EXECUTIVE SUMMARY
On 5 April 2002 the Prime Minister, Premiers and Chief Ministers met at a special summit to agree on new ways to tackle terrorism and multi-jurisdictional crime. This occurred in the wake of the 11 September 2001 terrorist attacks on the USA and the decision that previous assumptions about the nature and potential scale of terrorism were ‘no longer valid’. There was also recognition of the need for the ‘importance of effective cooperation between jurisdictions’ and to add ‘elements to national arrangements that will respond quickly and effectively to these challenges’. One of the key decisions at the meeting was to reconstitute the existing intergovernmental committee as the National Counter-Terrorism Committee (NCTC) with a broader mandate to cover prevention and consequence management’. Shortly after the Bali bombing in October 2002, the Intergovernmental Agreement on Australia’s National Counter-Terrorism Arrangements (IGA), formally establishing the NCTC was signed.

Since the establishment of the NCTC, there has been an unprecedented level of co-operation between all Australian governments, police and intelligence agencies, working together to counter the threat of terrorism to the Australian community. Continuing its efforts to develop and maintain a nation-wide capability to counter terrorism and its consequences, the NCTC remains mindful that terrorism is a threat against which Australia must continue to maintain vigilance. Terrorists continue to show innovation in their attack planning and methodology resulting in the need for our counter-terrorism arrangements and efforts to remain flexible and adaptive. The NCTC leads the development of nation-wide capabilities aimed at preventing, preparing for, responding to, and recovering from a terrorist attack in Australia. The NCTC community provides a cooperative environment to support States and Territories in their role as first responders in a terrorist situation.

THE THREAT FROM TERRORISM
The last ten years have seen terrorists who claim to act in the name of Islam pose a consistent and deadly global threat with the risk faced by Australia reflecting the broader international environment. Groups such as al-Qa’ida and its affiliates, along with groups in South-East Asia, South Asia and the Middle East, have targeted Australians and Australian interests overseas. During the same period, law enforcement and intelligence agencies have disrupted four terrorist plots in Australia. Counter-terrorism efforts, both nationally (e.g., Brigitte Investigation, Operation Pendennis, Operation Neath) and internationally (e.g., operations against Usama bin Laden, Anwar al-Aulaqi, Noordin Mohammad Top), have successfully disrupted a number of terrorist groups and their leadership. This has made the operating environment for terrorists vastly more challenging than that faced ten years ago and, most importantly, reduced their capability to conduct attacks. The increased understanding of the nature of the threat and the motivations of those who undertake terrorism and claim to act in the name of Islam has also assisted investigative and disruption activities. As a result of the combination of military and law enforcement action and increased knowledge new plots continue to be identified and the capability of those planning them to organise attacks on the scale of 9/11 has been greatly diminished.

These successes by the authorities have, to some extent, been offset by the resilience of the ideology of groups like al-Qa’ida and its affiliates. Targeting established groups has led to the formation of new groups and transformed the threat from relatively centralised networks focused on al-Qa’ida and fundamentally based in Muslim countries, to a diverse and fragmented patchwork of groups and individuals operating independently. There has also been a shift to stand-alone, unilateral attacks from individuals or small groups of independent, self-starting violent extremists, often with tenuous or no links to established groups – three of the four plots seen here in the past ten years were the work of groups with little to no contact with overseas terrorist groups. Attacks from lone actors (e.g., Anders Brevik in Norway in July 2011) have also illustrated the capability of such plots to evade detection and inflict mass casualties. The reach of terrorist groups has been further facilitated by the increase over the past ten years in the use of the Internet to issue propaganda and ‘how-to’ literature. In addition to its current impact, such material will outlive those producing it, remaining accessible indefinitely.

Evolutions of terrorist attack methods, tactics and targeting have also been seen over the past ten years. Whilst attacks using improvised explosive devices and/or firearms remain the greatest threat, innovations in explosive technologies such as the ‘underpants’ and printer bombs used in 2009 and 2010, and new home-
made explosive recipes, like the liquid explosives manufactured for the disrupted 2006 trans-Atlantic plot, increase the challenges faced by authorities.

Australia will remain a terrorist target for violent extremists who claim to act in the name of Islam in the short to medium term and the trends identified above will likely continue over the next decade. Moreover, the resilience of this ideology means that some individuals, including here in Australia, will continue to be radicalised, and some will be motivated to undertake terrorism-related activities in support of this ideology. We have also seen Australians provide support for terrorist groups and travel to train and fight overseas. Whilst terrorism by violent extremists who claim to act in the name of Islam will remain the greatest threat here, other forms of terrorism inspired by differing ideologies and causes have affected Australia in the past and will likely do so again in the future.

SIGNIFICANT ACHIEVEMENTS

The NCTC has evolved significantly since it was established in 2002. The NCTC’s initial focus was on terrorism response; today the scope is considerably broader with the committee making contributions across the prevention, preparedness, response and recovery spectrums. As well as providing strategic and policy advice to heads of government, coordinating nation-wide counter-terrorism capability and developing jurisdictional interoperability, the NCTC sponsors a wide range of activities including national initiatives for countering violent extremism, national crisis coordination arrangements, national public information strategies and Australia’s recovery arrangements following a terrorist incident.

The role of the NCTC is to implement the national counter-terrorism framework as set out in the October 2002 IGA, through maintaining the National Counter-Terrorism Plan (the Plan) and associated documentation. It also provides expert strategic and policy advice to heads of government and other relevant ministers, coordinates an effective nation-wide counter-terrorism capability and maintains effective arrangements for the sharing of relevant intelligence and information between all relevant agencies in all jurisdictions. Furthermore, the NCTC provides advice on the administration of the special fund to maintain and develop the nation-wide counter-terrorism capability, administered by the Commonwealth on the basis of advice from the NCTC. The NCTC’s significant achievements over the past ten years are reported against these specific responsibilities as set out in the IGA. Furthermore, the NCTC is renowned for inter-jurisdictional collaborations extending beyond the sole purpose of the committee with communities and relationships leveraged for the broader national benefit. A recent example of this has been through the NCTC communities work on the Taskforce on crime against International Students.

Maintaining the National Counter-Terrorism Plan and associated documentation

The Plan is a publically available document, which outlines responsibilities, authorities and the mechanisms to prevent, or if they occur manage, acts of terrorism and their consequences within Australia. The NCTC has reviewed this document every three years or more frequently if required, and has updated it to reflect Australia’s counter-terrorism arrangements. The reviews occurred in 2005, 2008 and most recently in 2011.

The Plan is supported by a range of other classified and unclassified documentation including:

- The National Counter-Terrorism Handbook which provides guidance on the broad coordination arrangements for the preparedness, prevention, response and recovery phases of an incident and has been developed as a tool for a broad range of operators, from local officials through to executive decision makers.
- The National Security Public Information Guidelines which provide an ongoing framework for Australian Government, State and Territory organisations responsible for public information and media activities relating to national security issues and incidents.
- The National Guidelines for Protecting Critical Infrastructure from Terrorism which provide a framework for a national, consistent approach to the protection of critical infrastructure from terrorism for the Commonwealth, State and Territory governments and business.
- The National Approach for the Protection of Places of Mass Gathering from Terrorism which ensures a nationally consistent approach is taken by all Australian jurisdictions in the development of their own guidelines for the protection of places of mass gathering from terrorism.
Providing expert strategic and policy advice to heads of government and other relevant ministers

The NCTC has established closer collaboration between jurisdictional and Commonwealth agencies through the development of national policy to deal with preventing, preparing for, responding to and recovering from a terrorism incident. The NCTC provides a forum for the States and Territories and the Commonwealth to come together to address a common problem.

The NCTC reports annually to the Council of Australian Governments (COAG), providing an overview of the threat environment and detailing its activities. To maximise the effectiveness of Australia’s counter-terrorism arrangements the NCTC conducts a review every three years to identify areas for improvement.

In addition, the NCTC:

- continues to review and refine the way in which Ministers will communicate with the public during a terrorist incident through the National Terrorism Public Alert System
- has developed and maintains a National Context Statement to ensure strategic directions are aligned with the current threat environment
- has contributed to the Commonwealth’s Homeland and Border Security Review and Counter-Terrorism White Paper
- provided advice on and implemented relevant recommendations from the Ford Review and Street and Clarke Inquiries to improve investigation and intelligence capabilities
- through the Chemical, Biological, Radiological and Nuclear (CBRN) Security Sub-Committee is responsible for the National CBRN Security Strategy and implementation of the COAG Review of Hazardous Materials.

The NCTC has recently enhanced its ability to provide expert strategic and policy advice by establishing and implementing a risk based approach for identifying and addressing gaps in the capability to counter terrorism and mitigating them through:

- conducting horizon scanning – identifying current threats, operational and exercise findings
- assessing risk and mitigation strategies to inform priorities for capability development
- focussing funding on priorities which aim to mitigate identified risks.

Coordinating an effective nation-wide counter-terrorist capability

The success of the NCTC builds on the cooperative relationships that have been developed between Commonwealth, State and Territory jurisdictions. These relationships have allowed for an effective nation-wide counter-terrorist capability to be developed and will ensure it will be maintained and continue to be enhanced. The NCTC is also focussed on establishing a national approach to support the capture, analysis, resolution and communication of lessons learned from operations, activities and exercises and has introduced an Evaluation Framework to ensure continual improvement and accountability.

The NCTC has developed and implemented the NCTC Capability Review and Development Process (NCRDP) which provides the NCTC with a mechanism to coordinate the maintenance of appropriate nation-wide counter-terrorism capability, and the timely and systematic identification and mitigation of current and projected risks and capability gaps. The NCTC uses the NCRDP to identify and target enhancements to Commonwealth, State and Territory agency capabilities in key areas.

Some highlights of the NCTC’s capability development program over the past ten years have included:

- Nationally focussed skills enhancement training activities which provide commonality, enhances the skills of jurisdictional personnel and assists in ensuring interoperability.
  - An example of this commitment is the development of the Senior Investigating Officers’ (SIO) Skills Enhancement Course, which seeks to develop a SIO cadre, responsible for leading and managing joint counter-terrorism operations.
  - In addition, the success of the 2011 Commonwealth Heads of Government Meeting (CHOGM) demonstrated the high degree of interoperability that has been achieved as a result of this skills enhancement training in specialisations such as dignitary protection, police tactical groups and intelligence.
The procurement of common equipment providing a consistent and enhanced capability for States and Territories to safely respond to and resolve terrorist incidents within their borders as well as support other jurisdictions. Significant purchases have included:
- Armoured Rescue Vehicles which can be used in prevention, response and recovery from terrorism or other critical incidents.
- State of the art specialist equipment for Bomb Response and Bomb Scene Examiners which has provided a national capability and capacity to render safe and investigate terrorist incidents involving the use of explosive materials, both commercial and homemade.

The development of common operational doctrine and procedures to ensure a consistent national response to terrorism related activity. These include the Suicide Bombing Prevention Strategy, the CBRN Reporting Guideline and a Practical Guide for the use of CCTV in Counter-Terrorism Investigations.

NCTC equipment, training and doctrine have been tested through its extensive exercise program including four major multi-jurisdictional exercises *Mercury 04, 05, 08 and 10* and the jurisdictional drill-style exercise programs which have ensured capabilities are regularly practised but also assist in building closer relationships including between police and the Australian Defence Force.

Successful counter-terrorism investigations such as multi-jurisdictional investigations including Operation Pendennis and Operation Neath in which resources from multiple jurisdictions worked collaboratively to support the various capability requirements of the investigation.

Successful major event operations such as APEC, the 2006 Commonwealth Games and 2011 CHOGM where strong interoperable relationships developed through the NCTC ensured a cooperative multi-jurisdictional engagement and helped to deliver secure and successful outcomes for major events.

The NCTC has also worked to enhance its networks with other national security bodies to promote knowledge sharing, lessons learnt and utilisation of resources including the:
- National Emergency Management Committee
- National Critical Infrastructure Resilience Committee
- Australian Health Protection Committee
- Australian New Zealand Policing Advisory Agency (ANZPAA).

With the increased linkages across government and emergency management agencies NCTC Members have provided support and funding for the work of the Public Safety Mobile Broadband Steering Committee, including implementation workshops and forums held in all States and Territories, supporting both national security and emergency management capability development.

In recognising the importance of collaborating with business, the NCTC established a Mass Gatherings Advisory Group. This body works closely with the Business Advisory Group to reduce vulnerabilities and increase the protection of places of mass gatherings. The group takes a collaborative, national approach to knowledge building and problem solving.

The NCTC Critical Infrastructure Threat Assessment Briefing program is a successful initiative where the Commonwealth, State and Territory governments share sensitive information with business on terrorist threats. The program is an example of the ways in which the NCTC is actively engaging with the business community to ensure it can make better informed risk management decisions and undertake effective risk mitigation measures, in response to the threat environment.

While traditional military, law enforcement and intelligence approaches to countering terrorism continue to remain paramount, addressing the long-term causes of terrorism is also vitally important. A central component of this has involved funding and coordinating countering violent extremism (CVE) projects across Australia. CVE activities aim to reduce the potential for a ‘home grown’ terrorist attack by strengthening Australia’s resilience to radicalisation and assisting individuals to disengage from violent extremist influences and beliefs. These activities address factors that make people vulnerable to extremist influences and empower communities to intervene before a law enforcement response is needed. Activities include the rehabilitation of convicted terrorists and prisoners at risk of radicalisation, community strengthening, training and education for government officials and communities and CVE research.
Maintaining effective arrangements for the sharing of relevant intelligence and information between all relevant agencies in all jurisdictions

An efficient and secure means of transferring classified information to all levels of government was established by the NCTC through the development of the Australian Secret Network (ASNET), along with a secure video conferencing capability which enables key decision makers to undertake secure video conferencing, thus enhancing cooperation, communication and financial operability. This capability has been further developed through the implementation of second generation deployable secure network units allowing remote access and increasing the ability to quickly share classified information and link decision makers together at crucial times.

The development of a national investigations management system to support multi-jurisdictional terrorism investigations is a priority of the NCTC and seeks to address key findings from the Clarke Inquiry. To this end, NCTC member agencies working collaboratively with CrimTrac, ANZPAA and the Australian Crime Commission have developed and agreed national user requirements for such a system. In addition, the NCTC is concurrently progressing the sharing of information and intelligence holdings more effectively and efficiently nationally. These initiatives will not only aid in combating terrorism but will support investigations into serious and organised crime. In collaboration with the AFP, the NCTC is exploring the ability to deliver such a capability nationally.

Communicating and sharing information in a time of crisis is also a priority, whether it be terrorism related or as a result of a natural disaster. The NCTC has been working closely with key groups to enhance our national tactical level communication capability. To this end, the NCTC has procured specialist equipment that will support reliable and secure communications across Australia. The next phase of this initiative will enhance our tactical satellite capabilities by leveraging Defence’s satellite networks.

NCTC and sub-committee meetings include briefings from the Australian Security Intelligence Organisation, the Office of National Assessments, the Department of Foreign Affairs and Trade and the AFP to ensure the community has a common and shared understanding of the threat environment in Australia and overseas. NCTC members are also consulted on Australia’s Counter-Terrorism Intelligence Planning Document which informs national counter-terrorism priorities and the NCTC’s National Context Statement. NCTC sub-committees and working groups seek to maximise the utility of other initiatives such as the Joint Counter-Terrorism Teams’ information sharing arrangements. Where relevant, NCTC courses include briefings from a range of agencies on their respective roles in Australia’s national counter-terrorism arrangements.

Providing advice in relation to the administration of the NCTC’s Administered Fund

The NCTC Administered Fund (the Fund) supports the NCTC in the development of nation-wide counter-terrorism capability and is appropriated annually by the Commonwealth Government to the Commonwealth Attorney-General’s Department. The Fund supplements the financial support for counter-terrorism capability development and maintenance provided direct to agencies by Commonwealth, State and Territory governments.

The NCTC always seeks to apply the Fund more effectively and the committee regularly reviews its operating arrangements to ensure the maximum effect for the Commonwealth’s investment. The 2011 Triennial Review made a number of recommendations in relation to the need to reduce administrative overheads and streamline processes. There has been a significant reduction to the funds allocated to support the operation of the NCTC’s sub-groups over the last two years in order to increase investment in new capability development initiatives. As a consequence, the core activity budget, which includes meetings and working groups was reduced by about 31 percent. The NCTC will continue to critically review its expenditure to ensure allocations are focused on maximising the impact on nation-wide counter-terrorism preparedness and the return on investment.

OBJECTIVES FOR THE FUTURE

The NCTC is focused on goals that will further enhance Australia’s nation-wide counter-terrorism arrangements to meet future challenges and better support our security and law enforcement agencies in remaining capable, responsive, well-coordinated, and well-practised.
While not an original member of the NCTC, New Zealand has participated as an observer in meetings of the committee since its establishment. In 2012, all Australian Governments agreed to invite New Zealand to become a full member of the committee. Australia has a strong bilateral relationship with New Zealand on many matters, including in relation to emergency and crisis management. The invitation to New Zealand to join the NCTC will strengthen this relationship by providing further opportunities for policy and operational collaboration. The new arrangements respect the sovereignty of both nations and New Zealand will not be in a position to influence, or be subject to, the policy advice provided by the NCTC to Australian Governments. In recognition of the full inclusion of New Zealand, the NCTC will be renamed the Australia-New Zealand Counter-Terrorism Committee.

Terrorism will continue to be a serious threat to Australia and its interests for the foreseeable future and the NCTC will remain focused on further strengthening Australia’s capacity to prepare for, prevent, respond to and recover from acts of terrorism. The NCTC will work to develop and enhance counter-terrorism capabilities by fostering jurisdictional and organisational interoperability and information sharing across the four key activities of preparedness, prevention, response and recovery; implementing initiatives to counter violent extremism; the timely development of specialist capabilities and policies to counter the evolving terrorism threat; the development and testing of robust crisis coordination arrangements; an appropriately balanced public information strategy and capability; community understanding and resilience to terrorism and its threats; and improvements in Australia’s recovery arrangements following a terrorism incident.

Over the past ten years the NCTC has evolved and continuously improved its arrangements. Triennial Reviews, the development of a Strategic Intent document and maintaining focus on the international environment are some examples. Whilst the NCTC has made great progress, it still faces significant challenges. The collective challenge for the national security community and leaders of government remains in maintaining the currency and relevance of balancing the structure between a sufficient degree of preparedness and allocation of resources and funding, whilst accepting that Australia remains a terrorist target. The NCTC will continue to work closely with our partners at every level of government to build capacity, strengthen governance and improve performance and deliver in a strategic and focused way to counter terrorism.