

SECURITY INTELLIGENCE REVIEW COMMITTEE

TOP SECRET – CANADIAN EYES ONLY
SIRC REVIEW 2014-06
CSIS'S COUNTER-PROLIFERATION STRATEGY

SUMMARY

- This study examined CSIS's investigation of proliferation/procurement attempts by state and non-state actors.
- CP investigations, whether procurement or proliferation focussed, come with some substantial challenges. SIRC identified two main challenges that influenced how these operations were carried out: managing joint operations with partners of varying capabilities and priorities; and balancing risk with intelligence benefit.
- Overall, SIRC found that CSIS has worked, and continues to work, at maintaining cooperative relationships with domestic and foreign partners on CP issues and at maintaining an acceptable balance between risk and intelligence gain in its CP investigations.
- SIRC believes that the creation of a wider Government of Canada framework on CP/WMD would be highly beneficial to CSIS and its partners.

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Table of Contents

1	INTRODUCTION.....	3
2	METHODOLOGY.....	4
3	BACKGROUND.....	5
3.1	Proliferation: An International Issue.....	5
3.2	Canada's Approach.....	5
3.3	CSIS's CP Strategy.....	6
4	CASE STUDIES.....	8
4.1	Joint Operations.....	8
4.2	Balancing Risk and Intelligence Gain.....	10
5	ADVICE TO GOVERNMENT.....	12
6	CONCLUSION.....	13
	ANNEX A.....	14
	ANNEX B.....	15

ATIP version

dated: NOV 28 2018

1 INTRODUCTION

The proliferation and use of Weapons of Mass Destruction (WMD) is an issue of international concern that has received considerable public attention over the past few years. The use of chemical weapons against civilians in Syria and Iran's continued attempts to build a nuclear weapons capacity have dominated press coverage and public discussion on this important issue. The Government of Canada (GoC) has a policy objective of non-proliferation and the elimination of all nuclear, chemical and biological weapons. To this end, Canada is committed to upholding its obligations under existing multilateral regimes. This includes implementing laws and procedures to control the export and transport of materials and technology used in the development of WMD.

Owing to its position as a leader in the area of high technology, Canada has been the target of foreign entities seeking to obtain Canadian material, technology and expertise to advance their WMD programs. Accordingly, the GoC has identified the detection and investigation of proliferation activities with a link to Canada as an intelligence priority. More specifically, the GoC has directed the Canadian Security Intelligence Service (CSIS or the Service) to collect intelligence on individuals and businesses involved in proliferation activities, the identification of dual use technologies, proliferation programs linked to state-sponsored WMD programs and the acquisition and use of WMD by terrorists.

This study examined CSIS's investigation of proliferation/procurement attempts by state and non-state actors. Overall, SIRC found that CSIS has worked, and continues to work, at maintaining cooperative relationships with domestic and foreign partners on CP issues and at maintaining an acceptable balance between risk and intelligence gain in its CP investigations.

ATIP version

dated: NOV 28 2018

2 METHODOLOGY

The objective of this study was to review the Service's investigation of proliferation/procurement attempts by state and non-state actors. To this end, SIRC examined the functioning of [redacted] which is CSIS's centre of expertise on WMD, including Chemical, Biological, Radiological and Nuclear (CBRN) weapons; the Service's relationships with domestic and foreign partners - [redacted] and allied intelligence agencies; and CSIS's advice to the GoC on proliferation and CBRN issues and its input and role into the CP angle of investigations

[redacted] These case studies permitted SIRC to develop a more in-depth understanding of CSIS operations in this area.

Review Period

The core review period for this study was January 1, 2013 to March 31, 2014, but SIRC requested some documentation that fell outside this period to provide a complete assessment of relevant issues.

ATIP version

dated: NOV 28 2018

3 BACKGROUND

3.1 Proliferation: An International Issue

The proliferation of WMD and ballistic missiles is viewed as a threat to international security because the increased availability of these weapons has the potential to aggravate existing regional tensions and provoke armed conflict. For this reason, the international community has enacted multilateral regimes¹ to restrict trade in nuclear, chemical and biological weapons and to monitor their civil applications.² Through these regimes, member states use cooperative and coercive measures to achieve non-proliferation and counter-procurement objectives.³

One of the most important elements of these regimes is the attempt to control exports of sensitive goods and technologies through supplier agreements. To reaffirm its support for existing multilateral regimes, in April 2004 the United Nations Security Council (UNSC) adopted Resolution 1540 requiring all states to develop and maintain appropriate effective border controls and law enforcement efforts to detect, deter, prevent and combat illicit trafficking and brokering in nuclear, chemical or biological weapons, their means of delivery and related materials. The UNSC then strengthened its call for the implementation of strong export controls in April 2006 with Resolution 1673.⁴

3.2 Canada's Approach

Canada is committed to upholding its obligations under existing multilateral regimes, including implementing laws and procedures to control the export and transport of materials and technology used in the development of WMD. Canada has, in particular,

¹ The term "regime" refers to the entire array of international agreements, multilateral organizations, national laws, regulations, and policies to prevent the spread of dangerous weapons and technologies. Proliferation Control Regimes: Background and Status, Congressional Research Service, Mary Beth Nikitin et al, October 2012, P. 1.

² The nuclear non-proliferation regime encompasses several treaties, extensive multilateral and bilateral diplomatic agreements, multilateral organizations and domestic agencies, and the domestic laws of participating countries. The chemical and biological weapons (CBW) nonproliferation regimes contain three elements: the Chemical Weapons Convention (CWC), the Biological and Toxin Weapons Convention (BWC), and the informal Australia Group. The missile nonproliferation regime is founded not on a treaty, but an informal agreement created in 1987, the Missile Technology Control Regime (MTCR). Ibid, p. 10.

³ DFAIT views non-proliferation as the act of preventing the proliferation of technologies from leaving the host country. Counter-proliferation is the attempt to prevent those technologies from reaching the proliferating state after they have left the host country.

⁴ UNSCR 1540, 2004 04 28, S/RES/1540 and UNSCR 1673, April 27, 2006, S/RES/1673.

committed itself to fulfilling the requirements of UNSC Resolutions 1540 and 1673. Canada reaffirmed its commitment in this area as recently as March 2014.⁵

Indeed, the absence of a formal, coordinated structure involving all relevant Canadian government departments and agencies was identified as a major impediment to implementing the directives enshrined in UNSC Resolution 1540 and 1673.⁷

Accordingly, in June 2007, the Ad-Hoc Committee of Ministers on Intelligence agreed that a more whole-of-government approach to the issue of counter proliferation was needed.⁸ With DFAIT taking on a coordinating role, the GoC implemented a three-tiered committee structure that created a Policy Coordination Committee, an Operations Coordination Committee and an Intelligence Coordination Committee. The intention was for these committees to facilitate information-sharing, de-confliction and closer cooperation between departments.

Furthermore, to support this whole-of-government approach and ensure sufficient resourcing, Canada's counter proliferation community has advocated for a national counter proliferation strategy.

SIRC believes that a GoC strategy on CP would be highly beneficial for CSIS and its partners.

3.3 CSIS's CP Strategy

The Service's investigation into the proliferation of WMD is a longstanding one, and over the years, the Service has taken various operational approaches to deal with this threat.

⁵ "Canada and the Republic of Korea Reaffirm Support for United Nations Security Council Resolution 1540," March 25, 2014, <http://pm.gc.ca/>, accessed 26 February 2015.

ATIP version

NOV 28 2018

dated: _____

Part of these initiatives involves working with Canadian partners,

ATIP version

dated: NOV 28 2018

4 CASE STUDIES

In this review, SIRC case studies – to better understand how CP investigations were carried out. Both cases demonstrated the challenges and benefits of working with partners, of balancing risk and intelligence reward and of the role played by Subject Matter Experts (SMEs).

CP investigations, come with some substantial challenges. SIRC identified two main challenges that influenced how these operations were carried out: managing joint operations with partners of varying capabilities and priorities; and balancing risk with intelligence benefit.

4.1 Joint Operations

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dated: NOV 28 2018

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ATIP version

NOV 28 2018

dated: _____

For these operations, however, the main challenge was balancing risk and intelligence gain.

4.2 Balancing Risk and Intelligence Gain

operations involve a certain amount of risk and CSIS works to mitigate that risk in as many ways as possible.

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NOV 28 2018

dated: _____

Overall, SIRC found
that CSIS effectively maintained the balance between risk and intelligence gain

ATIP version

NOV 28 2018

dated: _____

5 ADVICE TO GOVERNMENT

In order to assess CSIS's advice to the GoC on proliferation and CBRN issues, SIRC reviewed intelligence assessments. In the majority of these assessments, CSIS reporting addressed the threat. The Service also reported on the threat

SIRC found that CSIS followed internal direction, policies and processes in preparing its advice and that the advice represented an accurate reflection of the threat.

ATIP version

dated: NOV 28 2018

6 CONCLUSION

Overall, SIRC found that CSIS has worked, and continues to work, at maintaining cooperative relationships with domestic and foreign partners on CP issues and at maintaining an acceptable balance between risk and reward in its CP investigations. These relationships and this balance are well served by the SMEs. However, SIRC believes that the creation of a wider Government of Canada framework on CP/WMD would be highly beneficial to CSIS and its partners.

ATIP version

NOV 28 2018

dated: _____

ANNEX A

SUMMARY OF FINDINGS

- Overall, SIRC found that CSIS has worked, and continues to work, at maintaining cooperative relationships with domestic and foreign partners on CP issues and at maintaining an acceptable balance between risk and reward in its CP investigations.
- SIRC believes that the creation of a wider Government of Canada framework on CP/WMD would be highly beneficial to CSIS and its partners.

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NOV 28 2018

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ANNEX B

SUMMARY OF RECOMMENDATIONS

There are no recommendations.

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NOV 28 2018

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