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AVIATION SECURITY

Progress Made but Actions Needed to Address Challenges in Meeting the Air Cargo Screening Mandate

Statement of Steve Lord, Director
Homeland Security and Justice Issues



GAO

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Madam Chairwoman and Members of the Subcommittee:

I appreciate the opportunity to participate in today's hearing to discuss air cargo screening. In 2008, about 7.3 billion pounds of cargo was transported on U.S. passenger flights—approximately 58 percent of which was transported domestically (domestic cargo) and 42 percent of which was transported on flights arriving in the United States from a foreign location (inbound cargo).¹ The 2009 Christmas Day plot to detonate an explosive device during an international flight bound for Detroit provided a vivid reminder that terrorists continue to view passenger aircraft as attractive targets. According to the Transportation Security Administration (TSA), the security threat posed by terrorists introducing explosive devices in air cargo shipments is significant, and the risk and likelihood of such an attack directed at passenger aircraft is high.² To help enhance the security of air cargo, the Implementing Recommendations of the 9/11 Commission Act of 2007 (9/11 Commission Act) mandated the Department of Homeland Security (DHS) to establish a system to physically screen 50 percent of cargo on passenger aircraft—including the domestic and inbound flights of foreign and U.S. passenger operations—by February 2009, and 100 percent of such cargo by August 2010.³ The 9/11 Commission Act defines screening for purposes of the air cargo screening mandate as a physical examination or nonintrusive methods of assessing whether cargo poses a threat to transportation security.⁴ The act also requires that such a system provide a level of security commensurate with the level of security for the screening of checked baggage.

According to TSA, the mission of its air cargo security program is to secure the air cargo transportation system while not unduly impeding the flow of commerce. Although the mandate is applicable to both domestic

¹For the purposes of this statement, domestic cargo refers to cargo transported by air within the United States and from the United States to a foreign location by both U.S. and foreign air carriers, and inbound cargo refers to cargo transported by both U.S. and foreign air carriers from a foreign location to the United States. These cargo statistics were provided by the Transportation Security Administration from the Bureau of Transportation Statistics.

²Specific threat details are classified and are not discussed in this statement. Generally, the threat that has been identified by TSA is that of an improvised explosive device.

³Pub. L. No. 110-53, § 1602, 121 Stat. 266, 477-80 (codified at 49 U.S.C. § 44901(g)).

⁴See 49 U.S.C. § 44901(g)(5). For the purposes of this statement, physical screening is generally used to describe screening for purposes of the air cargo screening mandate.

and inbound cargo, TSA stated that it must address the mandate for domestic and inbound cargo through separate systems because of differences in its authority to regulate domestic and international air cargo industry stakeholders. My statement is based on a report we are publicly releasing today that assesses TSA's progress and related challenges in meeting the air cargo screening mandate.⁵ It addresses the following key issues in our report: progress TSA has made in meeting the 9/11 Commission Act screening mandate as it applies to (1) domestic air cargo and (2) inbound air cargo and related challenges it faces for each.

For our report, we reviewed documents such as TSA's air cargo security policies and procedures. We also conducted site visits to four category X U.S. commercial airports and one category I U.S. commercial airport that process domestic and inbound air cargo.⁶ We selected these airports based on airport size, passenger and air cargo volumes, location, and participation in TSA's screening program. At these airports, we observed screening operations and technologies and interviewed local TSA officials, airport management officials, and representatives from 7 air carriers, 24 freight forwarders, 3 shippers, and 2 handling agents to obtain their views on TSA's system to implement the screening mandate.⁷ We selected these air carriers, freight forwarders, shippers, and handling agents based on input from TSA and industry stakeholders. More detailed information about our scope and methodology is included in our June 2010 report. We conducted this work in accordance with generally accepted government auditing standards.

In summary, TSA has taken a number of actions to meet the screening mandate as it applies to domestic cargo, including creating a voluntary

⁵GAO, *Aviation Security: TSA Has Made Progress but Faces Challenges in Meeting the Statutory Mandate for Screening Air Cargo on Passenger Aircraft*, [GAO-10-446](#) (Washington, D.C.: June 28, 2010).

⁶There are about 450 commercial airports in the United States. TSA classifies airports into one of five categories (X, I, II, III, and IV) based on various factors, such as the total number of takeoffs and landings annually, the extent to which passengers are screened at the airport, and other special security considerations. In general, category X airports have the largest number of passenger boardings, and category IV airports have the smallest.

⁷For the purposes of this statement, the term freight forwarder only includes those freight forwarders that are regulated by TSA, also referred to as indirect air carriers. A freight forwarder is a company that consolidates cargo from multiple shippers onto a master air waybill—a manifest of the consolidated shipment—and delivers the shipment to air carriers for transport.

program to allow screening to take place at various points in the air cargo supply chain and mandating that, effective May 1, 2010, 75 percent of all cargo transported on passenger aircraft is screened. However, TSA faces several challenges in developing and implementing a system to screen 100 percent of domestic air cargo, and it is questionable, based on reported screening rates, whether 100 percent of such cargo will be screened by August 2010 without impeding the flow of commerce. Moreover, TSA has made some progress in meeting the screening mandate as it applies to inbound cargo, but challenges exist, in part related to TSA's limited ability to regulate foreign entities. TSA does not expect to achieve 100 percent screening of inbound air cargo by the mandated August 2010 deadline. We made five recommendations to TSA to address these challenges. TSA concurred with three of these recommendations, partially concurred with one, and did not concur with the remaining recommendation, which we discuss in more detail later in this statement.

TSA Has Made Progress toward Screening 100 Percent of Domestic Cargo, but Remaining Challenges Highlight the Need for a Contingency Plan

TSA has made progress in meeting the 9/11 Commission Act air cargo screening mandate as it applies to domestic cargo, and has taken several key steps in this effort, such as increasing the amount of domestic cargo subject to screening, creating a voluntary program to allow screening to take place at various points along the air cargo supply chain, and taking steps to test air cargo screening technologies, among other actions. However, TSA faces several challenges in fully developing and implementing a system to screen 100 percent of domestic air cargo, including those related to industry participation and technology.

Progress Made

TSA has taken several steps to address the air cargo screening mandate as it applies to domestic cargo including the following.

TSA increased the amount of domestic cargo subject to screening. Effective October 1, 2008, TSA established a requirement for 100 percent screening of nonexempt cargo transported on narrow-body passenger

aircraft.⁸ In 2008, narrow-body flights transported about 24 percent of all cargo on domestic passenger flights.⁹ Effective February 1, 2009, pursuant to the 9/11 Commission Act, TSA also required air carriers to ensure the screening of 50 percent of all nonexempt air cargo transported on all passenger aircraft. Furthermore, effective May 1, 2010, air carriers were required by TSA to ensure that 75 percent of such cargo was screened. TSA also eliminated or revised most of its screening exemptions for domestic cargo.

TSA created a voluntary program to facilitate screening throughout the air cargo supply chain. Since TSA concluded that relying solely on air carriers to conduct screening would result in significant cargo backlogs and flight delays, TSA created the voluntary Certified Cargo Screening Program (CCSP) to allow screening to take place earlier in the shipping process, prior to delivering the cargo to the air carrier. Under the CCSP, facilities at various points in the air cargo supply chain, such as shippers, manufacturers, warehousing entities, distributors, third-party logistics companies, and freight forwarders that are located in the United States, may voluntarily apply to TSA to become certified cargo screening facilities (CCSF). TSA initiated the CCSP at 18 U.S. airports that process high volumes of air cargo, and then expanded the program to all U.S. airports in early 2009.

TSA is conducting outreach efforts to air cargo industry stakeholders. Starting in September 2007, TSA began outreach to freight forwarders and subsequently expanded its outreach efforts to shippers and other entities to encourage participation in the CCSP. TSA is focusing its outreach on particular industries, such as producers of perishable foods, pharmaceutical and chemical companies, and funeral homes, which

⁸TSA exempts some categories of air cargo from physical screening and requires alternative methods of screening, such as verifying shipper and cargo information and visually inspecting the cargo shipment, rather than opening the shipment and physically searching its contents or screening it with technology. For the purposes of this statement, the phrase “exempt cargo” and the word “exemption” refer to cargo that is subject to such alternative screening measures. Narrow-body aircraft, such as Boeing 737s and Airbus 320s, are defined by fuselage diameter, and most narrow-body aircraft have only one aisle. Narrow-body aircraft that fly in the United States do not carry unit load devices (ULD) that allow packages to be consolidated in a container or pallet. Wide-body aircraft are also defined by fuselage diameter and can carry ULDs.

⁹According to statistics provided by TSA from the Bureau of Transportation Statistics, narrow-body aircraft make up 97 percent of domestic passenger flights and transport more than 90 percent of passengers traveling on domestic passenger flights.

may experience damage to their cargo if it is screened by a freight forwarder or an air carrier.

TSA is taking steps to test technologies for screening air cargo. To test select screening technologies among CCSFs, TSA created the Air Cargo Screening Technology Pilot in January 2008, and selected some of the nation's largest freight forwarders to use these technologies and report on their experiences.¹⁰ In a separate effort, in July 2009, DHS's Directorate for Science and Technology completed the Air Cargo Explosives Detection Pilot Program that tested the performance of select baggage screening technologies for use in screening air cargo at three U.S. airports. In November 2008, in addition to the canine and physical search screening methods permitted by TSA to screen air cargo, TSA issued to air carriers and CCSFs a list of X-ray, explosives trace detection (ETD), and explosives detection systems (EDS) models that the agency approved for screening air cargo until August 3, 2010.¹¹ In March 2009, TSA initiated a qualification process to test these and other technologies that it plans to allow air carriers and CCSP participants to use in meeting the screening mandate against TSA technical requirements.

TSA expanded its explosives detection canine program. TSA has taken steps to expand the use of TSA-certified explosives detection canine teams. According to TSA, in fiscal year 2009, TSA canine teams screened over 145 million pounds of cargo, which represents a small portion of domestic air cargo. As of February 2010, TSA had 113 dedicated air cargo screening canine teams—operating in 20 major airports—and is in the process of adding 7 additional canine teams. TSA also deployed canine teams to assist the Pacific Northwest cherry industry during its peak harvest season from May through July 2009, to help air carriers and CCSFs handling this perishable commodity to meet the 50 percent screening requirement without disrupting the flow of commerce.

¹⁰Initially, the Air Cargo Screening Technology Pilot was limited to high-volume freight forwarders (i.e., freight forwarders processing at least 200 shipments annually per location that contain cargo consolidated from multiple shippers). However, in November 2008, TSA sought additional high-volume freight forwarders and independent cargo screening facilities to apply for the pilot. Moreover, entities that do not participate in the pilot will not receive TSA funding to purchase screening technology.

¹¹ETD requires human operators to collect samples of items to be screened with swabs, which are chemically analyzed to identify any traces of explosive material. EDS uses computer-aided tomography X-rays to examine objects inside baggage and identify the characteristic signatures of threat explosives. In December 2009, TSA extended the expiration date of the approved technologies to January 2012.

TSA established a system to verify that screening is being conducted at the mandated levels. The agency established a system to collect and analyze data from screening entities to verify that requisite levels for domestic cargo are being met. Effective February 2009, TSA adjusted air carrier reporting requirements and added CCSF reporting requirements to include monthly screening reports on the number and weight of shipments screened.

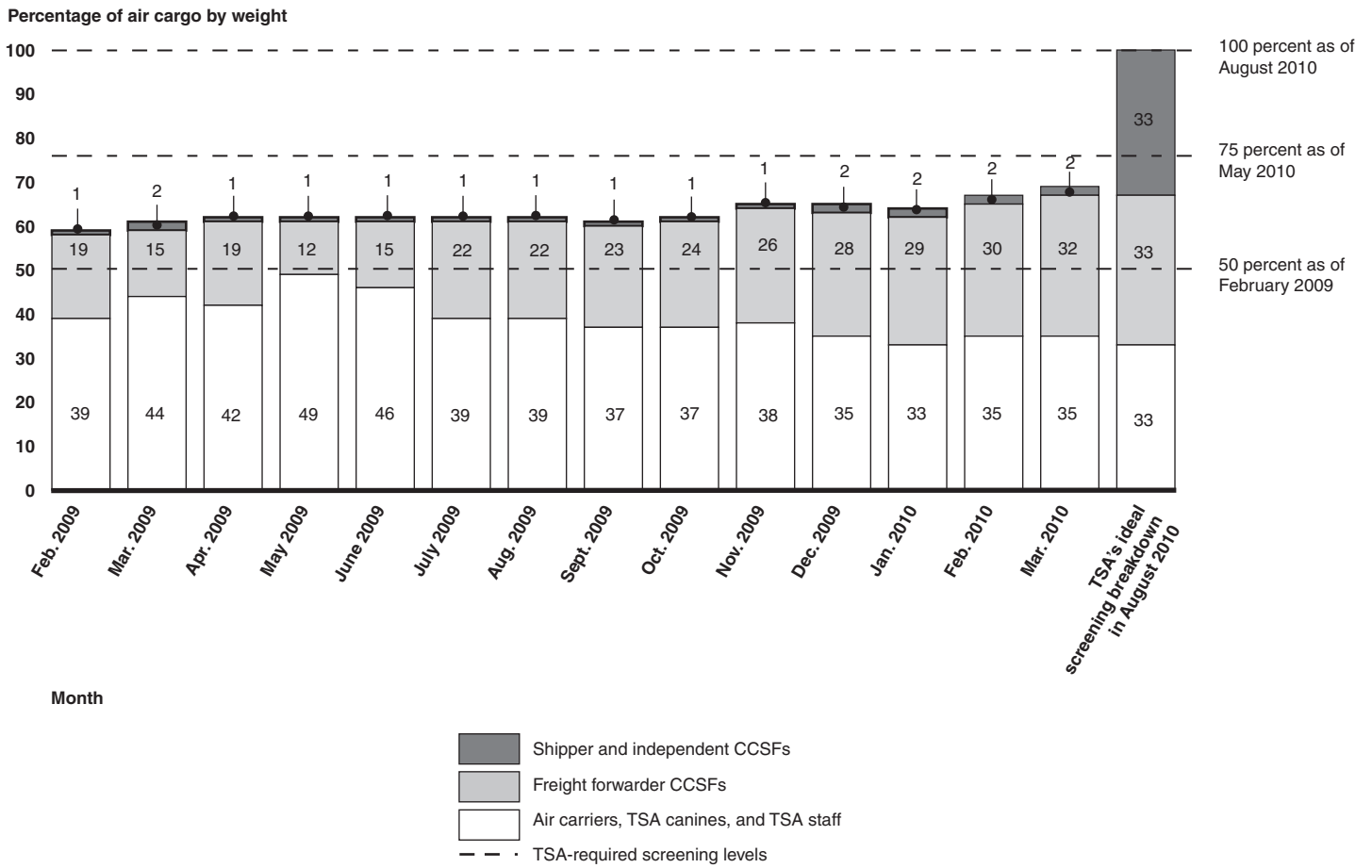
Challenges Facing TSA

TSA faces industry participation, technology, planning, oversight, and other challenges in meeting the air cargo screening mandate as it applies to domestic cargo.

Industry Participation. Although TSA is relying on the voluntary participation of industry stakeholders to meet the screening mandate, far fewer shippers and independent CCSFs have joined the program than TSA had targeted. As shown in figure 1, TSA officials have estimated that an ideal mix of screening to achieve the 100 percent mandate as it applies to domestic cargo without impeding the flow of commerce would be about one-third of cargo weight screened by air carriers, one-third by freight forwarders, and one-third by shippers and independent CCSFs.¹²

¹²The CCSP allows air cargo industry stakeholders, such as an air cargo handling agent, to establish independent cargo screening facilities to provide screening services for shippers or freight forwarders that have not joined the program and do not want the air carriers to screen their cargo. These independent facilities screen cargo for a fee, according to CCSP guidelines. For the purposes of this statement, we refer to independent cargo screening facilities as independent CCSFs.

Figure 1: TSA's Reported and Ideal Screening Percentage Breakdowns for Domestic Air Cargo Transported on Passenger Aircraft from February 2009 through March 2010



Source: GAO analysis of TSA screening data and information.

Note: Totals for reported and ideal screening percentage breakdowns may not add up precisely because of rounding.

To achieve TSA's ideal mix of screening by August 2010, shipper and independent CCSF screening efforts would need to increase by over sixteenfold. As shown in figure 1, the total percentage of reported screened cargo rose on average by less than a percentage point per month (from 59 to 68 percent) from February 2009 through March 2010.¹³ At these

¹³The screening percentages in fig. 1 have been rounded to the nearest percentage point. The actual percentages for March 2010 sum to 68 percent.

rates, it is questionable whether TSA's screening system will achieve 100 percent screening of domestic cargo by August 2010 without impeding the flow of commerce. Effective May 1, 2010, TSA requires that 75 percent of air cargo transported on passenger aircraft be screened. However, even if this requirement is met, an additional 25 percent of domestic air cargo would still need to be screened in the 3 months prior to the August 2010 deadline, including some of the most challenging types of cargo to screen, such as unit load device (ULD) pallets and containers.

TSA and industry officials reported that several factors, such as lack of economic and regulatory incentives, are contributing to low shipper participation levels. TSA and the domestic passenger air carrier and freight forwarder industry association officials we interviewed stated that many shippers and freight forwarders are not incurring significant screening costs from air carriers. This decreases the financial pressure on the entities to join the CCSP and invest resources into screening cargo, factors that are making TSA's outreach efforts more challenging.

Screening Technology. There is currently no technology approved or qualified by TSA to screen cargo once it is loaded onto a ULD pallet or container—both of which are common means of transporting air cargo on wide-body passenger aircraft. Cargo transported on wide-body passenger aircraft makes up 76 percent of domestic air cargo shipments transported on passenger aircraft.¹⁴ Prior to May 1, 2010, canine screening was the only screening method, other than physical search, approved by TSA to screen such cargo. However, TSA officials still have some concerns about the effectiveness of the canine teams, and effective May 1, 2010, the agency no longer allows canine teams to be used for primary screening of ULD pallets and containers.¹⁵ Canine teams still may be used for secondary screening of ULD pallets and containers; however, secondary screening does not count toward meeting the air cargo screening mandate.

In addition, TSA is working to complete qualification testing of air cargo screening technologies; thus, until all stages of qualification testing are concluded, the agency may not have reasonable assurance that the technologies that air carriers and program participants are currently

¹⁴Cargo may be screened before it is loaded onto ULD pallets or containers.

¹⁵TSA canine teams conduct primary and secondary screening of cargo. Primary screening counts toward meeting the air cargo screening mandate. Secondary screening provides spot checks of the screening already conducted by air carriers and CCSFs.

allowed to use to screen air cargo are effective. Qualification tests are designed to verify that a technology system meets the technical requirements specified by TSA. Because of the mandated deadlines, TSA is conducting qualification testing to determine which screening technologies are effective at the same time that air carriers are using these technologies to meet the mandated requirement to screen air cargo transported on passenger aircraft. While we recognize that certain circumstances, such as mandated deadlines, require expedited deployment of technologies, our prior work has shown that programs with immature technologies have experienced significant cost and schedule growth.¹⁶ We reported that these technology challenges suggest the need for TSA to consider a contingency plan to meet the screening mandate without unduly affecting the flow of commerce.

Contingency Planning. Although TSA faces industry participation and technology challenges that could impede the CCSP's success and the agency's efforts to meet the 100 percent screening mandate by August 2010, the agency has not developed a contingency plan that considers alternatives to address these challenges. Without adequate CCSP participation, industry may not be able to screen enough cargo prior to its arrival at the airport to maintain the flow of commerce while meeting the mandate. Likewise, without technology solutions for screening cargo in a ULD pallet or container, industry may not have the capability to effectively screen 100 percent of air cargo without affecting the flow of commerce. We have previously reported that a comprehensive planning process, including contingency planning, is essential to help an agency meet current and future capacity challenges.¹⁷ Alternatives could include, but are not limited to, mandating CCSP participation for certain members of the air cargo supply chain—instead of relying on their voluntary participation—and requiring the screening of some or all cargo before it is loaded onto ULD pallets and containers. In the report being released today, we recommended that TSA develop a contingency plan for meeting the mandate as it applies to domestic cargo that considers alternatives to address potential CCSP participation shortfalls and screening technology limitations. TSA did not concur with this recommendation and stated that a contingency plan is unnecessary since effective August 1, 2010, 100

¹⁶See GAO, *Defense Acquisitions: Measuring the Value of DOD's Weapon Programs Requires Starting with Realistic Baselines*, [GAO-09-543T](#) (Washington, D.C.: Apr. 1, 2009).

¹⁷GAO, *Federal Law Enforcement Training Center: Capacity Planning and Management Oversight Need Improvement*, [GAO-03-736](#) (Washington, D.C.: July 24, 2003).

percent of domestic cargo transported on passenger aircraft will be required to be screened. The agency also stated that there is no feasible contingency plan that can be implemented by TSA that does not compromise security or create disparities in the availability of screening resources. However, we continue to believe that there are feasible alternatives that TSA should consider to address potential CCSP participation shortfalls and screening technology limitations. Thus, it is prudent that TSA consider developing a contingency plan that would allow for the security and legitimate flow of air cargo.

Inspection Resources. While TSA has amended its Regulatory Activities Plan to include inspections of CCSP participants, the agency has not completed its staffing study to determine how many inspectors will be necessary to provide oversight of the additional program participants when the 100 percent screening mandate goes into effect. According to TSA, the agency's staffing study is continuing through fiscal year 2010 and is therefore not yet available to provide guidance in helping to plan for inspection resources needed to provide oversight. According to our analysis of TSA data, in the next year, inspectors will need to at least double their comprehensive inspections of CCSFs to reach the agency's inspection goals. We recommended that TSA create milestones to help ensure completion of the staffing study. TSA concurred and stated that as part of the staffing study, the agency is working to develop a model to identify the number of required transportation security inspectors and that this effort would be completed in the fall of 2010. If this model includes an analysis of the resources needed to provide CCSP oversight under various scenarios, it will address the intent of our recommendation.

Reported Screening Data. While TSA reported to Congress that industry achieved the February 2009 50 percent screening deadline domestically, questions exist about the reliability of the screening data, which are self-reported by industry representatives, because TSA does not have a mechanism to verify the accuracy of the data reported by the industry. We recommended that TSA develop a mechanism to verify the accuracy of all screening data through random checks or other practical means. TSA stated that verifying the accuracy of domestic screening data will continue to be a challenge because there is no means to cross-reference local screening logs—which include screening information on specific shipments—with screening reports submitted by air carriers to TSA that do not contain such information. However, TSA could consider a quality review mechanism similar to the compliance measurement program used by CBP, which includes regular quality reviews to ensure accuracy in findings and management oversight to validate results.

In-Transit Cargo. Cargo that has already been transported on one leg of a passenger flight—known as in-transit cargo—may be subsequently transferred to another passenger flight without undergoing screening. According to TSA officials, though the agency does not have a precise figure, industry estimates suggest that about 30 percent of domestic cargo is transferred from an inbound flight. TSA officials stated that transporting in-transit cargo without screening could pose a vulnerability, but as of February 2010, the agency was not planning to require in-transit cargo transferred from an inbound flight to be physically screened because of the logistical difficulties associated with screening cargo that is transferred from one flight to another. We recommended that TSA develop a plan with milestones for how and when it intends to require the screening of in-transit cargo. TSA concurred with our recommendation and stated that the agency has implemented changes, effective August 1, 2010, that will require 100 percent of in-transit cargo to be screened unless it can otherwise be verified as screened. Because this is a significant change and potentially operationally challenging, it will be important to closely monitor the industry’s understanding and implementation of this requirement to help ensure that 100 percent screening of in-transit cargo is being conducted.

TSA Has Made Progress but Faces Several Challenges and Lacks a Plan for Achieving 100 Percent Screening of Inbound Cargo

TSA has taken steps to increase the percentage of inbound cargo transported on passenger aircraft that is screened, but the agency has not developed a plan, including milestones, for meeting the mandate as it applies to inbound cargo. Consequently, TSA officials have stated that the agency will not be able to meet the mandate as it applies to inbound cargo by the August 2010 deadline.

Steps Taken

Steps TSA has taken to increase the percentage of inbound air cargo that is screened include the following:

- Revising its requirements for foreign and U.S. air carrier security programs, effective May 1, 2010, to generally require air carriers to screen a certain percentage of shrink-wrapped and banded inbound

cargo and 100 percent of inbound cargo that is not shrink-wrapped or banded.¹⁸ According to TSA, implementation of this requirement will result in the screening of 100 percent of inbound cargo transported on narrow-body aircraft since none of this cargo is shrink-wrapped or banded.¹⁹

- Obtaining information from foreign countries on their respective air cargo screening levels and practices to help assess the rigor and quality of foreign screening practices.
- Working to harmonize security standards with those of foreign nations.²⁰

Challenges TSA Faces

According to TSA, screening inbound air cargo poses unique challenges, related, in part, to TSA's limited ability to regulate foreign entities. As such, TSA officials stated that the agency is focusing its air cargo screening efforts on domestic cargo and on screening elevated-risk inbound cargo as it works to address the challenges it faces in screening 100 percent of inbound cargo. In April 2007, we reported that TSA's screening exemptions for inbound cargo could pose a risk to the air cargo supply chain and recommended that TSA assess whether these exemptions pose an unacceptable vulnerability and, if necessary, address these vulnerabilities.²¹ TSA agreed with our recommendation, but beyond its requirement to screen 100 percent of inbound cargo transported on narrow-body aircraft and a certain percentage of shrink-wrapped or

¹⁸Details on TSA's screening requirements are Sensitive Security Information and are not discussed in this statement. Prior to May 1, 2010, TSA generally required air carriers to screen 50 percent of nonexempt inbound cargo transported on passenger aircraft and a certain percentage of all inbound cargo transported on passenger aircraft. Banded cargo is cargo with heavy-duty metal, plastic, or nylon bands that secure all sides of the cargo shipment or secure the cargo shipment to a skid.

¹⁹According to statistics provided by TSA from the Bureau of Transportation Statistics, in 2008, narrow-body flights made up 69 percent of inbound flights and transported 45 percent of inbound passengers.

²⁰The term harmonization is used to describe countries' efforts to coordinate their security practices to enhance security and increase efficiency by avoiding duplication of effort. Harmonization efforts can include countries mutually recognizing and accepting each other's existing practices—which could represent somewhat different approaches to achieve the same outcome—as well as working to develop mutually acceptable uniform standards.

²¹GAO, *Aviation Security: Federal Efforts to Secure U.S.-Bound Air Cargo Are in the Early Stages and Could Be Strengthened*, [GAO-07-660](#) (Washington, D.C.: Apr. 30, 2007).

banded inbound cargo, has not reviewed, revised, or eliminated inbound screening exemptions, and did not provide a time frame for doing so. We continue to believe that TSA should assess whether these exemptions pose an unacceptable security risk.

In addition, identifying the precise level of screening being conducted on inbound air cargo is difficult because TSA lacks a mechanism to obtain actual data on all screening that is being conducted on inbound air cargo. TSA officials estimate that 55 percent of inbound cargo by weight is currently being screened and that 65 percent of inbound cargo by weight will be screened by August 2010. However, these estimates are based on the current screening requirements of certain countries and are not based on actual data collected from air carriers or other entities, such as foreign governments, on what percentage of cargo is actually being screened.²² We recommended that TSA develop a mechanism to verify the accuracy of all screening data through random checks or other practical means and obtain actual data on all inbound screening. TSA concurred in part with our recommendation, stating that as of May 1, 2010, the agency issued changes to air carriers' standard security programs that require air carriers to report inbound cargo screening data to TSA. However, as noted in our report, these requirements apply to air carriers and the screening that they conduct and not to the screening conducted by other entities, such as foreign governments. Thus, TSA will continue to rely in part on estimates to report inbound cargo screening levels. TSA officials stated that it may be challenging to obtain screening data from some foreign governments and other entities that conduct cargo screening, but TSA has not developed a plan for how it could obtain these data. We recognize that it may be challenging for TSA to obtain cargo screening data from foreign governments; however, similar to domestic reporting requirements, the agency could require air carriers to report on cargo screening for all inbound cargo they transport, including the screening conducted by other entities.

Moreover, the 9/11 Commission Act requires the establishment of a system to screen 100 percent of cargo transported on passenger aircraft, including inbound cargo. As we have reported in our prior work, a successful project plan—such as a plan that would be used to establish such a

²²According to TSA officials, the agency does not know the screening requirements for every country that transports air cargo into the United States. TSA assumes that other countries are in compliance, at a minimum, with TSA's regulation that a certain percentage of inbound air cargo be screened.

system—should consider all phases of the project and clearly state schedules and deadlines.²³ TSA officials reported that the agency is unable to identify a timeline for meeting the mandate for inbound cargo, stating that its efforts are long term, given the extensive work it must conduct with foreign governments and associations. However, interim milestones could help the agency provide reasonable assurance to Congress that it is taking steps to meet the mandate as it applies to inbound cargo. In our June 2010 report, we recommended that TSA develop a plan with milestones for how and when the agency intends to meet the mandate as it applies to inbound cargo. TSA concurred with our recommendation and stated that the agency is drafting milestones as part of a plan that will generally require air carriers to conduct 100 percent screening by a specific date. If implemented effectively, this plan will address the intent of our recommendation.

Madam Chairwoman, this concludes my statement. I look forward to answering any questions that you or other members of the subcommittee may have.

Contacts and Acknowledgments

For questions about this statement, please contact Stephen M. Lord at (202) 512-4379 or lords@gao.gov. 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 testimony are Steve D. Morris, Assistant Director; Tina Cheng; Barbara A. Guffy; David K. Hooper; Richard B. Hung; Stanley J. Kostyla; Linda S. Miller; Yanina Golburt Samuels; and Rebecca Kuhlmann Taylor.

²³GAO, *2010 Census: Cost and Design Issues Need to Be Addressed Soon*, GAO-04-37 (Washington, D.C.: Jan. 15, 2004).

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