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BORDER SECURITY

Progress and Challenges in DHS's Efforts to Address High-Risk Travelers and Maritime Cargo

Rebecca Gambler, Director
Homeland Security and Justice

Accessible Version

GAO Highlights

Highlights of [GAO-15-668T](#), a testimony before the Subcommittee on Border and Maritime Security, Committee on Homeland Security, House of Representatives

Why GAO Did This Study

The *National Strategy for Counterterrorism* calls for a rapid and coordinated effort that uses U.S. government resources to mitigate threats to homeland security. DHS contributes to the U.S. government's efforts to combat terrorism and works to prevent inadmissible travelers and cargo from entering the United States. DHS's overseas efforts include ensuring visa security, inspecting passengers prior to boarding U.S.-bound flights, and identifying high-risk cargo shipments.

This statement addresses (1) the extent to which DHS has aligned resource use abroad with strategic priorities and (2) selected DHS programs abroad aimed at preventing high-risk travelers and maritime containerized cargo from entering the United States. This statement is based on prior products GAO issued from 2008 through January 2015, along with selected updates conducted in May 2015 to obtain information from DHS on actions it has taken to address prior GAO recommendations.

What GAO Recommends

GAO previously made recommendations to DHS to inform its resource deployment abroad and strengthen screening and targeting programs. DHS agreed with GAO's recommendations to inform resource deployment abroad and has actions planned or underway to address them. DHS did not agree with some of GAO's recommendations related to VSP; GAO continues to maintain that all of these recommendations should be addressed.

View [GAO-15-668T](#). For more information, contact Rebecca Gambler, (202) 512-8777 or gablerr@gao.gov.

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What GAO Found

In September 2013, GAO reported on actions the Department of Homeland Security (DHS) had taken to align its programs abroad with its resource use and with other U.S. governmental strategic priorities. GAO found that DHS had taken actions to better align its resource use with its programs abroad consistent with requirements set forth in law. Specifically, from 2011 to early 2012, DHS conducted a onetime review of its international footprint—the complete set of DHS resources and efforts it has deployed abroad—and created a department-wide international engagement plan. However, DHS had not established specific department-wide strategic priorities for resource use abroad. Specifically, DHS (1) had not established department-wide strategic priorities for international engagement, such as specific types of activities or target regions to further combating terrorism goals; (2) did not have a mechanism for monitoring alignment between resource deployment abroad and strategic priorities; and (3) did not have reliable, comparable cost data for its programs and activities abroad and had not established a standardized framework to capture these data. GAO recommended that DHS establish department-wide strategic priorities, a mechanism to routinely monitor alignment between strategic priorities and resource deployment abroad, and reliable cost data to provide DHS with critical information to make informed resource deployment decisions. DHS concurred and, as of May 2015, has taken steps to implement GAO's recommendations, such as drafting an international engagement strategy to identify specific department-wide priorities and establishing a common cost framework. DHS plans to finalize this strategy by early summer 2015 and use it a mechanism to facilitate additional footprint reviews in future budget years.

DHS deploys multiple screening and targeting programs designed to help interdict high-risk travelers, such as potential terrorists, and otherwise inadmissible passengers and cargo shipments before they board U.S.-bound commercial vessels. For example, in March 2011, GAO reported on the Visa Security Program (VSP) through which DHS's U.S. Immigration and Customs Enforcement (ICE) deploys personnel to certain U.S. embassies and consulates to conduct security reviews of visa applications, among other things. GAO found that ICE had limited guidance for the program and could improve its program expansion planning. DHS concurred with GAO's recommendations to issue guidance and strengthen its planning and took steps to address them. GAO also found that DHS did not collect comprehensive data on all VSP performance measures and track the time officials spent on visa security activities; DHS did not concur with GAO's recommendations to address these limitations. Further, since 2008, GAO has reported on CBP's programs intended to secure the maritime global supply chain—the flow of goods from manufacturers to retailer—and cargo destined for the United States. For example, in September 2013, GAO found that CBP had not regularly assessed foreign ports for risks to since 2005. While CBP took steps to rank ports for risks in 2009, CBP did not use this information to modify where CBP staff were posted. DHS concurred with GAO's recommendation to periodically assess the supply chain security risks from foreign ports and has plans to conduct such assessments by the end of 2015.

Chairman Miller, Ranking Member Vela, and Members of the Subcommittee:

I am pleased to be here today to discuss the Department of Homeland Security's (DHS) international programs and activities related to screening and inspecting passengers and maritime containerized cargo. The *National Strategy for Counterterrorism* calls for a rapid, coordinated, and effective effort that uses the resources of the entire government to mitigate threats to national and homeland security.¹ DHS—with its specific knowledge and skills in border and maritime security, immigration, and law enforcement, among other areas—contributes to the U.S. government's efforts to combat terrorism and works to prevent inadmissible travelers and goods from entering the United States. In pursuit of this objective, DHS seeks to identify security vulnerabilities and interdict threats at the earliest possible point in the travel, trade, and immigration lifecycles to make the nation's physical borders the last, not the first, line of defense.

DHS's efforts to combat terrorism start abroad before travelers and cargo are approved for departure to the United States. Most notably, DHS deploys multiple inspection and targeting programs designed to help interdict high-risk travelers, such as potential terrorists, and otherwise inadmissible passengers and cargo before they board commercial aircraft and vessels bound for the United States. DHS also works alongside foreign government officials to support them in assessing their own security vulnerabilities at air and sea ports and strengthen their security infrastructure by providing training and conducting critical infrastructure assessments, among other things. DHS's Office of International Affairs (OIA) has primary responsibility for coordinating all aspects of the department's international operations, and for developing, coordinating, and executing departmental international policy, including negotiating agreements with other countries, developing policy and programs, interacting with foreign officials, and working with DHS personnel abroad.

¹The *National Strategy for Counterterrorism* supports the *National Security Strategy*, which lays out an approach for advancing American interests, including the security of the American people. The *National Strategy for Counterterrorism* sets out the approach to one of the President's top national security priorities—disrupting, dismantling, and eventually defeating al Qaeda and its affiliates and adherents. It also acknowledges the need to counter other transnational terrorist networks. See White House, *National Strategy for Counterterrorism* (Washington D.C.: June 2011) and White House, *National Security Strategy* (Washington D.C.: May 2010).

DHS components are generally responsible for making operational decisions, such as allocating resources and conducting activities that correspond to their particular missions to meet the department's mission needs.

Several DHS components are responsible for implementing programs aimed at screening, inspecting and, if warranted, preventing high-risk travelers and cargo from traveling to and entering the United States and are responsible for deploying staff to certain foreign air and sea ports and U.S. embassies to meet these objectives. U.S. Customs and Border Protection (CBP), the federal agency with primary responsibility for securing U.S. borders, is authorized to vet, target, screen, and inspect travelers and cargo prior to entering the United States and, in certain circumstances and locations, before their transit to the United States. U.S. Immigration and Customs Enforcement (ICE), the agency with responsibility for enforcing U.S. customs and immigration laws, regulations, and policies, is authorized to investigate a wide range of domestic and international activities arising from the illegal movement of people and goods into, within, and out of the United States.²

This statement is based on related reports and testimonies we issued from 2008 through January 2015 that examined DHS's efforts to target, interdict, screen, and inspect passengers and maritime containerized cargo traveling to the United States (see app. I for a list of related GAO products), and discusses:

- the extent to which DHS has aligned resource use abroad with strategic priorities and
- selected DHS programs abroad aimed at preventing high-risk travelers and maritime cargo from entering the United States.

²The U.S. Coast Guard, the federal agency with primary responsibility for safeguarding U.S. maritime interests, is also responsible for ensuring the safety of the nation's ports. The Coast Guard is the lead agency responsible for assessing the security of ports that ship goods to the United States, coordinating maritime information sharing efforts, and promoting domain awareness in the maritime environment. As of May 2015, the Coast Guard had 368 full-time equivalents stationed in 28 countries to assist with maritime security efforts. In addition, the Transportation Security Administration—the federal agency with primary responsibility for securing civil aviation, including U.S.-bound flights—had 87 full-time equivalents stationed in 22 countries to assist with aviation security efforts.

This statement includes selected updates we conducted in May 2015 on DHS's efforts to address our previous recommendations related to DHS's management and prioritization of its resources abroad, the visa security program, and efforts to protect the maritime global supply chain—the flow of goods from manufacturers to retailers—and containerized cargo. It also includes preliminary observations on CBP's international air passenger predeparture inspections efforts. We are currently reviewing these programs at the request of the full committee, its subcommittees, and other Members. Our reports incorporated information we obtained and analyzed from officials at various DHS components, including CBP and ICE, such as program plans, policies, and procedures. More detailed information about our scope and methodology can be found in our reports and testimonies. For the updates, we collected information from DHS on actions it has taken to address findings and recommendations made in prior reports on which this statement is based. We also reviewed recent DHS Office of Inspector General (OIG) reports on the Visa Security Program and DHS's efforts to target and vet foreign nationals.³ For our ongoing work on CBP's international air passenger predeparture inspection efforts, we analyzed agency-wide policy guidelines and procedures for operating these programs overseas. We also interviewed CBP officials to obtain their views on CBP's roles and responsibilities for implementing and managing its predeparture inspections programs, as well as CBP's plans to expand these programs in the future. We conducted all of this work in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

³DHS OIG, *The DHS Visa Security Program*, OIG-14-137 (Washington, D.C.: Sept. 10, 2014) and DHS OIG, *Information Sharing on Foreign Nationals: Overseas Screening*, OIG-11-68 (Washington, D.C.: Apr. 7, 2011).

DHS Has Enhanced Its Resource Alignment, but Could Better Assure Resources Deployed Abroad Support Highest Priorities

In September 2013, we reported on actions DHS has taken to align its programs abroad with its resource use and with other U.S. governmental strategic priorities. We found that DHS had taken actions toward increasing organizational and programmatic alignment for its resource use abroad consistent with requirements set forth in law.⁴ For example, we found that DHS had established an intradepartmental governance board to provide a formal organizational mechanism for DHS component heads and OIA to collaborate and coordinate crosscutting policy issues related to international engagement. We also found that DHS reviewed its international footprint—the complete set of resources and efforts DHS has deployed abroad—with the intention of enhancing organizational and programmatic alignment. This “footprint review” was led by OIA, in coordination with component heads, and it evaluated the placement of resources on the basis of DHS’s strategic mission areas, cost, and potential for engagement with host nations.⁵ Furthermore, in March 2013, the Secretary of Homeland Security signed DHS’s first *International Engagement Plan* to promote common international objectives and priorities across the department. The plan maps key activities abroad to DHS’s strategic mission areas, and includes specific strategies in separate international engagement plans for various regions of the world.

Despite these efforts, we found that DHS could not provide overall assurance of alignment of its resource use abroad with department-wide and government-wide strategic priorities. Although DHS has a broad mission set and decision making about resource use abroad is decentralized to the components, we found that DHS had not established specific department-wide strategic priorities—such as specific types of activities or target regions to further combating terrorism goals—for resource use abroad to help promote organizational alignment in resource decision making. While DHS’s *International Engagement Plan*

⁴GAO, *Combating Terrorism: DHS Should Take Action to Better Ensure Resources Abroad Align with Priorities*, [GAO-13-681](#) (Washington D.C.: Sept. 25, 2013). For example, every four years, DHS is required to conduct a comprehensive review—known as DHS’s *Quadrennial Homeland Security Review*—of the homeland security strategy of the Nation, including recommendations regarding the long term strategy and priorities of the Nation for homeland security and guidance on the programs, assets, capabilities, budget, policies, and authorities of the department. See 6 U.S.C. § 347.

⁵The *Quadrennial Homeland Security Review* identifies five strategic mission areas for DHS focus: (1) Preventing Terrorism and Enhancing Security, (2) Securing Our Borders, (3) Enforcing and Administering Immigration Laws, (4) Safeguarding and Securing Cyberspace, and (5) Ensuring Resilience to Disasters.

linked DHS's strategic missions to the kinds of activities that DHS conducts abroad, we found that it did not establish specific priorities to help guide resource decision making. DHS officials from OIA and the Office of Counterterrorism Policy agreed that DHS's *International Engagement Plan* did not represent a clear priority focus on countries with factors that represented more immediate threats to the homeland and did not necessarily serve to identify a clear set of priorities and principles that would help to guide future resource decisions. To address these concerns we recommended that DHS establish specific department-wide priorities for resources abroad. DHS concurred, and as of May 2015, has started to draft an international engagement strategy to identify specific department-wide priorities. According to DHS officials, OIA hopes to use the plan to help inform the department's fiscal year 2017 budget request and intends to finalize the plan no later than early summer 2015.

We also found that although OIA conducted a one-time exercise from 2011 to early 2012 to evaluate the department's international footprint to try to bring it into better organizational and programmatic alignment, DHS had not established a routine or ingrained process that would continually assess the alignment between strategic goals and resource decisions. For example, we found each of the operational components that we interviewed, such as CBP and ICE, described different rationales and methods for deciding where and how many resources to deploy around the world. At the time of our review, OIA officials stated they had not devised an approach for implementing a routine, ingrained process with department-wide methods and metrics, but officials agreed that such methods and metrics that were meaningful to all of the components would help provide a coherent strategic overlay to give the department better assurance of alignment between resource use and strategic priorities. To address these concerns, we recommended that DHS establish a routine, institutionalized mechanism to ensure alignment of the department's resource use abroad with the highest department-wide and government-wide strategic priorities. DHS concurred, and as of May 2015, OIA plans to use the international engagement plan as the foundation of a footprint review, starting with a specific international region, to identify opportunities to realign resources with priorities and to identify crosscutting management efficiencies for the department's fiscal year 2017 budget request.

In addition, in 2013, we found that DHS did not have comparable cost data for its programs and activities abroad and had not established a standardized framework to capture these data to help inform resource

decision making and to achieve management efficiencies when addressing issues that are common across the department. We found that each of the components tracked its international expenditures differently, and according to OIA officials, the effort to collect comparable information that reliably informs management decision making had been challenging.⁶ According to OIA officials, a standardized reporting framework for the costs of conducting activities abroad—for example, salaries, housing, and fees paid to embassies to cover certain administrative and security costs—across the department could enable OIA to identify best practices that could lead to cost savings in international deployments and enhance the ability to assess the outcomes and cost-effectiveness of programs and activities carried out abroad. We recommended that DHS establish a common reporting framework to allow for the collection of reliable, comparable department-wide cost data for resource use abroad. DHS concurred, and, as of May 2015, had established a common cost framework.

DHS Carries Out Activities Abroad That Help Prevent High-Risk Passengers and Cargo from Traveling to and Entering the United States

DHS conducts various programs and mission activities abroad to prevent people and cargo posing a threat to the United States from reaching the homeland. These include, among other things, efforts to ensure visa security, inspect international passengers prior to boarding a flight bound for the United States, and identify and target high-risk maritime containerized cargo shipments before being loaded onto U.S.-bound vessels. According to DHS's Office of Operations Coordination and Planning data, as of May 2015, DHS OIA and DHS operational components had approximately 1,800 full-time equivalents (FTE) in almost 80 countries to help combat terrorism and achieve other mission goals.⁷ CBP had 801 FTE employees stationed in 43 countries and ICE had 380 FTEs in 45 countries.

⁶For our September 2013 report, we attempted to produce cost data for international expenditures. Although we determined that the data were sufficiently reliable to report a general estimate of expenditures for programs and activities abroad, in many cases it took months for DHS to produce the expenditure data and some components reported to us that meeting the request was difficult. After attempting to collect separate expenditure data for training and technical assistance expenditures, we ultimately determined that sufficiently reliable data were not available.

⁷DHS's Office of Operations Coordination and Planning maintains the Overseas Personnel and Activities Locator, which tracks all DHS personnel deployed abroad. The locator is updated monthly with self-reported data from the components, which may capture some personnel on travel duty in addition to permanently deployed FTEs.

In September 2013, we reported that DHS seeks to identify security vulnerabilities and interdict threats at the earliest possible point in the travel, trade, and immigration lifecycles, such as prior to visa issuance.⁸ CBP, which operates the National Targeting Center (NTC), supports DHS's efforts by providing tactical targeting and analytical research of people and goods prior to their departure to the United States.⁹ NTC monitors the movement of potential terrorists and containerized cargo and works to prevent them and any weapons of mass destruction or other contraband from entering the country through land, air, and sea ports. According to CBP program officials assigned to NTC, NTC staff analyze various sources of government data, including lists of known terrorists; data on foreign visitors whose official authorization permitting entry into and travel within the United States has elapsed; passport, criminal, and other law enforcement information; immigration records; and cargo manifest data. Through CBP's Automated Targeting System (ATS), CBP officers identify and target passengers and cargo container shipments for inspection.¹⁰ Among other things, ATS uses a set of rules that assess different factors in the data to determine the risk level of a passenger or shipment. According to CBP program officials assigned to NTC, CBP makes available information from its databases and ATS to ICE and CBP officials deployed abroad, among others, to assist with in carrying out their respective missions as they relate to passengers and cargo, and to reduce the vulnerabilities associated with the global supply chain.

Visa Security

In March 2011, we reported on ICE's efforts to strengthen visa issuance procedures.¹¹ We found that ICE, through the Visa Security Program (VSP), works to prevent terrorists and otherwise inadmissible travelers

⁸[GAO-13-681](#).

⁹The NTC was established on October 22, 2001, under the Department of the Treasury's U.S. Customs Service and began operations in November 2001. NTC subsequently became part of CBP with the establishment of DHS pursuant to the Homeland Security Act of 2002. In addition to CBP personnel, the NTC is staffed by the U.S. Coast Guard, ICE, the Federal Air Marshal Service, and the Transportation Security Administration.

¹⁰ATS is an enforcement and decision support system that compares passenger and cargo manifest information against intelligence and other law enforcement data, and consolidates data from various sources to create a single, comprehensive record for each U.S.-bound passenger and shipment.

¹¹GAO, *Border Security: DHS's Visa Security Program Needs to Improve Performance Evaluation and Better Address Visa Risk Worldwide*, [GAO-11-315](#) (Washington, D.C.: Mar. 31, 2011).

from attempting to enter the United States by screening visa applicants before the travel process begins. Specifically, we reported that VSP is intended to prevent terrorists, criminals, and other ineligible applicants from receiving visas. Under VSP, ICE deploys personnel to certain U.S. embassies and consulates to assist the Department of State's consular officers with security reviews of visa applications and investigations of passport and visa fraud, among other things.¹² ICE is also responsible for training consular officers regarding specific security threats relating to the adjudication of individual visa applications or classes of applications. As of May 2015, ICE reported that it had established 21 visa security units in 15 countries. When reviewing applications for visas under VSP, ICE agents screen applicant information against CBP immigration data and ATS targeting and intelligence data to identify applicants that potentially match records of individuals who are known or suspected threats to the United States or have immigration violations or derogatory information related to their criminal histories.¹³

In March 2011, we reported, among other things, on DHS's efforts to expand VSP and challenges to VSP operations overseas.¹⁴ In general, we found that ICE and the Department of State had limited guidance regarding interactions between consular officers and ICE officials for the screening and issuance of visas, and that training of consular officers by VSP agents varied from post to post, with some consular officers at some posts receiving no training. We also found that ICE lacked performance measures to accurately evaluate VSP mission objectives. Moreover, we found that VSP agents performed various investigative and administrative functions beyond their visa security responsibilities, a fact that at times slowed or limited visa security activities, and ICE did not track this information in the VSP tracking system, making it unable to identify the time spent on investigative and administrative functions. Finally, we found that ICE's plans to expand VSP did not cover 11 of 20 additional diplomatic posts identified by ICE as high-risk.

¹²See 6 U.S.C. § 236.

¹³Specifically, ICE uses data from TECS (not an acronym), which is an automated enforcement and antiterrorism database maintained by CBP that provides information for law enforcement and border security purposes, and can exchange information automatically with other U.S. government systems.

¹⁴[GAO-11-315](#).

We made several recommendations to help DHS better manage VSP at posts overseas. First, we recommended that DHS issue guidance requiring ICE to provide training for consular officers. DHS concurred and has issued guidance to enhance the training of consular officers by VSP offices abroad. Second, we recommended that DHS ensure that ICE collects reliable data to allow ICE to accurately evaluate VSP performance and report to Congress on progress toward the VSP mission objectives. DHS stated that the VSP captured all the required performance metrics. However, as we reported, we determined on the basis of our analysis that ICE was collecting some data on the required performance measures, but that the data were not sufficient to accurately demonstrate the progress made toward the program's stated objectives. We continue to believe that without collecting comprehensive data on the performance measures identified by ICE, DHS cannot accurately demonstrate progress of VSP in enhancing national security. Third, we recommended that DHS develop a mechanism to track the amount of time spent by ICE on visa security activities and other investigations as part of VSP, in order to determine appropriate staffing levels and resource needs for VSP operations at posts overseas. DHS did not concur with this recommendation and has taken no action to implement it. DHS stated that ICE tracks case investigation hours through its case management system, and that adding the metric to the VSP tracking system would be redundant. However, we found, according to ICE documentation, that ICE cannot accurately determine the amount of time that VSP agents spend on investigative and visa security activities because ICE does not distinguish between the hours logged by VSP agents and hours logged by other ICE officials at posts abroad and that ICE does not maintain accurate data on the time VSP agents spend on visa security activities at posts. Without accurate data to determine the amount of time VSP agents spend on the visa security activities, ICE is not well positioned to determine whether the current allocations of staffing and resources at posts are adequate to carry out the visa security reviews and fulfill VSP's objectives. Thus, we continue to believe our recommendation has merit, and should be fully implemented. Lastly, we recommended that DHS develop a plan to provide VSP coverage at high-risk posts where the possibility of deploying agents may be limited. DHS concurred, and ICE reported that it has enhanced its information technology systems so that screening and reviewing applicants at all posts worldwide will now be feasible.

Passenger Predeparture Inspections

CBP's efforts to identify high-risk and potentially inadmissible travelers begin before travelers enter a port of embarkation and continue between ports of entry until CBP officers officially approve or deny travelers' entry

into the United States. Specifically, CBP, through its predeparture inspection programs, screens and inspects travelers destined for the United States while they are still overseas. These programs utilize established relationships with host countries and air carriers to work to prevent passengers who may pose a security threat, have fraudulent documents, or who are or may be otherwise inadmissible from boarding flights to the United States. Specifically, CBP operates three pre-departure inspection programs—preclearance; the Immigration Advisory Program (IAP) and Joint Security Program (JSP); and the regional carrier liaison groups (RCLG). According to senior CBP officials responsible for overseeing predeparture inspection programs, the United States intends to expand these programs to additional locations. As of May 2015, DHS and the Department of State are continuing to work together to determine which countries the United States might consider for expansion. We are currently reviewing these programs at the request of the full committee, its subcommittees, and other Members. We anticipate reporting on the results of our analyses by early 2016. Preliminary observations from our ongoing work are as follows.

Preclearance. CBP preclearance locations serve as ports of entry into the United States where CBP officers are authorized and empowered to make admissibility decisions about passengers and their accompanying goods or baggage destined for the United States.¹⁵ According to CBP program documents and officials, an inspection at a preclearance location is essentially the same inspection an individual would undergo at a port of entry in the United States, and CBP officers conducting preclearance inspections exercise identical authority as CBP officers at domestic ports of entry to approve or deny admission into the United States. Once precleared, a passenger is admitted to the United States and will not require additional CBP inspection upon arrival. However, according to CBP's Deputy Director of Preclearance Operations, CBP officers retain the authority to inspect these travelers and their accompanying goods or baggage after arriving in the United States should inspection be warranted.¹⁶ According to CBP program documentation, as of May 2015,

¹⁵See 8 U.S.C. § 1103(a)(7), 19 U.S.C. § 1629. See also 8 C.F.R. §§ 235.1, 235.5; 19 C.F.R. §§ 148.22, 162.6, 162.8.

¹⁶In addition, CBP program documents explain that flights arriving in the United States from preclearance airports are also permitted to land and disembark at domestic terminals wherein such passengers are not required to undergo subsequent Transportation Security Administration screening measures if connecting to another flight.

CBP has 568 staff located in preclearance facilities in 15 locations in six countries.¹⁷

Immigration Advisory Program and Joint Security Program.

According to CBP program documents and officials we interviewed, under both IAP and JSP, CBP partners with foreign governments and air carriers to identify and prevent high-risk travelers, travelers without proper documents, and other potentially inadmissible travelers from boarding U.S.-bound flights.¹⁸ According to CBP program documentation, as of May 15, 2015, CBP has 41 IAP and 11 JSP staff in 11 locations around the world. IAP officers operate primarily at airports in Western Europe, and have access to the sterile and boarding areas of the host airports to question passengers and review their travel documents.¹⁹ Building on the IAP concept, CBP launched JSP in two locations in 2009. According to a senior CBP official responsible for overseeing IAP, under JSP agreements with these host governments, CBP officers partner with the host country law enforcement to identify air passengers linked to terrorism, narcotics, weapons, and currency smuggling. In addition, he stated that while CBP officers at these locations do not have unescorted access to the host airport's sterile area and must be accompanied by local law enforcement personnel, they do have the ability to question passengers and review their travel documents. Further, both IAP and JSP officers themselves may not exercise U.S. immigrations and customs authorities at the airport as CBP officers stationed at preclearance locations do. However, a senior IAP and a JSP official stated that officers work closely with the air carriers and local law enforcement to identify fraudulent passports and visas and other factors that may render a passenger inadmissible to the United States and support a no-board recommendation to the commercial air carrier—i.e., recommending that the carrier not transport the passenger because the passenger will likely

¹⁷CBP has preclearance locations in Aruba, the Bahamas (Nassau, Freeport), Bermuda, Canada (Calgary, Edmonton, Halifax, Montreal, Ottawa, Vancouver, Victoria, and Winnipeg), Ireland (Dublin, Shannon), and the United Arab Emirates (Abu Dhabi). CBP's preclearance in Victoria, Canada only processes maritime passengers.

¹⁸See, e.g., 8 U.S.C. § 1103(a)(7).

¹⁹The sterile area of an airport is, in general, the area beyond a security screening checkpoint that provides passengers access to boarding aircraft and to which access is generally controlled by the Transportation Security Administration in the United States or host country security at a foreign airport through the screening of persons and property. See, e.g., 49 C.F.R. § 1520.5.

be deemed inadmissible upon arrival in the United States. Moreover, these officials stated that CBP officers at both IAP and JSP locations can conduct queries of CBP databases and ATS targeting information and coordinate with the NTC to confirm whether a traveler is a threat to the United State or otherwise inadmissible. At JSP locations, CBP officers use ATS targeting information in conjunction with local law enforcement and host government data to identify threats, question passengers, and review travel documents for all travelers arriving at and departing the host country (including U.S.-bound and foreign-to-foreign commercial flights).

Regional Carrier Liaison Groups. According to CBP officials at NTC, Regional Carrier Liaison Groups (RCLGs) are to assist commercial carriers with questions related to document fraud and inadmissibility. As of May 2015, CBP has RCLGs in New York, Miami, and Honolulu. According to CBP program officials at the NTC, each of these locations assists air carriers in designated parts of the world, and also assists CBP officers at designated preclearance locations make admissibility decisions. According to CBP program officials assigned to NTC, RCLGs use government databases, immigration data, other NTC resources, and ATS to provide technical real-time assistance to air carriers through their phone center, and can make no-board recommendations directly to the air carriers. In addition, according to CBP documentation, RCLGs are to provide training on U.S. entry requirements, passenger assessment, and fraudulent document detection, among other things, to air carriers at U.S. ports of entry and at airports abroad.

Security of Maritime Cargo

DHS plays a large role in ensuring the safety of maritime containerized cargo and vessels bound for the United States. Ports are critical gateways for the movement of commerce through the global supply chain. The facilities, vessels, and infrastructure within ports, and the cargo passing through them, all have vulnerabilities that terrorists could exploit. While there have been no known incidents of containers being used for terrorism-related purposes, criminals have exploited containers for other illegal purposes, such as smuggling weapons, people, and illicit substances. Within DHS, CBP is primarily responsible for maritime supply chain security and the screening of high-risk maritime cargo. Specifically, CBP is focused on the security of the cargo shipped to the United States from foreign ports. From 2008 to January 2015, we reported on DHS's efforts to assess potentially risky foreign ports, and target, screen, and interdict vessels and cargo container shipments destined for the United

States.²⁰ CBP operates three programs intended to secure the maritime global supply chain—the flow of goods from manufacturers to retailer—and cargo destined for the United States—the Container Security Initiative (CSI), the Customs-Trade Partnership Against Terrorism (C-TPAT), and the Secure Freight Initiative (SFI).

Container Security Initiative. CSI is a bilateral government partnership program operated by CBP that aims to identify and examine U.S.-bound cargo container shipments that are at risk of containing weapons of mass destruction or other terrorist contraband.²¹ As part of the program, CBP officers are stationed at select foreign seaports and review information about U.S.-bound containerized cargo shipments. CBP uses ATS to target U.S.-bound container shipments and request examinations of high-risk containers before they are loaded onto U.S.-bound vessels. CBP has CSI staff located at 58 foreign ports. In September 2013, we reported on CBP's progress in implementing CSI.²² Specifically, we found that CBP had not regularly assessed foreign ports for risks to cargo under CSI since 2005. While CBP took steps to rank ports for risks in 2009, we found that CBP did not use results from this assessment to make modifications to the locations where CSI staff are posted because of budget cuts. By applying CBP's risk model to fiscal year 2012 cargo shipment data, we found that CSI did not have a presence at about half of the foreign ports CBP considered high-risk, and about one-fifth of the existing CSI ports were at lower-risk locations. We recommended that DHS periodically assess the supply chain security risks from all foreign

²⁰GAO, *Supply Chain Security: CBP Needs to Enhance Its Guidance and Oversight of High-Risk Maritime Cargo Shipments*, [GAO-15-294](#) (Washington: DC: Jan. 27, 2015); *Maritime Security: Progress and Challenges with Selected Port Security Programs*, [GAO-14-636T](#). (Washington, D.C.: June 4, 2014); *Supply Chain Security: DHS Could Improve Cargo Security by Periodically Assessing Risks from Foreign Ports*, [GAO-13-764](#) (Washington, D.C.: Sept. 16, 2013); *Supply Chain Security: Container Security Programs Have Matured, but Uncertainty Persists over the Future of 100 Percent Scanning*, [GAO-12-422T](#) (Washington, D.C.: Feb. 7, 2012); *Maritime Security: Progress and Challenges 10 Years after the Maritime Transportation Security Act*, [GAO-12-1009T](#) (Washington, D.C.: Sept. 11, 2012); *Supply Chain Security: Feasibility and Cost-Benefit Analysis Would Assist DHS and Congress in Assessing and Implementing the Requirement to Scan 100 Percent of U.S.-Bound Containers*, [GAO-10-12](#) (Washington, D.C.: Oct. 30, 2009); and *Supply Chain Security: U.S. Customs and Border Protection Has Enhanced Its Partnership with Import Trade Sectors, but Challenges Remain in Verifying Security Practices*, [GAO-08-240](#) (Washington, D.C.: Apr. 25, 2008).

²¹See 6 U.S.C. § 945.

²²[GAO-13-764](#).

ports that ship cargo to the United States and use the results of these risk assessments to inform any future expansion of CSI to additional locations and determine whether changes need to be made to existing CSI ports and make adjustments as appropriate and feasible. DHS concurred with our recommendation, and in February 2015, CBP officials told us that the agency plans to conduct periodic assessments of the supply chain security risks from all ports that ship cargo to the United States.²³ According to CBP officials, CBP plans to complete the necessary steps to implement this recommendation by the end of December 2015.

Customs-Trade Partnership Against Terrorism. C-TPAT, operated by CBP, was established through the Security and Accountability for Every Port (or SAFE Port) Act of 2006.²⁴ C-TPAT is a voluntary public-private-sector partnership with private stakeholders in the international trade community that aims to secure the flow of maritime cargo bound for the United States. Under C-TPAT, CBP officials work with member private companies to review the security of their international supply chains and improve the security of their cargo shipments to the United States. In return, C-TPAT members receive various incentives to facilitate the flow of legitimate cargo, such as reduced scrutiny of their shipments. In 2008, we reported, among other things, that CBP took steps to improve the security validation process for C-TPAT applicants and implemented numerous actions to address C-TPAT management and staffing challenges.²⁵ However, we found challenges with the technology CBP used to help ensure that validation information is consistently collected, documented, and uniformly applied to decisions regarding the awarding of benefits to C-TPAT members, and that CBP lacked a systematic process to ensure that members take appropriate actions in response to security validation findings. We also found that C-TPAT's performance measures were insufficient to assess the impact of C-TPAT on increasing supply chain security. We made recommendations to CBP to strengthen

²³CBP plans to use two data sources to complete these assessments. The first is to complete a foreign port risk assessment by using an existing country risk assessment developed by a third party. In addition, the CBP Office of Intelligence and Investigative Liaison is in the process of developing a World Risk Matrix. CBP officials plan to use both the risk assessment and the World Risk Matrix to compile a final risk assessment of all foreign ports that ship cargo to the United States.

²⁴See Pub. L. No. 109-347, 120 Stat. 1884 (2006).

²⁵[GAO-08-240](#).

C-TPAT program management and oversight. Specifically, we recommended, among other things, that CBP document key data elements needed to track compliance with the SAFE Port Act and other CBP internal requirements and to identify and pursue opportunities in information collected during C-TPAT member processing activities that may provide direction for developing performance measures of enhanced supply chain security. CBP has since implemented these recommendations by, for example, creating an automated platform to track and capture the content and communication between CBP and C-TPAT members to ensure that C-TPAT validation report recommendations are implemented and identifying analytical tools and data for trend analysis to better assess C-TPAT's impact on the supply chain.

Secure Freight Initiative. The Secure Freight Initiative (SFI) started as a pilot program among CBP, the Department of Energy, and the Department of State intended to test the feasibility of using radiation detection and nonintrusive imaging equipment to scan 100 percent of cargo containers bound for the United States before they are loaded onto vessels at foreign seaports.²⁶ In 2009, we reported that scanning operations at the initial SFI ports encountered a number of challenges—including safety concerns, logistical problems with containers transferred from rail or other vessels, scanning equipment breakdowns, and poor-quality scan images.²⁷ Both CBP and GAO had previously identified many of these challenges, and CBP officials were concerned that they and the participating ports could not overcome them. Senior DHS and CBP officials acknowledged that most, if not all foreign ports, would not be able to meet the July 2012 target date for scanning all U.S.-bound cargo, and DHS would need to issue extensions to such ports to allow the continued

²⁶In response to the SAFE Port Act requirement to implement a pilot program to determine the feasibility of scanning 100 percent of U.S.-bound containers with both radiation portal monitors and nonintrusive imaging equipment, CBP, the State Department, and the Department of Energy jointly announced the formation of SFI in December 2006 as an effort to build upon existing container security measures by enhancing the U.S. government's ability to ensure containers are scanned for nuclear and radiological material overseas and better assess the risk of inbound containers. See 6 U.S.C. §§ 981-82. The Implementing Recommendations of the 9/11 Commission Act of 2007 subsequently imposed deadlines for achieving full-scale implementation of the 100 percent scanning requirement. See Pub. L. No. 110-53, § 1701(a), 121 Stat. 266, 489-91 (2007); 6 U.S.C. § 982(b).

²⁷[GAO-10-12](#).

flow of commerce in order to remain in compliance with relevant statutory requirements. We recommended that DHS, in consultation with the Secretaries of Energy and State, develop, among other things, more comprehensive cost estimates, conduct cost-benefit and feasibility analyses, and provide the results to Congress. CBP stated it does not plan to develop comprehensive cost estimates since SFI has been reduced to one port, and CBP has no funds to develop such cost estimates. We previously reported that, in May 2014, the Secretary of Homeland Security stated that “DHS’s ability to fully comply with this unfunded mandate of 100 percent scanning, even in [the] long term, is highly improbable, hugely expensive, and in our judgment, not the best use of taxpayer resources to meet this country’s port security and homeland security needs.” The Secretary also stated that he instructed DHS, including CBP, to do a better job of meeting the underlying objectives of the 100 percent scanning requirement by, in part, refining aspects of CBP’s layered security strategy²⁸

In February 2012, we reported that the scanning challenges continued, and CBP achieved 100 percent scanning of U.S.-bound cargo containers at only one foreign pilot port where it was being attempted.²⁹ The Implementing Recommendations of the 9/11 Commission Act of 2007 (9/11 Act), enacted in 2007, required, among other things, that by July 2012, 100 percent of U.S.-bound cargo containers be scanned at foreign ports with both radiation detection and non-intrusive inspection equipment before being placed on U.S.-bound vessels.³⁰ In May 2012, the then Secretary of Homeland Security authorized a 2-year extension (until July 2014) of the deadline for implementing the requirement.³¹ Then, in May 2014, the current Secretary of Homeland Security renewed the extension (until July 2016).

²⁸[GAO-15-294](#).

²⁹[GAO-12-422T](#).

³⁰See 6 U.S.C. § 982(b).

³¹Pursuant to the 9/11 Commission Act, the deadline for 100 percent scanning of containers loaded in a port or ports may be extended in two-year increments if Congress receives certification from DHS that at least two out of a list of specific conditions exist. Among others, these conditions include the following: adequate scanning equipment is not available or cannot be integrated with existing systems, a port does not have the physical characteristics to install the equipment, or use of the equipment will significantly affect trade capacity and the flow of cargo. See 6 U.S.C. § 982(b)(4).

In addition to the CBP supply chain security programs described above, we have also reported on CBP's targeting of high-risk maritime containerized cargo shipments. Specifically, in January 2015, we found, among other things, that CBP did not have accurate data on the number and disposition of each high-risk maritime cargo shipment scheduled to arrive in the United States.³² On the basis of our analyses of CBP data for fiscal years 2009 through 2013, we found that on average each year, approximately 11.6 million maritime cargo container shipments arrived in the United States, and less than 1 percent of those shipments were determined by ATS to be high-risk. CBP targeters at advance 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. For example, a shipment could be identified as high-risk because it is associated with a shipper on a terrorist watch list, but through further research, CBP officials determine the shipper is not a true match to the terrorist watch list and, therefore, the shipment should not be considered high-risk. We found that CBP examined the vast majority of high-risk shipments, but CBP's disposition data were not accurate because of various factors—such as the inclusion of shipments that were never sent to the United States—and our analyses found that CBP's data overstated the number of high-risk shipments, including those not examined/not waived under CBP policy. We also found that when determining the disposition of high-risk shipments, CBP's targeting units were inconsistently applying criteria to make some waiver decisions and were also incorrectly documenting the reasons for waivers.

On the basis of our review of CBP policy and visits to selected targeting units, we determined that CBP has not established uniform definitions for standard exception waiver categories, some CBP officials were unaware of existing waiver guidance for articulable reason waivers, and some CBP targeters across the targeting units we visited were inconsistently and inaccurately recording waiver reasons in ATS. As a result, we concluded that CBP could not accurately determine the extent to which standard exception waivers were used consistently or whether waivers issued for articulable reasons were being used judiciously, as required by policy. We

³²[GAO-15-294](#).

recommended, among other things, that CBP define standard exception waiver categories and disseminate policy on documenting articulable reason waivers. Further, we recommended that CBP enhance its methodology for selecting shipments for self-inspections and change the way it calculates the compliance rate. DHS concurred with our recommendations and has actions planned or underway to address them. For example, CBP plans to, among other things, draft an updated, comprehensive National Cargo Targeting Policy, which is to include definitions for each of the standard exception waiver categories and develop an enhanced methodology for selecting shipment samples used for self-inspection to increase the likelihood that any potential deficiencies will be identified so that corrective actions can be taken to reduce errors in the future. According to CBP officials, CBP is working to implement the recommendations, and is to provide us with an update on the implementation status by June 5, 2015.

Chairman Miller, Ranking Member Vela, and members of the subcommittee this concludes my prepared statement. I will be happy to answer any questions you may have.

GAO Contact and Staff Acknowledgments

For further information about this testimony, please contact Rebecca Gambler at (202) 512-8777 or gablerr@gao.gov. In addition, contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this statement. Individuals making key contributions to this statement included Kathryn Bernet (Assistant Director), as well as Sara Margraf, Jose Cardenas, Christopher Conrad, and Martin Wilson.

Appendix I: Related GAO Products

Supply Chain Security: CBP Needs to Enhance Its Guidance and Oversight of High-Risk Maritime Cargo Shipments, [GAO-15-294](#). Washington, D.C.: Jan. 27, 2015.

Maritime Security: Progress and Challenges with Selected Port Security Programs, [GAO-14-636T](#). Washington, D.C.: June 4, 2014.

Combating Terrorism: DHS Should Take Action to Better Ensure Resources Abroad Align with Priorities, [GAO-13-681](#). Washington D.C.: Sept. 25, 2013.

Supply Chain Security: DHS Could Improve Cargo Security by Periodically Assessing Risks from Foreign Ports, [GAO-13-764](#). Washington, D.C.: Sept. 16, 2013.

Supply Chain Security: CBP Needs to Conduct Regular Assessments of Its Cargo Targeting System, [GAO-13-9](#). Washington, D.C.: Oct. 25, 2012.

Maritime Security: Progress and Challenges 10 Years after the Maritime Transportation Security Act, [GAO-12-1009T](#). Washington, D.C.: Sept. 11, 2012.

Visa Security: Additional Actions Needed to Strengthen Overstay Enforcement and Address Risks in the Visa Process, [GAO-11-910T](#). Washington, D.C.: Sept. 13, 2011.

Border Security: DHS's Visa Security Program Needs to Improve Performance Evaluation and Better Address Visa Risk Worldwide, [GAO-11-315](#). Washington, D.C.: Mar. 31, 2011.

Supply Chain Security: CBP Has Made Progress in Assisting the Trade Industry in Implementing the New Importer Security Filing Requirements, but Some Challenges Remain, [GAO-10-841](#). Washington, D.C.: Sept. 10, 2010.

Supply Chain Security: Feasibility and Cost-Benefit Analysis Would Assist DHS and Congress in Assessing and Implementing the Requirement to Scan 100 Percent of U.S.-Bound Containers, [GAO-10-12](#). Washington, D.C.: Oct. 30, 2009.

Supply Chain Security: Challenges to Scanning 100 Percent of U.S.-Bound Cargo Containers, [GAO-08-533T](#). Washington, D.C.: June 12, 2008.

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