

**STATEMENT OF**

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**BEFORE THE**

**HOUSE COMMITTEE ON HOMELAND SECURITY  
SUBCOMMITTEE ON BORDER, MARITIME AND GLOBAL  
COUNTERTERRORISM  
SUBCOMMITTEE ON MANAGEMENT, INVESTIGATIONS, AND  
OVERSIGHT**

**REGARDING**

**ASSESSING THE RESILIENCY OF THE NATION'S SUPPLY CHAIN  
WEDNESDAY, MAY 7, 2008**

**ROOM 311, CANNON HOUSE OFFICE BUILDING**

**CHAIRWOMAN SANCHEZ, CHAIRMAN CARNEY, RANKING MEMBERS SOUDER AND ROGERS, AND DISTINGUISHED SUBCOMMITTEE MEMBERS,**

my name is Todd Owen and I am the Executive Director for Cargo and Conveyance Security, Office of Field Operations, US Customs and Border Protection (CBP). As the Executive Director for the Cargo and Conveyance Security (CCS) Office since May 2006, I am directly responsible for all cargo security programs and policies for CBP. As you may imagine, a variety of programs and efforts fall under the purview of the Cargo and Conveyance Security office including, among others: the Container Security Initiative (CSI); the Secure Freight Initiative (SFI); radiation detection equipment and large scale imaging equipment, policies, and programs; the Customs-Trade Partnership Against Terrorism program (C-TPAT); the national Canine Enforcement Program; cargo enforcement efforts and policies, coordinated activities with the U.S. Coast Guard and the Transportation Security Administration; the Cargo Control Office, trade security policies and programs including in-bond, manifest, and carrier compliance programs; and the National Targeting Center for Cargo (NTC-C), located in Northern Virginia.

Prior to my current position with Cargo and Conveyance Security, I served as the Director of the C-TPAT program from January 2005 through May 2006. C-TPAT is an important industry-government partnership program under which companies commit to enhance security measures within their own infrastructure, thereby enabling CBP to leverage supply chain security throughout international locations beyond U.S. regulatory reach. We worked hard during this time to strengthen C-TPAT by more clearly defining the security measures required of members, by implementing strong management controls, and by increasing the number of program personnel, all of which boosted the level of foreign site assessments performed worldwide. These efforts resulted in the effective and robust program in place today---a program that is a key component of our risk-based and layered defense.

It is an honor to have the opportunity to appear before you today. My testimony this morning focuses on CBP's role of ensuring the continuity of international trade in the event of an incident occurring in the maritime environment.

As America's frontline border agency, CBP employs highly trained and professional personnel, resources, expertise and law enforcement authorities to meet our twin goals of improving security and facilitating the flow of legitimate trade and travel. CBP is responsible for preventing terrorists and terrorist weapons from entering the United States, apprehending individuals attempting to enter the United States illegally, stemming the flow of illegal drugs and other contraband, protecting our agricultural and economic interests from harmful pests and diseases, protecting American businesses from theft of their intellectual property, regulating and facilitating international trade, collecting import duties, and enforcing United States trade laws.

To this end, DHS has worked continuously to refine a layered and risk-based approach to enhance the security of the goods and people entering the United States. This layered approach to security reduces our reliance on any single point or program that could be compromised, extends our zone of security outward, and facilitates resiliency and

resumption of critical trade after an event of national significance. This multi-layered approach includes:

- Advanced Information under the 24-Hour Rule and Trade Act of 2002
- Screening the information through the Automated Targeting System
- Government-industry partnerships such as the Customs Trade Partnership Against Terrorism (C-TPAT)
- Partnerships with the international community such as the Container Security Initiative (CSI) and the Secure Freight Initiative (SFI)
- Use of Non-Intrusive Inspection technology and mandatory exams for all high risk shipments

On a typical day CBP processes more than 1.13 million passengers and pedestrians; 70,200 truck, rail, and sea containers; 251,000 incoming international air passengers; 74,100 passengers and crew arriving by ship; 82,800 shipments of goods approved for entry; \$88.3 million in fees, duties and tariffs; and makes 70 arrests of criminals at ports of entry (POE) and 2,402 apprehensions between the POEs per day. CBP also seizes and average of 7,388 pounds of narcotics, \$652,603 worth of fraudulent commercial merchandise, 41 vehicles, 164 agriculture pest, and 4,296 prohibited meat or plant materials each day.

I am pleased to appear before the Subcommittee today to highlight key accomplishments related to ensuring that the global supply chain upon which we rely so heavily is not only secure, but also has the ability to recover quickly after disruptive incident. The communication of accurate and timely information between all stakeholders- whether federal, local, state, or private-sector- is a necessary precondition to facilitate quick recovery from unanticipated change or disruption. By working to ensure that resiliency-building conditions are developed within the supply chain, CBP will thereby increase its capacity to receive, process, and act upon commercial and security information quickly and efficiently, thus mitigating threats with the least possible disruption to legitimate trade.

CBP is making every effort to work with our partners and stakeholders to ensure quick and coordinated recovery of the maritime transportation system. The events of Hurricane Katrina revealed the need to work more cohesively as an agency with a stronger emphasis on internal and external communication methods. Acting on recommendations made in the Katrina after-action reports, CBP established the Incident Management Division within our Office of Intelligence and Operations Coordination.

In doing this, we have created the CBP Incident Management Coordination Directive. This policy will ensure all CBP offices are effective, coordinated, and responsive during and after an incident. This will also ensure we maintained focused on our primary missions of preventing terrorists and terrorist weapons; interdicting the flow of illegal aliens, narcotics, and other contraband; and facilitating legitimate trade and travel.

On a National level we are getting more involved in Local, Regional and National Incident Response and Recovery exercises. These exercises are helping CBP personnel establish relationships with responding agencies and also identifying better practices for the bigger picture of Multi-Agency Incident Response.

Homeland Security Presidential Directive 5 (HSPD 5) requires all federal agencies to adopt the National Incident Management System (NIMS) and that state and local agencies adopt NIMS as a condition in receiving federal assistance. The NIMS is a national approach to incident management. It is applicable to all incidents and hazards, regardless of the size and scope. NIMS provides a flexible framework for a standardized organizational structure to improve interoperability. More importantly, it improves coordination and cooperation between public and private entities.

Within the NIMS structure is the Incident Command System (ICS), a standard, on-scene, all-hazard incident management concept. Within the ICS structure a unified command, which is used when multiple agencies are responsible for an incident that crosses political jurisdictions. This ensures the agency leaders are coordinating to ensure that resources are being used effectively. Each agency assumes their authority. However, during a significant event, the Secretary of Homeland Security may designate a local federal official or pre-designated regional officials to become the Principle Federal Official (PFO). The PFO is responsible for coordinating and accounting for all federal resources, ensuring each agency brings to the response trained certified personnel that understand the ICS and NIMS processes, thereby enhancing the ability to work more effectively together.

The National Response Framework (NRF), which recently replaced the National Response Plan, is a guide that details how the Nation conducts all-hazards response, from the smallest incident to the largest catastrophe. This document establishes a comprehensive, national, all-hazards approach to domestic incident response. The NRF identifies the key response principles, as well as the roles and structures that organize national response.

CBP is conducting comprehensive business resumption planning in the event of a significant disruption in the flow of trade to ensure actions are taken to maintain communication and coordination of CBP processes at our borders with our U.S. government and foreign government stakeholders, as well as the trade community. In accordance with the Security & Prosperity Partnership, Initiative 9.2.7, a significant amount of planning has been done with Canada Border Service Agency (CBSA) to address significant disruptions at our shared land border. CBP and CBSA have developed the overarching planning protocols, as well as the more detailed Joint CBSA/CBP Business Resumption Communication and Coordination Plan. This plan is intended to provide guidance and points of contact for communications between CBP and CBSA from the field level up to headquarters and the CBP Commissioner and CBSA President. Both sets of these protocols have been tested at joint tabletop exercises, with participation from CBP, CBSA, state and local governments, and members of the trade community.

In accordance with Section 202 of the SAFE Port Act of 2006, the National Strategy for Maritime Security (NSMS), NSPD-41/HSPD-13, the National Maritime Transportation Security Plan (NMTSP) and the Maritime Infrastructure Recovery Plan (MIRP), CBP has been working with U.S. Coast Guard and has signed CBP / USCG Joint Protocols for the Expeditious Recovery of Trade. The purpose of these protocols is to establish national-level processes and procedures by which the Coast Guard, CBP, and other federal agencies will have a forum for joint intergovernmental and joint government/private sector dialogues to identify and act on important issues to facilitate rapid maritime transportation system (MTS) recovery and the resumption of commerce at our borders.

A critical part of business resumption is identifying methods for communicating reliable, timely, and factual information to the trade community. CBP has created a web-based mechanism for communicating with the trade community and has tested it during multiple exercises with industry representatives (Unified Business Resumption Messaging). The content of the messages is tailored to all modes of transportation. This message capability is a direct result of exercises with the trade community to understand the information needed to make informed business decisions in a post-event environment.

Our efforts in post-event resumption of trade have been focused on processes for interagency cooperation and sharing with non-federal stakeholders, as well as establishing broad principles for a risk based approach to cargo security that will function in a pre- and post-event environment. We recognize, however, that it is impossible to predict every significant event scenario or the details that will present themselves in an actual event. Our response to an actual event will depend on the facts we encounter and each response will be tailored to reflect these circumstances.

CBP's frontline officers and agents will continue to protect America from terrorist threats and accomplish our traditional enforcement missions in immigration, customs, and agriculture, while balancing the need to facilitate legitimate trade and travel. These initiatives discussed today are only a portion of CBP's efforts to secure our homeland, and we will continue to provide our men and women on the frontlines with the necessary tools to help them gain effective control of our Nation's borders. I would like to thank Chairwoman Sanchez, Ranking Member Souder, and the members of the Committee, for the opportunity to present this testimony today, and for your continued support of DHS and CBP. We will be happy to respond to any questions that you may have at this time.