negotiate operational agreements on the provision of security services that protect the Commonwealth's interests. The ANAO considers that the Department of the Prime Minister and Cabinet, which is responsible for negotiations on inter-governmental issues, should attach a high priority to finalisation of negotiations on an umbrella MOU. Recent advice from PM&C is that a draft MOU on non-security issues is with the NSW Government for consideration and that the need for a security MOU has been flagged.

Cost-sharing arrangements

2.14 The issue of costing arrangements is closely linked to the MOU. It is expected that the MOU would provide the cover for a series of attachments on particular services. The MOU would provide a policy framework for detailed devolved negotiations on cost-sharing arrangements.

2.15 There are existing agreed arrangements among the Commonwealth and the States/Territories for absorbing the costs incurred in the provision of many security and security intelligence services. For example, the Commonwealth meets the costs incurred by ASIO in providing threat assessments as well as providing liaison officers and guarding in respect of Internationally Protected Persons (IPP), whereas each State absorbs the costs of the police protection it provides to IPPs while they are in that State's jurisdiction.

2.16 Given the scale of the Sydney 2000 Olympics and the range of security activities that will be required to underpin its staging, some re-examination of these arrangements is warranted. Invitations to visiting heads of government, for example, will not generally issue from the Commonwealth Government - the usual source of such invitations - but from a variety of sources. Consistent with arrangements with organisers of other large events, it needs to be determined whether special agreements

should be made concerning the costs borne by Commonwealth and State agencies.

2.17 The Commonwealth has developed financial guidelines and specific funding arrangements relating to the involvement of Commonwealth agencies in the Olympics. An outline of the funding arrangements and details of the Commonwealth's financial guidelines can be found at Appendix 3.

2.18 There is no evidence that costings relating to Commonwealth involvement in security aspects were sought by NSW prior to the Games bid. SOCOG has accepted that there will be specific costs arising from the Olympics over and above normal Commonwealth responsibilities but considers there is a question of where those costs should be borne. SOCOG believes the Commonwealth should not be seeking to profit from the Games and that the costs to be paid by SOCOG should be the marginal cost attributable specifically to the Olympic Games and it should not be required to pay full costs. Also where a cost is only minimal the service should be provided free of charge.

2.19 The lack of agreement on costing arrangements is creating some doubt about the extent to which the NSW Police will call on Commonwealth security services. Consequently, the ability to plan, especially in respect of services that may require equipment purchases or training with long lead times, is being jeopardised.

2.20 At a meeting of the Commonwealth-NSW High Level Officials Group in June 1997 the Commonwealth was advised that, by July, NSW would have a clear list of functions it was seeking from the Commonwealth. However, the list of requirements for the security aspects was not provided until September 1997. In many instances the requirements were set out in broad terms and did not have sufficient detail to enable Commonwealth agencies to provide an accurate costing.

2.21 It appears likely that the issue of cost recovery for the provision of Commonwealth security services will continue to impede the ability of agencies to plan effectively. The ANAO considers it is essential that these issues be resolved at an early date because of the potential impact of further delays on equipment and training with long lead times. In its response to the proposed report, PM&C advised that it believed the underlying rationale for the Commonwealth's cost recovery policy was now accepted by the NSW Government and SOCOG. The areas of negotiation are the detail of the application of the policy and the quantum of funding to be provided by NSW in light of that policy.

2.22 Revised estimates of expenditure of Commonwealth agencies, covering extra costs associated with their participation in the Games, were included in the 1998-99 Budget. However, in view of the lack of clarity concerning many aspects of the security requirements for the Games, the estimates may need to be further revised as more detailed information becomes available. It is recognised that estimates are based on the best advice available at the time and are reviewed annually as requirements become clearer.

2.23 In January 1998 the Commissioner of the NSW Police advised the PSCC that, as Chairman of the OSWC, he would be required to provide the April 1998 meeting of the IOC with details of resources and associated costs for the Olympic security program. The Commissioner also indicated that the information would assist in the formulation of an MOU between the NSW Police Service and the Commonwealth. The PSCC wrote to the relevant Commonwealth agencies seeking estimates of costs for security resources for the period 1997-98 to 2000-2001. The Commissioner's letter acknowledged the difficulty of the task of preparing estimates.

2.24 Currently, there is no consolidated record of the total cost to the Commonwealth of its security effort in the lead up to and during the Games. The ANAO therefore developed an indicative estimate of these costs, which it found would exceed \$60 million. This did not include a component for Defence expenditure on Olympic security as requests for support from agencies had not been fully detailed at the date of the audit. A fuller understanding of these costs would facilitate discussions with NSW during cost-sharing negotiations.

2.25 In some cases the costs associated with the provision of security services will be absorbed as part of the Commonwealth's Constitutional responsibilities. In others it is expected that additional budgetary funding will be sought or that cost recovery will be required from the Games organisers. Some of the additional costs have been captured as part of the Budget's New Policy Proposal process, but this is unlikely to reflect the full costs due to the absorption of some security costs within existing budgets. It is likely that further New Policy Proposals will be submitted as full details of NSW requirements are clarified. Good management practice would suggest that the range of security services available and their associated costs should be estimated in order to identify the Commonwealth's contribution to the Games.

Recommendation No.1

2.26 The ANAO recommends that the Sydney 2000 Games Coordination Task Force, in conjunction with relevant agencies, identify the estimated

overall costs to the Commonwealth of Olympic related security activities to enhance accountability at the Commonwealth level.

Task Force Response

2.27 Agreed. Overall costs will be identified as comprehensively and accurately as practicable.

PSCC Response

2.28 Agreed.

ASIO Response

2.29 Agreed.

Strategic planning

2.30 The development of an Olympic Security Strategic Plan is an important step forward in security preparations. The PSCC advised OCA in December 1996 that it had been concerned for some time that there needed to be more positive guidance to assist the work groups in orienting their work towards a common end. It believed that the strategic plan would provide that guidance. Without a strategic plan in place and an accompanying resource assessment it is difficult for Commonwealth agencies to advance their own planning with any certainty. This is particularly so for the AFP and Defence.

2.31 The NSW Olympic Security Command Centre, in consultation with the Commonwealth, prepared a number of drafts during 1997. In commenting on these drafts, the general consensus among the Commonwealth agencies was that the plan was a reasonable document although it was somewhat late in the context of Olympic planning.

2.32 The ANAO was advised that the plan was endorsed by the OSWC at a meeting in November 1997, but at that meeting NSW representatives advised that the document would be revised before being presented to the NSW Government in December. At the end of January 1998 the Commonwealth Ministerial Sub-committee on Security for the Sydney 2000 Games had not endorsed the plan. The Sub-committee had sought to have the Commonwealth's interests more clearly identified in the plan.

2.33 Delays in the finalisation of the Olympic Security Strategic Plan and preferred security position have not undermined Games security in a fundamental sense. Nevertheless the delays have had an impact on the ability of agencies to establish clear roles and responsibilities, to determine resource requirements and to ensure that training and equipment needs are met in a timely fashion.

2.34 The focus of the Olympic Security Strategic Plan that has been prepared is on matters in and around the Olympic precinct but there are elements arising from the Games that will extend beyond Sydney and have important implications for the Commonwealth including:

- soccer matches in Canberra, Melbourne, Brisbane and Adelaide;
- athletes arriving in Australia prior to the Games and training at locations outside Sydney; and
- the occurrence of a number of international forums both before and during the Olympic period.

2.35 In addition to these matters, there will be heightened activity around embassies and consulates because of the increased number of visitors and foreign dignitaries during the Games period. At the same time there is likely to be an increased movement of Australian High Level Office Holders requiring protection. Although it is evident that the peak of activity will be in and around Sydney, these other activities will significantly increase the security risk in other areas. This has been recognised in the planning being undertaken by the Aviation Security Work Group and also by ASIO, PSCC, ACS and DIMA in their individual planning. The risk of increased criminal activity, including crime against the Commonwealth, has also been identified. Despite the extent of increased security activity on an Australia-wide basis in the period surrounding the Games a Commonwealth security strategic plan has not been developed.

2.36 At the time of audit fieldwork there was no consolidated document detailing the roles and responsibilities of Commonwealth agencies with respect to Olympic security, including timeframes for the completion of tasks, linkages between agencies and the decision-making framework. An action plan of this nature is needed in order to provide a structure for monitoring and reviewing the effectiveness of actions and, if necessary, to implement remedial action. The benefits of such a plan would be to:

- provide a systematic basis for addressing the assessed risks involved;
- achieve a full understanding and commitment by agencies of their roles;
- ensure all subsets of security planning, including the NSW Olympic Security Strategic Plan, are integrated thereby reducing significantly the risk of gaps appearing in the Commonwealth's security preparations;
- maintain and develop the linkages between the Commonwealth, NSW and other States; and
- allow the progress of Commonwealth agencies in their preparations to be monitored and for reports to be provided to the Ministerial Subcommittee on Security for the Sydney 2000 Games.

It is understood that preliminary steps have been taken to develop a document along these lines and that the Ministerial Sub-committee on Security was provided with a list of Commonwealth commitments in March 1998.

Recommendation No.2

2.37 The ANAO recommends that the Sydney 2000 Games Coordination Task Force, in conjunction with the PSCC, should coordinate the development of a consolidated plan covering Commonwealth preparations for the Olympics and incorporating the activities of all Commonwealth security agencies.

Task Force Response

2.38 Agreed. Work is underway to develop a Commonwealth security framework document which will integrate the activities of all Commonwealth security agencies and will link with the NSW Olympic Security Strategic Plan.

PSCC Response

2.39 Agreed. It is important, however, for all relevant agencies to participate in this process.

ASIO Response

2.40 Agreed.

Coordination and liaison arrangements

Olympic Security Working Committee

2.41 The Commonwealth is represented on the OSWC which reports through the Director-General of the Olympic Co-ordination Authority (OCA) to the Minister for the Olympics (who is also the President of SOCOG). In April 1997 the OCA proposed a reduction in the size of the OSWC to make it a smaller key executive decision-making group. The PSCC member became the sole Commonwealth member with representatives of the Department of the Prime Minister and Cabinet and ASIO attending as observers. Later in the year, an approach was made by NSW representatives to include Defence as a member of the OSWC. The Commonwealth decided that Defence would continue to be coopted as an observer to attend OSWC meetings, as necessary, in the same way as any Commonwealth agency.

2.42 During audit fieldwork, NSW officials expressed some concern that the Commonwealth representative was at a lower level than his NSW counterparts on the OSWC. The other representatives on the Committee are at deputy CEO level. They believed that the Commonwealth

representative was unable to commit the Commonwealth and that this was impacting on the effectiveness of the coordination with the Commonwealth. It is understood that similar views were expressed at high-level meetings with the Commonwealth.

2.43 With the formation of the Sydney 2000 Games Coordination Task Force the Commonwealth representative on the OSWC will be the head of the Task Force. The ANAO notes that the Commonwealth member is representing the interests of fifteen Commonwealth agencies and, in many instances, it is not able to commit these agencies to a course of action without detailed consultation. The Commonwealth member observed that agenda papers are often received just before meetings and consequently, it is not possible to obtain the views of the responsible Commonwealth agency prior to the meeting. The ANAO considers that the Commonwealth member should propose to the OSWC that a deadline for agenda papers be established, to allow sufficient time for consideration and consultation with relevant agencies. PM&C have advised that efforts have been made to improve the availability of OSWC papers and informal arrangements have been put in place to liaise with relevant Commonwealth agencies prior to OSWC meetings.

Sub-program work groups

2.44 As mentioned in Chapter 1 the OSWC divided the security program into thirteen sub-programs, each with a work group responsible for planning within their functional areas. Each work group is made up of representatives from the Police, State and Federal organisations as well as organisations such as the Local Government and Shires Association and Telstra.

2.45 Commonwealth agencies have a significant representation on the work groups. There are nine Commonwealth agencies represented on the work groups and most are on more than one. Commonwealth representation on the OSWC and the work groups is aimed at developing cooperative security planning arrangements. Additionally, the Commonwealth chairs the Aviation Security and Nuclear, Biological and Chemical (NBC) work groups.

2.46 The Commonwealth agencies participating in the work groups are:

- Department of Foreign Affairs and Trade - NBC, Personal Security and Intelligence;
- Department of Defence - Intelligence, Marine Security, NBC, Communications, Aviation Security and Personal Security;
- Attorney-General's Department - Training, Equipment, Accreditation, NBC, Aviation Security, Communications, and Personal Security;

- Australian Security Intelligence Organization - Intelligence, Training, NBC, Equipment, Accreditation, and Communications;
- Australian Federal Police - Intelligence, Communications, Equipment, Aviation Security and Personal Security;
- Department of Transport and Regional Development - Aviation Security and Personal Security;
- Australian Customs Service - Intelligence, Marine Security and Aviation Security; and
- Department of Immigration and Multicultural Affairs - Intelligence and Aviation Security.

Other agencies, such as the Federal Airports Corporation, Air Services Australia and the Australian Protective Service, are included on the Aviation Security Work Group. The Office of National Assessments and Emergency Management Australia are also represented on the NBC Work Group. The OSWC has also formed a Media Advisory Group. The Commonwealth is represented on this Group by the Attorney-General's Department.

2.47 The Sub-program work groups of the OSWC were established as advisory groups tasked to identify issues and make recommendations for the endorsement of the OSWC and approval of the Government and SOCOG. This role was reaffirmed in October 1996, when it was stated that the groups would have no role in operational planning and it would be inappropriate for members to enter into negotiations with Commonwealth agencies for the use of resources. Recently, however, there have been some changes to this approach.

2.48 Some of the work groups have been very effective but others have lacked momentum and there has been little cohesion between the groups. This may have been due, in part, to the lack of a strategic document to provide direction and also to changes in key NSW Police personnel responsible for directing the activities of the work groups. The terms of reference for the work groups were developed centrally but subsequently amended by the groups.

2.49 In an effort to improve the output of the work groups the Olympic Security Command Centre has taken the initiative of rewriting the aims and objectives of the work groups. The focus of the work groups has also been changed from advisory to operational planning with a more action and outcome oriented role. As a result the Commonwealth has been asked to review the representatives from their organisations to ensure they are the most appropriate personnel. The PSCC considered the review of membership to be a timely exercise in that it provided an opportunity to consider the appropriateness of the Commonwealth representation. The

PSCC advised that the work groups had been reinvigorated as a result of the recent refocusing.

2.50 The focus of the activities of the work groups has been centered on Sydney and the Games. The Aviation Security Work Group and the Intelligence Work Group differ from the others in that they have taken a national approach to aviation security and intelligence. The work of the Aviation Security Work Group recognises the impact of the Games across all Australian airports of entry and exit.

2.51 The formation of the work groups containing representation from State and Commonwealth agencies with appropriate expertise and experience in the subject areas is viewed as an important feature of the planning process for the Games. Commonwealth representation on the work groups provides an avenue for the Commonwealth to participate in the detail of planning for the Games. It is also seen as providing an important channel of communication to enable the Commonwealth to be kept informed of developments in respect of most aspects of Olympic security. Although the Commonwealth has made a significant investment in the work groups and some have been effective in key areas of Olympic security planning, in other instances the work groups have not achieved the intended results.

2.52 The PSCC has voiced its concerns at SIDC-PAV Sub-committee meetings at the lack of feedback from and communication among work groups. There is a need for effective communications to ensure consistency in the Commonwealth's approach to Olympic planning. There is also a need for representatives to ensure that the central coordinating agencies are informed of issues as they arise. SIDC-PAV Sub-committee meetings provide an opportunity for agencies to report on issues and progress, but the minutes of meetings indicate that this is occurring only to a limited extent.

2.53 At the time of audit only two meetings of Commonwealth work group representatives had been organised by the PSCC and the first of these was not well attended. The second was held in January 1998. At this meeting participants were provided with a comprehensive briefing on roles, responsibilities and developments in relation to each of the areas of Commonwealth interest. Earlier and more frequent briefings of this nature would have assisted in providing a better focus for Commonwealth work group members and enabled the PSCC to be fully informed of work group activities.

2.54 The ANAO considers that there would be benefit in the Sydney 2000 Games Coordination Task Force developing a more formal process to ensure regular written reports from Commonwealth members on progress

of work group security issues of interest to the Commonwealth. These reports could then form the basis of regular reports to the Ministerial Sub-committee on Security for the Sydney 2000 Games as part of an effective monitoring and review framework.

Recommendation No.3

2.55 The ANAO recommends that the Sydney 2000 Games Coordination Task Force introduce a formal reporting process to obtain regular reports from relevant Commonwealth agencies on the status of Commonwealth activities associated with security preparations for the Games.

Task Force Response

2.56 Agreed. The progress reports currently provided on non-security issues will be supplemented to cover security issues. The Commonwealth security framework document will provide a mechanism for formal reporting.

PSCC Response

2.57 Agreed.

ASIO Response

2.58 Agreed.

Interdepartmental coordination

2.59 The PSCC was assigned responsibility to form an Olympic Security Coordination Unit to be the focal point for the coordination of the Commonwealth's security interests in the Olympic Games. In 1997 the PSCC established the Unit headed, at the time, by a Senior Officer Grade □B. The PSCC was unsuccessful in obtaining additional resources and the Unit was only partially staffed from within existing resources. The principal functions of the Unit included:

- establishing effective liaison with NSW authorities and Commonwealth agencies responsible for Olympic security;
- coordinating Commonwealth input to Olympic security planning; and
- providing expert advice through the secretariat (PM&C) to the Ministerial Sub-committee on Security for the Sydney 2000 Games.

2.60 The Olympic Security Coordination Unit was given responsibility to be the focal point for the coordination of the Commonwealth's security interests in the Games. In fulfilling this role the Unit worked closely with NSW agencies in developing the Strategic Plan for Olympic Security. It coordinated Olympic security within the Commonwealth through the SIDC-PAV Sub-committee on Olympic Security. The Sub-committee met

regularly and out of session it provided a network for dissemination of information and for action on relevant issues. In addition, the Unit organised two meetings of Commonwealth representatives on the OSWC work groups.

2.61 The Unit has produced four bulletins concerning developments relating to Olympic security planning. The last of these bulletins was produced in December 1997. Through its involvement with the SAC-PAV, the PSCC has been assisting in the coordination of training and equipment to enable NSW to prepare for the Games. Detailed briefings have been prepared for the Attorney-General, the Minister for Justice and the Ministerial Sub-committee on Security. The PSCC has been responsible for a number of actions and initiatives relating to preparations for the Games. These have included ensuring that sufficient armoured vehicles will be available for dignitary protection during the Games and fostering NBC security discussions. It has also taken a leading role in arrangements with the United States for the provision of bomb detection dogs and the training of handlers. A review of the policy relating to the carriage of firearms on aircraft has also been undertaken.

2.62 Although the PSCC was intended to be the focal point for coordinating the Commonwealth's security interests in the Games, through the Olympic Security Coordination Unit, its role in this respect has been largely to disseminate information rather than taking the lead in developing coordinated strategies and plans to guide Commonwealth agencies in their dealings with NSW agencies. Its major coordination role has been to organise monthly meetings of the SIDC-PAV Sub-committee on Olympic Security and to coordinate responses to requests from NSW agencies. At the time of the audit fieldwork there was no consolidated statement of activities being undertaken by Commonwealth security agencies in preparation for the Olympics. Similarly, there was no timeframe for completing different stages of these preparations or a formal mechanism to ensure regular progress reporting against these timeframes. The PSCC commented that a statement of Commonwealth activities would be difficult to prepare until NSW provided a consolidated menu of requirements and the MOU was settled. Subsequently, in March 1998, the Ministerial Sub-committee on Security was provided with a list of all nine commitments undertaken by the Commonwealth to support the Games.

2.63 The decision leading to the establishment of the Olympic Security Coordination Unit noted that staff for the Unit might be seconded from a number of Commonwealth agencies with security responsibilities. The PSCC advised that agencies were reluctant to provide resources and, rather than adopting this option, it has encouraged agencies to enter into bilateral

discussions with SOCOG and the NSW Police. Commonwealth agencies such as ASIO, ACS and AFP have nominated liaison officers in Sydney who deal directly with NSW agencies. Although other agencies have had representatives in Sydney for some time to work with NSW agencies on Olympic issues, the PSCC had not located any staff in Sydney until April 1998.

2.64 Where agencies have entered into bilateral discussions, the ANAO has reservations about the ability of the PSCC to ensure it was being fully informed of developments affecting the Commonwealth's involvement. The PSCC, ASIO and AFP observed that their liaison arrangements were well developed and PSCC was kept abreast of developments. However, the PSCC acknowledged that, in some instances, the relationship was not as close as desired and it was possible that some agencies did not always recognise the security implications of certain issues with which they were involved. The ANAO considers this reinforces the need for more formalised reporting arrangements.

2.65 At the time of audit fieldwork the PSCC did not report directly to the Ministerial Sub-committee on Security for the Sydney 2000 Games but reported either through the Attorney-General or the Sub-committee secretariat in PM&C. The ANAO noted that it would be desirable for the unit responsible for coordinating Commonwealth security interests to be directly responsible to the Sub-committee. However, since February 1998, the Task Force has assumed responsibility for coordinating Commonwealth Olympic security interests.

2.66 It was considered there was a need for Commonwealth Olympic interests to be brought together in a central unit with the resources necessary to facilitate the early resolution of key policy and planning decisions and to monitor the subsequent implementation of plans through to finality. The ANAO considered it to be preferable for this unit to include representatives (either on a full or part time basis) from the major agencies involved in the Olympic preparations who would serve as a conduit between the agencies, the Ministerial committees and relevant NSW bodies. It is not proposed that these representatives should assume responsibility for the functions of their agencies but their role would be to provide this unit with a degree of expertise and to ensure effective communications and the early resolution of outstanding issues.

2.67 As outlined earlier the Sydney 2000 Games Coordination Task Force was established within PM&C in February 1998 and the Task Force reports directly to the Ministerial Sub-committee on Security. The concept of a task force headed by a senior officer is consistent with the opinion formed by

the ANAO during the audit fieldwork. The roles and responsibilities of the Task Force are outlined in Appendix 4.

2.68 In respect of security matters the Task Force will need to establish a very close working relationship with the PSCC. In view of the Attorney-General's responsibilities for national security matters and the ongoing coordination role of the PSCC covering a wide range of existing security functions the PSCC will still have a central role in preparations for the Olympics. This is especially the case through its secretariat functions for the SAC-PAV (including dignitary protection) and the SIDC-PAV. PSCC will continue to need appropriate resourcing.

Interdepartmental committees

2.69 In November 1996 it was decided that the AFP should take responsibility for coordinating work by Commonwealth agencies in combating crime against the Commonwealth in the context of the Games. The AFP chairs a committee titled Special Inter-Departmental Committee for the Prevention of Olympic Crime (SIDC-POC) which now reports to the Ministerial Sub-committee on Security through the Task Force. As outlined earlier, there are two Commonwealth interdepartmental committees that have a close involvement in security issues arising from the Olympic Games. Comments on the role of these committees are discussed below.

2.70 The Special Inter-Departmental Committee on Protection Against Violence (SIDC-PAV) is an existing committee of Commonwealth officials representing agencies involved with security matters and the SAC-PAV. The Committee is chaired by the PSCC, which also provides the secretariat. The SIDC-PAV has established an Olympic Sub-committee to deal specifically with Olympic issues. This Sub-committee contains representatives from most agencies likely to be involved in Olympic security matters. At the time of audit fieldwork the Sub-committee had largely served as a forum for disseminating information and discussing mutual problems. Although the Sub-committee has played a part in progressing some policy and operational issues, it has not had a significant role in developing policies or consolidated strategies and plans for the Games. This Sub-committee has been replaced by the Olympic Security Reference Group established by the Task Force.

2.71 A meeting of the Commonwealth High Level Reference Group in November 1996 recommended that the AFP should report to the Ministerial Sub-committee on Security for the Sydney 2000 Games on advice on activities to combat Games related crime, through the Secretaries

Committee on National Security. A paper for consideration by the High Level Reference Group contained the following comment:

Given that criminal activities surrounding the Games raises issues that are in some ways qualitatively different to those involved in security, officials might recommend to Ministers that the AFP take responsibility for coordinating work by Commonwealth agencies in combating crime against the Commonwealth in the context of the Games and report on its initial activities by the end of 1997.

2.72 As a result of this recommendation a Special Inter-Departmental Committee for the Prevention of Olympic Crime (SIDC-POC) was formed with the AFP as chair. The membership of the Committee comprises representatives from various agencies, including:

- Australian Customs Service (ACS);
- Australian Taxation Office (ATO);
- Telstra;
- Health Insurance Commission (HIC); and
- National Crime Authority (NCA).

2.73 SIDC-POC meets at two-monthly intervals and has formed five work groups to look at different aspects of potential criminal activity of particular concern to the Commonwealth. The work groups are:

- drugs - chaired by the AFP;
- counterfeit currency, credit card fraud, cash economy and money laundering - chaired by the ATO;
- communications - chaired by Telstra;
- fraud against the Commonwealth (benefit programs) - chaired by the HIC; and
- illegal entry/exit and intellectual property - chaired by ACS.

2.74 The SIDC-POC provided a report to the Ministerial Sub-committee on Security for the Sydney 2000 Games in June 1997. The Sub-committee noted the report and agreed that SIDC-POC would provide further detailed information on the costs of implementation, timetables and decisions that will be required in time for consideration in the context of the 1998-99 Budget round of the Expenditure Review Committee meetings. A further report was provided in December 1997.

2.75 During the audit fieldwork there was no indication that the SIDC-POC had established coordination links with the NSW Police. The AFP advised that the work of the Committee was still focused on strategic issues and that coordination with the NSW Police would be considered when

their focus moved to operational matters. Responses to the proposed report indicated that more structured liaison arrangements have been put in place including the attendance of an OSCC member at future meetings.

2.76 Although the PSCC was the focal point for the coordination of the Commonwealth's security interests in the Games, the PSCC was not represented on the SIDC-POC. This appears to be an anomaly given that the definition of security for the Olympic Games and the role of the OSWC extends to law enforcement and criminal matters. The existence of two bodies with overlapping responsibilities for Commonwealth Olympic security planning could result in a lack of coordination of Commonwealth activities associated with the Games and could cause confusion with agencies from other governments. The appropriateness of these arrangements should be reconsidered following the formation of the Task Force. The AFP advised that PM&C had always been represented on SIDC-POC and that current membership comprises representatives from all Commonwealth agencies responsible for the prevention of Olympic related crime against the Commonwealth.

Recommendation No.4

2.77 The ANAO recommends that the Sydney 2000 Games Coordination Task Force examine the membership and reporting arrangements for the SIDC-POC to ensure that criminal aspects are fully integrated into the overall Commonwealth security preparations for the Games.

Task Force Response

2.78 Agreed. Discussions on the role and reporting arrangements for the SIDC-POC have commenced, including the sharing of information with the OSCC.

PSCC Response

2.79 Agreed.

3. Intelligence Planning and Threat Assessment

This chapter discusses the roles of Commonwealth intelligence agencies, intelligence collection and analysis processes, risk assessment methodology and resourcing issues associated with the Games. It also discusses the Commonwealth's role in the management of criminal intelligence during the Olympics and highlights the need for cooperation between the criminal and security intelligence areas.

Introduction

3.1 Intelligence, in its simplest definition, is reliable information from which it is possible to draw judgments which can shape future action. The 1979 Hope Protective Security Review emphasised that intelligence is the first line of defence against terrorism. Intelligence will be the primary tool available to Olympic security authorities to prevent incidents occurring and for their management if deterrence fails. It will be the foundation on which threat assessments are made for specific teams, venues and VIPs. Those threat assessments, in turn, will provide the basis on which daily, sometimes hourly, decisions are made about the allocation of security resources to individual tasks and venues.

3.2 Given the size and international nature of the Olympic Games and the opportunity it provides to promote a cause, there exists the potential for a security threat to it. Such a threat could come from sources inside Australia, or from sources outside Australia with no particular link to, or interest in, Australia, or as a result of cooperation between internal and external groups. The motivation for such actions could be political, criminal or a combination of both.

3.3 Australia has a major interest in the Games taking place without incident. International judgments as to the success or failure of the Games will depend substantially on the capacity of the Australian authorities to ensure the safety of athletes, VIPs and spectators. Accurate and timely intelligence will be critical to our national capacity to ensure the security of the Games.

3.4 The Commonwealth Government has the sole responsibility for collecting, collating, assessing and disseminating national security intelligence, and it has an important, although not unique, role in criminal intelligence. Security intelligence is one area where the Commonwealth will be held accountable in relation to Games security. If a serious security

incident takes place, Commonwealth-provided tactical and strategic intelligence will be vital in providing support for counter-terrorist actions in accordance with the existing National Anti-Terrorist Plan.

3.5 The number and variety of possible targets, the range of political interests engaged, the scale of operations and the number of VIP visitors all make the Olympics an enormous intelligence task. Not only will Commonwealth and State authorities need more intelligence to meet these Olympic requirements, they will need more intelligence about areas which are well outside the usual focus of Australia's national priorities.

3.6 At the time of audit fieldwork the Commonwealth was still developing its intelligence structures for the Olympic Games and making decisions on resource allocation. In a number of areas, the conduct of this performance audit, which was commenced relatively early in the planning process, has had a role in shaping these activities.

Role of Commonwealth intelligence agencies

3.7 Several Commonwealth agencies will be responsible for supporting the national intelligence process for the Olympic Games by collecting and assessing intelligence. This process can be divided into two key divisions: security intelligence collection and assessment within Australia, and foreign intelligence collection and assessment. Security intelligence collection and assessment is the responsibility of the Australian Security Intelligence Organization (ASIO) with assistance on a needs / incidental basis from other agencies such as the Australian Federal Police (AFP) and the State and Territory police services.

3.8 The agencies principally responsible for foreign intelligence collection and assessment are the Australian Secret Intelligence Service (ASIS), the Defence Signals Directorate (DSD), Defence Intelligence Organisation (DIO) and the Office of National Assessments (ONA). In addition, the Department of Foreign Affairs and Trade (DFAT) provides diplomatic reporting and ASIO collects foreign intelligence at the request of the Minister for Foreign Affairs or the Minister for Defence under an Attorney-General's warrant and incidental to the duties of its officers posted overseas. Foreign intelligence provided by these and other agencies, together with the much larger volume of publicly-available 'open source' material, is then collated, analysed and assessed by ONA, DIO and DFAT.

3.9 The informal meeting of heads of intelligence agencies brings together the heads of ASIO, ONA, ASIS, DIO, DSD and a senior DFAT officer. Closer to the working level, an informal liaison group has been established involving the Director of the PSCC, the Deputy Director-General

of ASIO and the head of the Defence, Intelligence and Security Branch in PM&C. These informal groups serve a useful, although complementary, liaison role within the intelligence community.

3.10 As outlined earlier in this report the NSW Olympic Security Working Committee has established a number of work groups, including the Intelligence Work Group, in order to coordinate policy and planning for the Games. Commonwealth representation on this work group includes ASIO, DFAT, Department of Defence, AFP, Australian Customs Service and Department of Immigration and Multicultural Affairs.

3.11 The intelligence collection and assessment priorities of agencies are considered by the National Security Committee of Cabinet and include requirements related to the Olympic Games. Routine collection priorities are coordinated by ONA to ensure that intelligence is being collected in the most cost-effective manner.

3.12 As the Games get closer, tensions will arise between the demands imposed on the intelligence agencies by the Olympics and the continuing requirements for traditional national security intelligence to support Australia's foreign and defence interests. Intelligence agencies indicated their awareness of the need to get this balance right and that the existing priority-setting arrangements for the Australian intelligence community are well established and tested.

3.13 ASIO is the Commonwealth agency principally responsible for collecting and analysing national security information for the Olympics, for making assessments of security threats to the Games arising from that information and for providing advice on security intelligence matters. ASIO's Olympic responsibilities derive from its powers under the *Australian Security Intelligence Organization Act 1979*. Section 17 of this Act defines ASIO's functions and responsibilities for ensuring the protection of Australia and its people from espionage, politically-motivated violence, promotion of communal violence, sabotage, attacks on Australia's defence systems and other acts of foreign interference in our national life. ASIO's significant role in border management intelligence is dealt with in the following chapter.

3.14 ASIO has sole responsibility for national threat assessments in the field of terrorism and politically-motivated violence. In addition to its ability to collect and assess national security intelligence in Australia, ASIO has strong assessment capabilities in areas like Middle East terrorism and can gather information through liaison with its overseas counterparts. Although ASIO draws on the raw intelligence and assessments of the other Australian intelligence agencies, it alone will be responsible for the

production of the security intelligence advice for the Olympic authorities, and for liaison with the States on security intelligence matters.

3.15 Post event reviews of the intelligence security arrangements for the Atlanta Olympics have underlined the importance of having one agency responsible for the security intelligence threat assessment process. As the Olympic intelligence structures are still being developed, the ANAO considers that ASIO's responsibilities in this regard should be formally reinforced in the Australian context. ASIO should seek endorsement of its prime role in coordinating and undertaking security threat assessments for the Olympic Games from the Ministerial Sub-committee on Security for the Sydney 2000 Games.

Intelligence structures for the Olympic Games

3.16 Two separate but overlapping organisational structures exist at present to manage the Commonwealth's intelligence responsibilities for the Olympics. The first is the existing set of intelligence structures, as described above, which provide a policy coordination framework for the Commonwealth's security involvement in the Games. The second, which at the time of audit was only in the planning stages, is the operational security intelligence structure which will produce and disseminate security intelligence relating to the Games, to those responsible for Olympic security.

3.17 As the Games get closer, the policy-focused structure will become less important than the operational structure designed to support Olympic security. This section of the report examines how the Commonwealth will collect, collate, assess and disseminate intelligence during the Games and how the Commonwealth's structures link in with those of the Olympic security authorities.

3.18 The structures for the Games mirror, as far as possible, existing administrative arrangements for coordinating threat assessments and activities relating to terrorism. This approach was adopted for several reasons, including that it avoids the uncertainty involved in implementing new systems, minimises the risk of duplicating systems and minimises the extent to which agencies are distracted from their existing functions.

3.19 The intelligence challenge provided by the Olympic Games is different in scale from anything Australia has known before and will impose particular demands on the intelligence dissemination process. Existing intelligence mechanisms will have to link into new intelligence structures designed specifically for the Games. Agencies will need to ensure that these systems can cope with the peak work flows that will occur during the Games and that both new and existing systems interface smoothly in the dissemination of intelligence and are well tested prior to the Games.

3.20 In order to develop a comprehensive strategic intelligence database ASIO will draw on its own resources, those of other Australian agencies and overseas liaison relationships. This, together with its intelligence about the situation in Australia, will enable ASIO to prepare the threat assessments for individual Olympic teams, athletes, officials and foreign dignitaries.

3.21 The NSW Police Service's Olympic Security Command Centre (OSCC) is responsible for operational security arrangements for the Games. At the time of audit intelligence issues were handled within the OSCC by the Olympic Intelligence Centre (OIC). The OIC will be the heart of the security intelligence arrangements for the Olympic Games. It is the place where, for the first time, judgements about the security and criminal risk elements for the Games will be brought together.

3.22 ASIO will set up the Federal Olympic Security Intelligence Centre (FOSIC) to bring together and assess information relating to national security threats to the Olympic Games. The FOSIC will be responsible for:

- coordinating the national security intelligence contribution to the Games;
- providing national strategic and operational security threat assessments to the Sydney-based Olympic Intelligence Centre, other State and Territory police services, and Commonwealth/State authorities as appropriate;
- providing national security policy advice to Commonwealth and State authorities as appropriate;
- coordinating liaison with overseas security and intelligence agencies; and
- coordinating and providing a repository for all-source information relevant to Olympic security intelligence.

3.23 In the event of a major terrorist or other security incident at the Games the National Anti-Terrorist Plan will be implemented and the FOSIC will also provide intelligence support to the National Intelligence Group (which is part of the structure of the NATP). If the NATP is activated during the Games, the structures associated with that plan will be established in parallel to the Olympic structure for the duration of the incident. This area is dealt with in more detail in the chapter on national crisis management arrangements.

3.24 Overseas experience has shown that the guiding principle governing the structure of intelligence operations should be the establishment of unambiguous lines of responsibility and a commitment to limiting as far as possible the number of stages through which intelligence has to pass before it reaches, in assessed form, the operational areas requiring the intelligence.

3.25 The ANAO considers that the operational Games intelligence structure should facilitate requests for threat assessments to the FOSIC and assist the timely flow of intelligence. The organisational intelligence structure should therefore have a minimum number of steps involved in the delivery of the intelligence product.

Criminal intelligence

3.26 This chapter is principally concerned with national security intelligence, although the distinction between criminal intelligence and security intelligence is in some ways artificial. A close connection may well exist between the two, as the past use of drugs to finance international terrorist groups has shown. The Commonwealth has an important role to play in the collation, assessment and coordination of criminal intelligence. In particular, the Australian Federal Police will provide strategic level intelligence on the evolving national and international criminal environments as they relate to the Olympics as well as tactical criminal intelligence from its operations and liaison with overseas partners.

3.27 The Australian Bureau of Criminal Intelligence (ABCI) has the designated role of coordinating the preparation of strategic criminal intelligence assessments in the run up to and during the Games. To perform this function it will use its Australian Criminal Intelligence Database (ACID) facilitated by the Australian Law Enforcement Intelligence Net (ALEIN). The ACID database contains information supplied by State and Territory police forces that are signatories to the ABCI enabling agreement, including the AFP, as well as some other Commonwealth agencies such as the Australian Customs Service and the Department of Immigration and Multicultural Affairs. ABCI will perform a parallel function to the FOSIC by collecting information relating to criminal threats to the Games. The FOSIC and the ABCI will, however, separately provide intelligence to the OIC in Sydney. The intelligence will be transmitted between the ABCI and the FOSIC in Canberra and the OIC in Sydney via a secure link.

3.28 Current proposals involve a geographical division between the Canberra-based intelligence assessment functions (FOSIC, ABCI) and the Sydney-based executive and assessment functions (OIC). The two streams of intelligence assessment, national security and criminal, will flow separately into the OIC and will finally be merged there, rather than by the experienced analysts who were responsible for compiling the intelligence. For a variety of practical and financial reasons it would not be possible to relocate the Commonwealth's intelligence collection and analysis functions to Sydney, but the ANAO considers that more attention needs to be given to the number and level of Commonwealth analysts present in the OIC in Sydney and to the information flow between the two

cities. It makes the effectiveness of both secure and open communications systems especially important.

3.29 It is true that much criminal intelligence (for example on credit card fraud) will not have a national security dimension, but overseas experience suggests that this is not always the case. Action is needed to explore the potential synergy's between the two areas of intelligence, including through an active program of exchanges and training, in order to maximise the effectiveness of the product.

3.30 The ANAO considers that more work needs to be done to integrate the criminal and national security threat assessment functions and to maximise the opportunities for analytical interaction and coordination at the Commonwealth level. It is also worth examining the possibility of collocating the ABCI's small 24 hour Olympic Games criminal intelligence operation with that of the FOSIC.

Recommendation No.5

3.31 The ANAO recommends that ASIO undertake discussions with ABCI aimed at:

- (a) examining links between the criminal and national security threat assessment functions with a view to maximising the opportunities for interaction between analysts; and
- (b) examining the prospect of collocating the FOSIC and the ABCI's Games criminal intelligence centre.

ASIO Response

3.32 Agreed. ASIO has had preliminary discussions with ABCI through the auspices of the Intelligence Work Group on this.

ABCI Response

3.33 Agreed. ABCI agreed with the thrust of the recommendation. However, it considered that the collocation of the Games criminal intelligence centre with the FOSIC would remove them from their support documentation and amount to further cost.

Assessment methodology

3.34 ASIO is responsible under its Act for the assessment of intelligence on Australian security. ASIO's capacity to help protect Australia from threats to national security depends upon its effectiveness in delivering assessed intelligence in a timely and relevant form to the security decision makers and the executive agencies such as the police. ASIO disseminates its intelligence in the form of ASIO reports and threat assessments. The

first is a way of transmitting information to policy makers either on request or at ASIO's initiative. The second is a more formal process of risk assessment for the security authorities whose job is to manage such risk.

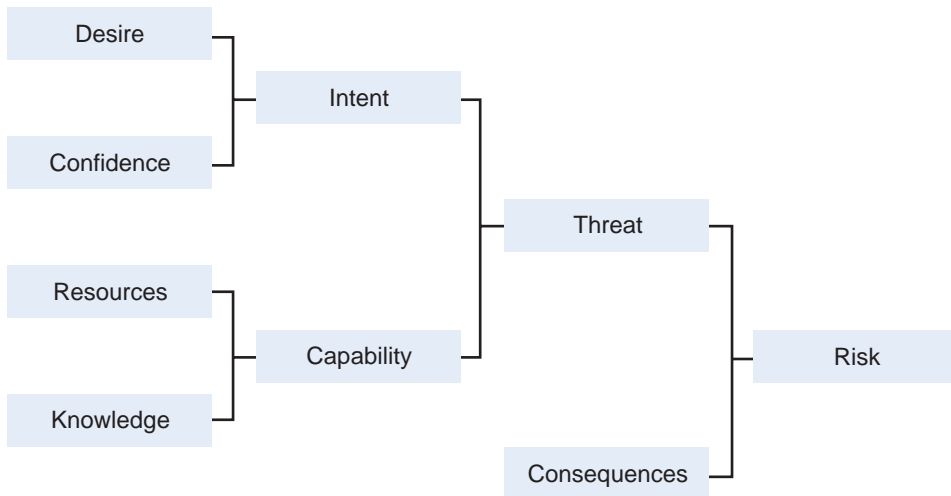
3.35 One of the defining aspects of the security arrangements at the Olympic Games will be the number of different people and agencies involved. This is the source of the greatest potential weakness in the system and it is imperative that information is properly understood by all relevant agencies and that terminology is standardised.

3.36 Although ASIO is experienced in producing threat assessments in Australia the Olympic Games present it with particular new challenges arising from the scale of the event and the wide range of potential security threats. The organisation will need to establish new priorities for its collection efforts and for the allocation of its collation, analysis and assessment resources. The question it has to answer is how these priorities can be set. ASIO has made good progress in thinking about these issues. It bases its approach on existing risk analysis techniques; that is, the identification, quantification and qualification of the attributes of risk.

3.37 One of ASIO's primary methodological tools for preparing threat assessments and for identifying gaps in its intelligence collection is its Risk Management Framework. This is a methodology developed largely in-house to impose some consistency and objective weightings to the threat assessment process, and to determine priorities and allocate resources for both the collection of intelligence and its analysis. The framework comprises a number of what ASIO calls risk matrix structures. These include established subject and physical risk matrices and a planned object risk matrix. Details of ASIO's approach are set out in its in-house Risk Management Handbook of September 1996.

3.38 ASIO defines risk as the likelihood of the threat occurring, combined with the consequences if it succeeds. In turn, the likelihood of threat is measured by intent and capability. Intent is measured by the desire of a subject to cause harm and its own confidence in its capacity to do so. Judgments about capability rest on resources (equipment and people) and knowledge (how to get to a target and defeat the security measures in place). These relationships are set out schematically below.

Figure 2
ASIO's Risk Assessment Methodology



3.39 Once these inputs have been assessed they are used for two purposes - as a means of providing a probability rating for the likelihood of the threat being realised and to identify gaps in information held (which need to be filled by collection). The descriptors of the probability of threat range from negligible to certain. When a threat probability is combined with a judgment about the consequence of such a threat, a risk probability is allocated, ranging from negligible to extreme.

3.40 The common risk assessment framework facilitates a structured methodology, ensures a common understanding of what risk means, enables the use of a common data base and communications requirements, provides a basis for collection planning, provides a basis for scenario planning and training and assists in the management of risks. ASIO has noted that the application of risk assessment processes has 'allowed Australian agencies to provide adequate protection with considerable cost savings in construction and physical security costs.'

3.41 The advantages of the common framework and the priority-setting for resource allocation (which ASIO's methodology makes possible) are significant, especially in a situation in which Australia has only limited physical resources to commit to the task of Olympic security. In a complex security environment involving a number of different agencies, as the Olympics will be, the importance of common understandings between the various agencies of what different risk levels mean is one of the most

important indicators of effective threat management. It enables the collection process to be more effectively targeted and provides the most realistic basis for scenario planning and training programs.

3.42 The main methodological problem with ASIO's approach is that the threat assessment is based on two pillars - intent and capability - of which only capability can be measured objectively, and then imperfectly. Judgments about intent (that is, the desire to cause harm combined with confidence that this objective can be achieved) depend very heavily, in the end, on the intuition of experienced analysts. As ASIO points out, the particular difficulty with risk assessment in the security area is that those likely to pose a risk go to considerable lengths to disguise their intentions.

3.43 A second methodological problem is that, by using the matrix to guide the collection effort, the inbuilt tendency in intelligence bodies to 'project the familiar into the future' will be strengthened. The collection effort may be skewed to fill in gaps in what is known rather than to look for what is completely unknown.

3.44 These are not arguments against the sort of methodological approach ASIO has adopted, which it argues quite plausibly to be as sophisticated as any comparative system operating overseas. Without some sort of methodological approach to risk assessment, the planning process would depend entirely on the whim of individual analysts or managers. It is vital that an objective structure is imposed on important decisions which have to be made about resource allocation. The ASIO methodology addresses these core issues well.

3.45 But it is important to recognise the inherent limitations of risk assessment methodology. It is of most use in imposing some order on the drawing of broad distinctions between possible threats to shape collection priorities. It is less useful in drawing fine distinctions between relatively equal likelihoods. It is weakest of all in dealing with intent. In a system which is trying to read human psychology, it is inevitable that final judgments will have to depend on the intuition and skill of experienced human analysts.

3.46 Discussions with ASIO's senior managers indicated that they are well aware of the potential problems with the methodology and have taken steps to ensure that this is reflected in the organisation's strategic guidance. In addition, resources are allocated between risk matrix determined priorities and for contingency purposes like 'trawling' through intelligence data in search of the unexpected. The ANAO fieldwork suggested, however, that among analysts the methodology was sometimes seen in too mechanical and inflexible a way and as providing a degree of certainty

which it cannot deliver. This is a danger which ASIO needs to address in its training programs.

Recommendation No.6

3.47 The ANAO recommends that ASIO reinforce, in its training for analysts, the limits as well as the strengths of its risk management approach to developing threat assessments.

ASIO Response

3.48 Agreed. Risk management is a focus of both the basic and advanced analysis courses and on-the-job coaching.

Intelligence resourcing

3.49 Although Australian intelligence agencies express confidence that they will be able to cope with the resource demands of the Games, the ANAO considers that the scale and pressures the Olympic Games will present have yet to be fully appreciated. A common thread in commentary by overseas agencies which have dealt with past Olympics has been that everyone underestimates the magnitude of the task. As the Games draw nearer, and the size of the enterprise becomes clearer, the demand for additional resources grows dramatically.

3.50 Given that the human resource capacity of Australian intelligence agencies is finite, it is essential that agencies have the ability to match appropriate resources to priority tasks. Although security intelligence agencies have been involved in the budgetary process for New Policy Proposals, no detailed cross-agency projection of the human resource requirements for the Games has been undertaken. The ANAO considers that this information gap should be addressed as a matter of urgency. Such a projection should also make adequate provision for surge capacity.

3.51 This is not to suggest that the answer to such logistical problems lies in simply throwing more human resources into the breach. One of the major problems encountered at the Atlanta Games in the security area generally, and the intelligence area in particular, was the number of agencies and individuals involved. The lines of responsibility were blurred in potentially dangerous ways. An integrated human resources plan for security intelligence at this stage may help Australia avoid these difficulties.

Recommendation No.7

3.52 The ANAO recommends that ASIO sponsor a joint review of the human resource requirements of the intelligence community for the Olympic Games and that the review team develop an integrated human resources plan for security intelligence to promote greater effectiveness.

ASIO Response

3.53 Agreed. ASIO envisages the use of an existing intelligence community forum to examine this issue.

3.54 One of the most substantial areas of Commonwealth human resource needs in the intelligence area will be in the Federal Olympic Security Intelligence Centre (FOSIC). Current ASIO planning is for the completion of the fit out of the FOSIC and the initial testing of communications by August 1998, with the first system test planned to be held in September 1998. As the Olympics approach the FOSIC will have a phased operational implementation leading into a full 24 hour operational focus.

3.55 The FOSIC will be managed and largely staffed by ASIO, but it will include representatives from other agencies, including intelligence and policy coordination agencies. At this stage it is not clear, however, whether these additional resources will be integrated into the operations of the FOSIC or operate as liaison officers for their home agencies. The staffing profile and the operational function of FOSIC membership was still being determined at the time of audit. ASIO expects to be able to manage the Centre with a maximum of about fifteen people for the day shift - ten from ASIO and five from other agencies. It estimates that this will require a total of about forty ASIO staff to cover all shifts.

3.56 The nature of the FOSIC's responsibilities mean that it will need a mix of experienced managers and specialist analysts. The managers' role will be vital in coordinating the various agencies represented in the Centre, maintaining consistent quality control on product and helping to prioritise what could otherwise become an overwhelming demand for threat assessments from the Olympic authorities in Sydney. The managers chosen will have to be senior, experienced and confident of their judgments. It is inevitable that some of the key managers and analysts will be lost to the intelligence structure at inopportune times, so succession planning for the most important positions will be important.

3.57 Good analysts will be critical to the success of the operation. They will need to be operationally and politically aware and, preferably, experienced. The key judgments about threat will fall to them. Such people are difficult to find in a system as small as Australia's, and even specialists will require detailed training to adjust to the new procedures for the Olympics.

Recommendation No.8

3.58 The ANAO recommends that ASIO develop an Olympic Games succession plan which covers strategies for meeting peak human resource demands and for replacing key officers at critical times.

ASIO Response

3.59 Agreed.

Overseas liaison

3.60 Australia's overseas liaison relationships will be crucial to filling in our national intelligence gaps. ASIO has a solid reputation for its understanding of international terrorism and for its expertise in specific areas of the world. However, to fill any gaps in ASIO's knowledge for the Olympics it will have to draw on overseas liaison relationships. Our long-standing and close links with the United States and Britain will be most important.

3.61 But in addition to these established alliance links, ASIO and the other agencies will need to be able to draw upon a range of other international relationships. It will take time and resources for Australian analysts to learn what information is available, to build up an understanding of patterns of behaviour and to learn how to deal with unfamiliar targets.

3.62 ASIO and its overseas liaison officers will be important in filling these gaps in ASIO's knowledge, but so will the liaison officers of the other Australian intelligence agencies in their own specialist areas. In many cases, several of the Australian agencies have their own formal liaison arrangements with the same overseas services. A key task will be avoiding duplication of effort and irritation to overseas agencies by ensuring that the channels for communication are clear.

3.63 Agencies are aware of this requirement and are beginning to address it. Where ASIO is represented at an Australian overseas post, it will have primacy in Olympic security liaison. Where ASIO is not present other agencies will undertake this task. If this arrangement is to work, however, it will require reinforcement and effort on the ground.

Open source material

3.64 Because of the international nature of the Games ASIO may well need to draw more heavily than normal on open source material for its collection efforts, including on-line monitoring and use of search engines and filters. Open source alternatives to clandestine intelligence sound attractive, but unless handled effectively the enormous volume of information can complicate rather than assist the role of intelligence

assessment. Experience overseas has been that effective use of open sources, rather than being a resource saver, can be extremely resource intensive. Overseas agencies also argue that, because of the ease with which it can be used for disinformation purposes, open source intelligence is more appropriate for corroboration.

3.65 If ASIO is to utilise open source materials more fully and to manage an increased open source data base effectively it is essential that it be tested and integrated with other information systems well in advance of the Olympics. Other questions that must be answered include; to what extent this type of collection can assist ASIO in its work, how effective and resource intensive open source collections are and what open source collection capabilities are available. Finding answers to these questions will determine the open source capability that ASIO requires for the Games.

Recommendation No.9

3.66 The ANAO recommends that ASIO review its requirement for open source collections for the Olympic Games period by:

- (a) conducting a survey of the available open source collection capabilities;
- (b) determining the extent to which those services can assist ASIO in its work; and
- (c) identifying any requirements for in-house open source collection capability and implementing this well in advance of the Olympics.

ASIO Response

3.67 Agreed. A working group will be formed to examine the integration of open source and covert information.

4. Border Management

This chapter details the roles and responsibilities of Commonwealth agencies at the border and sets out changes in border management processes that have implications for Olympic security and law enforcement. It highlights scope for increased cooperation between agencies and the need to develop a national border security purpose statement.

Introduction

4.1 Border security issues are important to public safety at any time. They are of special significance when, as in the Sydney Olympic events, major new challenges are presented through increases in people and cargo traffic utilising gateways all over Australia, the international character of the Games, the public spotlight focused on Australia and the performance of its public systems.

4.2 The Games are a global event hosted by Sydney on behalf of the international Olympic community. The host nation needs to be able to operate the freest possible entry arrangements for overseas visitors attending the Games, consistent with security requirements.

4.3 The controls and security regime exercised at Australia's borders are areas where core Commonwealth constitutional responsibilities operate. It is predominantly (though not only) Commonwealth law - customs, immigration and quarantine - which operates at the border, or is served by border activities. State law and law enforcement are critical in maintaining the peace and good order of airports, seaports and waterways.

4.4 From the security point of view border management entails two groups of activities. First are the activities which perform the strategic function of controlling entry to Australia of people, goods or substances which might harm Australian residents or present a threat to good order within Australia. The second group of activities entail the provision of direct law enforcement and protective security services in places where Commonwealth border legislation and State criminal laws are enforced and in the deterring, preventing or controlling of incidents at the entry and departure points of Australia. This chapter deals with the first group of issues. The following chapter addresses the second group.

4.5 In the specific area of border management, the whole-of-Australia dimensions of the Sydney 2000 events are evident. Many overseas visitors as well as Olympic Family and other accredited persons will choose to enter and exit Australia through airports and seaports in other States.

Similarly some Olympic-related overseas cargo, ranging from the international media's technical equipment through to horses used in equestrian events, is likely to utilise airports and seaports in a number of States/Territories. In addition, airports other than Sydney's will be used for emergency stand-by use and VIP aircraft parking.

4.6 The border agencies as well as the intelligence and law enforcement agencies have established close liaison arrangements with NSW and with SOCOG, some stationing officers with SOCOG on a long term basis. They envisage participation in the NSW Police Olympic Security Command Centre. These are positive, practical and operationally sound steps to take. A fine working balance has to be struck between the NSW State planning process, the Commonwealth's arrangements and with arrangements applied in other States and Territories within respective jurisdictions. This was a clear conclusion of the evaluation of US security planning for the Atlanta Games, where willingness of agencies in that federal system to work more closely across jurisdictional lines was identified as a key contributor to any successes achieved at those Games. Within the Commonwealth, roles and responsibilities of all border management agencies need to be clearly defined and understood by each other in order for effective coordination to be achieved.

4.7 In reviewing border management arrangements for this audit of Olympic Games security preparations, the ANAO has had in mind the need to distinguish between the performance of ongoing border management arrangements and specific Olympic-related preparations. The latter of course are the audit's focus but the ANAO found that a number of aspects of ongoing arrangements had a close bearing on possible security outcomes for the Games. This is so because the agencies involved in border management and the Commonwealth's coordination arrangements for Olympic Games border security issues have largely proceeded on the basis of building any Olympics-required planning parameters into ongoing planning for normal business development, rather than elaborating specific Olympic security plans which take into account the areas of responsibility of different agencies.

Border management and the security task

4.8 Border management arrangements serve many purposes other than security and law enforcement. These range from various forms of revenue collection, statistics collection for economic and social planning, maintaining public health and a disease-free agricultural environment, facilitating Australia's linkages with the global community through trade in goods and services, travel, immigration and emigration.

4.9 But a central purpose of the Australian border control regime is to deter, prevent or otherwise minimise possible threats to public order from offshore, including from terrorist and criminal elements which may or may not have Australian residency or citizenship but which have international affiliations with organised crime. This purpose is at least as important as any other.

4.10 A primary factor in Australia's capacity to offer a secure and safe venue for the 2000 Games is Australia's geo-political situation. Australia has been relatively isolated from troubled regions of the world. Australia's peaceful domestic record has undoubtedly been assisted by our relatively advanced border control regime seen to be effective in limiting security and law enforcement threats. The ANAO found in discussions in the US and the UK that no other country is judged to possess a system as comprehensive, as integrated and, with the improvements planned to 2001, as capable of meeting the requirements of the Olympic period. In this regard overseas officials noted the close integration that exists between Customs and Immigration in Australia.

4.11 Border agencies have developed closely integrated arrangements, including advanced computer systems, to deal with their tasks. These innovations have been necessitated, as much as any other factor, by high growth rates in international passenger and cargo traffic volumes which are set to continue into and beyond the Olympic period. It is projected that by the year 2000 general international passenger movements to Australia will have increased to about 17.4 million per year, an increase of 2.4 million from 1997. This does not take into account Olympic-related increases in throughput, which are estimated to range between 140 000 and 220 000.

4.12 Public and transport industry demands for speedy passenger processing inward and outward and for less congested terminals have required more and more stringent service levels in performance such as reducing the average time spent by passengers in queues and the processing time per passenger at the entry control point. These demands have required extensive investment in new systems and more sophisticated management approaches including advanced risk management.

4.13 Added security tasks will flow from increases in passenger and cargo traffic with parts of the world with which Australia's security and law enforcement apparatus have had few dealings and the generally increased risks of terrorist/criminal penetration resulting from the continuing high traffic increases through the year 2000.

Customs, immigration and quarantine agencies

4.14 Numerous Commonwealth and State/Territory agencies have an interest in the border and in movements across it. A small group of Commonwealth agencies have core and statutory border responsibilities: the Australian Customs Service (ACS), Department of Immigration and Multicultural Affairs (DIMA) and Australian Quarantine and Inspection Service (AQIS).

4.15 ACS has a multi-dimensional interest in people crossing the border. It has its own interest in people arriving and departing so as to administer and enforce the customs legislation. It acts as an agent for DIMA in undertaking primary processing of all people coming and going across the border, to ensure that only those people authorised by DIMA enter the country. It undertakes primary processing on behalf of AQIS (see below). It functions on behalf of a range of other Commonwealth law enforcement agencies, the Family Court, the Australian Security Intelligence Organization (ASIO), the Australian Transaction Reports and Analysis Centre and the Australian Nature Conservation Centre. State, Territory and Commonwealth law enforcement agencies also have business with ACS in seeking interdiction/ monitoring of individuals relevant to inquiries into possible offences against State and Commonwealth laws.

4.16 DIMA administers the migration legislation which regulates non-citizens' access to and terms of stay in Australia. It controls such access to Australia at points more distant than the border through a visa system requiring almost everyone who is not an Australian or New Zealand citizen to have a valid visa specifically issued before they board a carrier bringing them to Australia. This 'offshore' border is backed up by stringently enforced sanctions against carriers who bring unauthorised travellers to Australia. At the border its concerns are to examine and decide the admissibility of people referred to it by ACS 'primary line' officers who are given grounds for doubting the person's immigration status or identity. After action by ACS at the primary line it resolves the situation of arrivals who for one reason or another do not present at the entry control point with a valid visa or who present suspect documentation. It deals with people who are denied entry by placing them on outgoing flights to their point of origin, otherwise removing them or detaining them while their situation is resolved.

4.17 AQIS administers the quarantine legislation which requires clearance of people and goods crossing the border. The function of controlling threats presented by agricultural and environmental pests and diseases and diseases of human health concern is integral to the Australian entry control regime. Primary processing for quarantine purposes takes

place as part of the 'one step' passenger clearance process undertaken by ACS. AQIS' functional responsibilities in the border area of its legislation are most closely focused at the border entry control points and customs halls where AQIS officers undertake baggage clearance for quarantine purposes using detector dogs, x-ray equipment and baggage searches.

4.18 In addition to the three border agencies the AFP also has a policing role at airports. Its responsibilities include policing issues concerning currency breaches, criminal alerts, drug matters, Family Court matters and other Commonwealth related criminal issues.

Processing systems in use or planned by the year 2000

4.19 Over the years ACS and DIMA have developed their own separate electronic processing systems to support their particular needs. The systems have been undergoing rapid changes over recent years and will continue to change in the lead up to the Olympics. Linkages exist between ACS and DIMA systems as well with other agencies outside the border agency group.

4.20 Other aspects of border management are undergoing significant changes. Interconnections with Olympic and Paralympic participant accreditation systems are planned. Various reviews are leading to streamlining and reduced costs. Most of these developments have implications for security and law enforcement in border management. Changes are proceeding on a number of major fronts:

- (a) the ACS passenger processing system;
- (b) passenger profiling and analysis;
- (c) the alert systems in DIMA's visa-issuing process are being developed, inter alia to enable them to play a wider law enforcement role;
- (d) DIMA is introducing electronic means of approving and distributing visas;
- (e) ASIO's checking role in regard to entrants involves responding to changes in visa systems and the prospect of significant diversification in the origin of incoming movements during the Olympics;
- (f) increasing data about incoming passengers and the flights they are on is being obtained by border agencies, creating significant opportunities for law enforcement; and
- (g) government-level initiatives are resulting in changes to quarantine arrangements and possibly other border activity rationalisation, incoming passenger documentation requirements and entry processes at the air terminals.

4.21 The air terminal infrastructure and arrangements following the Commonwealth's airports privatisation program are also undergoing transformation, significantly changing the planning and operational environment for border management.

(a) The Australian Customs Service and passenger processing

4.22 ACS owns and operates the Passenger Automated Selection System (PASS) which supports its role in primary processing of travellers at international airports and seaports in Australia. It enables ACS officers to make checks of all arriving or departing passengers at the time the passenger crosses the border. PASS functions as the primary facility for a range of government requirements at the border. It operates closely with DIMA's Travel and Immigration Processing System (TRIPS), DFAT's Passport Issue and Control System (PICS) as well as Customs' Passenger Movement Charge System (PMCS).

4.23 In late 1998, PASS is due to be phased out in favour of an upgraded system, the Passenger Analysis Clearance and Evaluation system (PACE), which will be the operational system during the Olympic period. ACS emphasised the significantly enhanced functionality of PACE compared with the PASS system now in operation. Two of the four components in the new system, Clearance of Passengers and Passenger Analysis and Selection, will be of special relevance to security and law enforcement. The Clearance of Passengers area of PACE will capture passenger information, validate passenger information and record passenger movement. It will enable remote clearance of passengers at locations where no on-line connections to PACE are available. PACE, unlike PASS, will be built to cater for processing advance passenger data, that is, information about the imminent arrival or departure of travellers, before they present themselves at the primary line.

4.24 The Passenger Selection and Analysis component of PACE will permit sophisticated analysis of passenger data so as to select certain passengers for more detailed examination. Selection will be possible by individuals, group selections, alerts and profiles. Alerts will, as at present with PASS, be generated by law enforcement and security agencies as well as ACS and will include details of action to be taken in regard to the traveller who matches the alert.

4.25 As happens now, most of the actions required by the various alerts which would normally take place in the air terminal will be carried out by ACS officers, with notification of arrivals/ departures and action taken to the alert agency.

(b) Passenger analysis

4.26 In advance of introducing PACE, ACS has already initiated a program to undertake systematic passenger analysis. In 1997 ACS set up its Passenger Analysis Unit in Canberra. The Passenger Analysis Unit is equipped to undertake advanced computer modelling and matching of passenger and movements information against profiles, utilising (among other data streams) advance passenger information already available on a number of flights into Australia. The functionality of the Passenger Analysis Unit will be significantly enhanced when PACE is introduced.

4.27 The introduction of passenger analysis, complementing initiatives of its own and of other agencies such as in advance passenger information, the investment in PACE and the creation of the Passenger Analysis Unit are steps which ACS has taken to meet the compliance obligations directly enjoined upon it by its legislation while offering collateral advantages to other agencies. Passenger Analysis Unit's capability of analysing advance passenger information has resulted, for example, in the identification of people involved in credit card fraud.

4.28 The context of these initiatives is the increasingly sophisticated methods in use by international traffickers in drugs and other major organised crime, the ease by which international criminals can invest in procedures to circumvent detection methods current at any one time, amid the steadily growing volumes of cross-border traffic at airports and seaports.

4.29 The Passenger Analysis Unit's analytical capability could make a significant contribution to the border security and law enforcement objectives of all agencies, though this contribution will only be realised if the other agencies participate in it. The ANAO supports this and ACS states they would welcome such participation.

Recommendation No.10

4.30 The ANAO recommends that ACS should advance discussions with the border and Commonwealth law enforcement agencies to consider their active participation in the Passenger Analysis Unit.

ACS Response

4.31 Agreed. Invitations have been extended to agencies via the HOCOLEA forum to participate in the PAU.

DIMA Response

4.32 Agreed.

ASIO Response

4.33 Agreed. ASIO would wish to be included in any discussion relating to the PAU.

(c) The Department of Immigration and Multicultural Affairs and the entry control system

4.34 DIMA operates a number of entry control and movement monitoring systems which have a strong bearing on security and law enforcement. The visa system operates offshore so as to require virtually all people who are not Australians or New Zealanders to possess a valid visa before visiting Australia. Its viability is dependent on the air and sea travel industry operating supportive administrative arrangements. Amid widely varying global practices and the pressures towards visa-free arrangements from domestic economic sectors, the universal visa system is controversial. International carriers are legally required under penalty of heavy fines to cooperate. But there are also security advantages to airlines and carriers in the Australian system.

4.35 Visas are not merely labels pasted into passports. Their form as electronic records now has legal character. Details of all people holding visas are sent electronically every 24 hours (in the case of ETA visas - see below- in real time) from posts around the world to a DIMA database, TRIPS, which has shared electronic processing with PASS. ACS officers at the primary line, on keying in certain traveller details, access the data and compare it with the person physically present, as part of processing.

4.36 An important part of the visa issuing process is the check against an alert list, the Movement Alert List (MAL). This database provides a tool used by decision-makers on visa applications to decide if a visa applicant meets the 'good character' requirement for would-be entrants laid down in the *Migration Act 1958*. It operates to provide an off-shore screening process allowing the government to refuse entry to people of concern before they arrive in Australia. Other tools available to decision makers include police clearance certificates, interviews and checks initiated with Australian and overseas law enforcement authorities and other intelligence sources. The MAL listing is distributed mainly electronically to visa-issuing offices around the world and to the electronic processing centre for the Electronic Travel Authority (ETA) system in Sydney (see below). Its most up-to-date version, or master copy, is also interrogated when the passenger crosses the border, through the PASS link into TRIPS. If the PASS-TRIPS link is down, a historical version of MAL is interrogated by accessing PASS.

4.37 Both the MAL and PASS systems operate at the inward and outward control points. Most of MAL's holdings are of non-citizens and its orientation is towards the rest of the world's population. This reflects

DIMA's use of it as a tool to decide eligibility to enter Australia. Australian citizens of course have automatic entry rights.

4.38 The concept of MAL has undergone change in the last four or five years, from being a database of people raising possible immigration and security concerns to one also pitched at the exclusion of people with a criminal background. This change has reflected developing views at parliamentary and government level about the role of immigration control and growing emphasis on the contribution of the visa to domestic concerns. DIMA has been involved with the forum linked with the Commonwealth Law Enforcement Board, the Heads of Commonwealth Law Enforcement Agencies (HOCOLEA) since 1993. A key HOCOLEA interest in DIMA's participation is a view that DIMA's visa administration contributes to Commonwealth law enforcement objectives. How the visa system and MAL so contribute in practical terms is being addressed in a Task Force that has been set up under HOCOLEA.

4.39 ACS fully endorses the use of MAL as a tool to check visa applications. However it has concerns about the potential use of MAL by agencies, including State police, as an alert mechanism in lieu of PACE/PASS. HOCOLEA has taken steps to develop procedural requirements for the wider use of MAL. The ANAO understands that DIMA has sought to incorporate them in the implementation of the initiatives it is taking.

4.40 Largely at DIMA's initiative, as the focus on the visa's role in limiting entry of people with criminal concerns has grown, the MAL has undergone a series of upgrades intended to make it more effective as a tool for assessing the good character of visa applicants. DIMA has also restructured its operations to give the work of maintaining and developing MAL's effectiveness more departmental priority. DIMA commissioned an expert consultant to review operational and policy aspects of MAL and is now implementing the recommendations.

4.41 DIMA regards MAL as having a global focus and considers that positive results have already been achieved. It is working with other agencies to develop protocols that will facilitate the acquisition of appropriate information from other Australian agencies and foreign governments. While these efforts are continuing and various agencies are closely cooperating, no review has been undertaken to date of their outcome.

4.42 The ANAO endorses efforts already made by the Attorney-General's Department and the AFP, following DIMA requests, to solicit wider backing from police units for the MAL, to engender a fuller understanding of MAL's role as a law enforcement tool and to implement more effective measures to capture information from overseas services. The

ANAO notes the difficulties involved with this task such as privacy considerations, legal limitations and other sensitivities. The ANAO considers it to be important that efforts continue to be made to develop protocols for decision-making on use of the MAL. The protocols would need to reflect such common ground as there exists between the agencies on the use of MAL as a border security tool.

Recommendation No.11

4.43 The ANAO recommends that DIMA, in collaboration with relevant agencies, develop detailed protocols for decision-making on the use of MAL database entries consistent with HOCOLEA procedural requirements.

DIMA Response

4.44 Agreed.

ACS Response

4.45 Agreed.

ASIO Response

4.46 Agreed.

(d) Changes in the visa system and passenger processing

4.47 Significant developments are occurring in visa issuing processes and in the handling of passenger information which have some implications for security and Olympic preparations and for coordination among agencies.

4.48 The Electronic Travel Authority system has recently been introduced to cope with the heavy increases in visitor traffic and to provide a faster, more convenient service to travellers. The ETA is a paperless visa issued by an automated system. Issuing entities are usually travel agents and airline offices, including ones at overseas airports. An ETA typically is issued at the time of ticket purchase after on-line scrutiny of the MAL database.

4.49 DIMA has put the ETA to use to meet the IOC requirement for 'free' (DIMA would say 'facilitated') entry of Olympic Family members to Australia in the Games period. Because the ETA system operates through one of the airline industry's world-wide computer systems, airlines can verify the authority to travel to Australia before the person commences the flight. The Olympic Family member, like all other applicants for an ETA, is checked against the MAL before the travel authority is issued.

4.50 Automation of short-stay visa issue through the ETA is transforming the character of the visa system. It clearly lays a basis for dramatically

lowering visa issue costs for large-volume tourist markets. Government remains in full control of the process and can adjust, as may be considered appropriate, the line between ETA-eligible nationalities and non-eligible ones. No written application or declaration is required of the traveller for the issue of an ETA visa.

4.51 The extent to which MAL can be effective in reducing the risk of entry into Australia of criminals and terrorists must be subject to the general limitations on its comprehensiveness and coverage. Accordingly, the ETA is only effective in detecting criminals to the extent that the criminal is recorded on MAL.

4.52 DIMA notes that the ETA system has improved capacity to detect false documentation at application, transit and border clearance stages. It states that auditing and monitoring arrangements for quality control are in place and Australian staff continue to play an effective supervisory role. DIMA also confirmed the continuing importance of the ACS 'primary line' as an essential element of border control.

4.53 Security agencies have confirmed their interest in the visa system retaining its effectiveness for their operational purposes, while also meeting requirements for faster and more efficient high volume processing. Because of the interdependencies between visa processes and passenger processing at the border it would be desirable for the different agencies involved to share common perspectives on appropriate ways of reducing costs and increasing efficiencies whilst also maintaining security screening standards. The ANAO found, however, that there were differences of view among border agencies as to aspects of some border management systems in delivering law enforcement and security outcomes.

4.54 DIMA and ACS recognise the important interdependency between visa processes and passenger processing. The ANAO considers that DIMA and ACS, in consultation with other relevant agencies, should continue to develop their combined visa and passenger processing activities with a view to developing practical arrangements that fully meet separate agency needs.

(e) The Australian Security Intelligence Organization and the security checking system

4.55 ASIO has an interest, from a security perspective, in border management. It regards the visa system as one component of a layered risk management framework to assist it to deal with security concerns that have overseas associations or origins. It has formal advisory powers under the *Migration Act 1958* to recommend whether a person should be denied a visa on 'public interest' grounds.

4.56 For ASIO to continue to derive benefits from the border management systems it needs to be satisfied that changes proposed in those systems do not impair its capacity to discharge its security checking responsibilities. In addition, the Olympic events will bring a larger variety of nationalities and groups to Australia than in the past, requiring it to develop its security checking expertise in some new areas.

4.57 ASIO advised the ANAO that it understood the need for border agencies to develop more sophisticated risk management approaches to their roles at the border, while noting that some of the changes were bringing significant pressures on the organisation. ASIO appreciated the efforts of the border agencies to involve it in consultations on their various development plans. Such consultations assist it to keep abreast of the increasing automation of border processes. The ANAO considers that ASIO should continue to pursue this objective.

4.58 ASIO's task is made easier if the integrity and technical security of the passenger processing databases used by the border agencies can be maintained; and similarly the security of ASIO's links with them. Changes in the way visa processing is undertaken overseas may have resource implications for ASIO. Because a number of the issues under discussion relate principally to visa processing arrangements, in particular those taking place overseas, the lead agency for this forum would appropriately be DIMA.

Recommendation No.12

4.59 The ANAO recommends that DIMA should establish an appropriate senior-level forum with ASIO, ACS and DFAT addressing any concerns regarding the security and effectiveness of border management systems used for security checking.

DIMA Response

4.60 Agreed.

ASIO Response

4.61 Agreed. ASIO considers the AFP should also be involved in the recommended forum.

ACS Response

4.62 Agreed.

DFAT Response

4.63 Agreed.

(f) Passenger clearance processes

4.64 DIMA, ACS and parts of the airline industry are cooperating to simplify and streamline the handling of passenger data so as to facilitate travel of passengers to and from Australia. Various forms of data management are being explored and implemented to the extent that agreement can be reached among the interested parties. One such process is Advance Passenger Information. The different approaches have in common the ability to capture information on passengers boarding flights to and from Australia so that passenger data is available at the destination in advance of those passengers presenting at entry control points. The data can be integrated or compared with that originating in visa, ETA and passport files. The availability of this information can assist passenger analysis by the ACS Passenger Analysis Unit while passengers are on board flights. Its more advanced forms involve measures of passenger pre-clearance, thus fast tracking passenger entry once the aircraft arrives in Australia. Costs of the more advanced form of passenger pre-clearance remains an issue.

4.65 Significant expansion of passenger pre-clearance is central to border agencies' planning of capability and resource needs to handle projected increases in passenger traffic through the Olympic period within service standards. The assumptions on which the Transport Working Group is planning for passenger clearance volumes and air terminal capacity for the year 2000 events provide for some 60 per cent of inbound traffic to be pre-processed in that year. At the end of 1997 the pre-clearance level achieved was some 16 per cent with Qantas and Ansett the only airlines participating in these arrangements.

4.66 The ANAO considers that progress towards achieving the substantial increase in the share of passenger processing dealt with by the speedier data management and clearance methods will be an important parameter affecting Olympic security planning performance at the Commonwealth level. It considers that such progress might be included in regular reporting by ACS to the Sydney 2000 Games Coordination Task Force.

Olympic Family Accreditation System

4.67 The linkage planned to be established between DIMA's visa system and SOCOG's Olympic Family accreditation system (see above) should enable visa difficulties to be resolved before accreditation. The procedure enables Australia to meet its obligations to the IOC while also preserving the integrity of entry control. On past experience and in examining what happened at Atlanta DIMA anticipates that some 1 per cent of Olympic Family nominations will be for people who will not automatically be issued

with visas. DIMA expect to be able to resolve the handling of these persons with the Australian and the international Olympic authorities, noting that at Atlanta only three cases were difficult to resolve.

4.68 The experience of US officials at Atlanta was that an active credentialling role for Olympic Family participants was a key to smooth and secure arrangements for Olympic Games security.⁵ In Australia's case, steps taken between DIMA and SOCOG to link the visa process with the building of the Olympic Family accreditation databases suggests that all bona fide Olympic Family members should be able to board flights for Australia smoothly and also without risk to Australia's public safety. As well, DIMA noted the potential for the Olympic Family database and advance passenger information to be used to help SOCOG provide reception facilities for arriving Olympic Family members, especially VIPs.

4.69 The ANAO endorses the arrangements made and notes that clear understandings have been reached with SOCOG on responsibilities for the costs of additional work required for the database link over and above DIMA's own development requirements.

4.70 During the audit, ACS advised that it was willing to participate in arrangements for accreditation of Olympic Family members. The ANAO would encourage ACS and DIMA to discuss ways in which the respective agencies might be able to cooperate in facilitating the accreditation process.

(g) Other initiatives

4.71 Other developments that have been pursued at Government initiative and which have relevance to border processing and Olympic security are as follows.

Government review of border processes

4.72 In its response to Professor Nairn's 1996 review of Quarantine arrangements⁶ the Government decided to establish an Inter-Departmental Committee (IDC) to examine options for rationalising the activities of the border control agencies. The IDC, chaired by the Department of Primary Industries and Energy, reviewed the scope to rationalise the activities of the border control agencies, to deliver a 'one stop shop' to clients and to eliminate duplication of effort. The ANAO notes that the IDC's work and any activities which follow may deal with some issues raised in this audit, including security and law enforcement aspects of border management.

⁵ ANAO discussions in the US, November 1997; See also: *The Role of the US Immigration and Naturalisation Service in the 1996 Centennial Olympic Games*, Washington 1997.

⁶ Australian Quarantine, 'A shared responsibility' M.E. Nairn, P.G. Allen, A.R. Inglis and C. Tanner DPIE Canberra 1996.

Streamlining requirements of passengers at entry and departure points

4.73 In 1997 a review was conducted in the Olympics planning context of information collected from passengers on arrival and departure. One objective was to seek to lessen unnecessary and inconvenient demands for documentation placed on international passengers crossing the border, in particular requirements to complete the incoming and outgoing immigration cards and the Travellers Statement on customs and quarantine matters.

4.74 The ANAO understands that decisions have now been made to retain a form of inward documentation through introduction of a single combined immigration card and Travellers Statement and to retain a streamlined form of the outgoing card. All agencies including the security and law enforcement agencies are understood to be satisfied with the conclusions that have now been reached including the retention of certain information requirements. Those conclusions are also in line with the outcome of Government consideration of the Nairn Review to date.

4.75 The ANAO notes DIMA's reliance on that part of the current card which requires passenger declarations regarding tuberculosis history and criminal record to activate its statutory powers against individuals under migration legislation. This role of the inward card has obvious security ramifications. It will continue with the restructured, single card. The processing burden faced by ACS officers on the primary line will continue as each non-citizen's compliance with the declaration requirements must be checked.

4.76 Also intended to reduce traveller inconvenience and speed passenger processing is the introduction of differentiated streaming of inward passengers through a self-declaration process. Red / green channels are in place which declarants choose according to their formal statement. Customs risk management processes may over-ride the declarants' decisions. The ANAO endorses these arrangements.

4.77 On the recommendation of the border agencies the Ministerial Committee on the Sydney 2000 Games gave in-principle approval in April 1997 for an offshore awareness campaign on Australian immigration, customs and quarantine requirements. The campaign is designed to head-off issues and enhance compliance before passengers enter the border processing area.

Entry response teams

4.78 For the Olympic period DIMA and ACS intend to establish an entry response team at Sydney airport, styled on a successful model that operated at Atlanta. The team will be responsible for dealing quickly and sensitively

with any problems that might occur with the entry of Olympic Family members either at overseas airports or on arrival. Despite the overseas information campaign, ACS and AQIS properly expect some Olympic Family members to seek to introduce prohibited items. The entry response team is to operate in conjunction with DIMA's 24 hour Entry Operations Centre in Canberra.

4.79 DIMA have well-established procedures for dealing with visa issues and refugee claimants at points of entry. The entry response team mechanism should be helpful in handling the wider Olympic sensitivities of any such matters that may arise, including for entrants other than Olympic Family members.

4.80 Although there have been preliminary discussions between DIMA, ACS and SOCOG, the ANAO understands detailed policy and procedures are yet to be developed for the entry response team, including agency membership. In view of their responsibilities for VIP protection and Commonwealth law enforcement, AFP expressed to the ANAO a wish to be involved in consultation on the team.

4.81 The ANAO considers the entry response team will perform an important role in the year 2000. It would be desirable to set in train as early as possible negotiations among agencies, protocols for participation, operation and access to Ministers. It would also be appropriate for consideration to be given to extending the entry response team concept to other airports likely to receive Olympic Family member visitors. At least, notional arrangements could be established and training materials distributed to ACS and DIMA airport managers in other Australian international airports. The ANAO considers that ACS and DIMA should commence detailed planning for the establishment of the Entry Response Team as soon as possible and include consideration of teams at international airports other than Sydney.

ACS/DIMA Memoranda of Understanding

4.82 The ACS task at the border is the culmination of all prior data-gathering and monitoring activities of all the border and security and law enforcement agencies. Even without the new requirements flowing from ETA operations, the demands placed on ACS officers are considerable. The ACS officers receive training in these matters from tasking departments.

4.83 The guidelines under which ACS and DIMA operate are laid down in the Master Plan 1988, a document which was endorsed by government at the time. But before this audit commenced few performance standards or formal agreements had been established between agencies to control outcomes and permit fully effective costings. Monitoring of performance

is post hoc and decentralised without headquarters offices receiving regular reporting on performance. The ANAO was advised that ACS welcomed steps that could be taken by agencies for whom ACS act at the border to negotiate performance standards with ACS and incorporate these in memoranda of understanding. ACS and DIMA saw such arrangements as improving overall border management effectiveness. During the audit the ANAO was advised by DIMA that work had been initiated to negotiate such MOUs.

Recommendation No.13

4.84 The ANAO recommends that:

- (a) DIMA and ACS give priority to finalising border management MOUs and ensure a joint evaluation process is put in place to assess results; and
- (b) ACS accelerate work on other agency MOUs where not already completed.

DIMA Response

4.85 Agreed. DIMA and ACS are finalising an MOU as a matter of priority.

ACS Response

4.86 Agreed. The ACS and DIMA are progressing a border management MOU.

ASIO Response

4.87 Agreed.

Arrivals and departures by sea

4.88 As with border management generally, responsibilities at seaports are distributed among several bodies and State police and maritime services authorities have a much more prominent role than Commonwealth law enforcement bodies in physically patrolling seaports and waterways.

4.89 Cruise ships are expected to carry a large proportion of sea arrivals and departures in the Olympic period. ACS and DIMA have been developing a form of electronic passenger pre-clearance for cruise ship passengers which is being steadily refined. In the final stage of this project PACE's capability will be used to match passenger information electronically against the migration and other alert databases.

4.90 ACS notes that appropriate risk management principles have been applied to seaports and maritime entry and departure points. However the ANAO considers that this area would benefit from increased attention

in achieving effective border management arrangements that take proper account of security and law enforcement requirements, especially in the Olympic planning context. Chapter 5 also addresses issues arising at maritime points of entry and departure.

Recommendation No.14

4.91 The ANAO recommends that ACS and DIMA:

- (a) develop a security plan for border processing at seaports with the first step of identifying risks, including gaps and weaknesses; and
- (b) periodically advise progress against the security plan to the Sydney 2000 Games Coordination Task Force.

ACS Response

4.92 Agreed.

DIMA Response

4.93 Agreed.

ASIO Response

4.94 Agreed.

A border security strategy

4.95 The foregoing material highlights the diversity of security and law enforcement responsibilities and the numerous interdependencies that exist between border agencies and other Commonwealth and State/Territory agencies.

4.96 DIMA would argue that Australia has a 'seamless' border management process. They cite that most immigration powers are delegated to ACS officers operating at the border, their heavy investment in ensuring ACS officers can operate effectively as delegated immigration officers and the considerable existing systems integration that will be furthered by PACE and Advance Passenger Information.

4.97 The ANAO notes that roles and responsibilities of agencies in delivering an integrated security product have not been defined. Without such definition it is difficult properly to integrate security in border management and strategic law enforcement at the border, into Commonwealth Olympic security planning. The ANAO notes that no attempt has been made through existing Commonwealth Olympic security planning forums to do so, though particular aspects have been addressed in forums such as the Group on Arrivals and Departures (established by the Ministerial Committee on the Sydney 2000 Games), the Special Inter-Departmental Committee on Prevention of Olympic Crime, the OSWC

Transport Working Group and the Heads of Commonwealth Law Enforcement Agencies MAL Improvement Program Steering Committee.

4.98 Despite the close interaction between border agencies in the areas of security and law enforcement, the ANAO identified a number of areas requiring attention, including the following:

- although each agency appears to have a clear view of its own role in border security and law enforcement, there is a lack of an agreed position among agencies as to the security and law enforcement purposes of the overall border management system. This lack of agreement is specifically applicable to some agency views of others roles;
- a lack of focus on the task of identifying how the separate responsibilities of the different border management agencies might be brought together to leverage better outcomes in the security area;
- an apparently incomplete alignment of approaches adopted by agencies to cope with traffic growth; and
- the slow development of formal agreements among agencies to confirm and clarify cooperative working arrangements.

4.99 In regard to security preparations specifically for the Games events the ANAO found some scope for closer alignment of border management security and law enforcement responsibilities with Commonwealth-wide and Commonwealth/State joint security planning. In the absence of a central security strategic plan for border management, agency roles and responsibilities are not defined with regard to each other and security and law enforcement tasks are not allocated among agencies. The ANAO considers that overall Olympic Games security planning would benefit from these issues being addressed.

4.100 The ANAO suggests that, as a first step, a statement of border security purpose be developed setting out the roles and responsibilities of Commonwealth agencies with a border security interest. This statement could then be used as a framework within which bilateral memoranda of understanding could be developed governing the operating arrangements between border, law enforcement and intelligence agencies.

4.101 It is suggested that PM&C, being a central agency without operational interests of its own, should coordinate the preparation of the statement of border security purpose. As the Statement is to be developed as part of the Commonwealth's Games preparations it would be logical for the Sydney 2000 Games Coordination Task Force, with its capacity to interface with the Olympic Security Working Committee in NSW, to undertake this task.

Recommendation No.15

4.102 The ANAO recommends that the Sydney 2000 Games Coordination Task Force, in consultation with ACS and DIMA, consider the development of a border security purpose statement, for guidance of the various stakeholders, as part of Commonwealth security preparations for the Olympic Games.

Task Force Response

4.103 Agreed. A border security purpose statement will be developed as part of the Commonwealth security framework document.

ACS Response

4.104 Agreed with qualification. The ACS recognises that a border security statement would serve to focus the direction of the various agencies involved. Production of a high level document would be relatively simple, but the value of producing a more detailed statement would be questionable considering the likely resource costs.

DIMA Response

4.105 Agreed.

ASIO Response

4.106 Agreed.

5. Security at International Entry and Departure Points

The focus of this chapter is on security at international entry and departure points. It highlights the need for a clear definition of the roles and responsibilities of Commonwealth agencies, the finalisation of counter-terrorist first response arrangements, increased use of passenger processing information to enhance aviation security and the need to enhance security coordination arrangements at maritime ports.

Introduction

5.1 Commonwealth and State Government agencies and the private sector combine to provide security and law enforcement facilities at the international arrival and departure points in Australia for passengers and cargo.

5.2 The interaction is particularly close at large airports. Fifty eight airports including all the international airports are security categorised under the Commonwealth *Air Navigation Act 1920* and the Air Navigation Regulations. Although aviation security is a Commonwealth responsibility the terminal premises themselves are part of State/Territory policing jurisdiction. As discussed in Chapter 4, Commonwealth laws are administered in those airports that house border control points. But aviation security is quite separate from border management. It is as much concerned with domestic air transport and regulation issues as with international activity.

5.3 Sydney Airport will be the principal gateway to Games events for international and interstate participants and spectators at the events. Accordingly it has been a major focus of attention for NSW and Commonwealth agencies involved in Olympic Games planning. Numerous other airports will also be important to the year 2000 events. Some of these are wholly domestic airports, such as those serving particular Olympic teams as entry points for training and acclimatisation venues in the pre-Olympic period.

5.4 Arrangements made at airports for both international and domestic passenger and cargo traffic are but part of a wide spectrum of aviation and transport infrastructure-related security tasks of Olympic organisers. They entail the appropriate provision of security services for air traffic itself - areas where the Commonwealth role is the primary one. They also entail a

large array of technically complex responsibilities: for example, planning for adequate levels of processing facilities for incoming and outgoing passengers and baggage checking, transport services, linkages with ground transport, requirements in regard to the carriage of firearms by parties accompanying visiting international dignitaries and arrangements for meeting and farewelling national teams. Because of their uniqueness and the scale of operations required, all such activities will mean the introduction and testing of many new working interfaces between State and Commonwealth authorities. All have security and/or law enforcement dimensions.

5.5 At the Atlanta Games no aviation security incidents occurred. Australia has fortunately experienced few incidents of an aviation security character. But risks will rise during the Olympic period. A separate performance audit on aviation security is being conducted by the ANAO. The present audit has focused on specific Olympic planning matters and on issues where security and law enforcement arrangements for border management have an interface with aviation security.

5.6 The aviation sector has been the arena which has historically experienced the great majority of security threats and incidents internationally and where comprehensive inter-governmental security arrangements have been developed. Seaports and waterway security has created fewer concerns and therefore, in the past, has received less attention.

Olympic security planning for aviation-linked issues

5.7 The OSWC has established an Aviation Security Olympic Work Group (ASOWG) to work through the wide range of issues raised by aviation security. The ASOWG is chaired by the Commonwealth Department of Transport and Regional Development (DTRD) and has a predominance of Commonwealth members. This Group was established later than most of the other NSW security work groups and has a wider focus in that it is concerned with the security arrangements in place in all airports around Australia, despite its primary focus being on Sydney.

5.8 The ASOWG, the only work group under the NSW security planning body to be chaired by a Commonwealth authority, reports to both the Commonwealth and State Ministers and its chair also reports concurrently to the Commonwealth's Ministerial Sub-committee on Security. The ANAO regarded this as a positive measure in looking beyond existing procedures and as an indication of agencies working cooperatively across jurisdictional boundaries in the security effort.

5.9 The ASOWG has developed a comprehensive list of major tasks and established deadlines for their completion. Some of the issues to be covered include:

- airspace restrictions and response arrangements;
- access control systems;
- policy on firearms on aircraft and at airports;
- guarding of VIP aircraft; and
- security of vital installations both on and off airports.

5.10 Another matter to be addressed by the ASOWG relates to the possibility of an airborne terrorist action to disrupt the Games. How any such threat may be addressed raises wide ranging questions such as the possible involvement of Defence assets.

5.11 Coordination of security at Sydney airport will be critical to the security effort as there are likely to be exceptionally high peaks of activity immediately after, and to a lesser extent before, the Games. In view of the substantial numbers of people who will be processed through Sydney and other airports during the Games period, aviation security is a critical element in Commonwealth security planning for the Games.

Principal Commonwealth agencies

5.12 DTRD is the Commonwealth authority responsible for administering the *Air Navigation Act 1920* and the Air Navigation Regulations. This legislation specifies requirements for security of airports, air terminals, aircraft, aviation and aviation ground infrastructure. The requirements enable Australia to fulfill obligations in regard to international aviation under international conventions, especially the Chicago Convention establishing the International Civil Aviation Organization. Australia applies most of these international requirements to domestic aviation. DTRD prepares the National Aviation Security Program which outlines the legislative requirements.

5.13 Elements of aviation security protective measures such as passenger screening, passenger baggage reconciliation, aircraft protection, airport access control and other related measures take place under the National Aviation Security Program at all the security categorised airports around Australia.

5.14 Decisions on standards and preventive measures are the responsibility of the Aviation Security Branch in DTRD. Requirements and procedures vary according to assessed threat levels, their sources, locations etc. The Branch receives an annual background intelligence assessment

tailored to aviation security concerns and specific intelligence assessments from ASIO. It also maintains both formal and regular bilateral information exchanges with the aviation industry. It has close intelligence and operational information-sharing arrangements with other civil aviation administrations, in particular, the United States Federal Aviation Administration but also with those in New Zealand, the United Kingdom and Canada.

5.15 DTRD employs a consultative process with stake-holders in determining standards, in particular with the Federal Airports Corporation (FAC), the private airport operators, airlines and law enforcement agencies. The system is both formal and flexible. At the local level legislation requires aviation security committees to be formed at each airport to bring together the interests of the various agencies and bodies involved in security and law enforcement service delivery. DTRD also has the role of coordinating the aviation dimensions of incidents under the National Anti-Terrorist Plan (NATP). It coordinates advice to Government on security arrangements at airports.

5.16 The Federal Airports Corporation, a statutory body within the Transport portfolio, manages those airports that remain in full Commonwealth ownership. Sydney Airport is expected to be the only major airport in Commonwealth ownership at the time of the Games. Under Commonwealth Government deregulation policy in the aviation industry the FAC operates on commercial lines. Airport operators (including the FAC) and the airlines implement the security procedures and standards determined by DTRD.

5.17 The Australian Federal Police (AFP) stations officers at Australia's major international airports to enforce Commonwealth law. The AFP performs the law enforcement role 'air-side' (ie. between the entry or departure control point and the aircraft) and at the Customs barrier. Suspected breaches of border legislation are dealt with by the AFP together with a range of liaison duties. State police perform the community police function from the Customs barrier to the roadside. Australian Protective Service (APS) officers, as a consequence of their presence at airports, become involved in community policing matters pending police arrival.

5.18 The APS provide the counter-terrorist first response role (CTFR) at airports (apart from Canberra where the AFP provides CTFR). This role is prescribed in the *Air Navigation Act 1920* and Air Navigation Regulations and further developed in the National Aviation Security Program. APS functions entail, inter alia, continuous patrolling of terminal buildings and airside/landside barriers, response to screening points and first response to terrorist activities to deter or prevent them, to cordon and contain them,

to evacuate endangered individuals and to pass on information to responding emergency services. The APS was assigned the CTFR task in 1990, taking over from the AFP. It stations uniformed officers in airports where it has this role. The NATP provides that after the first response the State police resolve the incident.

5.19 The Australian Customs Service (ACS) handles border management responsibilities on other agencies' behalf as well as its own (see previous chapter) and enforcement matters frequently arise. Referrals to the relevant police authority of a matter arising in border processing of passengers and baggage follows established procedures (see paragraphs below).

5.20 As the principal border management agency at international air terminals, ACS has a vital interest in the layout of the passenger and baggage areas, the position of various control lines and demarcation points and how they are secured. The other border agencies are also closely interested. At the time of air terminal design and construction ACS is the primary 'client' among the border agencies for those processing zones of air terminals where regulatory functions are performed. DTRD also has regulations in place which require departmental approval of facilities changes which have security implications.

5.21 Within the framework of agency responsibilities set out above, the air terminal operator supplies the physical infrastructure to meet the needs of border agencies and that operator, along with the air transport industry which ultimately pays the costs of defined services (though not community policing), has a strong interest in how efficiently security services are performed. A consultative framework for resolution of facilitation issues is the National Facilitation Committee chaired by DTRD. An Industry Consultative meeting chaired by the Aviation Security Branch addresses aviation security issues.

Roles and responsibilities

5.22 The Commonwealth is but one participant in the range of security service providers at air terminals. The view of at least one of the Commonwealth agencies performing airport security functions, the APS, is that the National Aviation Security Program, prepared by DTRD, clearly outlines the implementation of security responsibilities in Australian airports. APS also observes that day-to-day responsibilities among providers appear clear. APS notes that the terminal operator is responsible for general terminal security and access control, airline operators for passenger screening, State police for normal community policing and incident response management and the APS for armed protective security

and CTFR. However, as discussed below the audit identified scope for improved coordination between Commonwealth agencies.

Enforcement zones

5.23 The ANAO considers that air terminal access control barriers important to the operation of border agencies should be enforced. Agency responses to certain incidents seem to have exposed basic differences of view among agencies operating in international air terminals on what each one must do to support the security roles of others.

5.24 One agency notes that the issue is not one of disagreement concerning policing of departure areas, but rather a need to ensure that the different security related interests are adequately understood by each party and appropriate control arrangements put in place to address each agency's areas of concern. The ANAO understands the basis of the differences between the agencies, but notes the importance of this matter and considers that the underlying jurisdictional issues must be resolved. The ANAO has been advised that action is being taken by the agencies to address the specific barrier control issues raised and that a review among relevant agencies is to be undertaken.

5.25 As the outcome of such actions will bear on Commonwealth security arrangements for the Games, when pressures on international air terminals will be greatest, the ANAO considers that the Sydney 2000 Games Coordination Task Force should have an interest in the outcome. The Task Force should therefore monitor the progress and outcome of interdepartmental actions to address the issue of international airport enforcement zones.

Recommendation No.16

5.26 The ANAO recommends that the Sydney 2000 Games Coordination Task Force should monitor the progress and outcome of interdepartmental actions to address the issue of international airport enforcement zones.

Task Force Response

5.27 Agreed in principle. The Sydney 2000 Games Coordination Task Force will discuss the issue with responsible agencies.

DTRD Response

5.28 Agreed. It is proposed that there be a review of the access control arrangements covering international airline passenger departure areas. This review should commence shortly.

Police presence at international airports

5.29 The development of the National Anti-Terrorist Plan in the late 1970s led to clarification of policing and law enforcement roles at international airports. AFP withdrawal of its uniformed function from airports in 1990 followed agreement between Commonwealth and State Governments and the Police Commissioners on how the community policing function would be performed, with the Commonwealth role being confined to enforcement of Commonwealth law and the performance of 'first response' to a terrorist incident (CTFR).

5.30 Deployment arrangements for permanent State/Territory uniformed police presence appear to be somewhat uneven across the major airports. In Melbourne the State Police have a patrol presence in the terminal and on the air side of the outward control point which recognises their community policing and incident management roles. At the time of audit fieldwork the NSW Police did not have officers permanently stationed at the Sydney Airport terminal.

5.31 The continued use of the APS at the airports is also under review. Following a review in 1997 of CTFR arrangements, Commonwealth Ministers (the Attorney-General and the Minister for Transport and Regional Development) are to determine arrangements for the provision of relevant response facilities. The issue has implications for Commonwealth and State agencies with law enforcement responsibilities at air terminals and seems likely to affect directly Olympic security planning on the part of the OSWC and the NSW Police. In view of the long lead times involved in any staffing and training requirements the ANAO considers that decisions on CTFR arrangements should be finalised as soon as possible and that DTRD should pursue with the NSW Police its plans for policing Sydney Airport, through its representation on the Aviation Olympic Security Work Group.

Recommendation No.17

5.32 The ANAO recommends that DTRD:

- (a) pursue the finalisation of decisions on CTFR arrangements; and
- (b) through its representation on the Aviation Olympic Security Work Group, pursue with the NSW Police its plans for policing Sydney Airport.

DTRD Response

5.33 Agreed. The issue of CTFR arrangements is currently being considered by the Government. The issue of NSW Police involvement at Sydney Airport will also be pursued.

ASIO Response

5.34 Agreed.

Procedures for handling non-CTFR passenger processing alerts at international terminals

5.35 The vast majority of alerts arising during passenger processing are dealt with routinely. With support from the ACS closed circuit television system and control room management, Customs officers either perform the actions required by alert agencies or liaise with AFP or the State police as appropriate to interdict or monitor the targeted passenger or group.

5.36 However, in the case of certain priority alerts, where a match could indicate the need for wider measures to be taken including by law enforcement authorities at the relevant airport, operational procedures setting forth different agency roles is an area requiring codification.

5.37 It may be also that the number of alerts in the priority category will increase with the approach of the Games period and the likelihood of travel to Australia of groups not normally involved with Australia. The question of responsibilities for CTFR and the ongoing community policing activity at Sydney Airport in particular needs to be resolved. The ANAO considers that ACS should sponsor a joint review of incident response procedures arising out of passenger processing at Australia's international airports in consultation with the Sydney 2000 Games Coordination Task Force.

Recommendation No.18

5.38 The ANAO recommends that ACS sponsor a joint review of incident response procedures arising out of passenger processing at Australia's international airports, in consultation with the Sydney 2000 Games Coordination Task Force.

ACS Response

5.39 Agreed.

Task Force Response

5.40 Agreed.

DTRD Response

5.41 Agreed.

DIMA Response

5.42 Agreed.

Approach to aviation security

5.43 Aviation security arrangements employed in Australia in regard to passenger screening take the form of physical security screening of passengers and baggage with a view to lowering risks to aviation of dangerous items such as weapons or offensive substances being carried on to aeroplanes.

5.44 In the case of international passenger traffic, the significant growth in automated passenger profiling and security checking which will increasingly characterise Australian border management around the time of the Olympic events (see Chapter 4) represents a relatively new and sophisticated source of information. This data, coupled with the analysis capacity being built, provides potential intelligence for aviation security goals. It would appear that the internationally operating airlines serving Australian ports receive benefits from the Australian border management system in that they only carry (apart from nationals of Australia) individuals who are documented and have gone through a clearance process.

5.45 DTRD points out that aviation security management is inherently concerned with different issues than those addressed by border management. It notes that aviation security must address the needs of the totality of the industry, which includes a large volume of domestic traffic where passenger processing at the border does not happen. It appears, however, that some scope may exist to examine how passenger profiling capacity may be put to use in enhancing outward passenger checked baggage clearance procedures. In the United States the White House Commission on Aviation Safety and Security has identified the value of automated passenger profiling technology in this area.⁷

5.46 As identified in the previous chapter, more opportunities will be opened up by the new electronic passenger information systems, passenger analysis capacity and the steady convergence of airline data about passengers on flights and the alert systems employed by Australian intelligence and law enforcement agencies. Under current approaches there appear few opportunities to associate work on aviation and terminal security objectives with this expanding flow of passenger data about that part of the airlines' clients who come from overseas.

5.47 The ANAO considers that opportunities to lever advantage from developments in border management, in particular for hold-destined

⁷ Final Report to President Clinton, White House Commission on Aviation Safety and Security, p. 21 February 12 1997.

baggage security arrangements at departure points, ought to be explored. The need for such an approach is highlighted by the fact that Australia will be experiencing more diversification in the nationalities of international passenger arrivals and departures during the Games period than it normally experiences.

5.48 As these matters include but go beyond Olympic security preparations, Commonwealth focus on security coordination for the Olympics presents an opportunity to address them. The ANAO considers that DTRD, in conjunction with the border agencies, should study the uses to which border management passenger processing information could be put in enhancing the security of flights departing Australia (where Australia has international obligations in regard to screening).

5.49 The international airline industry which flies passengers into and out of Australia is an important partner in the generation of passenger data that will facilitate passenger entry and departure from Australian ports. The industry will, in the medium term, obtain significant benefit from active participation in arrangements to enhance passenger data collection through linkages with passenger processing systems. Measures to encourage that participation should be pursued.

5.50 DTRD plans to establish close liaison contact with the Olympic Intelligence Centre in Sydney when this is set up in the Games period, possibly seconding an officer to the centre. The ANAO supports the proposal to second an officer to the OIC as a useful measure to facilitate the flow of intelligence on travellers who may present a security threat. The ANAO considers that DTRD, in conjunction with the border agencies, should study the uses to which passenger processing information could be put in enhancing aviation security at departure points.

Maritime points of entry and departure

5.51 In view of the expected volume of small sea-craft seeking entry to Port Jackson during the Olympics period, ACS in conjunction with the Sydney Ports Authority, has developed plans for controlled berthing arrangements for pre-registered small craft. AQIS requires vessels to apply for pratique prior to arrival in accordance with quarantine legislation. In the Olympics period ACS will, as now, perform clearance procedures for ships/yachts for customs and immigration purposes (see previous chapter). State police forces have responsibility for policing ports and waterways, with ACS and port authority patrols also providing surveillance.

5.52 Although state and local authorities have a significant role to play

in this area, it is also one where Commonwealth security planning could be enhanced. The ANAO considers that the Sydney 2000 Games Coordination Task Force could consider appropriate security coordination action on ports and waterways within the forum of the OSWC.

6. Protective Security Arrangements for Visiting Dignitaries

This chapter provides an overview of the roles and responsibilities of Commonwealth agencies in the protection of foreign visiting dignitaries. It details Commonwealth planning structures and associated resourcing requirements necessary for the protection of visiting dignitaries during the Games period. It also highlights the need for all relevant agencies to have a good understanding of the Commonwealth Olympic Dignitary Program, for planning to proceed on the basis of agreed estimates and for effective feedback from Protocol Group members.

Introduction

6.1 The Olympic Games is the largest sporting event in the world. It involves some 200 countries and consequently attracts a large number of foreign dignitaries. For the Sydney 2000 Games it is believed that up to 500 dignitaries may attend, with 300 of these potentially requiring protocol services. Of the 300, it is estimated that somewhere between 20 to 100 will require some form of protective security. It is important that these dignitaries receive an appropriate level of security and respect for their office.

6.2 The estimates of dignitaries requiring protection include those likely to attend other events around the time of the Games such as the World Economic Forum in Melbourne, the Pacific Rim Conference in Sydney and various cultural events associated with the Games themselves. These events will draw a number of Heads of Government and senior Ministers who will be entitled to special security protection as Internationally Protected Persons (IPP). There is also the possibility that members of foreign royal families may visit Australia during the Games. Given Australia's limited security resources and the concentrated period in which these dignitaries will visit Australia, planning and effective coordination among security agencies will be crucial.

Current protective security arrangements in Australia

6.3 The obligation to provide special protection to representatives of a sovereign state or international organisation beyond the level of protection afforded to all Australian citizens or visitors, is based in international law. These laws have been codified in a number of Commonwealth statutes⁸

⁸ Refer Appendix 5.

and place a legal obligation on the Commonwealth to ensure the safety of foreign dignitaries visiting Australia, diplomatic and consular personnel and premises. Commonwealth agencies with responsibilities for protective security coordination/assessment are the Protective Security Coordination Centre (PSCC), the Australian Security Intelligence Organization (ASIO) and the Department of Foreign Affairs and Trade (DFAT). Physical protection is provided by State and Northern Territory police services, the Australian Federal Police (AFP) and the Australian Protective Service (APS).

6.4 The ANAO's inquiries in this area focused on the protection of foreign dignitaries, as the Olympics and other forums will result in the presence of a large number of dignitaries in Australia during the Games period. There may also need to be an upgrading of security arrangements for diplomatic missions, consular posts and Australian High Office Holders, but the ANAO's emphasis was on visiting foreign dignitary protection arrangements.

Roles of Commonwealth agencies in foreign dignitary protection

6.5 The fundamental principle underlying current arrangements for dignitary protection in Australia is that State and Territory police forces have responsibility for the safety of a dignitary while that dignitary is in their jurisdiction. Notwithstanding this, the Commonwealth has an overarching legal responsibility to provide an appropriate level of protective security to certain types of foreign dignitaries. The Commonwealth assists State and Territory police forces in this task through the provision of AFP protection officers, threat assessments, sensitivity ratings, dissemination of visit itineraries and appropriate visit design.

The Protective Security Coordination Centre

6.6 Within the Commonwealth, the agency with the broadest role in protective security arrangements is the Protective Security Coordination Centre. It has responsibility for, amongst other things, coordinating protective security arrangements for a range of visits. The most common type of visit to Australia by a foreign dignitary requiring protective security arrangements is the Guest of Government (GoG) visit. Below is a brief outline of how coordination arrangements generally operate for this type of visit.

6.7 GoG visits are managed by the Ceremonial and Hospitality Unit (CERHOS) in the Department of the Prime Minister and Cabinet (PM&C). Security mechanisms are engaged when the CERHOS Visits Officer advises the PSCC that a GoG visit is planned. A visit planning meeting is held to discuss visit coordination and program formulation involving all

Commonwealth agencies with responsibilities for the visit and representatives of the relevant foreign government. The PSCC Liaison Officer attends the meeting to obtain key information about the visit and to provide advice on security matters. For major visits the PSCC organises a formal meeting of security agencies in order to coordinate a security response.

6.8 For high-level visits the PSCC is responsible for the following matters:

- initiating and coordinating the development of a sensitivity rating in respect of the dignitary;
- tasking ASIO to provide a threat assessment on the dignitary;
- obtaining and disseminating itinerary and program details to relevant security agencies;
- liaising with appropriate operational agencies to ensure that any security/sensitivity concerns that they may have with any aspects of the visit (eg meeting venues, transport and accommodation) are integrated into the overall visit design;
- arranging pre-visit surveys and for major visits participating in advance security reconnaissance;
- appraising representatives of relevant foreign missions and advance security teams of the general security arrangements that exist in Australia; and
- during the visit, liaising between security agencies, the visit coordinator and the government of the foreign dignitary.

Threat assessments

6.9 On notification of a visit, the PSCC seeks a formal threat assessment from ASIO. To reduce the number of unnecessary threat assessment requests, they are only sought after the application of risk management principles (based on previous ASIO assessments and after consultation with ASIO). There are, however, a number of situations where the PSCC is required to request a threat assessment as a matter of course. These include:

- all visits by Internationally Protected Persons under the GoG program;
- all visits by Ministers or other senior representatives of governments or international organisations where the visitor is known to be at risk;
- private visits by foreign nationals where the individual is likely to be at risk; and
- any other case where the circumstances dictate it.

The Australian Federal Police

6.10 As the Federal Government's primary law enforcement agency the AFP is responsible for enforcing Commonwealth legislation associated with the protection of foreign dignitaries. The AFP maintains a protective security capability and in cooperation with State and Northern Territory police services assists in providing protective security for:

- nominated heads of mission;
- internationally protected persons;
- visiting royalty; and
- dignitaries at risk.

6.11 Within the Australian Capital Territory (ACT) the AFP is responsible for all aspects of dignitary protection, but outside the ACT the AFP's role is predominantly one of liaison. The AFP protection officer accompanies the dignitary on interstate visits, liaising with police forces in order to ascertain what level of operational protection they intend to provide in each jurisdiction. Through this process, the AFP endeavours to ensure consistency in the standard of protection delivered throughout different jurisdictions. Where other priorities limit the provision of State and Territory police protective security resources, it remains the responsibility of the AFP to ensure that adequate protection is provided. For example, should the assessed threat level of the dignitary dictate it, AFP officers may be directed to assist State/Territory police. The decision to deploy AFP officers however, remains at the discretion of the AFP.

Foreign dignitary protection during the Olympic period

The Commonwealth Olympic Dignitary Program

6.12 In February 1997 the Ministerial Committee on the Sydney 2000 Games directed that a working party of Commonwealth officials be established to consider arrangements to be put in place to provide for foreign dignitaries at the Games. In June 1997 the working party presented a paper to the Ministerial Committee concerning the handling of international dignitaries at the Games. In accepting the main recommendation of the paper Ministers agreed to the establishment of an 'Olympic Dignitary Program' and its coordination by CERHOS.

6.13 The Olympic Dignitary Program recognises that the Commonwealth would have difficulty in providing sufficient protocol and protective security resources to conduct a normal GoG program as well as meeting its responsibilities to those foreign dignitaries attending the Olympics. The paper therefore recommended the suspension of the GoG

program for the duration of the Olympics and that resources normally used to implement the GoG program be made available to service a limited group of dignitaries who would be already attending the Games. The dignitaries that make up this group include:

- Heads of State and Heads of Government;
- dignitaries identified by relevant Commonwealth agencies as having their physical well-being or dignity threatened; and
- other selected dignitaries specifically targeted to promote Australia's wider economic, foreign policy and other interests.

6.14 In addition to the above recommendations the Ministerial Committee agreed:

- to the need for the Commonwealth to receive the earliest possible advice of dignitaries attending the Games;
- that representatives of foreign governments be kept fully informed of arrangements being made to handle dignitaries at the Games;
- to Commonwealth agencies working with SOCOG, State and Territory Governments and the organisers of the World Economic Forum and the Pacific Rim Conference to ensure appropriate arrangements are in place for dignitaries attending the Games;
- that agencies with responsibilities for handling dignitaries register their anticipated financial requirements in the 1998-99 Budget context; and
- that DFAT, PM&C and the PSCC represent the Commonwealth on the 'Protocol Group', which is to be chaired by the Olympic Co-ordination Authority.

6.15 Since this decision, the ANAO has been advised that the Prime Minister has written to all Ministers advising that the official GoG program is to be suspended from 1 July to 30 October 2000 and that no invitations are to be issued by individual Ministers during this period. In addition PM&C has contacted all overseas posts informing them of these developments, as well as the need for early advice on whether foreign dignitaries would be attending the Games and of the need to manage both protocol and security expectations of potential visitors. The ANAO was informed that the Prime Minister and PM&C would be providing annual reminders of the agreed arrangements to Ministers and overseas posts respectively.

World Economic Forum/Pacific Rim Conference

6.16 During the Olympic period Australia will host two major international forums, namely the World Economic Forum (WEF) to be held in Melbourne in the week immediately preceding the Games and the Pacific

Rim Conference (PACRIM) to be held in Sydney in the period between the Olympic and Paralympic Games. It is expected that both forums will attract a large number of foreign dignitaries, some of whom will require protective security arrangements. At this early stage it is estimated that the WEF will be attended by some 90 Ministers and ten IPP's. It is possible that the PACRIM conference will draw a similar number of IPP's. Commonwealth security planning and coordination activities for these events will occur simultaneously with the lead up to the Olympics. As a consequence they will place considerable additional workload upon Commonwealth security resources at a time when they are already heavily committed.

6.17 In 1997 Commonwealth officials met a representative from the Australian Davos Connection (the organisers of the WEF) to raise a number of issues in relation to the logistical and security implications of a large number of dignitaries from the WEF attending the Games. The PSCC advised that another meeting with the organisers was to occur later this year when WEF planning would be more advanced. The ANAO considers that Commonwealth agencies should ensure that security planning for the Olympics, WEF and PACRIM is closely coordinated and integrated wherever possible.

Commonwealth/NSW protective security planning

Personal Security Working Group

6.18 The Personal Security Working Group (PSWG) was established by the Olympic Security Working Committee (OSWC) in 1995. The aim of the PSWG is to develop and deliver to the OSWC, "systems and procedures that provide a coordinated security program for the personal protection and the protection of dignity of IPP's, members of the Diplomatic and Consular Corps, other VIP's, athletes and officials associated with the conduct of the Sydney Olympics and Paralympics." The Commonwealth has several representatives on the PSWG, including the PSCC, DFAT, PM&C, DTRD, AFP and the DoD. Some of these representatives have been given responsibility for the completion of work group tasks.

6.19 At the time of the audit all Commonwealth representatives on the PSWG acknowledged that progress by the group had been disappointing. The main reasons for this were said to be due to changes in key personnel and the lack of definitive information on the numbers of dignitaries that would be attending the Games.

Commonwealth/NSW Joint Visit Program (the Protocol Group)

6.20 In September 1997 the OCA wrote to PM&C seeking Commonwealth representatives to participate in discussions on the development of a joint visit program with the protocol area of the NSW Premier's Department, SOCOG and Sydney Paralympic Organising Committee. In response, PM&C nominated itself, the PSCC and DFAT as the Commonwealth representatives for the Protocol Group.

6.21 At the time of the audit the Group was still to meet and correspondence between the parties had been limited to a discussion of the potential issues that the Group might address. The ANAO has since been advised that the Protocol Group met in March 1998 and at that meeting agreement was reached on the Group's terms of reference.

6.22 The terms of reference state that the Protocol Group's aim is to develop systems and procedures to meet the needs of dignitaries visiting Australia before, during and after the period of the Olympics, Paralympics, PACRIM conference and WEF. In particular the Group will address in detail a range of issues including:

- the likely number of visitors;
- resource requirements;
- entry and exit facilitation;
- accommodation, transport and security requirements; and
- training and equipment needs.

6.23 The ANAO considers that protective security planning will be enhanced with guidance from the Protocol Group. The formation of the Group will assist in the determination of responsibilities and realistic estimates of the numbers and status of dignitaries attending the Olympics. This will in turn provide the PSWG with a more considered basis on which to plan for protective security (ie. staffing, training and equipment). At the time of the audit it was difficult for agencies involved in protective security to develop strategies and operational plans without clear and consistent guidance on such issues.

6.24 From the Commonwealth's perspective there will be benefit in the Protocol Group liaising with representatives from the WEF and PACRIM forums. As mentioned earlier it is important that Commonwealth security agencies be aware of all dignitaries visiting Australia during the Olympic period as well as the details of their itineraries.

Commonwealth Working Party

6.25 In February 1997 the Ministerial Committee on the Sydney 2000 Games directed that a working party of Commonwealth officials be set up

under the chairmanship of PM&C with representatives from DFAT, PSCC and other relevant agencies. The working party was required to consider:

- the objectives, coordination and management of links between Commonwealth agencies and the Government of NSW and the Games organising committees on the handling of visiting dignitaries;
- the possible form of a Commonwealth GoG program associated with the Sydney 2000 Games;
- the resources needed to carry out the recommended work; and
- possible recommendations to the Ministerial Committee by mid-1997, with a view to consideration of any resulting financial issues in the 1998 Budget process.

6.26 Following this direction, a paper was prepared and presented to the June 1997 meeting of the Ministerial Committee. An analysis of the paper suggests that the working party has only addressed the possible form of a Commonwealth GoG program associated with the Sydney 2000 Games. Issues such as the management of links between the Commonwealth and NSW, resource requirements and related financial issues were not addressed by the working party in any detail. At the time of the audit the ANAO was advised that PM&C did not request further meetings of the group in order to clarify these outstanding issues. However, prior to the first meeting of the Protocol Group in March 1998, a Commonwealth Reference Group comprising PM&C, PSCC, AFP, DFAT, ACS, DIST, and DIMA was drawn together and consulted. PM&C advise that it is intended that this group will continue to meet through to the 2000 Games and consult, as appropriate, with Sydney Airport and Telstra.

6.27 The need for such a group was brought out during fieldwork. The audit team found that a degree of uncertainty existed in a number of agencies as to the precise nature of the Commonwealth Olympic Dignitary Program. It was also apparent that Commonwealth agencies had undertaken planning based upon differing estimates of the number of dignitaries requiring protection. It is particularly important that protective security planning by Commonwealth agencies proceed on the basis of agreed estimates and that Commonwealth members of the Protocol Group have a shared understanding of the Commonwealth Olympic Dignitary Program.

6.28 The ANAO considers that there is a need for regular meetings of Commonwealth agencies to ensure that they are equipped to carry out their dignitary protection responsibilities during the Olympics. This is particularly important given the close proximity of other events to the Games and the likelihood that dignitaries' programs will take them beyond

NSW. In addition, the ANAO suggests that consideration be given to including the Department of Transport and Regional Development (DTRD) as a member of such a group.

Recommendation No.19

6.29 The ANAO recommends that the Sydney 2000 Games Coordination Task Force ensure that:

- (a) all relevant agencies have a good understanding of the Commonwealth Olympic Dignitary Program;
- (b) planning by relevant agencies proceed on the basis of agreed, up-to-date estimates of the number of dignitaries requiring protection; and
- (c) effective feedback from the Protocol Group is disseminated to relevant agencies.

Task Force Response

6.30 Agreed. Action has already been taken to brief all relevant Commonwealth agencies and to disseminate the outcomes of Protocol Group discussions. Planning is proceeding on the basis of a range of number of dignitaries and will be refined as better information becomes available.

PSCC Response

6.31 Agreed.

ASIO Response

6.32 Agreed.

ACS Response:

6.33 Agreed.

Resource planning for visiting foreign dignitaries

Estimation of dignitary numbers

6.34 Of the potential 300 visiting dignitaries requiring protocol services it is estimated that somewhere between 20 to 100 will require some form of protective security. The estimates have been based on the numbers of dignitaries requiring protection at previous Olympic Games. In addition to the number of dignitaries requiring protection, factors that may influence the level of protective security resources required include:

- the dignitaries' level of assessed threat and/or dignity rating;
- the duration of the visit;

- the dignitaries' itinerary (a problem experienced at the Atlanta Olympics was that itineraries of dignitaries often changed at short notice);
- planned accommodation arrangements; and
- whether the IPP will be accompanied by his or her family.

AFP Olympic dignitary protection role

6.35 The AFP has developed a proposal to meet their dignitary protection responsibilities during the Olympic period. The proposal assumes that 70 dignitaries will require protective security during the Olympic period (10 high risk and 60 low risk), that each dignitary will be in Australia for 25 days (the period spanning the beginning of the WEF until the end of the PACRIM forum) and will visit three States. Based upon these assumptions, the AFP believes they will have a requirement for 200 Close Personal Protection (CPP) officers during the Games and have embarked upon a program to train them by July 1998.

6.36 The ANAO considers it was prudent of the AFP to develop this proposal at such an early stage, given the lead-times involved in training and purchasing specialised CPP equipment. However, the ANAO would question a number of the proposal's basic assumptions. Of particular concern are the assumptions that 70 dignitaries would require CPP during the Games and that each would be staying for 25 days. In Atlanta 45 dignitaries required CPP and the average length of stay was six days. It is possible that dignitaries will stay in Australia for longer periods than they did in Atlanta, but an assumption of 25 days appears excessive.

6.37 The ANAO considers that the AFP should conduct a detailed analysis of the assumptions behind and the costs associated with the AFP's dignitary protection role during the Olympic period. In addition to providing details on training and equipment costs this analysis should include costs per day for travel, accommodation and overtime for visitors of varying risk levels. The AFP has advised that it accepts the need for regular review of its assumptions.

6.38 Despite the fact that the Olympics will attract a large number of dignitaries to Sydney (many of whom the Commonwealth will have a legal duty to protect) no request for assistance has been received from the NSW Police for the provision of AFP officers to assist in the protective security task. Consequently, the AFP proposal has assumed that the NSW Police will be allocating sufficient resources to protect visiting dignitaries while they are in NSW. The PSCC advised that they have been assured by the NSW Police that, in the event of a security incident, resources would not be redirected away from the dignitary protection task.

6.39 In view of the Commonwealth's overarching responsibilities in this area, the ANAO considers that there is merit in developing contingency plans to meet any potential shortfalls in the level of protection provided by the NSW Police. Additionally, it would be in the Commonwealth's interest to develop an MOU with the NSW Police to ensure that adequate protective security resources will be allocated to the task.

6.40 The AFP have advised that they have sought funding to carry out their existing dignitary protection responsibilities during the Games and that any additional support to the NSW Police would be undertaken on a cost recovery basis in line with Department of Finance and Administration financial guidelines.

6.41 During the audit, the ANAO was told that in June 2000 the contracts of 77 per cent of AFP members are due to be renewed. This is a concern, because if members should decide so close to the Games not to renew their contracts, experienced officers may be lost and new staff would need to be recruited and trained in an extremely short timeframe. The AFP advised that it is considering a range of options intended to address this issue.

PSCC Olympic dignitary protection role

6.42 Although there will be a significant increase in the workload of the PSCC due to the large numbers of visiting dignitaries in Australia at the time of the Games, the role of the PSCC in dignitary protection will remain unchanged. The PSCC is considering the secondment to Sydney of a senior officer to work in the OIC Dignitary Intelligence Unit in order to enhance its cooperation and communication with other agencies involved in dignitary protection. The ANAO considers that the secondment of liaison staff to the Dignitary Intelligence Unit would be a desirable step if adopted.

6.43 In order to carry out its protective security role during the Olympics the PSCC is seeking funding for the following:

- establishment of several new positions which will be disestablished after the Games (and the temporary transfer of staff from other areas within the PSCC that have received cross training);
- additional travel resulting from fifteen pre-visit security surveys (based upon the need to conduct these for 25 per cent of the 60 expected senior government representatives); and
- possible relocation of staff to Sydney to work in the Dignitary Intelligence Unit.

6.44 The PSCC has also been involved in planning to ensure the availability of sufficient armoured limousines for the Commonwealth Olympic Dignitary Program. The plan involves placing decommissioned

Commonwealth armoured vehicles in storage and at the time of the Olympics combining them with those that would be in use during this period anyway. At present the PSCC is absorbing the costs involved in the storage of these vehicles, but has received funding for them in the 1998-99 financial year.

ASIO Olympic dignitary protection role

6.45 As part of its ongoing responsibilities for the production of national assessments in the area of politically motivated violence, ASIO will be responsible for the production of threat assessments for VIP's/IPP's, Australian High Office Holders and diplomatic missions and consular posts throughout the Olympic period. ASIO planning on threat assessment workloads appears to have been based upon estimates provided by the PSCC. The PSCC expects that during the Olympic period it will require ASIO to undertake threat assessments for 75 foreign dignitaries and 20 foreign missions. In relation to Australian High Office Holders the PSCC believes that there will be a 50 per cent increase in the need for threat assessments.

6.46 Again the adequacy of resources allocated to the production of threat assessments hinges upon the accuracy of the estimates on how many foreign dignitaries, Australian High Office Holders and foreign missions will require threat assessments.

VAG arrangements during the Olympics

6.47 In the working party paper to the Ministerial Committee describing how the Commonwealth Olympic Dignitary Program would function there is a reference to VAG arrangements. The paper states that, "it is implicit that for the Games period the sensitivity assessment procedures which currently apply under the Guest of Government program would automatically apply to all visiting dignitaries." This implies that Commonwealth agencies, who are members of the VAG, may need to conduct sensitivity ratings for up to 500 dignitaries. The ANAO was advised that in many cases only a preliminary assessment would be required and therefore the process would not impose a significant workload upon most VAG members. The provision of an increased number of sensitivity ratings in the lead up to and during the Olympics could have resource implications for DFAT due to its central role in the process. The ANAO considers that the feasibility and resource implications of undertaking these sensitivity ratings should be analysed.

A risk management approach to security

6.48 Given that the availability of security resources could be limited at certain times during the Games it may be necessary for agencies to adopt

a risk management strategy in allocating these resources. Risk assessments need to take into account the secure environment that will exist in Sydney at the time of the Olympics. For example when a dignitary is visiting a site covered by the 'security umbrella' the resources allocated to that individual may be able to be reduced and utilised in higher risk areas. Decisions concerning the appropriate level of protection will be determined by the OSCC, informed by advice from the Olympic Intelligence Centre, in consultation with the PSCC. In other States the police services will also act in consultation with the PSCC.

Operational response to ASIO threat assessment

6.49 In allocating operational resources to a dignitary, the relevant State/Territory police force makes its own judgement based upon a range of inputs including the threat assessment provided by ASIO and coordination advice provided by the PSCC. In order to simplify this process and ensure consistency in protective arrangements the AFP have developed a protective security matrix called the Visit Response System. The system provides for three standard security responses depending upon whether the AFP assesses the threat as High, Medium or Low. The major benefit of such a system is that it enables planning (ie. the quantification of equipment, staff and vehicles) and provides for consistency in operational responses.

6.50 The ANAO is aware that the OSCC is developing their own visit response system, based upon the AFP model, for application during the Olympics. The ANAO considers that it would be beneficial if the system corresponded with the six levels contained in ASIO's threat assessment model.

7. National Crisis Management Arrangements

This chapter provides a brief overview of existing counter-terrorist arrangements in Australia and discusses how these arrangements will operate during the period of the Olympics. In particular the chapter highlights several aspects of the current arrangements where action is required in order to improve its effectiveness.

Existing counter-terrorist arrangements

The National Anti-Terrorist Plan

7.1 The purpose of the National Anti-Terrorist Plan (NATP) is to provide a cooperative framework within which Australian governments and authorities can prepare plans and procedures to counter terrorism and other forms of politically-motivated violence (PMV). The NATP outlines on-going arrangements for the prevention of terrorism and PMV, including the protection of dignitaries. It also provides the framework for responses to all types of terrorist incidents including threats and acts involving bombings, assassinations, kidnappings, hijacks or siege-hostage situations.

7.2 The primary interest of Commonwealth and State Governments in endorsing the NATP is to safeguard the Australian community from PMV. Much of the detail of the plan necessarily deals with arrangements for managing a joint response to an on-going terrorist incident or series of incidents. All governments in Australia have agreed to cooperate in the joint handling of acts of terrorism and other forms of PMV and have endorsed the NATP.

7.3 The NATP comprises three parts:

- *Part 1 - Prevention.* Measures necessary to prevent terrorism and other forms of PMV including on-going cooperation and liaison arrangements and border control systems;
- *Part 2 - Response.* Arrangements which come into effect when an incident or threat requires a joint response; and
- *Part 3 - Investigation.* Arrangements necessary to support the investigation of politically-motivated crime particularly where the Commonwealth Government and its resources have become involved.

Coordinating committees and secretariat support

7.4 The principal national coordinating body is the Standing Advisory Committee on Commonwealth/State Cooperation for Protection Against Violence (SAC-PAV). It proposes to Government the strategies and policies necessary to counter terrorism and other forms of PMV. Through cooperation between relevant Commonwealth and State/Territory agencies SAC-PAV also develops, monitors and reviews nation-wide arrangements and procedures for the protection of Australia from terrorism and PMV so as to contribute to the security of the Australian community. Standing and ad hoc sub-committees, project groups and working groups are established by SAC-PAV to develop and manage specific aspects of the national counter-terrorism arrangements.

7.5 The Special Inter-Departmental Committee for Protection Against Violence (SIDC-PAV) is made up of representatives from Commonwealth departments. It provides policy advice to Commonwealth Ministers concerning PMV and coordinates precautionary and response arrangements by Commonwealth agencies. The Committee also sets the Commonwealth level of alert in response to threat assessments by the Australian Security Intelligence Organization (ASIO). For consideration of responses to a threat or incident the SIDC-PAV may form a Special Incidents Task Force.

7.6 The Protective Security Coordination Centre (PSCC) provides the executive, secretariat and administrative support for both SAC-PAV and SIDC-PAV. It also coordinates dignitary and diplomatic protection and provides the infrastructure and communications to support the Commonwealth component of the national crisis management arrangements.

Crisis management arrangements

7.7 The national crisis management arrangements have never been fully activated because most incidents have been promptly resolved by the responsible police jurisdictions. The full arrangements would only be activated after an incident has occurred and if it is ongoing, such as a siege situation.

7.8 Responses to threats or acts of terrorism and other forms of PMV will vary according to the nature and scale of the threat or incident. Generally, responses to threats and acts of the less extreme forms of PMV, including lower-scale acts of terrorism, will be dealt with by law enforcement agencies in a similar way to any public disorder and criminal activity. However, because of the political motivation which characterises such threats and acts, coordination between Commonwealth and State/Territory agencies may be required to ensure that the outcome does not assist the perpetrators to achieve their aim. In order to resolve higher order

terrorist incidents, such as sieges or hijackings, cooperation and coordination between the relevant State/Territory Governments is necessary. It is for this reason that the national crisis management arrangements have been established.

7.9 A successful response to a threat or act of terrorism or other form of PMV may depend on the early notification of State/Territory and Commonwealth agencies and the timely activation of national crisis management arrangements. The decision to activate these arrangements would be taken jointly by the governments concerned, based upon all information available as well as the perceived political implications of the incident.

7.10 Consultation leading to a decision to activate the national crisis management arrangements would involve the Director of the PSCC, senior officers of the Commonwealth Attorney-General's Department and the State/Territory Premiers' /Chief Ministers' Departments, and the Commissioner of Police with operational responsibility, or Commissioner's delegate. The degree to which the crisis management arrangements are activated will depend upon the circumstances of the threat or incident. It could range from a relatively low key activation and staffing of operational and crisis management centres, and requiring only limited actions to be carried out, to full activation of all response agencies and crisis centres. The extent of activation will be agreed when the joint decision is made to activate the arrangements.

7.11 It is the role of crisis centres to provide information and policy advice to governments, coordinate government responses and disseminate guidance to operational agencies. In some circumstances, such as an incident of short duration and/or one requiring only limited response by governments, crisis centres may be only partially activated, or it may not be considered necessary to activate them at all. In the latter case, coordination will be through the Premier's Department within the State/Territory and the PSCC within the Commonwealth. In the case of the Commonwealth, for a high-level incident, a Crisis Management Group consisting of Ministers and senior advisers would be formed to provide the necessary decision-making. A facility is available in Parliament House for meetings with, and to conduct briefings of, Ministers.

7.12 If an incident of PMV were to occur during the period of the Games national crisis management arrangements would be activated in order to resolve the situation (eg a command post and operations centre would be established by the police force with jurisdiction). Should an incident of PMV occur in NSW at the time of the Games it is proposed that response arrangements would be separate from, but run in parallel with, the Games

security structure, enabling security authorities to continue to manage the Games security operation without distraction.

Management of intelligence under the NATP

7.13 The effective management of a terrorist incident requires the timely dissemination of intelligence to those who are responsible for operational and policy decision-making and planning. Demands for information from Ministers, senior advisers, media and the public will be a constant feature of the operation.

7.14 During a major incident two ad hoc intelligence groups are formed to assist in its resolution. They are the National Intelligence Group and the Joint Intelligence Group. The Joint Intelligence Group is raised by the responsible police force and is responsible for day-to-day tactical and counter-terrorist intelligence activity. It includes intelligence elements of that police force and other agencies, including Commonwealth agencies. The Joint Intelligence Group is intended to provide a single source of intelligence to commanders who require it, including commanders of supporting units. The primary functions of the Joint Intelligence Group are:

- to coordinate the collection, collation and assessment of operational information of intelligence value at the incident site and from other sources; and
- the provision of timely intelligence and support to operational commanders.

7.15 The National Intelligence Group is raised by ASIO and can include officers from other national intelligence agencies. The primary functions of the National Intelligence Group include:

- the provision of strategic assessments to Commonwealth and State/Territory crisis centres; and
- the provision of intelligence assessments and relevant intelligence to the Joint Intelligence Group and/or other police intelligence units.

Australian Defence Force involvement

7.16 Responsibility for responding to and countering a terrorist threat rests with State/Territory governments and their law enforcement agencies. The nature of terrorism could, however, lead to a situation where the responsible civil authorities lack the capability to deal with the threat. In these circumstances Defence support may be necessary to resolve the incident. Support of this nature is referred to as Defence Force Aid to the Civil Power and includes all assistance to civil authorities where ADF personnel may be required to use force in executing their assigned task. This may, for example, include assistance from specially trained forces and

the use of other troops for cordons. It should be noted that the ADF can only ever act in support of police and then only when it is beyond the capacity of police to resolve the incident.

Aviation security

7.17 The Department of Transport and Regional Development (DTRD) is responsible for coordinating aviation arrangements to assist in the management of any incident involving aviation. While the aircraft is airborne Airservices Australia will attempt to maintain contact with the aircraft and operational control of the incident will be coordinated by the Aviation Security Response Centre. However, once the aircraft is on the ground operational control reverts to the Commissioner of Police in the State/Territory in which the incident is occurring. For a politically-motivated hijacking once the aircraft is on the ground and responsibility has transferred to the police, the provisions of the NATP will apply to the incident. Generally the aviation security structure would remain in place serving in an advisory or support capacity.

The Australian Bomb Data Centre

7.18 Bombing is assessed as the most likely form of PMV that could occur in Australia. The Australian Bomb Data Centre was established, in part, in recognition of this. The primary function of the centre is to provide technical intelligence and advice on techniques, devices and components likely to be used in a bombing. For an on-going incident requiring the activation of crisis management arrangements and where there are explosive devices involved, staff of the Centre will normally form part of the National Intelligence Group.

Nuclear, biological and chemical incidents

7.19 The potential threat from the terrorist use of chemical, biological and radiological materials is recognised by security agencies. A range of measures to enhance existing capabilities to ensure that the Games are adequately protected from this threat is under consideration. To facilitate the provision of advice during any terrorist incident involving nuclear, biological or chemical devices or agents, Emergency Management Australia maintains the Crisis Advisory Panel of Experts. Advisers may assist any elements of the crisis management arrangements.

Counter-terrorism arrangements for the Olympics

Reviews of counter-terrorism arrangements

7.20 There have been four significant reviews of counter-terrorism arrangements in Australia since the inception of SAC-PAV in 1979. Each of the reviews has endorsed the general soundness of the arrangements and

offered suggestions for their enhancement. The latest review in 1993 had regard to the security implications of the Olympic Games and made recommendations to improve Australia's capability to meet the security requirements of that event. The 1993 review concluded that SAC-PAV arrangements were highly effective, primarily because of the goodwill and cooperation that existed between the Commonwealth and the States.

Counter-terrorism exercises and training

7.21 A central feature of the SAC-PAV arrangements is the exercise and training programs coordinated by the PSCC. The exercise program is designed to develop common doctrine, foster interoperability and enhance the counter-terrorist response capability throughout Australia. The training program sponsored by SAC-PAV provides supplementation to police training and seeks to develop those specialised skills and techniques that may be required to combat terrorist activities. Examples of these training courses include the police tactical group skills enhancement course, the police bomb technicians course and the counter-terrorism intelligence coordinators course.

7.22 Action has been taken to modify the SAC-PAV exercise program to improve its effectiveness. Planning is well advanced on major exercises to be conducted in the two years prior to the Olympics. The focus of some of the exercises will be on the prevention of terrorism and they will be designed to test a number of capabilities including communications, equipment interoperability and aviation security arrangements. They will also be designed to be multi-jurisdictional and multi-site in nature. To enable sufficient time for any shortcomings identified during exercises to be remedied before the Games commence the ANAO considers it is essential that there be no slippage in the proposed exercise program.

7.23 Both the 1993 review and a more recent consultants' report highlighted the problems in getting Federal Ministers, due to their busy schedules, to participate in major exercises and the effect this has upon the reality of the exercise. Without the involvement of Ministers it is difficult for exercise planners to factor into their scenarios the full range of likely responses to a security incident. However, as the Olympics may well prove an attractive target to terrorist groups it is important that Ministers be fully informed of the national crisis management arrangements and their role in the decision-making process.

7.24 In an attempt to address this problem presentations are being planned to familiarise Ministers, ministerial advisers and senior bureaucrats in their responsibilities under the NATP and to exercise the various decision-making processes. However it is vital that at least one, and preferably more, of the exercises held before the Olympic Games involve

all participants playing their real roles. The ANAO considers that the PSCC should stress to Ministers and senior advisers the importance of their participation in SAC-PAV exercises and seek to ensure ministerial availability for at least one major exercise prior to the Olympics.

Recommendation No.20

7.25 The ANAO recommends that the PSCC should fully brief Ministers and senior advisers on their roles and responsibilities under national crisis management arrangements and have regard to the availability of Ministers in planning Olympic security exercises.

PSCC Response

7.26 Agreed.

ASIO Response

7.27 Agreed.

Technical surveillance

7.28 Since 1981 ASIO has developed the capability to employ specialist surveillance equipment. This Commonwealth capability is deployed to assist the responsible police jurisdiction to gather information of intelligence value at the scene of a terrorist incident. The capability can only be deployed with the agreement of the Director-General of Security (ASIO) but once deployed it is under the operational control of the Police Commander.

7.29 Over the years State police forces, with the support of SAC-PAV, have developed their own technical surveillance capabilities to the extent that some of the larger police forces have police technical units with 'cutting edge' technology.

7.30 In March 1997 ASIO completed an internal evaluation of its technical surveillance capability. A principal recommendation of the evaluation was the need to draw to SAC-PAV's attention the requirement to determine the appropriate level of national technical surveillance capability for the 2000 Olympics. Such an assessment should include consideration of the technical surveillance capabilities that currently exist throughout Australia, the potential for resource-sharing arrangements between the Commonwealth and the States and the realistic threats posed to the Olympics.

7.31 The 1993 SAC-PAV review also recommended that an assessment be made on the long term requirement for a Commonwealth technical surveillance capability beyond the Olympic Games. In the longer term the

ANAO considers that there is a need for a detailed assessment of the continued requirement for a national technical surveillance capability.

Recommendation No.21

7.32 The ANAO recommends that:

- (a) the PSCC initiate a SAC-PAV assessment of the appropriate level of national technical surveillance capability required for the Olympics and beyond; and
- (b) ASIO implement any required upgrade without delay, so as to ensure full operability for the Games.

PSCC Response

7.33 Agreed. SAC-PAV constantly reviews its strategy for developing a range of capabilities.

ASIO Response

7.34 Agreed.

Secure communications

7.35 In 1997 the SAC-PAV Project Group on Information Management commissioned the design of a secure communications network. The proposed Australian Secure Network (ASNET) would link Police, Premiers' /Chief Ministers' Departments and relevant Commonwealth agencies and in so doing would enhance the day-to-day communication needs of the security community (eg distribution of threat assessments and visit itineraries) and support the national crisis management arrangements.

7.36 The ANAO is concerned that at the time of writing this report the pilot of ASNET had not been completed. In response to the proposed report PSCC advised that the installation in Olympic event States will be completed by December 1998 and that this should allow sufficient time to test the system fully under exercise load.

7.37 Given the significance of the Olympics and the necessity to have an effective and secure communications system in place that has been fully tested and exercised well before the Games, the ANAO considers it is important that the PSCC give a high priority to maintaining the proposed implementation timetable.

Recommendation No.22

7.38 The ANAO recommends that the PSCC monitor progress against the proposed implementation timetable to ensure installation of ASNET at the earliest possible date.

PSCC Response

7.39 Agreed. The PSCC is the project manager for the ASNET roll-out and will be providing the system administration function.

ASIO Response

7.40 Agreed.



Canberra ACT
24 August 1998

P.J. Barrett
Auditor-General

Appendices

Appendix 1

Sources of threat

The principal sources of threat and the threats which are being addressed in the Games planning process are:

- politically-motivated violence, including terrorism;
- volatile protest activity and issue-motivated violence (by groups or individuals);
- acts of foreign interference;
- criminally-motivated violence or disruption (including acts such as extortion and kidnapping);
- deranged and psychologically unbalanced people or from anti-social or misguided, inconsiderate hoaxers and pranksters; and
- non-violent criminal activity eg theft, fraud and embezzlement.

The principal potential targets are:

- the public (community);
- particular categories of the community eg athletes, Holders of High Office, visiting dignitaries, diplomats and aviation passengers;
- Games facilities, venues and events;
- symbolic targets eg embassies and consulates, clubs, airline offices, places of worship, national banks and commercial houses; and
- Games related events eg cultural activities and lead up events.

The security operation will involve the protection of the Olympic Family as well as all 'Guests of Governments'. The Guest of Government program has been suspended for the period of the Olympics and a modified program adopted. The operation will extend to the protection of the athletes and technical officials villages, all competition venues, all training venues, SOCOG/SPOC operations centres, the main press centre and the international broadcast centre. The protection will also extend to the protection of Olympic Family hotels. It will also include associated events such as the Torch Relay, the Olympic Cultural Program, the Olympic Youth Program and the Olympic Test Events to be held in 1999.

Appendix 2

Commonwealth security functions

Security and security related functions that are the responsibility of the Commonwealth include:

- **International Relations.** The security aspects of the Department of Foreign Affairs and Trade's role will include identifying external factors, collecting diplomatic intelligence and negotiating in Australia's interests to enable the Government to conduct the Games in an atmosphere that is free of the threat of politically-motivated violence.
- **Intelligence.** ASIO has primary responsibility for the provision and coordination of intelligence relating to politically-motivated violence. Other Commonwealth intelligence agencies contribute, through ASIO, to a comprehensive assessment of the threat. ASIO's role in the Olympics will be mainly in the provision of security intelligence, strategic security planning, preparation of, and updating, the Olympic threat assessment, including threats to country reporting, and providing assistance to State and Territory police services in the form of security intelligence advice (including protective security) and investigation and interview support. ASIO will provide nationally-coordinated security intelligence advice to Olympic stakeholders and clients through the auspices of a Federal Olympic Security Intelligence Centre (FOSIC) to be established at its central office in Canberra.
- **Dignitary Protection.** The Protective Security Coordination Centre (PSCC) will provide the normal dignitary protection information and coordination services, albeit at a substantially increased scale, for Internationally Protected Persons and dignitaries considered to be at risk, to assist operational agencies to meet Australia's international obligations and the Commonwealth Government's policy objectives to protect these persons. As the dignitaries will visit places other than Sydney, the PSCC will be providing a greater volume of these services, not only to NSW and Commonwealth agencies, but to agencies in other States and Territories as well.
- **Counter-Terrorism Planning.** Counter-terrorism arrangements are succinctly defined in the National Anti-Terrorist Plan and the States and Territories are well practised in their use. The Commonwealth's operational contribution includes the establishment of a Crisis Coordination Centre managed by the PSCC, a National Intelligence Group managed by ASIO and its technical surveillance capability and the provision of Defence Force Aid to the Civil Power, if required, in the form of the ADF's counter-terrorist response capability.

- **Aviation Security.** Australia is party to a number of international conventions and protocols that apply to acts or threats of unlawful interference on board an aircraft or directed against airports or air navigation facilities. The provisions of these are implemented through the *Crimes (Aviation) Act 1991* and the Air Navigation Regulations. The Department of Transport and Regional Development has responsibility for the aviation security program.
- **Border Control.** Australia's border control system comprises three key elements: a visa system, physical border control mechanisms and terrorist profiling. Australia's universal visa system is being streamlined through the introduction of the Electronic Travel Authority system. This will assist in meeting the high processing load expected during the Olympics. Advance Passenger Information is also being examined as a means of speeding passenger clearances. The first point of contact at the physical border is managed by the Australian Customs Service. The Australian Quarantine and Inspection Service also has a role in the clearance of imported goods to prevent the importation of goods that may be injurious to Australian primary industry. ASIO undertakes terrorist profiling in conjunction with the Department of Immigration and Multicultural Affairs with the aim of preventing potential terrorists from entering Australia.
- **Law Enforcement.** The Australian Federal Police, as the national police force, has responsibilities in the provision of strategic intelligence, administering the Australian Bomb Data Centre and close personal protection of high office holders and visiting dignitaries. It is also responsible for policing Commonwealth laws covering a range of matters such as offences relating to immigration, copyright and trade marks, money laundering and organised crime associated with drugs and vice operations. Its criminal responsibilities also extend to matters such as fraud against the Commonwealth and counterfeiting.
- **National Security.** Any matter that has the potential to impinge on national security interests is the responsibility of the Commonwealth.
- **Protective Security.** Protective security is the protection of personnel, assets and information through counter measures such as guarding and other physical security measures. ASIO has a legislative role with regard to the provision of protective security advice. The Australian Protective Service (APS) is responsible for protective security of Commonwealth Official Establishments (eg Government House, the Lodge), diplomatic and consular missions, VIP aircraft and some airports, including providing a first response capability. The increased level of activity during the Olympics is likely to have an impact on the work of the APS.

Appendix 3

Financial guidelines

Provision of physical security is shared between the public and private sectors. Private sector organisations (including SOCOG) are generally responsible for security relating to their own enterprises. The public sector has much broader security responsibilities including law enforcement and the security of the community. Responsibility for public security is shared between State and Commonwealth agencies. For some aspects of security, responsibility for costs is clear cut. In others it is necessary to exercise judgment based on:

- the character of the security interest; ie. does the security interest derive from constitutional, legal, political, commercial or other obligations, vulnerability or opportunity;
- the nature of the particular security service (law enforcement services, infrastructure security, protective security, etc); and
- the division of responsibility between the parties as settled or informed by policies, undertakings, practices or laws.

These considerations will also inform judgments that need to be made about the allocation of costs for Games security. The principal additional factors for the Olympics will be whether the scale or nature of the Games affects the conclusions.

The Commonwealth Ministerial Committee on the Sydney 2000 Games has endorsed a financial framework for the Commonwealth's involvement in the Games. Guidelines for meeting costs for the provision of Commonwealth security-related services were agreed as follows:

- where the services provided are ones which the Commonwealth funds as a constitutional or legal responsibility (eg border controls, aviation security) these services will be provided on that basis. Any additional demand placed on these services specifically due to Games security will, however, be considered on a case by case basis, including seeking reimbursement from the organising committees if appropriate;
- where the service is one that the Commonwealth otherwise funds on a user pays basis (eg. APS guarding, security vetting, protective security advice) that service will be provided on that basis;
- where the service provided by the Commonwealth is the same as one for which the organising committees will reimburse the NSW Police Service (eg. venue security), the organising committees will reimburse the Commonwealth;

- where a new service is provided for a specific purpose in assisting NSW or the organising committees to meet their security responsibilities, cost recovery arrangements are to be negotiated and ratified by a Memorandum of Understanding; and
- where an existing structure or set of arrangements has its own cost recovery formula (such as SAC-PAV arrangements surrounding the inter jurisdictional transfer of personnel and equipment), that formula is to be used.

It was also decided that the following principles should be applied to security planning:

- the existing security structures and mechanisms will be used wherever possible for the provision of assistance for Games security;
- the level of assistance provided will be based on ASIO's views on credible contingencies and its threat assessment and risk analysis process, where possible;
- the assistance provided will be cost effective; and
- the most cost effective use will be made of existing budgets.

In addition to these principles, there are a number of factors that need to be taken into consideration when apportioning the cost of assistance. These are:

- the existing arrangements between the Commonwealth, States and Territories that involve the provision of protective security to IPPs/VIPs;
- standing counter-terrorism arrangements that are provided under the auspices of the National Anti-Terrorist Plan at no charge; and
- the agreement concluded between the NSW Government and SOCOG that has vested primary responsibility for the provision of security of the Sydney 2000 Olympic and Paralympic Games with the NSW Police Service; and
- a range of indirect and ongoing Commonwealth security related support services provided by Commonwealth agencies which fall within the Commonwealth's constitutional responsibilities.

The Commonwealth Government did not, during the bid process, estimate the total cost of Commonwealth support for the Games. Commonwealth agencies have since examined and costed some of their requirements and have submitted bids for appropriate funds in the Budget process.

Appendix 4

Sydney 2000 Games Coordination Task Force Terms of Reference

The Sydney 2000 Games Coordination Task Force will be responsible for the higher level policy coordination for both security and non-security issues in relation to the Olympic and Paralympic Games.

The terms of reference for the Task Force are to:

- provide support and advice to the Prime Minister and the Minister Assisting on matters relating to the preparations for, and the staging of, the Sydney 2000 Games, including the coordination of bids for resources;
- liaise with and coordinate the work of Commonwealth departments and agencies in relation to the planning for (and the staging of) the Games and officials groups established to consider particular areas of planning for the Games;
- as appropriate, chair or participate in Commonwealth officials groups established to examine or advise upon particular facets of the planning for, or the staging of, the Games;
- oversee, in respect of the Games, the Commonwealth's relationship with the NSW Government, its agencies, the Games organising committees and the relationships with other state and territory governments involved in the staging of the Games;
- represent the Commonwealth on the Olympic Security Working Committee; and
- provide secretariat services to the Ministerial Committee on the Sydney 2000 Games, the Ministerial Sub-committee on Security for the Sydney 2000 Games, the Officials High Level Reference Group on the Sydney 2000 Games and the Commonwealth-NSW High Level Officials Group on Security for the Sydney 2000 Games; and provide briefing to the Secretaries Committee on National Security and the National Security Committee of Cabinet for Games related agenda items.

The current protective security and counter-terrorist coordination roles of the Attorney-General's Department, such as the Standing Advisory Committee for Commonwealth-State Cooperation for the Protection Against Violence and the Standing Inter-Departmental Committee for the Protection Against Violence will not be affected by the operations of the Task Force, save that there will be strong liaison arrangements in respect of Olympic Security matters between the Task Force and the Attorney-General's Department.

Appendix 5

Legislative basis for protection of foreign dignitaries

Australia provides special protection to a wider range of visitors than is strictly required by our international obligations. It is of two kinds - physical protection and the protection of the criminal law.

Special physical protection may be provided as a result of Australia's obligations under international law; obligations under domestic law; or administrative decisions (based on threat assessments and policy considerations).

Neither international law nor domestic law specifies what special protection means. Any obligation on Australia to provide special physical protection is not an absolute duty. The appropriate standard of care in all cases will depend on the circumstances, and take into account factors relating to the visitor (office held and nature of visit), any duty of care required by international or domestic law, and the circumstances of the visit (Commonwealth involvement, anticipated community reaction, and expectations of the sending government).

Any obligations to provide special physical protection owed by Australia at international law are to the sending government, and not to the individual visitor.

The *Crimes (Internationally Protected Persons) Act 1976* ('the Crimes (IPP) Act') and the *Public Order (Protection of Persons and Property) Act 1976* ('the Public Order Act') serve as a framework for the identification of many of the people for whom Australia has undertaken to provide special physical protection. The Crimes (IPP) Act implements the *International Convention on the Prevention and Punishment of Crimes Against Internationally Protected Persons, Including Diplomatic Agents* ('the IPP Convention'), to which Australia is a party, by making it an offence to commit certain attacks on IPPs.

The IPP Convention, while requiring attacks on IPPs to be made an offence, refers to the obligation of States under international law to 'take all appropriate measures to prevent other attacks on the person, freedom or dignity of an Internationally Protected Person'.

The definition of IPPs in the IPP Convention, which has been adopted by the Crimes IPP Act, covers:

- foreign Heads of State, Heads of Government, foreign Ministers and family members accompanying them. They are entitled to special physical protection under customary international law; and

- representatives or officials of States or officials or other agents of international intergovernmental organisations who, under international law, are entitled at the relevant time and place (ie. at the time and place of the attack) to special physical protection from attack on person, freedom or dignity, and members of their families forming part of their households.

In usual circumstances, the obligation to provide special physical protection applies only to visitors on official business as representatives of the sending State. However, in the case of Heads of State, Heads of Government and Foreign Ministers (and members of their family travelling with them) the obligation applies whatever the purpose of the visit to Australia.

The *Diplomatic Privileges and Immunities Act 1967* gives the force of law in Australia to particular provisions of the Vienna Convention on Diplomatic Relations. For example, Article 29 states, “the person of a diplomatic agent shall be inviolable. He shall not be liable to any form of arrest or detention. The receiving State shall treat him with due respect and shall take *all appropriate steps* to prevent any attack on his person, freedom or dignity.”

Regulations made under the *International Organisations (Privileges and Immunities) Act 1963* provide for nominated officials/ agents of nominated international intergovernmental organisations to be treated as if they were IPPs, even when they have no such entitlement at international law. Nominated officers of international organisations include the Secretaries-General of the Commonwealth Secretariat and South Pacific Commission. Regulations made in relation to each international organisation may give certain office-holders various privileges and immunities (eg. in respect of taxes and law suits) but may fall short of entitling the office-holder to special protection.

Additionally, a person accredited to or attending a conference in Australia convened by an international organisation to which the *International Organisations (Privileges and Immunities) Act 1963* applies may be given appropriate privileges and immunities in regulations made under the Act.

The *Public Order (Protection of Persons and Property) Act 1971* refers to the special duty imposed on Australia by international law to prevent any attack on the person, freedom or dignity of protected persons. This Act assists in giving effect to this obligation by creating offences in relation to protected persons and protected premises.

Protected persons are defined by the Act as:

- diplomatic and consular staff;
- high officers of an international organisation; and

- the representatives or members of an international organisation attending a meeting of that organisation.

For the purposes of this Act, an international organisation is defined as an international governmental organisation of which Australia is a member, and includes an agency of such an organisation. This definition would include the UN, OECD, South Pacific Commission, International Wheat Council, and generally any organisation which fits the ordinary meaning of the definition. It is not necessary for protected persons to be entitled to special protection at international law. An exhaustive list of international organisations to which this Act applies is not possible because the Act specifies no organisations, merely describing organisations to which the Act applies as international governmental organisations. However, as a guide, this would include all the international organisations already referred to.

Australian citizens and permanent residents are excluded from the definition of protected persons.

A person who attacks the person, premises or means of transport of an IPP is subjected to severe criminal penalties under the Crimes (IPP) Act. A 1995 amendment to the Act enables a regulation to be made extending the protection of the Act to a person who is not included in the IPP Convention's definition of an IPP.

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