



PARTNERSHIP *for*
GLOBAL SECURITY

LEADING THE WORLD TO A SAFER FUTURE

Funding the Objective of Securing
All Vulnerable Nuclear Materials in Four Years

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FY11 Budget Impact on Securing Nuclear Material
Security for a New Century Hill Briefing

February 24, 2010



21st Century Nuclear Challenges

- Emerging nuclear weapons states
 - North Korea
 - Iran
- Non-state actors
 - Acquisition or theft of nuclear weapons or materials
- Security of potential, existing, and growing stockpiles
 - Russia/FSU
 - South Asia
 - Asia
 - Middle East
- Superpower nuclear arsenals
 - Not reducing adequately
 - Remain on high alert status





The Evolving Nuclear Materials Security Agenda

Transitioning from Russia/FSU to a Global Focus

- **NNSA**

- The overwhelming majority of funds for nuclear materials security reside in NNSA
- Creation of GTRI in 2004 to focus on nuclear and radiological. Program continues to grow. About 34% Russia/FSU.
- Approximately half of INMPC's budget has been directed to global Second Line of Defense activities in recent years. Of the nuclear materials security part, the majority is for Russia now and projected for the future.

- **DoD**

- CTR has become less Russia and nuclear focused as START targets are met
- Biosecurity project have accounted for at least ~1/3 of the CTR budget since FY08 (mostly in FSU) – 40% in FY11
- Proposed Global Nuclear Lockdown program in FY11 - \$44m for Russia and \$30m for nuclear security centers of excellence outside of Russia/FSU

- **State**

- Supporting an increasing number of global nuclear and biosecurity initiatives

- **DHS**

- The Domestic Nuclear Detection Office is charged with developing a Global Nuclear Detection Architecture

- **G8 Global Partnership**

- Expanded its geographical focus in 2008 to address “global challenges particularly in areas where the risks of terrorism and proliferation are the greatest.”



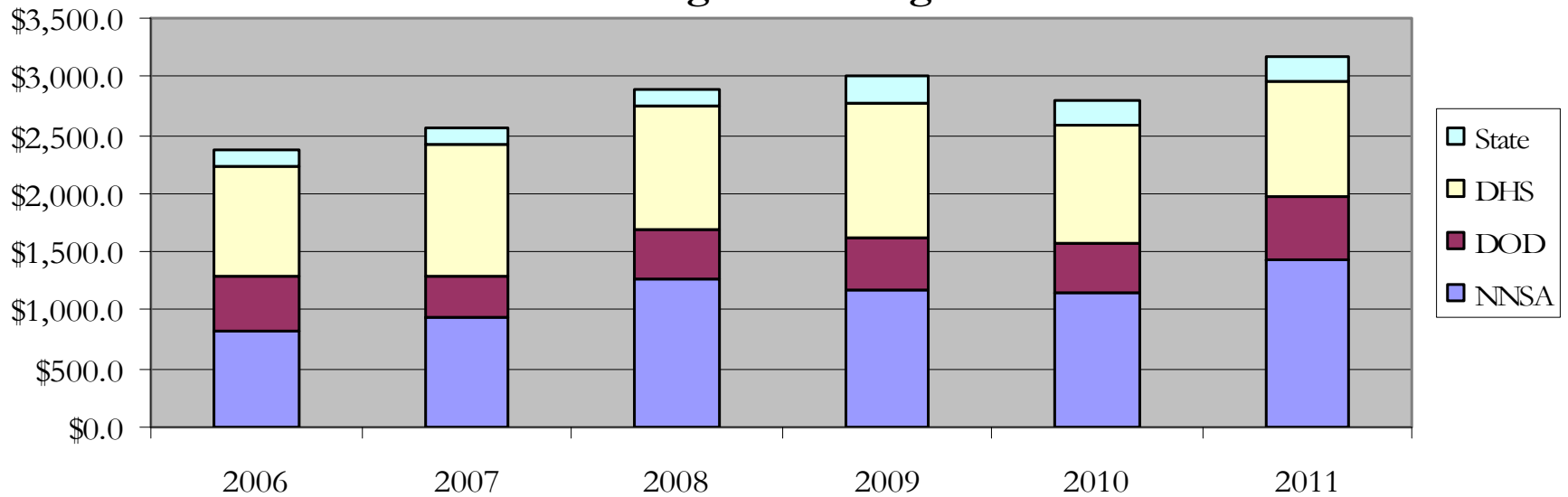


Steps to Meet Global Challenges: Expanded Authorities

2002	Congress grants DOD annual waiver authority to do CTR work in Russia without presidential certification of Russia's compliance with CWC and BWC for three years.
2003	Omnibus appropriation authorizes State to use NDF funds outside of the former Soviet Union. This language is maintained in subsequent years.
2004	Congress authorizes use of DOD CTR funds and DOE INMPC program funds outside the former Soviet Union for emergency, short term projects.
2005	Congress emphasizes DOE's global role and authorizes a range of global nonproliferation efforts, including scientist redirection. Specifically, it proposes a DOE pilot scientist redirection program called the Silk Road Initiative in Georgia with the potential to expand to Armenia, Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan.
2006	Defense authorization bill provides DOE's GTRI program with co-mingling authorities and permanent waiver authority for DOD's CTR work in Russia, but the President must still present a waiver each year. Sen. Lugar's provisions to broaden bill to further encourage work outside of the former Soviet Union are not included in its final version.
2007	DOD's waiver authority is extended.
2008	Congress repeals DOD's Presidential certification requirements.
2009	Congress provides DOE's INMPC and Russian Plutonium Disposition programs co-mingling authorities.
2010	Congress provides DOE NNSA and DOD CTR with notwithstanding authority and DOD CTR with co-mingling authority.

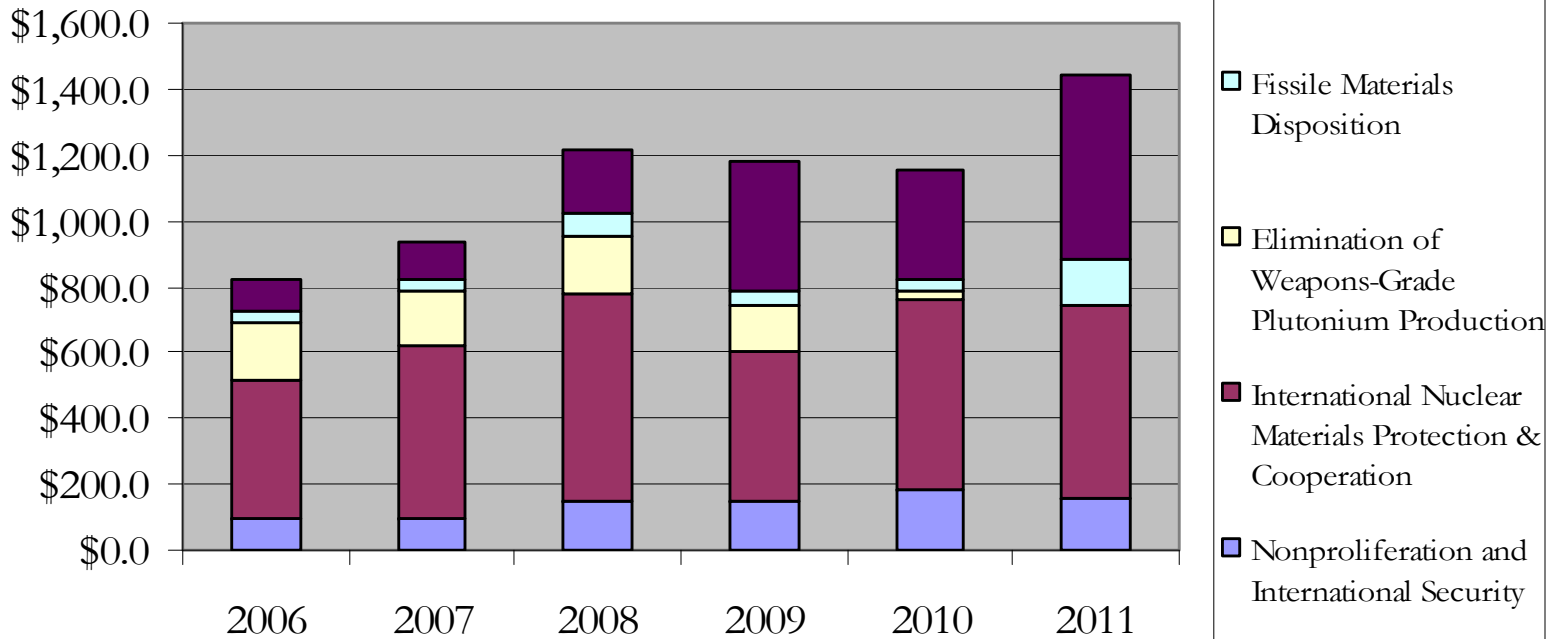


International WMD Security Program Funding



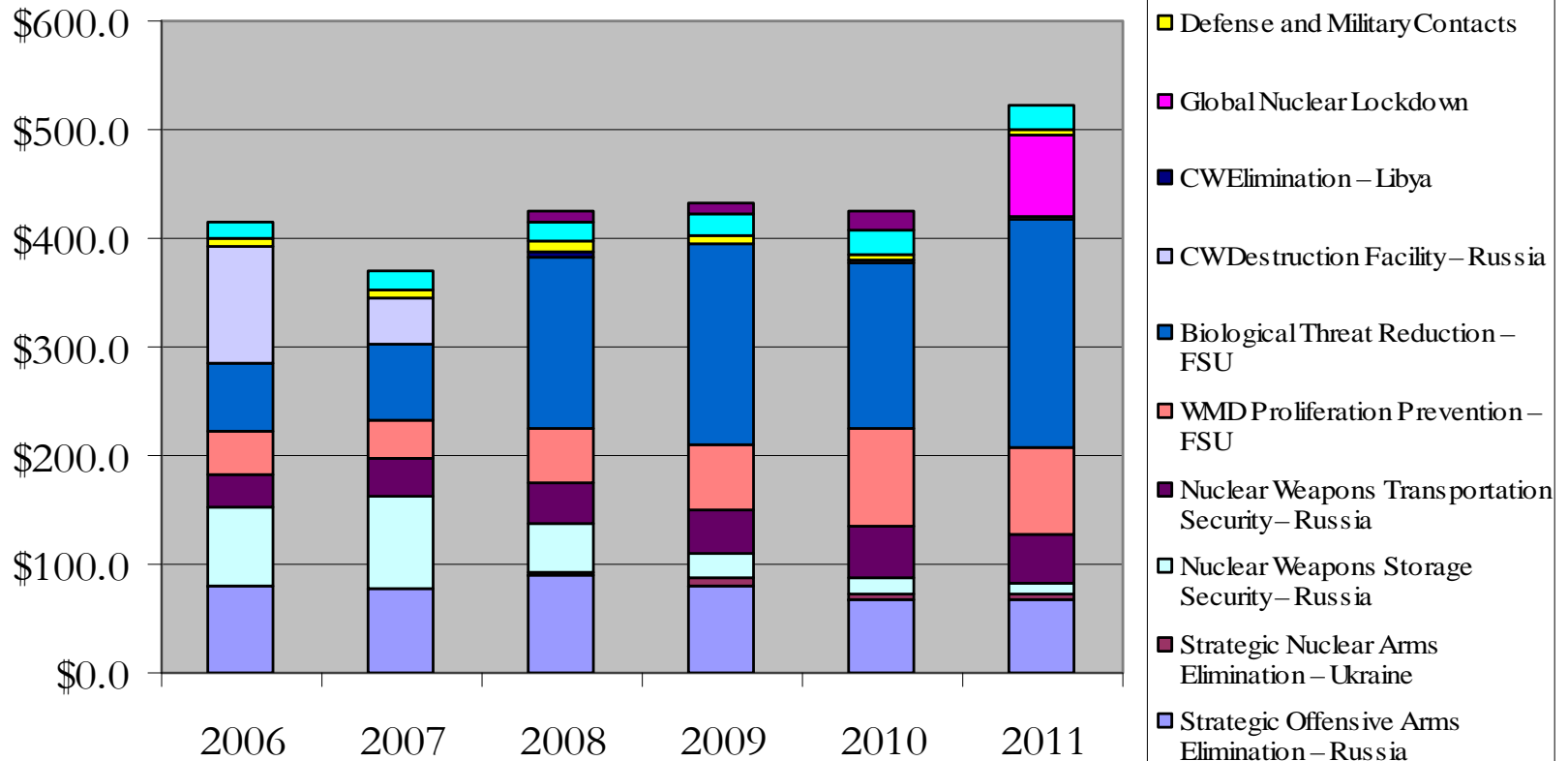


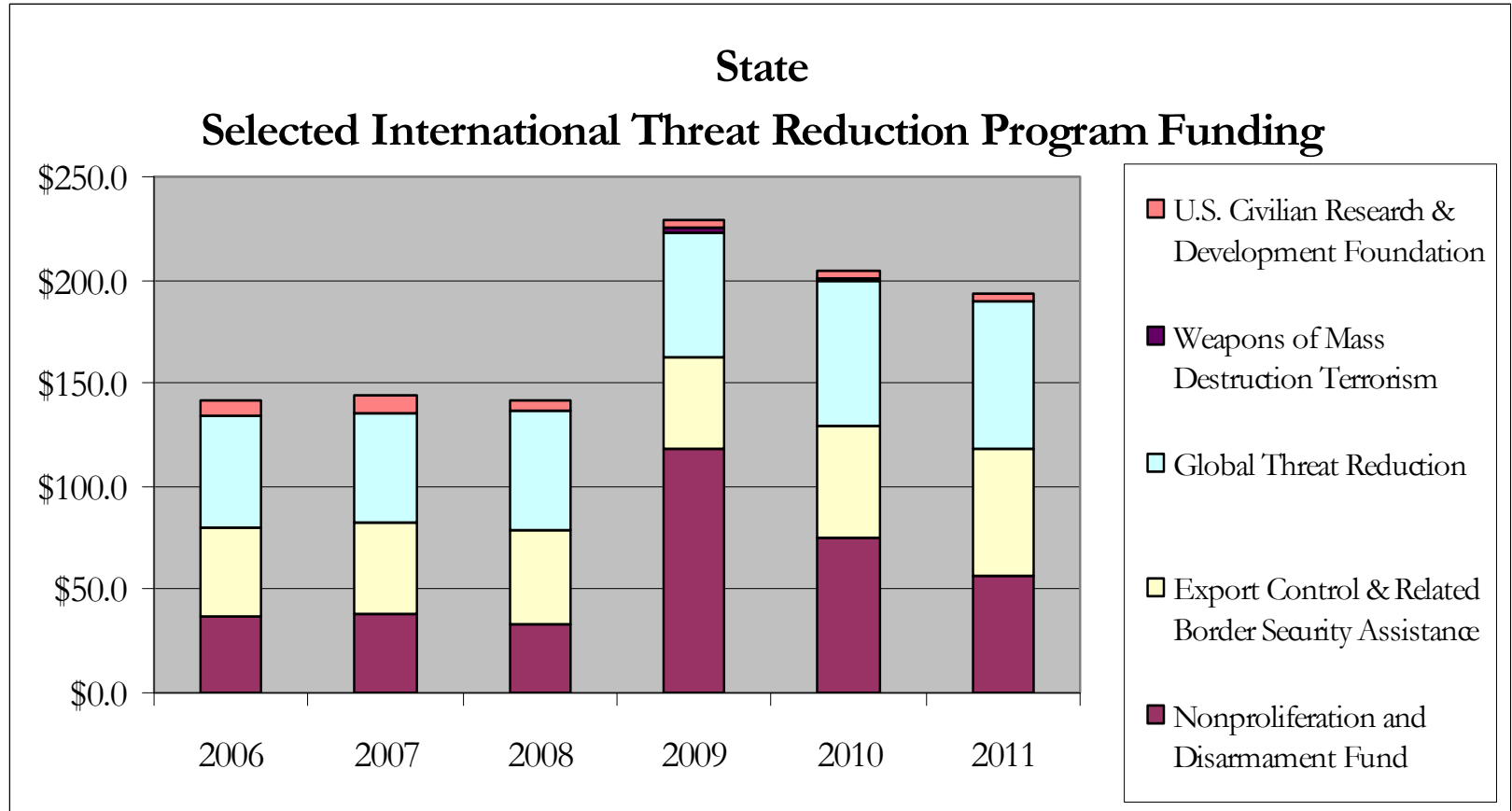
NNSA WMD Security Program Funding





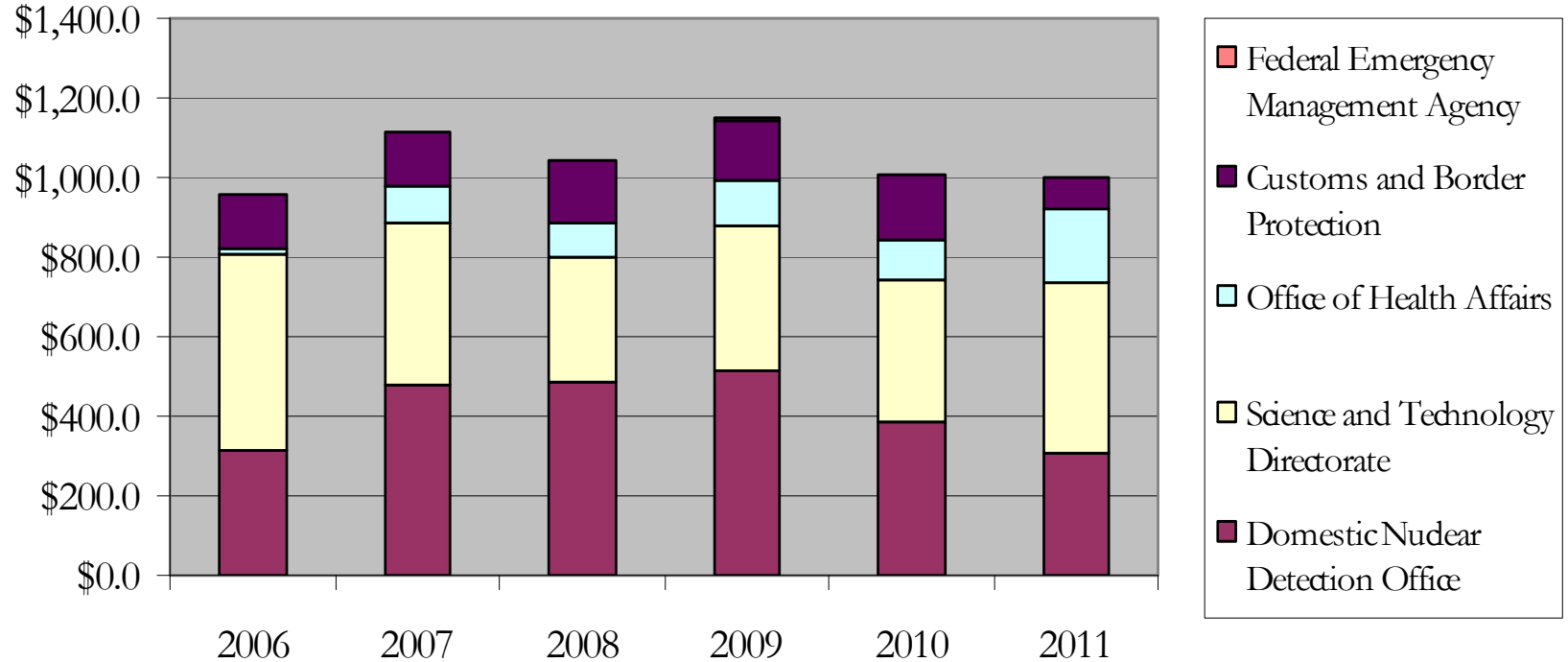
DoD Cooperative Threat Reduction







DHS Nuclear and Biological Threat Reduction Program Funding





National Nuclear Security Administration

- Over \$240 million increase to support the 4 year effort
- GTRI Nuclear Material Removal funding up 146% to \$355 million while Material Protection funding down 2% to \$84 million
- Radiological removal/protection sacrificed to pay for 4 year effort.
- INMPC increased by \$18 million overall, including an additional \$34 million for the security of nuclear materials in Russia



Department of Defense

- Overall 23% increase to \$522.5million for CTR, including \$209 million for biosecurity projects (over 40% of the total budget)
- Over \$74 million for a new Global Nuclear Lockdown program to support the four year effort: \$30 million for regional nuclear security centers and the remainder for Russia projects



Department of State

- Overall funding down 5% to \$194 million
- 24% cut to \$57 million for NDF
- A modest 2.5% increase to \$71.9 million for GTR

Department of Homeland Security

- DNDO funding steady (\$305m), when accounting for program transfer to S&T





Funding Recommendations: Increase and Even Out the Budget

FY10 Supplemental

- Correct the FY10 imbalance with a \$115 million supplemental appropriation
 - **GTRI**: +\$62m to restore to \$395m (FY09)
 - **INMPC**: +\$53m to bring to \$625m

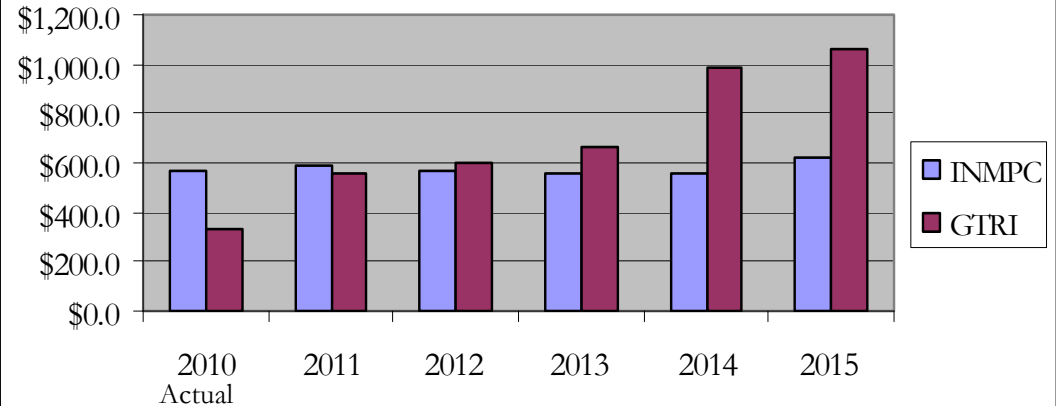
FY11 Appropriation

- **GTRI**: +\$41m to bring to \$600m
- **INMPC**: +\$60m to bring to \$650m

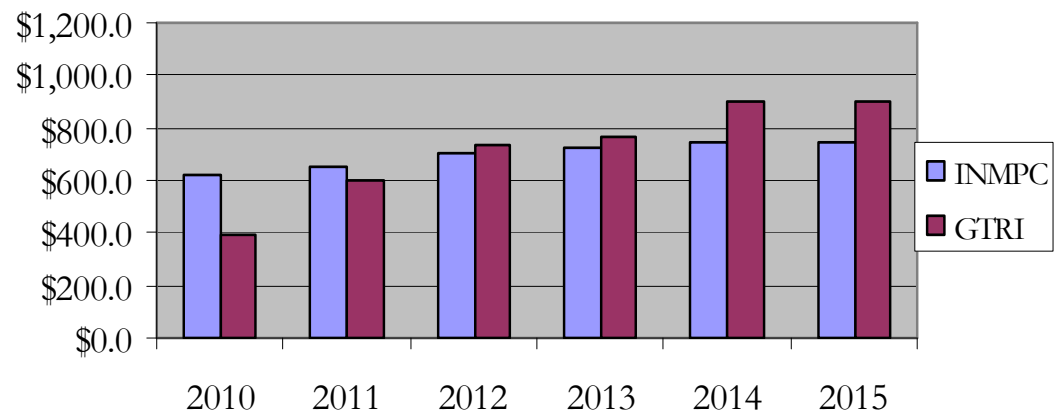
Total Funding (FY10-15)

- **GTRI**
 - Projected: \$4.2 billion
 - Recommended: \$4.3 billion
- **INMPC**
 - Projected: \$3.5 billion
 - Recommended: \$4.2 billion
- **GTRI & INMPC**
 - Projected: \$7.7 billion
 - Recommended: \$8.5 billion

Projected NNSA Outyear Funding



Recommended NNSA Outyear Funding





Need to Maintain a Global Fund for WMD Security

Global funding for WMD security should equal roughly \$2.5 – 3 billion per year.

- GP created in 2002 with the goal of generating \$20 billion by 2012
 - Originally U.S. providing half of that total (\$10 billion)
 - Contributions have been made by 21 countries and the EU
 - Most non-U.S. funding is devoted to:
 - Nuclear safety
 - Submarine dismantlement
 - Chemical weapon destruction
- U.S. WMD spending has risen since GP's inception to over \$1.5 billion per year or 75% of total envisioned yearly funding



~30% from FY06 appropriations to FY11 request

Global Priorities

Defense

\$1.6 trillion: World in 2007
\$693 billion: U.S. in FY10

Foreign Aid

\$114.5 billion: OECD in 2008
\$29 billion: U.S. in FY08

Climate Change

**\$6.5 billion: U.S
FY07 budget**

WMD

**\$1.8 billion:
U.S.
FY10**



Policy Options: Administration and Congress

- **Modify the FY12 Congressionally Mandated Ramp-Down of Spending in Russia and the FSU**
 - Work remains in this region, security equipment is nearing the end of its life expectancy, and first and second line of defense missions will likely grow (perhaps bio also).
- **Create Regional Nuclear Training Centers – (Proposed in DoD FY11 Budget)**
 - Establish new regional centers as hubs of expertise and training for nuclear facilities in need of security improvement which could ultimately expand their missions to include regional monitoring to supplement IAEA efforts.
- **Operationally Expand INMPC to New Regions**
 - INMPC is still overwhelmingly Russia focused, with small funding for South Asia and China cooperation.
- **Clarify and Improve the Authorities Governing Proliferation Prevention Programs**
 - Conduct a review to ensure that the U.S. has all the authorities in place required to recover, remove, and dispose of nuclear, radiological, and biological materials, especially those that may need to be returned to the U.S.
- **Modernize Metrics for Success**
 - The value of the softer, more intangible benefits of the threat reduction approach, such as cooperation and engagement, must be legitimized and formally integrated into modern metrics for success.
 - The FY10 Defense Authorization directs the Secretary of Defense to “develop and implement” metrics for measuring CTR’s “impact and effectiveness.” Up to \$1m is provided for the Secretary to work with NAS on this.
- **Elevate the Use of Financial Tools to First-Tier Policy Options**
 - Treasury’s “smart” sanctions program is a new tool in the U.S. nonproliferation arsenal that recognizes the reality of integrated global financial networks and utilizes them to combat proliferators. Better analysis of economic leverage points (both punitive and incentive) is needed. Lessons learned from Russia, Ukraine, Libya, and DPRK.
- **Create a New “Iron Triangle” of Government, Civil Society, and Private Sector**
 - Government institutions provide regulatory capacity and funding but lack vision; NGOs provide unique analyses and new approaches but lack authority; and the private sector drives innovation and has much at stake if terrorists attack, but it lacks the incentive to cooperate.



Policy Options: Private Sector and Civil Society

- **Nonproliferation Enterprise Fund**

- Funds USG partnerships with NGOs and universities for expanded nonproliferation analysis and supports the next generation of nonproliferation experts in exchange for some government service (Initial investment = \$25 million).
- Similar to past partnerships between the federal government and research universities to aggressively fund basic science research.

- **The Nuclear Energy Industry Nonproliferation Fund**

- President has proposed \$54 billion in loan guarantees for nuclear power construction.
- A small percentage of the underwriting costs (0.1%) of those guarantees should be devoted to nonproliferation funding, similar to nuclear waste fee.
- Links the nuclear industry into the security debate, increases the pool of nuclear security funding, and offers a reputational benefit to power sector.



- **Fissile Materials Working Group (FMWG)**

- A potentially game changing coalition if it can be globalized and sustained.
- Currently over 40 U.S. nuclear security issue experts, academics, and advocates collectively working to support the four year effort; presented consensus policy recommendations to the Administration; building an international coalition of supporters; will track the implementation of commitments made by governments at the April 2010 official Nuclear Security Summit.

- **FMWG Summit: “Next Generation Nuclear Security: Meeting the Global Challenge”**

- Highlighting the importance of preventing nuclear terrorism by improving nuclear material security; helping build global support for the four year effort; and creating a lasting foundation for continued domestic and international collaboration; held the day before the official summit.
- Over 200 U.S. and international experts and media representing over 40 countries are expected to attend.
- Convening a six month review conference in Amman, Jordan in October 2010.



Policy Options: Nuclear Security Summit

- **Create a Global Nuclear Material Security Roadmap**
 - Identify priority locations, ranked highest to lowest, and financial and technical resources to correct the problems and supplement with a plan for international scientific cooperation to prevent nuclear theft and terrorism.
- **Strengthen the IAEA**
 - Developed countries should increase their voluntary contributions for 4 years and earmark the funds for nuclear security (with a goal of +\$150 million per year – equal to safeguards budget) and all countries should agree to train a specific number of additional nuclear security specialists for assignment at the IAEA.
- **Minimum Global Nuclear Security Standard**
 - Create a global minimum standard for securing nuclear material (See “Securing the Bomb” for specifics).
- **Accelerate Efforts to Consolidate and Eliminate Global HEU and Plutonium Stockpiles**
 - Minimize the number of locations at which the materials are stored and extend international monitoring over all civilian stockpiles and, in NWS, over declared excess military fissile material.
- **Secure All Radiological Sources in Public Buildings Beginning with Metropolitan Hospitals**
 - NNSA’s pilot project with the Hospital of the University of Pennsylvania and local authorities could serve as a model in the U.S. and abroad for securing radiological materials (~\$250,000 per building = \$125 million to secure 500 U.S. metropolitan hospitals).

Post-Summit

- **Regular Technical Dialogues**
 - Semi-annual bilateral and multilateral meetings among specialists from participating countries as well as private sector and civil society representatives, when appropriate
- **Annual Reporting on Implementation Progress**
 - Issue annual public reports on steps taken to implement summit commitments
- **Generate Support from All Nations**
 - Use summit as a starting point for initiating and continuing regional security dialogues with countries not attending
- **Generate Support Beyond Governments**
 - Capitalize on the network and dialogue begun by the Fissile Materials Working Group and draw new private sector partners into the nuclear security agenda (www.fmwg.org)



Policy Options: Multilateral (G8/G20 & Ad Hoc)

Opportunity: Extend GP & engage the G20 on nuclear security issues during the G8/G20 summits being held in Canada in June 2010. BRIC (Brazil, Russia, India, and China) countries need to be partners.

- **Establish a Multilateral WMD Emergency Rapid Reaction Force**
 - Establishes delineated roles and responsibilities; requires dedicated funding for operations, transport, and training; and ensures the necessary legal authorities are in place to allow for the rapid extraction and return of materials.
- **UNSCR 1540 Implementation**
 - UNSCR 1887 called for consideration of a voluntary Resolution 1540 implementation fund which the Global Partnership could help establish (financial, technical, and manpower assistance).
- **Agree to create a Fissile Material Security Framework**
 - Create a framework that identifies the threat to humankind from vulnerable fissile materials and lists mitigating actions and requirements.
- **Generate More Funding Commitments for Global Partnership and Domestic Activities**
 - More than half (24) of the countries participating the nuclear summit are not GP donors & could be called upon to help provide the resources needed to operationally expand GP activities. Also, countries should be encouraged to spend more at home on security and receive credit from the international community for it.
- **Minimize and then Eliminate the Use of HEU**
 - Agree on a timetable for a phase-out and ultimate ban on the civil use of HEU.
- **Multi-Party Nuclear Security Hotline**
 - Would allow for immediate communication surrounding suspicious incidents, similar to hotlines used by the U.S. & Russia and the IAEA to monitor global reactor safety.
- **Satellite Uplinks on Portal Monitors and Perimeter Security Equipment**
 - Install satellite uplinks on all equipment at facilities monitored by the IAEA to provide real-time reporting on operational status and log security alerts and breaches. NWS could operate a similar complementary system and lead by example.
- **P-5 Fissile Material Cut-off Agreement**
 - Leadership opportunity and common starting point for the P-5 to support NPT and kick start FMCT.
 - Verification issues should not be a deterrent to action.



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