

ANNUAL REPORT **2011**

FOUNDATIONS FOR EXCELLENCE

THE WORLD INSTITUTE FOR NUCLEAR SECURITY

Promoting nuclear security best practices
and security leadership around the world





Athletic performance has improved dramatically over the last century as measured by World Records achieved at the Olympic Games and other events; the rate of improvement for women in particular has been extraordinary. The causes are most likely to be because:

- 1/ there is a better selection of athletes as sports coverage has become more popular with the public,
- 2/ of an increase in professional coaching and the sharing of best practices for such things as training and racing techniques, diet and supplements, and
- 3/ better equipment and technology has been developed to support the inherent ability of the athletes; examples include the use of fibreglass poles for vaulting, more wind-resistant clothing and energy saving running shoes.

Overall, athletic excellence needs a solid foundation and understanding of best practices. So too does excellence in nuclear security; the commitment of individuals and teams, the right equipment, the best technologies and the ability to test and measure performance on a regular basis. As London prepares for the 2012 Olympic Games, we would do well to remember the Olympic ideals; Excellence, Respect and Friendship.

ANNUAL REPORT **2011**

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CHAIRMAN'S LETTER



Charles B. Curtis,
Chairman of the Board

Mr. Curtis is President Emeritus and Board Member of the Nuclear Threat Initiative (NTI), previously serving for nine years as President and Chief Executive Officer of NTI. Mr. Curtis served as US Under Secretary and, later, Deputy Secretary of Energy from February 1994 to May 1997. He was the chief operating officer of the Department and, among other duties, had direct programmatic responsibility for all Department science, technology and national security programs. He was the Department's designated member of the Nuclear Weapons Council throughout his tenure.

By any and every objective measure, this report sets out a remarkable record of accomplishment.

This Annual Report marks the conclusion of WINS' third full year of operations. WINS is increasingly recognised as an important element of the security architecture, providing a complementary value to the essential regulatory work of states and to the system of authoritative guidance of the International Atomic Energy Agency. The importance of our work is validated by the broad participation of professionals from industry, academia and governments in our workshops, the development and well documented use of our Best Practice Guides and by a continuously expanding membership. We are proud of what has been achieved.

But we are fully aware that our work is not done. The need to promote security leadership, training, vigilance and best practice remains an ongoing challenge. As the 2012 Nuclear Security Summit in Seoul will show, while much has been achieved, much more needs doing to safeguard the world from a nuclear security failure of potential catastrophic consequence. Our task remains urgent.

In recognition of the global scope of our mission, WINS is pleased to welcome to its Board prominent leaders in the international community, Chaibong Hahm of the Republic of Korea, former Ambassador Nobuyasu Abe of Japan. We thank them for joining in this vital endeavour.

We applaud our Executive Director Roger Howsley and our outstanding professional staff for all their labours and for their exceptional achievements.

Charles B Curtis



THE WINS BOARD

The WINS Board was expanded in November 2011 and now consists of six Members. Full biographies are available on the WINS website.



*Ambassador
Nobuyasu Abe*

Ambassador Abe, who joined the Japanese Foreign Service in 1967, is an accomplished diplomat with a wide experience in the field of arms control and disarmament. Nobuyasu Abe currently serves as the Director of the Center for the Promotion of Disarmament and Non-proliferation (CPDNP) Japan Institute of International Affairs (JIIA).



Hahm Chaibong

Dr. Hahm Chaibong is the Director of the Asan Institute for Policy Studies (AIPS) in Seoul, Korea. The Asan Institute for Policy Studies was founded with a mission to become an independent think tank that provides effective policy solutions to issues which are critical to Korea, East Asia and the rest of the world. The Asan Institute was founded by Chung Mong-joon, who still serves at the Honorary Chair.



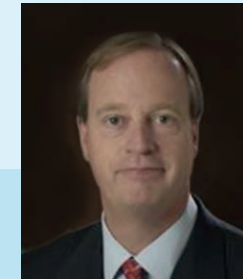
Duncan Hawthorne

Mr. Hawthorne is the President and Chief Executive Officer of Bruce Power, the largest independent power generator in Ontario, Canada. Mr. Hawthorne is the Past Chairman of the Canadian Nuclear Association, a member of the Board of Directors of the Ontario Energy Association and current Chairman of the Board of Governors of the World Association of Nuclear Operators (WANO) – Atlanta Centre.



Nancy Jo Nicholas

Ms. Nicholas is a senior member of the Institute of Nuclear Materials Management and served as INMM President from October 2006 through October 2008. She is the Director of Nuclear Nonproliferation and Security Programs at Los Alamos National Laboratory responsible for executing a \$450M Nuclear Nonproliferation and Security Programme annually.



William H. Tobey

Mr. Tobey is a Senior Fellow at the Belfer Centre for Science and International Affairs and was previously Deputy Administrator for Defense Nuclear Non-Proliferation at the National Nuclear Security Administration, where he managed the U.S. government's largest program to prevent nuclear proliferation and terrorism.



EXECUTIVE DIRECTOR'S REPORT

It is my pleasure to report on the progress made by WINS during 2011 which marked our third year of operation.

Over the past three years, we have published 25 International Best Practice Guides on Nuclear Security Management and held the same number of International Workshops on five continents to support the development of the Guides and share best practice. We have also grown the WINS membership, both Corporate and Individual, to almost 900 in 62 States and increased our funding base from four to nine organisations, and thank them all.

In March 2012, the Republic of Korea will host the next Nuclear Security Summit in Seoul and we were asked to join the International Advisory Committee for the Nuclear Industry Summit. We will be launching our Compendium of Best Practices for Nuclear Security Management at the event, and were delighted to work with Moleskine® in Milan on the production of the Compendium, which will make a tangible and high quality contribution from WINS and our members to the Summit. We have continued to develop our website and its functionality and now provide publications in eight languages, having recently added Korean to the range of languages available. The website also allows members to comment on-line about the Guides and to upload additional materials to help develop the Guides further.

We ask our members at every WINS event, and during the Annual Membership Questionnaire, what they think about our work and its value. I am pleased to report that the positive ratings remain high with 99% expressing their satisfaction regarding the organisation of the workshops and almost 86% of members reporting that they have modified their approach to nuclear security management as a

result of their interactions with WINS. The latter figure is what matters most; WINS is making a difference when it comes to implementing “best” security practices. And we are occasionally asked what we mean by “best practice” – does this mean most expensive practice? The answer is no; the guiding criteria that we use are:

- **IMPACT/EFFECTIVENESS:** The practice has demonstrated impact, applicability, and benefits to the nuclear security programme.
- **EFFICIENCY:** The practice has demonstrated cost and resource efficiency where the expense is appropriate to the benefits.
- **DEMONSTRATED SUSTAINABILITY:** The practice shows sustainable benefits and/or is sustainable within nuclear and related organisations.
- **COLLABORATION/INTEGRATION:** The practice builds effective partnerships among various organisations and integrates security with other functions such as nuclear safety, emergency planning and design.

In some ways, 2011 marks the end of our Foundation Period, which was focused on the production of a suite of value-adding publications to support effective nuclear security management. From 2012, we will concentrate on how best to develop professional development materials that allow practitioners to take accredited courses that are recognised for their quality, efficiency and relevance; we will do this through the launch of the WINS Academy, the details of which will be developed in the months ahead.

Finally I should like to thank the WINS Board for its strategic guidance and to the small and dedicated team of WINS staff and contractors that work tirelessly to achieve the stretching targets that we set for ourselves and for the WINS community; effective and efficient nuclear security remains an essential prerequisite for the industry, society and the environment.

Dr Roger Howsley



SUMMARY OF ACHIEVEMENTS IN 2011

We set out our Objectives in the 2011 Strategic Plan that was posted on the WINS Website in January 2011. We surpassed or achieved all of our targets though progress with the Professional Development Programme was challenging and funding is generally committed on an annual basis, though pledges have been received to 2014.

<p>Publish 12 additional International Best Practice Guides by the end of 2011</p>	<p>WINS published 14 Best Practice Guides in 2011</p>	1
<p>Translate Best Practice Guides and other key documents into 6 languages (Arabic, French, Russian, Chinese, Japanese and Spanish)</p>	<p>Korean also added to the list of available languages</p>	2
<p>Produce the “Compendium of Best Practices for Nuclear Security Management”</p>	<p>Written, designed and sent for printing by Moleskine® Italy in December 2011.</p>	3
<p>Organise and conduct 10 international workshops in 2011</p>	<p>15 Workshops were held during 2011</p>	4
<p>Establish the WINS Education and Training Programme for launch in Quarter 1, 2012</p>	<p>Preparatory work done to launch the WINS Academy in March 2012</p>	5
<p>Substantially upgrade the WINS Website, offering interactive forums for Members</p>	<p>97% of members find the website highly satisfactory</p>	6
<p>Obtain funding pledges to sustain WINS through to 2014</p>	<p>Funding base continues to increase but pledges tend to be on an annual basis. Some funding pledges have been received through to 2014</p>	7
<p>Public Certified Auditor endorses 2011 accounts</p>	<p>Accounts satisfactorily audited by Deloitte GmbH in January 2012</p>	8
<p>All financial control reports to funding organisations are accurate and timely</p>	<p>Financial control reports are made on a quarterly and an annual basis and all were submitted in accordance with funding organisation requirements</p>	9



WORKSHOPS

WINS hosted fifteen International workshops in 2011, five more than scheduled. We were delighted to co-host some of the events with partners in various regions of the world and in sectors other than nuclear; for example, DeBeers Diamonds were our co-hosts in South Africa in October 2011 at a workshop that explored common challenges associated with insider threats in the diamond, gold, finance and nuclear sectors.

In total, over 600 people attended our events, almost all at their own expense.

TITLE OF THE WORKSHOP	LOCATION	DATE
Nuclear Security for Scientists and Engineers	Vienna, Austria	9–10 March
Security of IT & IC Systems	Vienna, Austria	27–29 April
Round table at RUSI in London (Fukushima)	London, UK	12 May
Assessing and Responding to Nuclear Security Incidents at Nuclear Facilities	Buenos Aires, Argentina	8–9 June
Effective Use of NMAC in Nuclear Security	Vienna, Austria	29–30 June
Nuclear Security for Scientists and Engineers	Amman, Jordan	6–7 July
Managing Internal Security Threats in High Value and Sensitive Industries	Johannesburg, South Africa	10–12 October
Security of High Activity Radioactive Sources	Utrecht, Netherlands	19 October
Security of High Activity Radioactive Sources	Athens, Greece	25 October
Security of Well Logging Radioactive Sources	Abu Dhabi, UAE	15 November
Security of High Activity Radioactive Sources	Abu Dhabi, UAE	16 November
Advanced Technologies for Nuclear/Radioactive Inventory Management and Transport Security	Seoul, Korea	21–22 November
Nuclear Security Culture and Armed Response Effectiveness	Seoul, Korea	23 November
Human Reliability in Nuclear Security	Cumbria, UK	6–7 December
Round Table on Market Mechanisms for Promoting Nuclear Security	Vienna, Austria	19 December

ROUNDTABLE ON THE FUKUSHIMA TRAGEDY



Time for an Integrated Approach to Nuclear Risk Management, Governance and Safety/Security/Emergency Arrangements

KEY RECOMMENDATIONS

- 1/ Integrating nuclear safety, security and emergency arrangements
- 2/ A common assessment of risk and shared nuclear liability
- 3/ Improved corporate governance
- 4/ Peer review and sharing best practices – building confidence
- 5/ Education and training – building capacity



**Time for an Integrated Approach
to Nuclear Risk Management, Governance and
Safety/Security/Emergency Arrangements**

May 2011

We hosted a one-day roundtable discussion focused on the early lessons emerging from the Fukushima tragedy that occurred in Japan in March 2011. The roundtable, which was co-hosted by Serco, was held in London on the 12th May at the Royal United Services Institute for Defence and Security Studies (RUSI). As a result of this roundtable, WINS produced a paper setting out the priorities for nuclear security which will contribute to the international debate on what needs to change to improve the management and oversight of nuclear operations.



INTERNATIONAL BEST PRACTICE GUIDES

WINS published 15 Best Practice Guides in 2011, including a completely revised guide on Security Culture which now includes a self assessment culture survey questionnaire.



Best Practice Guides
published in
2011

We published a specific Guide on “Nuclear Security for Scientists and Engineers” but many of the Guides have direct relevance to the safety and technical community as well as senior management and off site response agencies.

WINS continues to be the only organisation in the world to provide a members’ website, where such practical advice based on real life experiences is available free of charge to all members across the world. That’s one of the things that sets WINS apart from others; it was established to make best practices available to those accountable for nuclear security; and that is exactly what we do.

Best Practice Guides
published in
2010

Nuclear Security for Scientists and Engineers

Learning from Operating Experience

Human Reliability

Effective Security Regulation and Implementation

Electronic Tracking for the Transport of Nuclear and other Radioactive Materials

Security of High Activity Radioactive Sources

Making Security Efficient

Modelling and Simulation in Nuclear Security

Working Effectively with External Response Forces

Guard Force Training and Motivation

Security Exercises

Material Control and Accountancy in Support of Nuclear Security

Communicating Security Information: Striking a Balance

Nuclear Security Culture Revision 2

Security of IT & IC Systems at Nuclear Facilities

Security Equipment Maintenance

Managing Internal Threats

Threat Assessment

Security Governance

Accountability and Liability for Nuclear Security Incidents

An Integrated Approach to Nuclear Safety and Security

Security by Design

Effective Management and Deployment of Armed Guard Forces

Nuclear Security Guards Selection and Recruitment

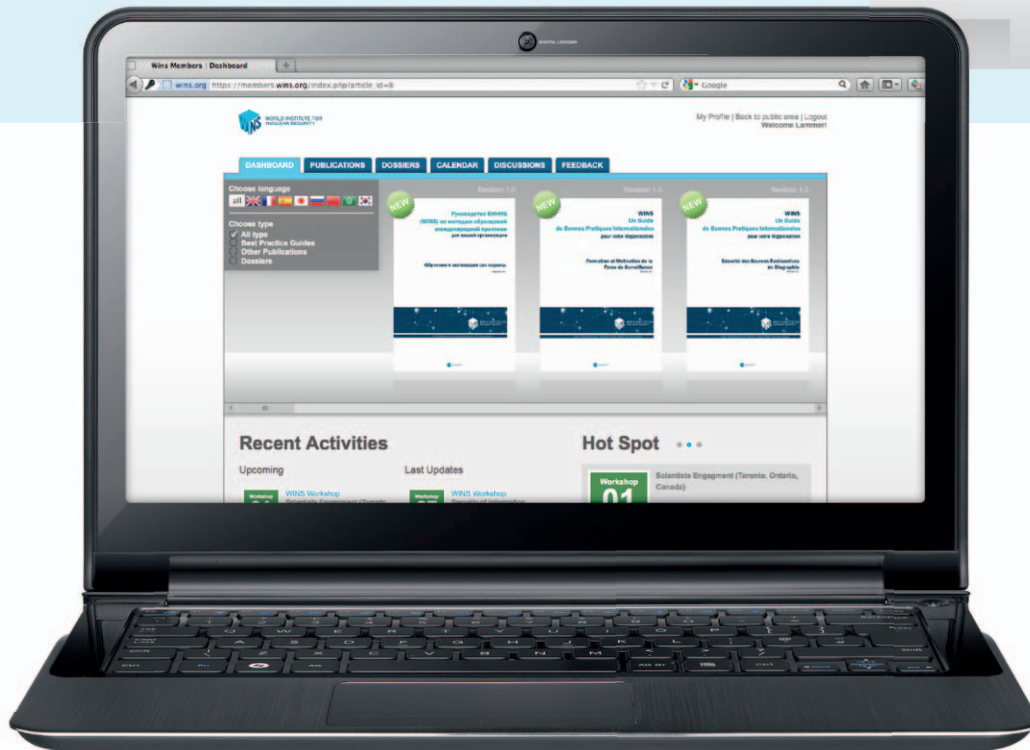
Security of Well Logging Radioactive Sources

Performance Metrics



WEBSITE

The new publication viewer within the Members Area has a user-friendly interface, which allows for quick browsing and filtering by language or document type.



Each year we make important improvements to our website because it is one of the main channels of communication with our members. Not even our most avid supporters have the time and resources to attend all of the workshops we organise! This year we completely redesigned the Members Area so that publications and the workshop calendar are readily accessible with just a couple of clicks. We also added a fully interactive interface so that members can leave comments or upload documents that they believe support the work of developing the Best Practice Guides. We added Korean to the seven other languages in which most of our documents are available, as a mark of respect to the Republic of Korea, which hosts the next Nuclear Security Summit in Seoul in March 2012.



QUALITY MANAGEMENT SYSTEM

Accreditation of WINS Quality Management Processes is seen as an important development in WINS' evolution to demonstrate that WINS is a quality organisation.

We have chosen **ISO 9001** as the most appropriate benchmark and Vesna Gradt, the WINS Finance and Quality Manager, will lead our efforts to become accredited in 2012. Thereafter, we will consider becoming accredited under **ISO 29990:2010**

ISO 29990:2010 is the first standard developed specifically to create a suitable framework for preparing standards in the field of non-formal learning services. Core elements are ensuring the quality and effectiveness of the education or training and improvement of knowledge transfer, whilst also enhancing the transparency and comparability of the range of learning services provided. ISO 29990 will help learning service providers improve their ability to consistently provide quality services, improve organisational effectiveness, and reduce overall business costs.

ISO
9001
QUALITY
ASSURANCE

ISO
29990:2010
CERTIFICATION



MEMBERSHIP QUESTIONNAIRE

Each year in December we conduct an online Membership Satisfaction Questionnaire and ask the same 10 questions so that we can benchmark our performance year on year.

The results are summarised for those participants that expressed a view and show a very consistent picture in 2011 compared to 2010.

We also poll participants at the end of each workshop and find the same high scores, particularly in relation to the quality of facilitation and the use of electronic voting that we use during the workshops.

QUESTION	2010 AGREE/ STRONGLY AGREE	2011 AGREE/ STRONGLY AGREE
Do I benefit from WINS membership?	98.5%	93.9%
Is WINS a valuable forum?	100.0%	99.0%
Are the WINS guides effective for self assessment?	91.5%	96.7%
Do the WINS guides cover relevant topics?	100.0%	100.0%
Is publishing the guides in different languages important?	100.0%	97.9%
Was attending a WINS workshop time well spent?	97.1%	86.7%
Are WINS workshops innovative?	97.9%	98.8%
Have I modified approaches to security because of WINS?	84.3%	85.1%
Is the WINS website useful?	98.5%	96.8%
Are my interactions with WINS dealt with professionally?	100.0%	95.7%

MEXICO
ALBANIA
MOLDOVA
ALGERIA
MONGOLIA
ARGENTINA
MOROCCO
AUSTRALIA
MOZAMBIQUE
AUSTRIA
NETHERLANDS
AZERBAIJAN
NIGERIA
BANGLADESH
NORWAY
BELGIUM
PAKISTAN
BOTSWANA
PARAGUAY
BRAZIL
PHILIPPINES
CANADA
POLAND
CHINA
RUSSIA
DENMARK
SAUDI ARABIA
EGYPT
SINGAPORE
FINLAND
SLOVAKIA
FRANCE
SOUTH AFRICA
GEORGIA
SPAIN
GERMANY
SWEDEN
GHANA
SWITZERLAND
HUNGARY
TUNISIA
INDIA
TURKEY
INDONESIA
UNITED ARAB EMIRATES
ITALY
UKRAINE
JAPAN
UNITED KINGDOM
JORDAN
UNITED STATES
KAZAKHSTAN
URUGUAY
KENYA
VIETNAM
KOREA
YEMEN
LITHUANIA
ZAMBIA
LUXEMBOURG
ZIMBABWE
MALAYSIA



876
members

MEMBERSHIP GROWTH IN 2011

If you haven't yet joined WINS we encourage you to do so. Go to www.wins.org and apply online.

WINS Membership has grown consistently over 2011 and at the end of the year was just under 900 Corporate and Individual Members, in 62 States.

Some applications for WINS membership make clear that the organisation wants to support WINS; others are from Individuals that have accountabilities for nuclear security and who wish to benefit from personal Membership.



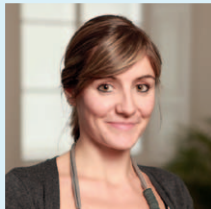
THE WINS TEAM AT THE END OF 2011

Permanent Staff



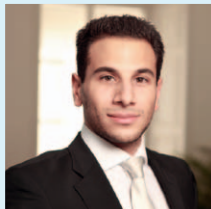
Dr. Roger Howsley
Executive Director

Pierre Legoux
extended his contract as Head
of Operational Programmes



Raquel Delgado
was promoted to become the
Executive Support Manager

Vesna Gradt
was promoted to become the
Finance and Quality Manager



Jadallah Hammal
continued in his effective role
as Project Manager

Bettina Lock
joined WINS in November
2011 as Office Administrator



Cost free experts and Interns



Lisa Hilliard
who has been seconded from the US Department
of Energy for the past three years, has made an
outstanding contribution to the establishment and
success of WINS over the three year period and
will be seriously missed.

Harold Eichenholz, was seconded to
WINS from the US Nuclear Regulatory
Commission (NRC) for twelve months
as a cost free expert.

During 2011 WINS continued its
Internship Programme with the addition
of three young professionals who
contributed to the development of
WINS' activities:

Benjamin Katzenberg, a graduate from
the New York University School of Law,
used his knowledge of international law
to help advance WINS' mission.

Laura Pedraza, who finished her M.A.
at the Diplomatic Academy of Vienna,
worked for WINS in the field of media
outreach.

Chris Myers, currently finishing his PhD
in Nuclear Engineering, assisted the
WINS team in the development and
implementation of WINS' Education
and Training strategy.

STAFF DEVELOPMENT AND COACHING



As well as believing it a priority to improve the professional development opportunities for Security Practitioners, WINS also believes in the development of its own staff.

In 2011 WINS organised two Team Building events and offered personal coaching to all staff. The first Team Building event was a two-day meeting and took place from 14–15 April in Pamhagen, Austria. On the first day the staff were invited to take part in a number of outdoor activities whilst the second day was devoted to the discussion of topics relevant to the organisation, such as communication, team work and QMS compliance.

The second Team Building event took place on 15 December in Mauerbach, Austria. This one-day event was dedicated to the discussion of the WINS 2012 Strategy, ISO certification and internal and external communication, amongst other topics. Concrete actions and outcomes resulted from both meetings and have contributed to the optimisation of WINS' processes and work flow.



FINANCIAL PERFORMANCE

The Annual Accounts for 2011 were audited by Deloitte GmbH in January 2012 and found to be entirely satisfactory.

WINS' overall cash position at the end of 2011 was slightly improved over the beginning of the year and total expenditure during 2011 was slightly over 2M Euros.

WINS moved from a cash accounting basis in 2011 to accrual based accounting on the recommendation of the Auditors, because of the increasing complexity of WINS' funding and expenditure.

WINS was also audited by the Canadian Ministry of Foreign Affairs and International Trade in May 2011 and the accounts found to be fully in line with their requirements.

STATEMENT OF CASH FLOW 2011	SUBTOTAL IN EURO	TOTAL IN EURO
1. Opening balance on 1.1.2011		811,469
Grant Receipts		
US DOE	995,383	
UK FCO	209,223	
CAN DFAIT	461,019	
US STATE DEPARTMENT (PNS)	323,626	
NORWAY MFA	90,498	
NTI	19,204	
NEW ZEALAND MFA	56,379	
Bank interest	2,011	
Honorarium and refunds	4,179	
2. Total Receipts 2011		2,161,522
Expenditure		
Total Net Salaries	482,612	
Total Taxes and Contributions on Salaries	495,293	
Total Travel & Subsistence	323,129	
Best Practice Guides and Consultancy	287,589	
Total Workshop design and facilitation	138,800	
Total Website and IT	85,290	
Total Marketing / PR / Other Publications	19,027	
Total Office Rent & Supplies	167,473	
Total Telecommunications	12,230	
Total Outsourced Services	163,429	
Total liabilities and provisions	-96,794	
3. Total Expenditure 2011		-2,078,078
currency adjustments		-9,080
Closing balance on 31.12.2011		885,833

FORWARD STRATEGY FOR 2012



During 2012 our focus will move from the development of Best Practice Guides to other strategic areas that WINS believes are necessary to address in order to help achieve more effective worldwide nuclear security; as depicted in the graphic opposite.

In particular, WINS will work to:

- 1/ Establish the WINS Academy that will provide Professional Development materials for those with security accountabilities, including safety managers, designers, engineers and off-site response agencies.
- 2/ Work with WANO to better understand the interface between nuclear safety/operations and nuclear security with the objective of producing definitive advice based on experience and examining the scope for peer review.
- 3/ Examine the opportunities for introducing market incentives to encourage Licensees and others to enhance their security based on an all risk approach to investment, insurance and other mechanisms.
- 4/ Encourage greater transparency of reporting by Licensees and Regulators that helps explain the Corporate Governance arrangements and their effectiveness.
- 5/ Continue to provide excellent Guidance documents and WINS workshops to share and promote security best practices, world-wide, including the publication of the WINS Compendium.

Further details are available in the 2012 WINS Strategic Plan.

EFFECTIVE WORLDWIDE NUCLEAR SECURITY

Providing practical implementation guidance

An obligation and willingness to adopt minimum threat assessments

Clear definition of legal and liability responsibilities between state and operators

International and national peer review and accreditation with performance metrics

Security performance linked to market incentives

Communication of security performance; tackling the secrecy issues

Professional development and accreditation



TARGETS FOR 2012

The following Targets define WINS' priorities in 2012:

PROGRAMME DELIVERY

FINANCIAL

1	Significant Contribution to the Nuclear Security Summit process in Seoul, March 2012
2	Publication of the WINS' Compendium of Best Practices for Nuclear Security Management by April 2012
3	Launch of the WINS' Academy by April 2012
4	All Operational Targets as defined in the Operational Programme are achieved
5	Chairing WG2 of the IAEA coordinated "International Network for Nuclear Security Training and Support Centres" and accomplishment of agreed targets
6	ISO 9001 Accreditation for WINS Management Processes by December 2012
7	Collaborative working between WANO and WINS to examine the interface between nuclear safety and security
8	All financial control reports to funding organisations are accurate and timely
9	Public Certified Auditor endorses 2012 Accounts
10	Obtain increased funding pledges to sustain WINS through to 2014





WORLD INSTITUTE FOR NUCLEAR SECURITY

OUR VISION

To help improve security of nuclear and high hazard radioactive materials so that they are secure from unauthorised access, theft, sabotage and diversion and cannot be utilised for terrorist or other nefarious purposes.

OUR MISSION

To provide an international forum for those accountable for nuclear security to share and promote the implementation of best security practices.