

**TESTIMONY OF**

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**BEFORE**

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**SUBCOMMITTEE ON BORDER, MARITIME AND GLOBAL  
COUNTERTERROISM**

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Chairwoman Sanchez, Ranking Member Souder, esteemed members of the Subcommittee, it is a privilege and an honor to appear before you today to discuss the work U.S. Customs and Border Protection (CBP) does in performing our twin goals of border security and facilitation of legitimate trade and travel. Our work is of critical importance—we must be constantly vigilant towards meeting the challenge of securing our borders and enforcing trade laws, yet we must accomplish these tasks without stifling the flow of legitimate trade and travel that is so critical to our nation's economy.

I want to begin by expressing my ongoing gratitude to the Subcommittee for its continued support of the mission and people of CBP. It is clear that the Subcommittee is committed to providing CBP with the resources we need in order to increase and maintain the security of our borders. We appreciate your efforts and assistance.

CBP is the largest uniformed federal law enforcement agency in the country. We station over 21,000 CBP officers at access points around the Nation, including air, land, and sea ports. We have deployed over 20,000 Border Patrol agents between the ports of entry. These forces are supplemented with 1,266 Air and Marine agents, 2,392 agricultural specialists, and other professionals.

CBP has a wide range of responsibilities that include stemming the illegal flow of drugs, contraband and people; protecting our agricultural and economic interests from harmful pests and diseases; protecting American businesses from theft of their intellectual property; enforcing textile agreements; detecting import safety violations; regulating and facilitating international trade; collecting import duties; facilitating legitimate travel; and enforcing U.S. trade laws. At the same time, our employees maintain a vigilant watch for terrorist threats. In fiscal year 2008, CBP processed more than 396 million pedestrians and passengers, 122 million conveyances, and 29 million trade entries; examined 5.6 million sea, rail, and truck containers; performed over 25 million agriculture inspections;

apprehended over 720,000 illegal aliens between our ports of entry; encountered over 220,000 inadmissible aliens at the ports of entry; and seized more than 2.8 million pounds of illegal drugs.

## **OVERVIEW OF CARGO SECURITY PROGRAMS**

I am pleased to appear before the Subcommittee today to highlight key accomplishments related to cargo security in the land environment. I would also like to take this opportunity to bring attention to CBP's holistic cargo security programs that are applied to all environments. CBP has made tremendous progress towards securing the supply chains bringing goods into the United States from around the world, and preventing their potential use by terrorist groups, by: using cutting-edge technology to increase the ability of front-line CBP Officers to successfully detect and interdict illicit importations of nuclear and radiological materials; moving resources where they are most needed; integrating all CBP offices; sharing information, including actionable intelligence, across all aspects of CBP; and utilizing a multi-layered approach to ensure the integrity of the supply chain from the point of stuffing, through arrival at a U.S. port of entry. This multi-layered approach includes comprehensive cargo security programs that are applied to all modes of transportation:

- Advance Information
  - *24-Hour Rule*
  - *Automated Targeting Systems*
  - *Importer Security Filing (ISF; "10+2")*
- The Customs Trade Partnership Against Terrorism (C-TPAT) and Free and Secure Trade (FAST)
- Container Security Initiative (CSI)
- Use of Non-Intrusive Inspection Technology and Mandatory Exams for All High Risk Shipments
- Southwest Border Initiative

I will discuss each one of these layers in greater detail.

## **ADVANCE INFORMATION**

CBP requires advanced electronic cargo information, as mandated in the Trade Act of 2002, for all inbound shipments for all modes of transportation. This advanced cargo information is evaluated using the Automated Targeting System (ATS) before arrival in the United States.

ATS provides decision support functionality for CBP officers working in Advanced Targeting Units (ATUs) at our ports of entry and Container Security Initiative ports

abroad. The system provides uniform review of cargo shipments for identification of the highest threat shipments, and presents data in a comprehensive, flexible format to address specific intelligence threats and trends. ATS uses a rules-based program to highlight potential risk, patterns, and targets. Through rules, the ATS alerts the user to data that meets or exceeds certain predefined criteria. National targeting rule sets have been implemented in ATS to provide threshold targeting for national security risks for all modes of transportation: sea, truck, rail, and air. The DHS Science and Technology Directorate is exploring additional methodologies for conducting risk assessment.

The Importer Security Filing interim final rule, also more commonly known as “10+2”, went into effect earlier this year and has already yielded promising results. This program will provide CBP timely information about cargo shipments that will enhance our ability to detect and interdict high risk shipments. Comments on aspects of this rule were accepted until June 1, 2009, and implementation using informed compliance will continue until January of next year. Shipments determined by CBP to be high-risk are examined either overseas as part of our Container Security Initiative, or upon arrival at a U.S. port.

### **CUSTOMS TRADE PARTNERSHIP AGAINST TERRORISM (C-TPAT)**

CBP works with the trade community through the Customs Trade Partnership Against Terrorism (C-TPAT) to better secure goods moving through the international supply chain. C-TPAT has enabled CBP to leverage supply chain security throughout international locations where CBP has no regulatory reach. Under the C-TPAT program, a prospective member submits basic company information and a security profile via an internet based portal system. CBP conducts records checks on the company in its law enforcement and trade databases and evaluates the security profile, ensuring the company meets the minimum security criteria for its particular business sector. Members who pass initial vetting are certified into the program. Using a risk-based approach, Supply Chain Security Specialists conduct on-site visits of foreign and domestic facilities to confirm that the security practices are in place and operational.

In 2009, CBP continued to expand and strengthen the C-TPAT program and ensure that certified member companies are securing their goods moving across the international supply chain to the United States. Teams of Supply Chain Security Specialists conducted validations and revalidations of C-TPAT members’ supply chains. This ensures that security protocols are reliable, accurate, and effective.

As C-TPAT has evolved, we have steadily increased the rigor of the program and program membership. CBP has strengthened the C-TPAT program by clearly defining the minimum-security requirements for all categories of participants wishing to take part in the program, and thereby gain trade facilitation benefits. As of October 8, 2009, there were 9,484 companies certified into the C-TPAT program. CBP’s goal is to validate all partners within one year of certification, revalidate all companies not less than once every three years, and revalidate all U.S./Mexico highway carriers on an annual basis, due to the risks associated with the Southern Border Highway Carrier sector of C-TPAT.

Membership consists of 9,484 Certified Partners which includes 4,327 importers, 2,585 carriers, 817 brokers, 783 consolidators/3PLs, 55 Marine Port Authority and Terminal Operators and 917 Foreign Manufactures as of October 2009. C-TPAT has conducted 12,947 on-site validations of manufacturing and logistics facilities in 90 countries. 298 C-TPAT importer partners have been designated Tier 3, meaning they have exceeded the minimum security criteria and have been granted the highest level of program benefits.

### **FREE AND SECURE TRADE (FAST)**

CBP's Free and Secure Trade (FAST) program is an innovative partnership between the United States, Canada, and Mexico designed to ensure security and safety while enhancing the economic prosperity of the member countries. This innovative trusted traveler/trusted shipper program allows for expedited processing for commercial carriers who have completed background checks and fulfill certain eligibility requirements. At the land border ports of entry, FAST is integrated into the C-TPAT program. The C-TPAT and FAST programs promote supply chain security from the point of origin in a foreign country to the point of destination in the United States. Participation in FAST requires that every link in the supply chain, from manufacturer to carrier to driver to importer is certified under the C-TPAT program.

Any conveyance using FAST lane processing must be a CBP approved carrier, carry qualifying goods from a CBP approved importer, and employ a driver with a valid FAST-Commercial Driver Card. To be approved, the carrier and importer must be participants in C-TPAT. In addition to these requirements, manufacturers in Mexico must be C-TPAT participants, and all FAST shipments, when crossing the border, must have a high-security seal properly placed, adhering to guidelines outlined by CBP.

The FAST program promotes free and secure trade by using common risk-management principles, supply chain security, industry partnerships, and advanced technology to improve the efficiency of screening and clearing commercial traffic at our shared borders. FAST expedites and facilitates commercial truck crossings by implementing the mandated requirements of securing the flow of people, transportation, and goods under a secure infrastructure. FAST is aimed at improving and ensuring the integrity of the supply chain of participants ranging from manufacturing to transportation and importation.

For all U.S.-bound FAST trucks, Mexico Customs uses automated readers that interface with the U.S. system in order to verify the status of the FAST driver card. Mexico Customs receives a "yes" or "no" response when the card is read, indicating whether the card is valid with CBP. This process ensures that only approved FAST drivers are utilizing the dedicated lane to enter the U.S. from Mexico. FAST shipments also receive expedited processing through the Mexico export process.

CBP's layered enforcement strategy begins with the vetting and approval of all applicants through the FAST and C-TPAT programs. CBP has further implemented a strategy that

incorporates rule-sets established at the headquarters level combined with the efforts of the National Targeting Center-Cargo (NTC-C) and port Manifest Review Units (MRU). Based on findings from the NTC-C and MRU, CBP officers are able to take the appropriate actions on arriving shipments. These enforcement actions may include document review, canine sweeps, Non-Intrusive Examinations, Radiation Portal Monitoring, and physical examination. In addition, CBP uses Random and Stratified Compliance Examinations along with high-security seals to measure compliance with program participants.

## **CONTAINER SECURITY INITIATIVE (CSI)**

Although the Container Security Initiative (CSI) is maritime-focused, containers are commonly routed across multiple modes of transportation, making this layer of security an integral aspect to national security. CSI was announced in January 2002 and is currently operational in 58 foreign seaports in 32 countries to address the threat of terrorist use of maritime containers before those containers are loaded on vessels destined for the U.S. CSI stations multidisciplinary teams of CBP officers, along with our colleagues from ICE, to work with host country counterparts to identify and examine containers that are determined to pose the highest risk for terrorist activity. In fiscal year 2009, CSI officers reviewed over nine million bills of lading and examined over fifty-six thousand containers in conjunction with host country counterparts.

## **NON INTRUSIVE INSPECTION / RADIATION DETECTION TECHNOLOGY**

The deployment of imaging systems and radiation detection equipment has contributed to CBP's tremendous progress in ensuring that supply chains bringing goods into the United States from around the world are secure against exploitation by terrorist groups. Non-Intrusive Inspection (NII) technology serves as a force multiplier that allows officers to detect possible anomalies between the contents of a container and the manifest. CBP relies heavily on the use of NII, as it allows us to work smarter and more efficiently in recognizing potential threats.

Prior to 9/11, not a single Radiation Portal Monitor (RPM), and only 64 large-scale NII systems were deployed to our nation's borders. By October of 2002, CBP had deployed the first RPM at the Ambassador Bridge in Detroit. Today, CBP has deployed 453 RPMs at Northern border land ports of entry; 385 RPMs at Southern border land ports of entry; 431 RPMs at seaports; 55 RPMs at mail facilities; 232 large-scale gamma ray or x-ray imaging systems; and 3,000 small scale NII systems nationwide. Additionally, CBP has deployed over 1,400 Radiation Isotope Identifier Devices and over 18,000 Personal Radiation Detectors. These devices allow CBP to inspect 100 percent of all identified high-risk cargo.

Currently, CBP uses radiation detection technologies to scan 99 percent of trucks and 98 percent of personally owned vehicles arriving through northern border ports, 100 percent of vehicles arriving through southern border ports, and 98 percent of arriving sea containers. CBP uses RPMs to scan 99 percent of all cargo arriving in the U.S. by land

and sea. In addition, CBP officers now use handheld radiation identification devices to scan 100 percent of private aircraft arriving in the U.S. from foreign destinations. To date, CBP has used the deployed systems to conduct over 37 million examinations, resulting in over 8,300 narcotic seizures, with a total weight of over 2.5 million pounds, and over \$27 million in undeclared currency seizures.

CBP is working in close partnership with the DHS Science and Technology Directorate to develop the next generation of NII Scanners and Automated Target Recognition Systems for deployment to maritime, land, and air ports of entry.

Used in combination with our layered enforcement strategy, these tools provide CBP with an increased capability to detect contraband, including illicit nuclear or radiological materials.

## **SOUTHWEST BORDER SECURITY INITIATIVE**

In March, Secretary Napolitano announced its comprehensive U.S.-Mexico border security policy, aimed at supporting the Mexican government's campaign against violent drug cartels and reducing the flow of contraband in both directions across the border. Along with the Merida Initiative, the National Southwest Border Counternarcotics Strategy, and the Administration's renewed commitment to reduce the demand for illegal drugs in the United States, the Department of Homeland Security has engaged in a far-reaching Southwest Border Security Initiative to crack down on Mexican drug cartels. The initiative focuses on enhanced border security, including the deployment of hundreds of new personnel, and enhanced intelligence technology to maximize capabilities and strengthen coordination with other federal law enforcement entities such as the Department of Justice, the Bureau of Alcohol, Tobacco, Firearms and Explosives, the Drug Enforcement Administration, and the Federal Bureau of Investigations, as well as state, local, tribal, and Mexican law enforcement authorities.

A key and growing area of emphasis involves DHS' role in interdicting the illegal flow of weapons and currency into Mexico. A large portion of illegal drugs consumed in the United States pass through Mexican territory and territorial seas. Illicit trafficking profits flow back to Mexican drug trafficking organizations across our common border. The recent surge in violence in the interior and border cities of Mexico poses a significant threat in Mexico and is a serious concern of the United States. Secretary Napolitano has tasked all DHS components, including CBP, to examine how we can reasonably increase our enforcement activities in an effort to identify and interrupt efforts to smuggle weapons and bulk cash shipments into Mexico.

CBP is working with its partners in the Drug Enforcement Administration and the High Intensity Drug Trafficking Area centers to expand the National License Plate Reader (LPR) initiative to exploit intelligence on drug traffickers and drug trafficking organizations. The LPR initiative will utilize established locations to gather information regarding travel patterns and border nexus on drug traffickers to enable intelligence driven operations and interdictions. It should be noted that the LPR program is not

specific to the Southwest border. The initial phase of the initiative is along the Southwest border, but the program will be expanded to encompass the Northern border and other areas throughout the country. Its capabilities can be utilized to assist other law enforcement entities in investigations of their high value targets, by combining existing law enforcement database capabilities with new technology to identify and interdict conveyances being utilized to transport bulk cash, drugs, weapons, and other illegal contraband.

In a spirit of cooperation, CBP has established positions at the El Paso Intelligence Center, the Organized Crime Drug Enforcement Task Force Fusion Center, and the Drug Enforcement Administration Special Operations Division. These initiatives enhance interaction with the Intelligence Community and law enforcement agencies to more effectively facilitate the collection, analysis, and dissemination of actionable drug-related intelligence. CBP has also established two full-time positions at the National Gang Intelligence Center and has partnered with the National Gang Targeting, Enforcement and Coordination Center.

With regard to CBP, the Southwest Border Security Initiative:

**Initiates 100 percent southbound rail scanning** – CBP previously did not screen any of the cargo traveling by rail from the United States into Mexico; it is now scanning all rail cargo for weapons, ammunition, and currency. Existing non-intrusive inspection equipment is being used to detect contraband in cargo on each of the eight rail crossings on the southwest border.

**Adds Border Patrol Agents at POEs** – CBP placed up to 100 Border Patrol agents at southwestern ports of entry to assist the Office of Field Operations (OFO) and to bolster outbound inspections from the U.S. into Mexico in order to detect arms and bulk-cash smuggling.

**Added Mobile Response Teams** – Three Mobile Response Teams of 25 CBP officers each are periodically deploying to the southwest border to participate in focused operations developed to combat arms and bulk cash smuggling.

**Augments Search Technologies** – An additional four low-energy mobile x-ray units have been moved to the southwest border, in addition to the seven already present, to help CBP identify anomalies in passenger vehicles.

**Engages Canine Teams** – A total of twelve teams of “cross-trained” canines – trained to identify both firearms and currency – have been deployed to the southwest border.

**Adds License Plate Readers** – Outbound lanes currently equipped with license plate readers will receive upgraded license plate reader technology to improve CBP’s ability to identify the vehicles of known or suspected smugglers of cash, weapons, drugs, or persons. This information is shared with other law enforcement agencies through El Paso

Intelligence Center and the Organized Crime Drug Enforcement Task Force Fusion Center.

**Enhances Operation Stonegarden Grant Funding on the Border** – Through Operation Stonegarden, an additional \$30 million in Operation Stonegarden grants were made available to state, local and tribal law enforcement to be used for law enforcement personnel, overtime, travel and other related costs in order to further increase the law enforcement presence along the Southwest border. This funding has enhanced the Department’s capabilities to coordinate with state, local and tribal law enforcement in order to effectively deter violence, enforce immigration laws and combat illegal trafficking.

**Actively Engages State, Local, and Tribal Law Enforcement** – DHS is aggressively reaching out to law enforcement in border communities and is leading bi-monthly conference calls with chiefs of police and sheriffs in a classified setting.

## **CONCLUSION**

Madame Chairwoman, Members of the Committee, thank you again for this opportunity to testify and thank you again for your continued support of CBP. CBP has employed a thorough, multi-layered approach to address cargo security in the land environment, while continuing to facilitate the flow of legitimate trade.

At CBP, we strive for seamless integration between our component offices, and we pride ourselves on the use of actionable intelligence gathering and the ability to adapt to potential threats by use of a multi-layered, flexible approach. With your ongoing support, I feel confident that we will make more and more strides towards efficiently and effectively achieving our twin goals of border security and facilitation of legitimate trade and travel.

I will be happy to answer any of your questions.