

GAO Highlights

Highlights of [GAO-15-294](#), a report to the Ranking Member, Committee on Homeland Security, House of Representatives

Why GAO Did This Study

The U.S. economy is dependent on a secure global supply chain. In fiscal year 2013, approximately 12 million maritime cargo shipments arrived in the United States. Within the federal government, CBP is responsible for administering cargo security, to include identifying “high-risk” maritime cargo shipments with the potential to contain terrorist contraband. GAO was asked to review CBP’s disposition of such shipments.

This report discusses (1) how many maritime shipments CBP determined to be high risk and the extent to which CBP has accurate data on the disposition of such shipments, (2) the extent to which CBP consistently applies criteria and documents reasons for waiving examinations, and (3) the extent to which CBP ensures its policies on the disposition of high-risk shipments are being followed.

GAO analyzed CBP data on maritime shipments arriving in the United States during fiscal years 2009 through 2013. GAO also visited four CBP targeting units selected on the basis of the percentage of maritime shipments they waived, among other factors.

What GAO Recommends

GAO recommends, among other things, that CBP define standard exception waiver categories and disseminate policy on documenting articulable reason waivers. Further, CBP should enhance its methodology for selecting shipments for self-inspections and change the way it calculates the compliance rate. The Department of Homeland Security concurred with GAO’s recommendations.

View [GAO-15-294](#). For more information, contact Jennifer Grover at (202) 512-7141 or groverj@gao.gov.

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SUPPLY CHAIN SECURITY

CBP Needs to Enhance Its Guidance and Oversight of High-Risk Maritime Cargo Shipments

What GAO Found

From fiscal years 2009 through 2013, less than 1 percent of maritime shipments arriving in the United States were identified as high risk by U.S. Customs and Border Protection (CBP), but CBP does not have accurate data on their disposition (i.e., outcomes). CBP officials (targeters) are generally required to hold high-risk shipments for examination unless evidence shows that an examination can be waived per CBP policy. In particular, targeters at Advance Targeting Units (targeting units)—responsible for reviewing shipments arriving at ports within their respective regions—can waive an examination if they determine through research that (1) the shipment falls within a predetermined category (standard exception), or (2) they can articulate why the shipment should not be considered high risk (articulable reason), such as an error in the shipment’s data. GAO found that CBP examined the vast majority of high-risk shipments, but CBP’s disposition data are not accurate because of various factors—such as the inclusion of shipments that were never sent to the United States—and that the data overstate the number of high-risk shipments. On the basis of GAO’s analyses and findings, CBP is taking steps to correct its data.

When determining the disposition of high-risk shipments, CBP’s targeting units are inconsistently applying criteria to make waiver decisions and are incorrectly documenting the reasons for some waivers. CBP policy lacks definitions for standard exception waivers. As a result, targeters are inconsistently applying and recording standard exception waivers. Because of these inconsistencies, some targeting units may be unnecessarily holding shipments for examination, while others may be waiving shipments that should be examined. Developing definitions for standard exceptions could help ensure that CBP examines shipments as intended. Further, some targeters at targeting units GAO visited were unaware of the guidance on articulable reason waivers and were incorrectly documenting these waivers. As a result, CBP cannot accurately determine the extent to which articulable waivers are being issued and used judiciously per CBP policy. Updating and disseminating guidance in policy could help ensure targeters correctly document such waivers.

CBP has efforts in place, such as self-inspections, to provide oversight of its policies on the disposition (whether examined or waived) of high-risk shipments; however, these efforts are not sufficient. For example, the limited sample size of shipments used in self-inspections does not provide CBP with the best estimate of compliance at the national level. In addition, CBP’s method for calculating the compliance rate does not accurately reflect compliance because it is not based on the number of shipments sampled. Developing an enhanced methodology for selecting sample shipments, and changing the method for calculating compliance, could improve CBP’s estimate of compliance and its ability to identify and correct deficiencies.

This is a public version of a sensitive report that GAO issued in November 2014. It does not include details that CBP deemed sensitive security information.