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Mission and Values



United States Department of State

MISSION

Create a more secure, democratic, and prosperous world for the benefit of the American people and the international community.

VALUES

Loyalty: Commitment to the United States and the American people.

Character: Maintenance of high ethical standards and integrity.

Service: Excellence in the formulation of policy and management practices with room for creative dissent. Implementation of policy and management practices, regardless of personal views.

Accountability: Responsibility for achieving United States foreign policy goals while meeting the highest performance standards.

Community: Dedication to teamwork, professionalism, and the customer perspective.



Message From the Secretary



In the years ahead, America's greatest opportunity is to utilize our position of strength to create a world that favors human freedom. This world of growing freedom serves American long-term interests, reflects enduring American ideals, and unites American allies and partners. We strive to help preserve this peace by building good relations among nations around the world and we extend this peace by encouraging free and open societies on every continent.

In the current fight against terrorism, the United States ultimately defends this peace by opposing and preventing violence by terrorist and outlaw regimes. Our nation will not win it solely or even primarily through military might, but in using every instrument of national power—diplomatic, economic, law enforcement, financial, informational, intelligence, and military. Progress will come through the patient accumulation of successes—some seen, some unseen. The Department of State has been proud to contribute to several early successes. We provided the diplomatic tools that marshaled and maintain a global anti-terrorism coalition, established an interim governing authority in a liberated Afghanistan, and continue to act as a catalyst in its ongoing reconstruction and quest for stability.

As we continue to deny terrorists and their allies the means to enact their hatred, we have an unprecedented opportunity to help build the peace. In our broader foreign policy agenda, the Department seeks to foster democracy and human rights around the world. We work to enact free trade agreements that can bring increased economic prosperity both at home and abroad. The Department works to continuously support our allies in the Atlantic and the Pacific and strengthen our relationships with partners such as Russia while deepening the conversation with China and other nations that agree to promote a world that favors human freedom. Through such means as the Millennium Challenge Account, the Department advances common global interests to ensure accountable humanitarian assistance, improved health, and a sustainable environment.

Continuing to meet our foreign policy priorities requires a Department that can look around the corner, anticipating the challenges ahead. We must be able to plan for the next crisis rather than react to its impact. This foresight requires a culture that values planning and an organization committed to its execution. We must state our priorities and targets, being praised when we exceed our goals, and held accountable when we fall short.

In the Fiscal Year 2004 Performance Plan, the Department of State describes its accomplishments to date and looks ahead to what we intend to achieve in the coming years. As this document accompanies our Fiscal Year 2004 budget, we invite the American public's attention to understand the benefit the men and women of the Department strive each day to achieve on behalf of the American public.

Colin L. Powell
Secretary of State



Introduction

Purpose of Plan

The Department of State Fiscal Year 2004 Performance Plan (the Plan), submitted to the President, the Congress, and the American public describes what the Department plans to accomplish to achieve its mission, vision, and long-term strategic goals.

Structure of Plan

The Plan is divided into the following seven sections:

1. **Benefit to the American Public:** This section summarizes the benefits provided to the American people through pursuit of each of the Department's twelve strategic goals.
2. **Major Crosscutting Efforts:** This section describes the major issues on which the Department works with other agencies to resolve.
3. **Management Landscape:** This section describes the Department's major management priorities including the following:
 - **President's Management Agenda (PMA) Initiatives:** This section provides an update as to how the Department is addressing the PMA initiatives designed to create a results-oriented federal government.
 - **Management Challenges:** The Government Accounting Office and the Department's Office of the Inspector General have identified Management Challenges that specify areas where the Department needs to improve. This section describes the challenges and the actions that the Department has initiated to make the necessary improvements.
4. **Performance Management Methodology:** This section describes the performance management methodology or approach used by the Department.
5. **New Strategic Planning Framework:** This section presents the Department's new strategic planning framework that responds more effectively to the changing international environment and brings greater clarity, direction, and alignment between its vision and overall priorities.
6. **Strategic Goal Chapters:** Each of the Department's twelve strategic goals is presented in separate chapters organized as follows:
 - **Public Benefit:** This summarizes how the strategic goal benefits the American people.
 - **Annual Performance Goals:** Annual performance goals represent the Department's priorities and what it wants to achieve during FY 2004. Each annual performance goal contains specific indicators used to measure progress and targets that represent the specific desired level of performance to be achieved.
 - **Verification and Validation:** This explains how the results data used to measure performance will be verified and validated.
 - **Crosscutting Activities:** This describes what activities the Department undertakes with other public or private sector entities to achieve a given annual performance goal.
7. **Resources by Strategic Goal:** The final section of the Plan depicts the resources and staffing by strategic goal, thereby linking resources to program performance objectives. This section is broken into two separate charts. The first chart depicts the Appropriation Act resources and the second the Foreign Operations resources.



Benefit to the American Public

U.S. Department of State Mission Statement

Create a More Secure, Democratic, and Prosperous World for the Benefit of the American People and the International Community

As the lead advocate for U.S. policies with foreign governments and international organizations, the Department stands in the front lines of America's national security. Diplomacy remains the primary tool to maintain and strengthen America's bilateral and multilateral relationships. Diplomacy, however, is a product inherently difficult to measure. How does one quantify the benefits of something that has never occurred? Lives saved because of battles that were never fought, diseases that were never contracted, or famine that was never endured all inherently benefit the United States and echo the system of values it strives to present to the world.

Human suffering resulting from conflicts and natural disasters can lead to instability in individual countries and entire regions, eventually, as we have seen, redounding to the detriment of the United States. The Department and USAID take the lead in diplomatic efforts to prevent or alleviate such suffering. The Department also works to protect the nation by promoting regional stability, combating the proliferation of weapons of mass destruction, and countering international terrorism from threatening vital U.S. interests at home and abroad. In the wake of the events of 9/11, this work has even greater importance.

The Department continually utilizes its resources and influence to assist Americans who travel and live abroad. The Department issues United States passports, facilitates overseas voting in federal elections, evacuates Americans from conflict areas, and deters the entry into the United States of those who seek to threaten the nation, while approving the entry of qualified foreigners. The Department has important homeland security responsibilities, such as combating visa and passport fraud, and protecting foreign diplomats in the United States so that terrorists do not hinder the day-to-day conduct of diplomacy.

The work of the Department advances sustainable development and solutions to global problems that cannot be solved by any one nation. The Department works diligently to support the spread and adoption of democratic ideals worldwide, which not only promote such fundamental American values as religious freedom and worker rights, but also help create a more secure, stable, and prosperous world economy. In addition to contributing to American prosperity, the opening of foreign markets to U.S. goods and services results in higher standards of living and the reduction of poverty in other countries. The Department works with other countries to promote a sustainable global environment, a healthy world population, effective migration systems, and strong international health capabilities, thus enhancing American security and protecting the United States from the effects of environmental degradation and deadly disease in an increasingly interconnected world.

The Department's promotion of international understanding should result in increased foreign understanding of American values. Since international understanding is a two-way street, not only will foreigners come to understand, if not accept, American values, but Americans will gain greater understanding of foreign cultures and values.

To maintain the U.S. role as a world leader in the twenty-first century, the Department must have sufficient resources to attract and retain its employees, America's foreign policy representatives. The Department also must have the infrastructure and operating capacities to enable its employees to pursue policy objectives. By strengthening the Department's diplomatic and programmatic capabilities, all Americans will benefit.



Major Crosscutting Efforts

Diplomatic problems frequently do not fall entirely within the scope of only one of the Department's geographic or functional bureaus. The Department addresses such crosscutting issues through collaboration among its bureaus and/or other USG agencies.

The War on Terrorism

The events of 9/11 have made combating international terrorism the key USG priority. The Department is therefore making a major effort to conform to the new needs of the war on terrorism. Following the strong emphasis of the President and the Secretary, a large number of bureaus, from the Office of the Coordinator for Counterterrorism to Diplomatic Security to Consular Affairs (CA), the Bureau of Economic and Business Affairs (EB), and the regional bureaus, are reorienting their priorities to fit new realities. In Afghanistan, the Bureau of South Asian Affairs has worked with EB, the Bureau of International Narcotics and Law Enforcement Affairs and the Bureau of Democracy, Human Rights and Labor to help build a new, democratic government committed to opposing terrorism. In the countries of the former Soviet Union, the Bureau of Arms Control and the Bureau of Nonproliferation have worked with the Bureau of European and Eurasian Affairs to focus attention on controlling nuclear material.

On a broader scale, the Department also has cooperated with other agencies to combat terrorism. Coordinating with the Department of Justice and the FBI, CA has worked to strengthen its visa screening to prevent terrorists from entering the United States. The Department also has combined its efforts with those of the military to establish key bases and build essential alliances. The Department will continue to make the necessary internal adjustments required to fight terrorism effectively.

Public Diplomacy

The Office of the Under Secretary for Public Diplomacy and related bureaus are working to augment the international standing of the United States and its policies. In the wake of the events of 9/11, the need for a unified and positive American message has never been as critical as it is today.

The Department is therefore expanding the scope of public diplomacy by identifying audiences, preparing more appropriate programs, and maximizing resources among the Department's domestic bureaus and overseas posts. The Department is working closely with the White House Office of Global Communications and other agencies to promote American values and interests worldwide. To this end, the Department is engaging a broader and younger audience worldwide to augment America's messages to foreign audiences. In addition, the Department is utilizing more channels of communication to expand the impact of activities and audience reach. The Department's public diplomacy efforts work in conjunction with those of other USG agencies to communicate American beliefs, values, and goals.

Homeland Security

The Department is on the frontlines of working to protect homeland security. Since the events of 9/11, the Department has taken steps to coordinate with overall U.S. border security efforts more effectively. Department consular officers at more than 200 overseas posts adjudicate the majority of visa applications of those who seek entry into the United States. Among these applicants are those who wish to harm the United States, as shown by the events of 9/11. The Department strengthened its visa screening system, by vastly increasing the size of its name check database, conducting more visa interviews, and instituting interagency clearances for additional categories of applicants from specific countries. The Department has provided U.S. ports of entry with real-time access to visa issuance data and has worked closely with the Departments of Homeland Security and Justice, the intelligence community, the FBI, and other USG agencies on other border-security issues.

The Department also works with domestic and international law enforcement organizations to minimize the negative impact of drugs and crime on American citizens. The Bureaus of Consular Affairs and Diplomatic Security play a critical role in homeland security efforts to control visa and passport fraud. The Department is intent upon ensuring that its visa system is strong and secure, while allowing and encouraging qualified applicants to come to the United States.



The Management Landscape

“As Secretary of State, I wear two hats -- one as CEO of the Department, the other as the President’s principal foreign policy advisor. And being successful in both roles is important because we must be properly organized and equipped and manned to conduct America’s foreign policy, as well as formulate good policy.”

Secretary of State Colin L. Powell

To achieve the strategic goals and ultimately provide benefit to the American public, the Department must have an effective organizational structure, established management capabilities, and core infrastructure in place to ensure the diplomatic readiness of the entire Department. Unlike other federal agencies, this capability is made increasingly complex by the Department’s presence in more than 150 countries. Nevertheless, the Secretary and the entire leadership team always have maintained that better management is a critical element in the Department’s overall effectiveness and remain committed to successful implementation of all its management initiatives.

While the Department has always been committed to success on a broad range of management priorities, the President’s Management Agenda (PMA) has focused the Department’s efforts across five government-wide initiatives to improve management.

Management also is focusing on several other key priorities, three of which are depicted below.

Three Key Management Priorities

People: Diplomatic Readiness Initiative

The Department’s Diplomatic Readiness Initiative represents a new strategic human capital plan designed to ensure the availability of adequate human resources through a more streamlined and aggressive hiring process from recruitment to intake. The Initiative requires seamless coordination between every element of the HR system: Office of Recruitment, Evaluation and Testing, Diplomatic Security, Medical Services, Foreign Service Institute, and Office of Career Development and Assignments. This three-year initiative includes the hiring of 1,158 people over attrition from FY 2002 through FY 2004.

Training: Leadership and Management Initiative

The Secretary’s Leadership and Management Training Initiative, started in FY 2003, will have the initial training rollout completed by the end of 2006. The goal is to ensure that all employees, especially those who are supervisors, receive appropriate specific training in leadership and management skills.



Security: Diplomatic and Homeland Security



The War on Terrorism has brought a heightened awareness of the need for good preventative and protective security measures. The Bureau of Diplomatic Security works throughout the Department and with other USG agencies to provide increased security and safety for American citizens and interests at home and abroad. These efforts include coordination with U.S. overseas posts to provide more secure facilities abroad, with the Bureau of Consular Affairs to combat passport and visa fraud, and with the Bureau of Information Resource Management to ensure protection of U.S. technology and communication assets. The Department will work closely with the new Department of Homeland Security in these efforts.





The President's Management Agenda



In August 2001, President Bush outlined the President's Management Agenda (PMA) which focuses on five initiatives designed to improve USG management. According to the Office of Management and Budget (OMB), the Department made progress on each of the five President's Management Agenda (PMA) initiatives. As of March 2003, the Department achieved three "green" and two "yellow" scores for progress on implementation. With respect to overall status, the Department has made improvements in several areas, even though the overall scores for status remain "red." During FY 2004, the Department will continue its efforts to address the PMA initiatives.



 Progress	Strategic Management of Human Capital	 Status
<p>Overview: This initiative aims to build, sustain, and deploy effectively a skilled, knowledgeable, diverse, and high-performing workforce that is aligned with mission objectives. The goal is to have a workforce whose composition, size, and competencies can quickly adapt to changes in mission, technology, and labor markets.</p>		
<p>Progress: The Department successfully implemented the first year of the Diplomatic Readiness Initiative, designed to ensure adequate human resources through a more streamlined and aggressive hiring process. The Department also has implemented a mandatory leadership and management training initiative and emphasized those skills in performance requirements. The Department revalidated the Overseas Staffing Model, completed the first phase of the Domestic Staffing Model, and began to develop a Civil Service Succession model that will provide a comprehensive approach to determining the optimal size, allocation, and organization of domestic and overseas personnel. These models will facilitate analysis for competitive sourcing decisions. An integrated strategic workforce plan will be developed and integrated with the mission- and bureau- level strategic planning processes. Use of OPM's Human Capital Assessment and Accountability Framework (HCAAF) to assess human capital activities will help ensure management accountability and evaluation of progress in this area.</p>		
<p>Upcoming Action and Potential Challenges: The Department will continue to work with OPM and OMB, as well as use the HCAAF as its basic guide. The Department also will continue to implement the Diplomatic Readiness Initiative and expand the leadership and management training initiative. Plans are also underway to complete Phase Two of the Domestic Staffing Model and a draft Civil Service succession planning model.</p>		

 Progress	Improved Financial Performance	 Status
<p>Overview: This initiative will improve accountability through audited financial statements, more accurate benefit and assistance payments, improved management controls, and installation of financial systems that produce timely, accurate and useful financial information.</p>		
<p>Progress: The Department is aggressively addressing the implementation of improved financial performance standards and has completed and reported on a detailed plan of action that includes milestones and measures referenced to the OMB established core criteria. The new Regional Financial Management System (RFMS) is well underway with the conversion of 107 posts (53 percent of total posts) through March 2003. This new system complies with federal financial systems requirements and replaces the two legacy overseas accounting and disbursing systems. Progress is also being made on consolidating and streamlining worldwide financial operations. The Department will transfer the remaining functions of the Paris Financial Service Center (FSC) to the Charleston and Bangkok FSCs by December 2003.</p>		
<p>Upcoming Action and Potential Challenges: Future actions include full worldwide implementation of RFMS by the end of FY 2003, continued timely issuance of the annual combined Performance and Accountability Reports containing an unqualified ("clean") audit opinion of the Department's financial statements, and issuance of timely quarterly financial statements for FY 2003. The Department and USAID will conduct a feasibility study to assess integration of their financial systems and to determine how they can expand their financial management collaboration.</p>		



 Progress	Budget & Performance Integration	 Status
<p>Overview: This initiative aims to improve the performance and management of the federal government. One of the most challenging initiatives, it seeks to link performance to budget decisions and improve performance tracking and management. The ultimate goal is to have better control over resources and greater accountability over results.</p>		
<p>Department Progress: The Department reorganized its budget and strategic planning staff to create the Bureau of Resource Management. Focusing on the PMA, the new bureau is developing a process that requires information on budgets and human resources to be tied to performance planning. The Department also has started to utilize current budgeting databases and applications to enhance the integration process.</p>		
<p>Upcoming Action and Potential Challenges: The Department continues to develop attainable goals and tangible performance measures that accurately track progress. The Department has restructured and strengthened the FY 2002 Performance and Accountability Report with key improvements that evaluate results more effectively. It also will examine more closely the linkages between foreign assistance funds and performance. The Department and USAID are integrating their strategic plans into a consolidated FY 2004-FY 2009 plan to ensure closer collaboration on policy and management issues. Development and implementation of the Central Financial Planning System will be a critical step in tracking and verifying actual performance data and linking them to Department-wide financial resources.</p>		

 Progress	Competitive Sourcing	 Status
<p>Overview: This initiative aims at achieving efficient, effective competition between public and private sources; simplified and improved procedures for evaluating sources; and better publicity for activities subject to competition.</p>		
<p>Progress: With OMB approval, the Department completed a Competitive Sourcing Plan that targets competing 11-15 percent of the commercial positions in its FAIR Act inventory. In FY 2003, the Department will fund a "Quality Sourcing" initiative and establish an Executive Steering Committee that will provide technical support for program offices to manage two key Administration initiatives: competitive sourcing and performance-based service contracting. The Department gave initial union notification, is seeking a Competitive Sourcing Plan manager, and is revising the Foreign Affairs Manual.</p>		
<p>Upcoming Action and Potential Challenges: The Department is proceeding to implement its Competitive Sourcing Plan. Study groups for identified commercial activities are being formed. Immediate challenges include obtaining technical support for carrying out the studies, integrating employee labor organizations, and establishing milestones for each study group's implementation plan.</p>		

 Progress	Expanded Electronic Government	 Status
<p>Overview: The goal of this initiative is to expand the federal government's effective use of electronic technologies (including support of information technology projects that offer performance gains across agency boundaries, such as e-procurements, e-grants, and e-regulation), so that Americans can receive high-quality government service.</p>		
<p>Department Progress: The Department is focusing on improving IT security by certifying and accrediting all systems no later than the end of FY 2004, developing enterprise architecture to guide IT investments and improve business processes, and improving the capital planning process for IT investments. The Department and USAID also are exploring how to collaborate and improve coordination on parallel IT systems. The Department has revised its submission of the FY 2004 Agency Capital Plans and Business Cases (OMB Exhibit 300s) to reflect budget decisions and strengthen those considered "at-risk".</p>		
<p>Upcoming Action and Potential Challenges: Following completion of the Unified Data Collection Effort, the Department will ensure that it conducts National Institute of Standards and Technology security evaluations on all Department programs and systems. The Department also will develop security corrective action plans for any programs and systems with security weaknesses, and submit to OMB a Plan of Action and Milestones to correct those weaknesses. The Department will complete the Certification and Accreditation plan to improve system certification progress and submit it to OMB. The Department and USAID will develop a plan for joint Enterprise Architecture and identify opportunities to collaborate on and consolidate their financial management and IT systems. The Department will use OMB's detailed assessment and roadmap to develop and submit to OMB a PMA e-government scorecard improvement plan.</p>		



Management Challenges

The Government Accounting Office and the Department's Office of the Inspector General have identified several Management Challenges that represent areas where the Department must improve operations. The table below shows the Management Challenges and the corresponding actions that the Department is taking in response to them.

Challenges	Actions Being Taken
<p>Financial Management</p>	<ul style="list-style-type: none"> • The Department is implementing the new Regional Financial Management System (RFMS) overseas to replace two legacy systems. RFMS, when fully implemented, will comply with Federal financial systems requirements. Conversion has been completed at 107 posts (53 percent of total posts). • For the sixth consecutive year, the Department's FY 2002 Financial Statements received an unqualified opinion. In addition, the Department's FY 2001 Accountability Report received the Association of Government Accountants' prestigious Certificate of Excellence in Accountability Reporting. • The process of transferring significant portions of financial operations to Charleston, South Carolina, has resulted in reduced overseas presence, improved computer security and improved business processes. • For the first time, the resolution of all remaining material weaknesses has resulted in the Department having no outstanding material weaknesses to report under the Federal Managers' Financial Integrity Act (FMFIA).
<p>Visa Processing and Border Security</p>	<ul style="list-style-type: none"> • Developed an automated case-tracking system that enhanced U.S. border security by preventing the fraudulent use of lost or stolen passports, and expanded the Foreign Lost and Stolen Passport Database. • Created a new non-immigrant visa (NIV) to prevent its alteration and duplication; began cooperation with the Virginia DMV to share information on fraudulent foreign documents; and improved document-fraud training for Diplomatic Security agents and Social Security Administration investigators. • Increased data sharing with the intelligence and law enforcement communities and increased input by other USG agencies into the Department's name check database. • Compiled a "Law Enforcement Package" that Diplomatic Security field offices, Passport agencies and other Department offices may provide to state and local law enforcement contacts and banks or other businesses requesting general guidance on assessing U.S. visas and passports as identity documents. • Began participation in the E.U. fraudulent documents working group, sharing information on smuggling trends, fraud patterns, and document fixers. • Electronically verified the legitimate entry of foreign students and exchange visitors through the Interim Student Exchange Authentication System. • Provided over one million photographs of visa applicants to the National Institute of Standards and Technology to use in their facial recognition evaluation tests and continued work on biometric identifier standards and electronic systems.
<p>Strategic and Performance Planning</p>	<ul style="list-style-type: none"> • Created a new Office of Strategic and Performance Planning dedicated to improving strategic and performance planning. • Created a new strategic planning framework that the Department and USAID will share in their joint FY 2004–FY 2009 Strategic Plan. • Revised the structure of the FY 2003 and FY 2004 Performance Plans to make them more reader-friendly, including outlining the benefit to the American public, presenting performance indicators and targets for each annual performance goal, and outlining the resources the Department anticipates spending on each strategic goal. • Developed a rating tool for program managers to evaluate performance results achieved, as compared to performance targets.



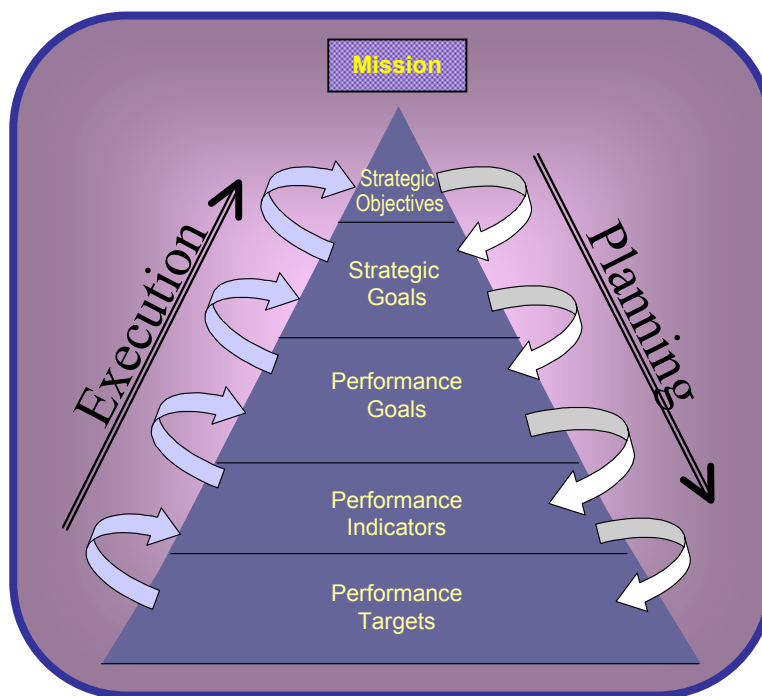
Challenges	Actions Being Taken
<p>Information Security</p>	<ul style="list-style-type: none"> • Ninety-five percent of the 1999 Emergency Security Budget Amendment projects met the FY 2002 target, resulting in heightened security at primarily lower-threat posts to meet standards formerly required only at high and critical threat posts, as provided under the Amendment. • Of the Department's 177 diplomatic posts, 58 percent received technical security equipment upgrades. • A comprehensive intrusion detection system designed to protect the Department's Sensitive But Unclassified information network is fully operational in all locations. • IT security certification and accreditation is the top priority for FY 2003 and FY 2004. All systems will be certified and accredited by the end of FY 2004.
<p>Enhancing Overseas Communications</p>	<ul style="list-style-type: none"> • The Department has completed major improvements to classified and unclassified communications systems, such as the Classified Connectivity Program and OpenNet Plus programs. By the end of FY 2003, virtually all personnel at both overseas and domestic posts will have access to modern, highly-efficient, classified and unclassified networks and the Internet. • The Department has expanded connectivity to overseas posts, enabling bureaus to publish content directly on internal network Web sites. • The State Messaging and Archive Retrieval Toolset (SMART) program will replace the Department's cable-based messaging system in FY 2004. When implemented, SMART will greatly expand the ability of individual users to manage communications flow and access Department archives.
<p>Knowledge Management</p>	<ul style="list-style-type: none"> • The Office of eDiplomacy, established in July 2002, is developing a knowledge management program for the Department. • The Department's Center for Administrative Innovation is working to identify, disseminate, and encourage adoption of best practices from posts, bureaus, and external organizations.
<p>Rightsizing</p>	<ul style="list-style-type: none"> • The Department is working closely with OMB on the OMB-led rightsizing initiative in the President's Management Agenda. • In August 2002, the Department distributed to all European and Eurasian posts an OMB-created rightsizing questionnaire, based on the GAO's Paris Rightsizing Framework. • Based on responses, and in consultation with GAO, OMB will develop and apply a rightsizing methodology to agencies' future overseas staffing requests and staffing at existing posts. • The FY 2004 budget request includes a capital surcharge program covering all agencies, which will help management more clearly understand and consider the costs and implications of sending staff overseas.
<p>Overseas Building Security</p>	<ul style="list-style-type: none"> • Specific long-term goals, short-term goals, and performance indicators, identified in the PART which were taken from the FY 2004 Overseas Buildings Operations' Bureau Performance Plan (BPP), will be integrated into the FY 2005 BPP. • During the BPP reviews with the Deputy Secretary, there will be an assessment of the progress made on enhancing the Capital Security Construction Program. • Fifteen capital construction projects are currently under construction, seven of which will be completed in FY 2003. • The FY 2004 budget request includes a capital surcharge program covering all agencies, which will help management more clearly understand and consider the costs and implications of sending staff overseas.



Performance Management Methodology

The Department is committed to and focused on how best to utilize the funds it receives from Congress - the tax dollars of American citizens - to produce successful results. To do so, the Department utilizes a five-tiered performance management methodology, as depicted in the pyramid at the bottom of the page. Each of the components of the pyramid are explained below:

- Strategic Objectives** These typically represent an organizing layer between the mission statement and the strategic goals, with related strategic goals grouped under a specific strategic objective.
- Strategic Goals** These describe the Department's long-term goals as detailed in its Strategic Plan.
- Annual Performance Goals** These describe the desired outcomes the Department is planning to achieve during a given year. Achieving all of the annual performance goals would provide the outcomes necessary to reach the strategic goal. The Department has thirty-eight annual performance goals for FY 2004.
- Performance Indicators** These are values or characteristics that the Department utilizes to measure progress achieved towards stated annual performance goals. The indicators are drawn from bureaus and mission performance plans.
- Performance Targets** These are the expressions of desired performance levels or specific desired results targeted for a given fiscal year. Achievement of targets defines success. Where possible, targets are expressed in quantifiable terms.



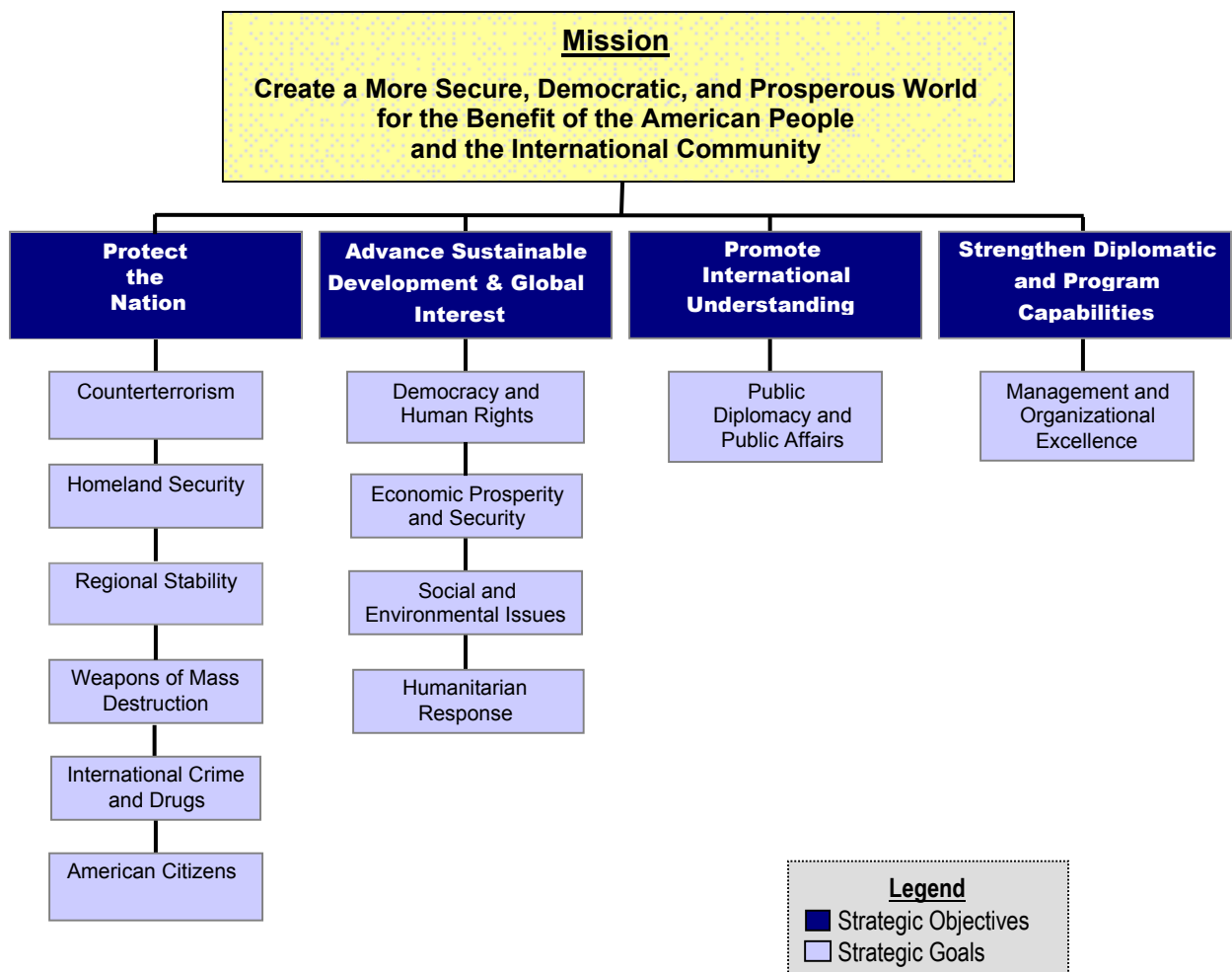


Strategic Planning Framework

Consistent with its performance management methodology shown on the opposite page, the Department will focus its work around twelve strategic goals that capture both the breadth of its mission and its specific responsibilities. The FY 2004 Performance Plan is the first performance plan structured around this new framework which reflects policy and functional collaboration between USAID and the Department towards achieving common goals.

The framework brings greater clarity, direction, and alignment among the Department’s vision, mission, and overall priorities. In this context, the Department reduced the number of its strategic goals from twenty to twelve, centered around four core strategic objectives:

- **Protect the Nation**
- **Advance Sustainable Development and Global Interests**
- **Promote International Understanding**
- **Strengthen Diplomatic and Program Capabilities**





The following pages show each of the Department's four Strategic Objectives with their corresponding Strategic Goals and FY 2004 Annual Performance Goals.

STRATEGIC OBJECTIVE #1	
- PROTECT THE NATION -	
Strategic Goals	FY 2004 Performance Goals
<p style="text-align: center;"><u>Counterterrorism</u></p> <p>Prevent attacks against the United States, our allies, and our friends, and strengthen alliances and international arrangements to defeat global terrorism.</p>	Coalition partners identify, deter, apprehend, and prosecute terrorists.
	U.S. and foreign governments actively combat terrorist financing.
	Coordinated international prevention and response to terrorism, including bioterrorism.
	Diminished political and economic conditions that permit terrorism to flourish.
<p style="text-align: center;"><u>Homeland Security</u></p> <p>Secure the homeland by strengthening arrangements that govern the flows of people, goods, and services between the United States and the rest of the world.</p>	Denial of visas to foreign citizens who would abuse or threaten the U.S., while facilitating entry of legitimate applicants.
	Implemented international agreements to stop the entry of goods that could harm the U.S., while ensuring the transfer of bona fide materials.
	Protection of critical physical and cyber infrastructure networks through agreements and enhanced cooperation.
<p style="text-align: center;"><u>Regional Stability</u></p> <p>Avert and resolve local and regional conflicts to preserve peace and minimize harm to U.S. national interests.</p>	Close, strong, and effective U.S. ties with allies, friends, partners, and regional organizations.
	Existing and emergent regional conflicts are contained or resolved.
<p style="text-align: center;"><u>Weapons of Mass Destruction</u></p> <p>Reduce the threat of weapons of mass destruction to the United States, our allies, and our friends.</p>	Bilateral measures, including the promotion of new technologies, combat the proliferation of WMD and reduce stockpiles.
	Strengthened multilateral WMD agreements and nuclear energy cooperation under appropriate conditions.
	Verification integrated throughout the negotiation and implementation of nonproliferation and arms control agreements and commitments, and rigorous enforcement of compliance with implementation and inspection regimes.
<p style="text-align: center;"><u>International Crime and Drugs</u></p> <p>Minimize the impact of international crime and illegal drugs on the United States and its citizens.</p>	International trafficking in drugs, persons, and other illicit goods disrupted and criminal organizations dismantled.
	States cooperate internationally to set and implement anti-drug and anti-crime standards, share financial and political burdens, and close off safe-havens through justice systems and related institution building.
<p style="text-align: center;"><u>American Citizens</u></p> <p>Assist American citizens to travel, conduct business, and live abroad securely.</p>	U.S. citizens have the consular information, services, and protection they need to reside, conduct business, or travel abroad.
	Effective and timely passport issuance, with document integrity assured.



STRATEGIC OBJECTIVE #2	
- ADVANCE SUSTAINABLE DEVELOPMENT AND GLOBAL INTERESTS -	
Strategic Goals	FY 2004 Performance Goals
<p><u>Democracy and Human Rights</u> Advance the growth of democracy and good governance, including civil society, the rule of law, respect for human rights, and religious freedom.</p>	<p>Measures adopted to develop transparent and accountable democratic institutions, laws, and economic and political processes and practices.</p> <p>Universal standards protect human rights, including the rights of women and ethnic minorities, religious freedom, worker rights, and the reduction of child labor.</p>
<p><u>Economic Prosperity and Security</u> Enhance economic prosperity and security by promoting global economic growth, development, and stability, while expanding opportunities for U.S. businesses.</p>	<p>Institutions, laws, and policies foster private sector-led growth, macroeconomic stability, and poverty reduction.</p> <p>Increased trade and investment achieved through market-opening international agreements and further integration of developing countries into the trading system.</p> <p>Secure and stable financial and energy markets.</p> <p>Enhanced food security and agricultural development.</p>
<p><u>Social and Environment Issues</u> Improve health, education, environment, and other conditions for the global population.</p>	<p>Improved global health, including child, maternal, and reproductive health, and the reduction of abortion and disease, especially HIV/AIDS, malaria, and tuberculosis.</p> <p>Partnerships, initiatives, and implemented international treaties and agreements that protect the environment and promote efficient energy use and resource management.</p> <p>Broader access to quality education with emphasis on primary school completion.</p> <p>Effective and humane international migration policies and systems.</p>
<p><u>Humanitarian Response</u> Minimize the human costs of displacement, conflicts, and natural disasters.</p>	<p>Effective protection, assistance, and durable solutions for refugees, internally displaced persons, and conflict victims.</p> <p>Improved capacity of host countries and the international community to reduce vulnerabilities to disasters and anticipate and respond to humanitarian emergencies.</p>



STRATEGIC OBJECTIVE #3
- PROMOTE INTERNATIONAL UNDERSTANDING -

Strategic Goals	FY 2004 Performance Goals
<p align="center"><u>Public Diplomacy and Public Affairs</u></p> <p>Increase understanding for American values, policies, and initiatives to create a receptive international environment</p>	Public diplomacy influences global public opinion and decision-making consistent with U.S. national interests.
	International exchanges increase mutual understanding and build trust between Americans and people and institutions around the world.
	Basic human values embraced by Americans are respected and understood by global publics and institutions.
	American understanding and support for U.S. foreign policy, development programs, the Department of State, and the U.S. Agency for International Development.

STRATEGIC OBJECTIVE #4
- STRENGTHEN DIPLOMATIC AND PROGRAM CAPABILITIES -

Strategic Goals	FY 2004 Performance Goals
<p align="center"><u>Management and Organizational Excellence</u></p> <p>Ensure a high quality workforce supported by modern and secure infrastructure and operational capacities.</p>	A high performing, well-trained, and diverse workforce aligned with mission requirements.
	Modernized, secure, and high quality information technology management and infrastructure that meet critical business requirements.
	Personnel are safe from physical harm and national security information is safe from compromise.
	Secure, safe, and functional facilities serving domestic and overseas staff.
	Integrated budgeting, planning, and performance management; effective financial management; and demonstrated financial accountability.
	Customer-oriented, innovative delivery of administrative and information services, acquisitions, and assistance.



Strategic Goal 1: Counterterrorism

PREVENT ATTACKS AGAINST THE UNITED STATES, OUR ALLIES AND OUR FRIENDS, AND STRENGTHEN ALLIANCES AND INTERNATIONAL ARRANGEMENTS TO DEFEAT GLOBAL TERRORISM

Public Benefit

The events of 9/11 demonstrated the extent of the threat posed by international terrorism to the United States and U.S. citizens, both at home and abroad. Al-Qaeda is present in more than sixty countries; several hundred affiliates are suspected to be in the United States alone. The American people are painfully aware of the importance of USG efforts to combat international terrorism. In the wake of the events of 9/11, the United States has launched a campaign against terrorism. Although the war on terrorism began at home, the Department has taken the struggle worldwide. The Secretary and senior Department officials have traveled to every corner of the globe to develop and sustain a coalition to fight terrorism on all fronts – diplomatic, military, intelligence, law enforcement, and financial. The Department recognizes the need to combat terrorist networks where they exist and operate via the worldwide cooperation and coordination afforded by our coalition partners. Efforts thus far have resulted in assistance from more than 180 states and territories in identifying, disrupting, and destroying international terrorist organizations; the worldwide capture of over 3,000 terrorist suspects; and the blocking of \$120 million of terrorists' assets by over 160 foreign governments. Through its proven ability to affect change and execute USG policy abroad, the Department is an important leader in the war on terrorism.

The Department engages with foreign governments to ensure that they have the political will to take strong, decisive action against terrorism. While governments may have the political will to combat terrorism, they often lack the capability to act effectively. The Department's training and assistance programs help other states build the capacity of their intelligence, law enforcement, and military communities to defeat terrorists operating on their soil. At home, the Department has taken unprecedented action to coordinate all training and assistance provided by USG agencies. As the lead federal agency to respond to terrorist-related incidents overseas, the Department has maintained its readiness to respond to international terrorist-related incidents affecting U.S. interests. The Department's efforts not only ensure the safety of Americans abroad, but bolster the security of the U.S. homeland by effectively making the borders of America's friends and allies the first line of defense against terrorists.



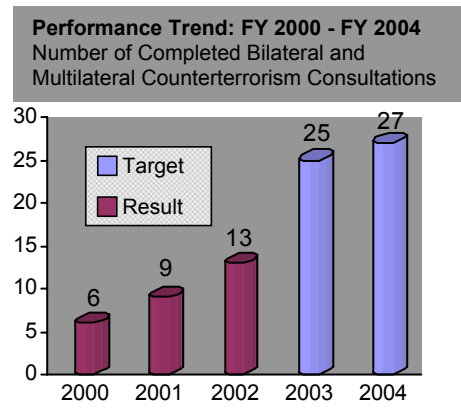
Performance Goal 1

COALITION PARTNERS IDENTIFY, DETER, APPREHEND AND PROSECUTE TERRORISTS

Summary: Projected FY 2004 Performance

The United States relies on its foreign partners to protect U.S. citizens and interests overseas and prevent terrorists from reaching the U.S. homeland. The Department expects that its continued bilateral engagement with key partners will ensure that counterterrorism remains at the top of the international political agenda in 2004. Multilateral engagement with regional organizations such as the Asia Pacific Economic Cooperation (APEC) Forum, the European Union (EU), the Organization of American States (OAS), the Association of Southeast Asian Nations (ASEAN), and the Arab League will ensure that these organizations continue to press member states for action and coordination on counterterrorism.

The Department also expects that other states will have greater capacity to counter terrorism on their soil in 2004 due to Department-provided counterterrorism training and technical assistance. Training and technical assistance programs augment the capability of recipient states to take strong, decisive action against terrorism by providing valuable skills, relevant support equipment and technical advice. In 2004, the United States will serve as President of the G-8. The Department expects that its chairmanship of the Counterterrorism (Rome) Experts Group will improve counterterrorism coordination and influence foreign partners having advanced counterterrorism skills to participate more in the capacity building effort.



By 2004, Colombia will have a strengthened capacity to conduct counterterrorist operations against the three foreign terrorist organizations (FTO) operating in its territory. The Southern Cone of South America, through the “3+1” mechanism (Argentina, Brazil, Paraguay, plus the United States), will be increasingly able to counter financial flows to terrorists in the region and will be less attractive as a safe haven for such illicit activities. In addition, the Department expects the Inter-American Committee on Counterterrorism (CICTE) to strengthen its leadership in the region and that the organization be viewed as a model for regional counterterrorism efforts.

Through Department-coordinated technical assistance, the countries on the Arabian Peninsula will be better prepared to stop the financing of terrorism. The Department also expects that throughout the Middle East, the close operational coordination among U.S. embassies will result in the capture of terrorists.

In East Asia, a dedicated counterterrorism police unit will be operational in Indonesia, a regional counterterrorism center will be established in Malaysia, and assistance to the region, particularly Indonesia, will be coordinated among primary donors. The police and security forces of the Philippines, Indonesia, Malaysia, and Thailand will be able to conduct more effective counterterrorism operations, and nations throughout the region will have new or enhanced legislation to strengthen the legal basis for counterterrorist actions and related terrorist finance and money laundering investigations.

Example of an FY 2002 Achievement

Anti-Terrorism Assistance Program (ATA)

Greek police officials recently dismantled the terrorist group 17 November, which has been active since the early 1960s. The group’s international activities included the murders of British and American diplomats. The U.S Embassy in Athens confirmed that at least twenty-six of the key Greek police officials involved in the investigation, arrests and dismantling of the 17 November group had ATA training. Such training included Major Case Management and Terrorist Crime Scene Investigation.



Due to the considerable amount of Department-sponsored training, the Caucasus and Central Asian states will have greater capacity to protect key sites (e.g., airports and government buildings), investigate terrorist incidents, and protect their borders from criminal and terrorist incursions. Moreover, the Georgia Train and Equip Program (GTEP) will bolster the Georgian Government's ability to go after terrorist elements in the Pankisi Gorge.

In South Asia, Pakistan, through its newly established National Counterterrorism Unit, will have a more thorough and coordinated approach to thwarting terrorist activities. Afghanistan will continue to be an active partner in fighting remnants of the Taliban and al-Qaeda on its territory. Through the Department's continued engagement with India, India will play a constructive role in resolving terrorist insurgencies in Nepal and Sri Lanka.

By 2004, the Department hopes to reduce the attractiveness of many African countries as potential terrorist transit points, safe havens, or targets. As recipients of Department-provided training courses, Kenya, Djibouti, and Ethiopia should exhibit higher levels of specialized skills to combat terrorism more effectively. Likewise, border security is expected to improve in Niger, Chad, Mali, and Mauritania.

In the multilateral arena, the Department expects to make significant progress in encouraging states to take action to implement UN Security Council Resolution (UNSCR) 1373, which imposes binding obligations on all states to suppress and prevent terrorist financing, improve border controls, enhance information sharing and law enforcement cooperation, suppress terrorist recruitment, and deny terrorists safe haven.

By 2004, it is anticipated that the UN Counterterrorism Committee (CTC) will have succeeded in motivating many, if not most, UN member states to establish the legislative and executive frameworks necessary for implementing their counterterrorism obligations under UNSCR 1373.

While basic capacity building will continue in many "less able, but willing" states, the CTC should be actively promoting the cooperation of member states on bilateral, regional, and international levels; judicial cooperation among states; and an attack on the links between terrorism and other threats to security in the form of arms and drug trafficking, organized crime, and money laundering.

Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Number of Bilateral and Multilateral CT Consultations Completed.				
6	9	13	25	27
Indicator #2: Number of ATA Courses Provided to Priority States and the Number of Program Reviews that are Conducted 18 Months After the Training.				
A total of 117 ATA courses provided to forty-two states. A total of five program reviews conducted.	A total of 135 ATA courses provided to forty-nine states. A total of fourteen program reviews conducted.	A total of 160 ATA courses provided to forty-one states. A total of 160 program reviews conducted.	A total of 190 ATA courses provided to fifty states. A total of 190 program reviews conducted.	A total of 210 ATA courses provided to sixty states. A total of 210 program reviews conducted.



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #3: Number of States That Have Reported to the UN Security Council on Their Efforts to Implement United Nations Security Council Resolution (UNSCR) 1373.				
UN was not monitoring implementation of UNSCR 1373.	UN CTC established to monitor and assist members in implementing UNSCR 1373.	174	145	174

Means and Strategies by Target

Complete twenty-seven bilateral and multilateral CT consultations.

- Maintain close cooperation and coordination with the governments of key partners to ensure that bilateral and multilateral exchanges continue at which U.S. officials and their counterparts further specific counterterrorism goals and priorities, share concerns, and overcome challenges.
- Ensure that the counterterrorism engagement unit is adequately staffed.
- Obtain adequate funding.

Conduct 210 ATA courses and 210 program reviews among 60 states.

- Obtain adequate funding and trainers.
- Maintain mobile training units to provide emergency training to police units in-country when a CT-related situation exists.
- Establish counterterrorism priority states through the Department-chaired, interagency Training and Assistance Sub-Group.

Have 174 states report to the UN Security Council on their efforts to implement UNSCR 1373.

- Work closely with the UN CTC.
- Use bilateral and multilateral consultations to encourage states to submit reports.



Performance Goal 2

U.S. AND FOREIGN GOVERNMENTS ACTIVELY COMBAT TERRORIST FINANCING

Summary: Projected FY 2004 Performance

In the wake of the events of 9/11, the President announced the start of an offensive against the financial foundation of the global terror network using every diplomatic, intelligence, law enforcement, and financial tool and channel available to influence to identify, disrupt, and dismantle terrorist financing networks. Publicly designating terrorists and their supporters, freezing terrorists' assets and strengthening the financial, regulatory, and judicial sectors of vulnerable coalition partners play a critical role in this effort.

Domestically, the Department will continue to coordinate with the Departments of the Treasury and Justice to designate individuals and entities as supporters of terrorism under Executive Order 13224 and to designate foreign terrorist organizations (FTOs) in order to freeze the assets, stigmatize and isolate terrorists and their supporters internationally, deter donations and contributions to and economic transactions with them, and heighten public awareness and knowledge of terrorists, terrorist organizations and those who support them. The Department will also work with the Department of Justice to designate groups under the Terrorism Exclusion List (TEL) so that individual aliens providing support to or associated with TEL-designated organizations may be found "inadmissible" to the United States or, if already in U.S. territory, may in certain circumstances be deported.

Internationally, the Department will continue to lead USG efforts to develop and sustain the bilateral and multilateral relationships, strategies and activities required to win international support for and cooperation with its efforts to combat terrorist financing. The Department will continue to work with countries around the world to ensure the effective implementation of UN Security Council Resolution 1373, which calls, among other things, for the freezing of terrorist assets. The Department will also continue to actively encourage countries to submit names to the UN 1267 Sanctions Committee's consolidated list of individuals and entities with links to al-Qaeda whose assets UN member states are obligated to freeze. Those included in this list are also subject to arms bans and travel restrictions. The 1267 Sanctions Committee's work is the most focused multilateral effort to combat the funding of terrorists and their supporters.

Example of an FY 2002 Achievement

Designating Jemaah Islamiyah (JI)

In October 2002, the Department successfully mobilized over fifty nations including Indonesia, the Philippines, Singapore and other Southeast Asian and European allies, to support the United States and Australia in requesting that the U.N. add JI to its consolidated list of al Qaeda-related entities and individuals pursuant to UNSCR 1267. The designation of JI was the greatest showing of multilateral support for the designation of a terrorist organization under UNSCR 1267. This joint action was a clear indication of the regional and worldwide commitment to disrupt terrorism by attacking the financial underpinnings of groups such as JI.

In addition to designations, the Department will work bilaterally with nations whose financial systems are vulnerable to abuse by terrorists and their supporters to reinforce those national institutions responsible for combating terrorist financing. Such institutions include judicial, banking, regulatory, and law enforcement agencies. Through Department-provided training and technical assistance, these agencies will be better equipped to identify, investigate and prosecute terrorist financing and other financial crimes. This effort will impede terrorist financing from overseas before funds reach possible terrorist cells in the United States. Multilaterally, the Department expects to work increasingly with international organizations such as the UN CTC and the Financial Action Task Force (FATF) on money laundering, and regional bodies such as the OAS, Organization for Security and Cooperation in Europe (OSCE), ASEAN, the Pacific Islands Forum, and APEC to detect, dismantle, and deter terrorist financing networks that transcend national borders.



Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
	2000	2001	2002	2003
Indicator #1: Number of Names Designated Under E.O 133224 for Terrorist Asset Freezing				
N/A	Baseline: A total of 136 names were designated by the U.S. under E.O. 13224.	A total of eighty-nine names were designated under E.O. 13224.	A total of eleven names were designated under E.O. 13224 between Jan. 1 and March 28. Several dozen more are under consideration for designation.	Designation of additional terrorist-related individuals and entities as appropriate.
Indicator #2: Number of Names Added to the UN 1267 Sanctions Committee's Consolidated List				
N/A	Baseline: A total of 153 Taliban-related and 117 al Qaeda-related names were added to the 1267 Committee's list.	A total of fifty-four al Qaeda names were added to the 1267 Committee's list.	A total of twelve al Qaeda names were added to the 1267 Sanctions Committee's list between Jan. 1 and March 28, 2003. More names are expected to be added to the 1267 Committee's list later in the year.	Addition of al Qaeda-related individuals and entities as appropriate.
Indicator #3: Number of Foreign Countries Submitting Names to the UN 1267 Sanctions Committee's Consolidated List				
N/A	Baseline: No foreign countries submitted names to the 1267 Sanctions Committee.	A total of 68 foreign countries submitted al Qaeda-related names to the 1267 Sanctions Committee.	A total of ten foreign countries submitted al Qaeda names to 1267 Sanctions Committee between Jan. 1 and March 28, 2003.	Submission of additional names by foreign governments as appropriate.
Indicator #4: Timeliness of the Review of Groups Designated as Foreign Terrorist Organizations (FTOs) Pursuant to U.S. law.				
A total of twenty-nine groups designated as FTOs pursuant to U.S. law. One new group designated.	A total of thirty-one groups designated as FTOs per U.S. law. Twenty-eight FTOs reviewed for redesignation, twenty-five groups redesignated (two groups consolidated into one) and two other groups dropped from the list. Two new groups designated.	Five more organizations designated as FTOs; one additional group was redesignated. Five groups were under review for possible FTO designation.	All FTO reviews completed; no new addition pending for more than four months.	All FTO reviews completed; no new addition pending for more than four months.
Indicator #5: Number of Countries That Have Instituted Measures to Combat the Financing of Terrorists Through U.S. Training and Assistance Programs. (New Indicator)				
N/A	N/A	Baseline: Nineteen states where the financing of terrorists is a major concern have been listed as priority states. Nine assessments conducted by U.S. interagency financial systems assessment teams.	Assessment of these nineteen priority states takes place; the nineteen priority states accept recommendations and offers of training and assistance.	Five of the priority states institute measures to combat terrorist financing.



Means and Strategies by Target

Names of terrorist-related individuals and entities continue to be designated under E.O. 13224.

- Active coordination with other U.S. Government agencies involved in combating terrorist financing.
- Active bilateral and multilateral diplomacy to persuade other countries to also freeze the assets of those designated under E.O. 13224 and thereby increase the effectiveness and impact of U.S. action.

Names of al Qaeda-related targets continue to be added to the UN 1267 Sanctions Committee's consolidated list.

- Lead the interagency process through which the USG develops and sustains bilateral and multilateral relationships, strategies and activities to win international support for and cooperation with our efforts to combat terrorist financing.

Foreign countries continue to submit names to the 1267 Sanctions Committee either independently or together with the U.S.

- Actively pursue bilateral and multilateral diplomacy focused on combating terrorist financing.

All FTO reviews completed; no new addition pending for more than four months.

- Hire and/or assign more staff to the designations unit that review FTOs.
- Utilize new secure on-line connections to facilitate interagency communications by those who review designations.
- Seek legislative changes to streamline dealing with new aliases of a designated FTO and eliminating the redesignation requirement.

Five states that receive assistance to combat the financing of terrorists institute such measures through U.S. training and assistance programs.

- Lead interagency financial systems assessment teams to assess each state's domestic institutions responsible for combating terrorist financing.
- Develop training and assistance programs based on assessments.
- Administer delivery of assistance by selecting and funding appropriate training providers.
- Obtain adequate funding.



Performance Goal 3

COORDINATED INTERNATIONAL PREVENTION AND RESPONSE TO TERRORISM, INCLUDING BIOTERRORISM

Summary: Projected FY 2004 Performance

The Department will continue to be ready to respond to terrorist-related incidents against U.S. citizens or interests anywhere in the world during 2004. As the lead federal agency to respond to international terrorism-related crises, the Department heads the Foreign Emergency Support Team (FEST). The FEST provides U.S. ambassadors at affected posts with advice, assistance, and assessments concerning terrorism-related issues ranging from preemptive operations to post-incident and disaster response. The FEST serves as a coordination mechanism to handle the myriad interagency resources available to respond to acts of terrorism.

Effective FEST operations require regular training exercises. Exercises enhance the readiness of the FEST, USG agencies, U.S. embassies, and host governments to respond to an international counterterrorism-related crisis and provide a unique opportunity to develop and validate new operations-related counterterrorism policy. As a result, the Department and the FEST coordinate and will participate during 2004 in two Combatant Commanders' National- and International-level counterterrorism exercises and the Chairman of the Joint Chiefs of Staff (CJCS) sponsored a no-notice counterterrorism exercise.

Preventing and responding to terrorism also includes measures to develop technological solutions to specific counterterrorism problems and needs. Terrorist operations continue to grow in technical sophistication and lethality as terrorist groups exploit the Internet, acquire and utilize commercially available technology, and conduct cooperative training activities. In order to bolster the USG capacity to counter the growing threat, the Department will continue to lead the interagency Technical Support Working Group (TSWG), which conducts technology development in order to effectively combat advances in terrorists' methods. In 2004, the TSWG will conduct rapid prototyping and development of counterterrorism technologies for chemical, biological, radiological, and nuclear countermeasures; explosives detection and improvised device defeat; infrastructure protection; physical security; surveillance, collection and operations support; and tactical operations support. In addition, the Department will continue its joint counterterrorism R&D projects with the United Kingdom, Canada, and Israel to leverage funding and capitalize on technology developments by foreign partners with advanced R&D programs.

Example of an FY 2002 Achievement

Technical Support Working Group (TSWG)

Blast mitigation countermeasures and techniques developed by the Department-led TSWG and deployed in the Pentagon saved the lives of many Pentagon workers in offices surrounding the hijacked airplane's point of impact on September 11, 2001. The TSWG had been developing and fielding equipment and techniques to secure structures against the effects of large explosive blasts, including retrofits to reinforce concrete columns and prevent progressive building collapse, and materials designed to prevent the implosion of windows. When the 9/11 hijackers crashed a plane into the recently-retrofitted, west side of the Pentagon, neither the building columns nor the windows adjacent to the point of impact on either side collapsed or imploded even though damage at the immediate point of impact was complete.



Summary: Indicators, Results, and Targets

Baseline	Results		Targets		
	2000	2001	2002	2003	2004
Indicator #1: Degree of Support for Combatant Commanders' CT Exercise Programs and the Chairman of the Joint Chiefs of Staff (CJCS) Sponsored, No-Notice CT Exercise.					
FEST participated in two of the Combatant Commanders' national- and international-level counterterrorism exercises.	FEST participated in two national- and international-level counterterrorist exercises and the CJCS-sponsored, no-notice counterterrorist exercise.	No exercises scheduled because of Operation Enduring Freedom. Co-chaired the CSG Exercise Sub-Group and developed the next 18 month, national- and international-Level exercise schedule. Finalized Exercise Sub-Group's Operating Charter.	The FEST participates in two of the Combatant Commanders' national- and international-level counterterrorist exercises, the CJCS no-notice exercise, and the National Level Top Officials (TOPOFF) Exercise.	The FEST participates in two national- and international-level counterterrorist exercises and the CJCS-sponsored, no-notice counterterrorist exercise.	
Indicator #2: Degree to Which Currently-Funded Technical Support Working Group (TSWG) Research Projects are Completed On-Time and Within Budget and the Degree to Which the Number of Projects Accepted is Increased. (New Indicator)					
N/A	N/A	Baseline: Seventy-five percent of currently funded research projects completed on time and within budget.	Seventy-five percent of currently funded research projects completed on time and within budget. Five percent increase in the number of research projects accepted.	Seventy-five percent of currently funded research projects completed on time and within budget. Five percent increase in the number of research projects accepted.	

Means and Strategies by Target

The FEST participates in two national- and international-level counterterrorism exercises and the CJCS-sponsored, no-notice counterterrorism exercise.

- Work closely with the Department of Defense and other USG agencies to develop an exercise scenario that reflects the current counterterrorism threat environment and ensure that it meets USG counterterrorism training requirements.
- Liaise with U.S. embassy country teams and host nation officials to garner the will of other nations to participate; later, coordinate their participation in the exercises.
- Participate in a year-long series of planning conferences to ensure that exercise planning/preparation are on course and address any diplomatic/ political issues associated with the exercises.
- Ensure that adequate staff are assigned to each exercise.

Complete 75 percent of currently funded TSWG research projects on time and within budget; increase the number of projects accepted by 5 percent.

- Obtain adequate funding.
- Work closely with Department of Defense co-chairs of the TSWG and interagency partners in order to identify the requirements of the counterterrorism community; present those requirements to industry, academia, and federal sources to bid project proposals; and evaluate proposals.
- Prioritize proposals that are deemed acceptable and allocate funding accordingly.
- Utilize cooperative R&D agreements with the United Kingdom, Canada, and Israel to leverage funding contributions.



Summary: Verification/Validation and Crosscutting Activities

Performance Goal 1	
Coalition partners identify, deter, apprehend, and prosecute terrorists.	
Verification and Validation	<ul style="list-style-type: none"> The Department's Office of the Coordinator for Counterterrorism (S/CT) conducts program reviews of all bilateral and multilateral consultations to ensure that they occur, assess the accomplishments of the consultations, and review the status of the program. The ATA program produces an annual report to Congress that details the accomplishments of the program. In order to ensure that training is having its intended effect, ATA conducts program reviews using course-specific evaluations to assess the unit's skills in the areas for which it was trained. The UN CTC receives and reviews all reports submitted by member states detailing the states' efforts to implement UNSCR 1373. The U.S. Mission to the UN summarizes the reports in a reporting cable.
Crosscutting Activities	<ul style="list-style-type: none"> In coordinating bilateral and multilateral consultations with foreign partners the Department coordinates with representatives from other USG agencies, including the Departments of Defense, Justice, and Treasury; the FBI; the CIA; and the NSC, to ensure that appropriate experts are present valuable information exchanges occur. ATA training is coordinated with other USG agencies through the interagency Training and Assistance Sub-Group, which includes representatives from the FBI and the Departments of Defense, Treasury, and Justice.
Performance Goal 2	
U.S. and foreign governments actively combat terrorist financing.	
Verification and Validation	<ul style="list-style-type: none"> EB monitors the number of names designated under E.O. 13224; EB and IO monitor the number of names submitted to the UN 1267 Sanctions Committee; and EB and IO monitor the number of foreign countries submitting names to the Sanctions Committee. S/CT conducts program reviews to ensure the status of the FTO list timeliness of the designation. The financial systems assessment team that conducts the assessment and the service providers that conduct training and/or provide technical assistance produce After Action Reports. S/CT conducts program reviews to review the status of the counterterrorism finance training and technical assistance program.
Crosscutting Activities	<ul style="list-style-type: none"> The Department designates names under E.O. 13224 in conjunction with the Departments of Justice, the Treasury and Homeland Security. The Department of the Treasury designated certain names under E.O. 13224 in conjunction with the Departments of State, Justice and Homeland Security. The Department submits names to the UN 1267 Sanctions Committee following thorough interagency coordination and consultation. The Department designates FTOs in conjunction with the Departments of Justice and Treasury. In order to counter terrorist financing, the Department works with other USG agencies such as the Departments of Justice, Treasury and Homeland Security; the FBI, and CIA.



Performance Goal 3	Coordinated international prevention and response to terrorism, including bioterrorism
Verification and Validation	<ul style="list-style-type: none"> • The Counterterrorism Security Group's Exercise Sub-Group will track the progress of both the domestic and international counterterrorism exercise program. The International Counterterrorism Guidelines, signed by the National Security Advisor in January 2001, provides guidance and instructions on carrying-out international counterterrorism response. • TSWG produces an annual report that assesses the status of current research projects and the ability to accept new projects.
Crosscutting Activities	<ul style="list-style-type: none"> • In providing support to the Combat Commanders' counterterrorism exercises, the Department coordinates primarily with the FBI, CIA, and the Departments of Defense and Energy. • The TSWG works with numerous USG agencies including the Departments of Defense, Justice, Treasury, Agriculture, Commerce, Health and Human Services, Energy, and Transportation; the CIA; FEMA; the FBI; and EPA.



Strategic Goal 2: Homeland Security

SECURE THE HOMELAND BY STRENGTHENING ARRANGEMENTS THAT GOVERN THE FLOWS OF PEOPLE, GOODS, AND SERVICES BETWEEN THE UNITED STATES AND THE REST OF THE WORLD

Public Benefit

The events of 9/11 proved how susceptible the United States and its allies are to those who would do them harm. The Department, together with the newly established Department of Homeland Security (DHS) and other USG agencies, is addressing U.S vulnerabilities to terrorist attacks within the United States. The strengthening of U.S. physical and cyber borders against people who threaten U.S. security requires the security of the global networks of commerce, travel, and communications that enable the vital free flow of *bona fide* travelers and goods. At the same time, the Department is combating the ability of terrorists to travel, finance their activities, plan and conduct attacks, and recruit and train new adherents.

The United States cannot protect its borders unless it works closely with its neighbors - Canada, Mexico, and the nations of the Caribbean - as well as America's friends and allies around the world. Shared elements of physical infrastructure require coordination for effective protection. The cyber system is global and therefore requires a global response. Bilateral and multilateral responses to terrorism must create a global network that can prevent terrorists and their tools from reaching America's borders.

The Department remains committed to the protection of America's people, institutions, land, economy, and infrastructure, as well as that of America's allies.

Performance Goal 1

DENIAL OF VISAS TO FOREIGN CITIZENS WHO WOULD ABUSE OR THREATEN THE UNITED STATES, WHILE FACILITATING ENTRY OF LEGITIMATE APPLICANTS

Summary: Projected FY 2004 Performance

The Department seeks to use the visa process and to deny entry to travelers who pose a national security threat. More effective information sharing and more careful screening of applicants, will result in improved national security measures that both protect U.S. border security and promote legitimate international travel. Since the events of 9/11, the Department has been engaged with other USG agencies in an extensive and ongoing review of visa-issuing practices as they relate to the security of U.S. borders and the United State itself.

The deployment of standardized consular systems and other changes such as improved communications infrastructure have made it more practical to have standard practices worldwide. The interests of homeland security now make standard practices absolutely essential. In 2003, the Department initiated a series of consular standard operating procedures (SOPs) – formal, documented procedures that will provide repeatable, consistent and predictable results. By documenting uniform, standard aspects of consular operations, we will improve overall security and the integrity of the visa process. Carefully following SOPs will also provide consular officers with assurance that they have done things right and in accordance with Department policy. Some SOPs will be useful summaries of existing guidance; others will establish new procedures.

Example of an FY 2002 Achievement

Visa Denials

The Department recommended that forty aliens, several of whom sought to conduct cutting-edge medical research in the United States, be found ineligible for visas under INA section 212(a)(3)(A) due to technology transfer concerns. The interviewing consular officers developed information linking the applicants to foreign institutions known to be developing biological or chemical weapons, thereby preventing them from entering the United States.

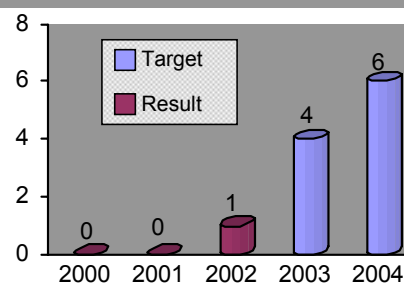


The initial SOPs addressed student and exchange visitor visa processing, security advisory opinion procedures, and cases requiring non-security advisory opinions. Outreach will be crucial in explaining the changed procedures to governments and visa applicants abroad. The Department is committed to ensuring that consular officers have the tools needed to meet today's challenges, from language and consular training to technical resources. Since the events of 9/11, the Department has made numerous changes and additions to the Foreign Service Institute's consular training courses to improve interviewing techniques, name checking, and accountability. More changes are planned regarding counter-terrorism and security issues. As a result of these efforts, by the end of FY 2004, consular officers will be better equipped to face the challenge of identifying visa applicants who could pose a threat to U.S. security and the visa process should be more transparent and predictable for the average visa applicant who poses no danger.

The Department is participating in the development and implementation of the National Security Entry-Exit System (NSEERS), an integrated entry and exit data system for ports of entry (POES), required by the Immigration and Naturalization Service (INS) Data Management Improvement Act of 2000 (PL 106-215) and section 302 of the Enhanced Border Security and Visa Entry Reform Act. The Department will work to implement the Entry-Exit Project Charter, drafted jointly with the Department of Homeland Security (DHS) and the Department of Transportation, which will lead to an automated system to record the arrivals, departures, and related activities (extension of stay, adjustment of status, application for employment authorization, etc.) of foreigners in the United States. In addition to providing the USG with better tools to record and monitor the entry of aliens into the United States, this exit-entry system will provide a means of continual review and validation of visa issuance procedures.

At the same time, the Department is enhancing its database systems, including the Consular Consolidated Database (CCD) of all U.S. visa applications, to monitor visa issuance more effectively. The Consular Lookout and Support System (CLASS) is the centerpiece of the consular border security program. It is on-line for all U.S. consular operations overseas and now contains over 13 million visa lookouts on individuals of concern to the U.S. law enforcement and intelligence communities, records of inadmissible aliens, and data on lost and stolen passports. TIPOFF, a database of suspected foreign terrorists, incorporates all-source diplomatic, law enforcement, and intelligence reporting data, and feeds into CLASS and other USG watchlists. Both CLASS and TIPOFF have grown extensively, more than doubling since the events of 9/11, when total visa lookouts numbered approximately 5.7 million. Additional resources and, where appropriate, a reevaluation of processes and software systems will be required to handle the dramatically increased workload. The border security act requires an interagency, interoperable electronic bio-data lookout system that will contain information relevant to visa determinations. The Department is committed to continued support of both CLASS and TIPOFF and will address both systems and bureaucratic issues involved in ensuring that these tools contain all possible name-retrievable threat information available within the USG to enhance the monitoring of those who enter the United States.

Performance Trend: FY 2000 – FY 2004
Number of Other USG Agencies With Access to CCD Database



The Department is also working on the technical improvement of its processes and systems and is deploying the hardware and software necessary to scan records and capture documents digitally. This effort will replace paper files with digitized image storage and retrieval and improve real-time access to information resulting in higher quality decisions by adjudicating consular officers. These efforts are also needed to comply with recent legislative requirements for lengthier storage of visa applications. In addition to meeting this legislative mandate, this imaging strategy positions the Department to share an even broader range of documents and data with interested USG agencies to promote intelligence coordination and threat assessment.



Along with DHS and other USG agencies, the Department is working on a number of programs with Canada and Mexico as part of the 30-point U.S.-Canada Smart Border Action Plan and 22-point U.S.-Mexico Border Partnership. The Department is working on agreements that would permit the sharing of Advance Passenger Information/Passenger Name Records for airline passengers entering the United States, Canada, or Mexico. The Department is also working with both of these countries to expand frequent travelers programs (NEXUS with Canada, SENTRI with Mexico) to allow faster crossings for *bona fide* travelers. These programs will increase security, facilitate law enforcement screening of illegal or dangerous movements, aid trade and tourism, and address Canadian and Mexican concerns.

The Department will confront a major challenge in establishing processes to collect biometrics from overseas visa applicants. The existing Border Crossing Card (BCC) program in Mexico has provided valuable experience in this area. The BCC program already processes more than 2 million visa applicants each year, collecting index finger fingerprints and digital photographs. Implementation of a worldwide biometric enrollment program will require considerable software development and a phased deployment over the next several years. The Department will apply the lessons learned from the BCC project and will rely upon a public-private partnership, featuring on-site management by its personnel to help ensure the integrity of the system.

Under the "Third Border Initiative" for the Caribbean region, the Department will enhance the policy and legislative frameworks of regional governments to improve the management and control of migration, as well as enhance the operational capacities of Caribbean countries to inspect travelers, their documents, and possessions.

The Department is currently developing a comprehensive regional plan to address security issues, including the exchange of information about legitimate travelers and undocumented migrants from third countries, to facilitate the flow of these *bona fide* visitors, and to detect and deter potential threats to U.S. and regional security. The Department's Bureau of International Narcotics and Law Enforcement Affairs (INL) is funding a \$2.2-million project to improve Jamaica's migration management process and establish an automated lookout system at its major international ports of entry. INL is also developing potential programs for more secure machine-readable passports for Central American countries.

Finally, the Department along with the Department of Justice and other USG agencies, will create an interagency Migrant Smuggling and Trafficking in Persons Coordination Center to improve operations against organized criminal efforts to bring persons into the United States illegally.

Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Number of Other Agencies With Access to the Consular Consolidated Database (CCD).				
0	0	1	4	6
Indicator #2: Percentage of Files Stored Electronically in Accordance With the Requirements of Enhanced Border Security and Visa Entry Reform Act (PL 107-173).				
0	0	All paper files were retained. Preparations for electronic storage began.	Retention of paper files continues. Begin to phase in electronic storage. Start back-scanning files on ineligible applicants and begin scanning of select applications.	Electronic retention of all applications in cases of concern. Transfer of archives to electronic media of all serious refusal files and 40 percent of other archival material.



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #3: Development of a Biometrics Collection Program for U.S. Visas.				
Biometric indicators (photo and two fingerprints) were included in nonimmigrant Border Crossing Card (BCC). All posts in Mexico collected biometric indicators from applicants, both on- and off-site, and transmitted data electronically to INS.	Biometric BCC program continued. Facial recognition technology was used to disqualify duplicate entries in Diversity Visa lottery.	Biometric BCC program continued. Production of BCCs at U.S. Embassy in Mexico supplemented BCC production by INS in periods of great demand. Use of facial recognition (FR) technology expanded.	Biometric BCC program and practical application of FR technology continue. Working with DHS and NIST, set a biometrics-based standard for the documentation of the visa process. Development work begins on worldwide biometrics collection.	Continue implementation of biometric collection program at forty posts.
Indicator #4: Passenger Manifest Requirements.				
Voluntary program to provide USCS and INS with passenger information.	Passenger manifest information taken from visas and passports made mandatory by U.S. Customs Service (USCS).	The Department assisted foreign carriers, particularly air carriers to meet the high performance requirements of 97 percent accuracy. Program expanded to cruise vessels.	Program extended to land, rail and ferry passenger manifests. DHS upgrades software acceptance capability to include required passenger information. The Department works with foreigners and foreign governments to harmonize legal requirements for electronic data.	The Department will continue to assist foreign carriers and public authorities in the implementation of these programs, which will be tied to the Entry-Exit program to track visitors to the United States. Entry-Exit will be established at all airport entry points; land borders will have implementation programs on a trial basis. Reach PNR access agreement with the EU.

Means and Strategies by Target

Access by six other agencies to CCD

- The Department is negotiating MOUs with law enforcement and intelligence agencies to standardize and institutionalize this exchange of data. Systems development and formal database interface documents are developed in each case.

Retain all current applications electronically; continue the transfer of archives to electronic media.

- Software and hardware to support the scanning and indexing of visa documents developed and sent to all posts. Given resource implications of global scanning, the Department's Bureau of Consular Affairs (CA) identifies most critical supporting documents first. CA envisions capturing serious refusal information, followed by applications in cases requiring special screening, visa referral cases, other refusals and, eventually if the benefit can be shown, all visa applications.



Have operational biometrics collection programs at forty posts.

- Based upon decisions to be made by the USG interagency community, CA will play a role in developing software, deploying software and hardware to the first tranche of collection posts, and designing and implementing new procedures to allow secure and efficient collection of biometric information.

Expand Electronic Passenger Manifest Systems

- The Advanced Passenger Information/Passenger Name Record (API-PNR) program with Canada was in place in early 2003. The associated program with Mexico is being partially supported under the \$25-million U.S./Mexico Border Partnership, directed by INL. The Mexican Government will implement an API by the end of 2003. By 2004, fifty U.S. and foreign carriers will be participating in the program.



Performance Goal 2

IMPLEMENTED INTERNATIONAL AGREEMENTS STOP THE ENTRY OF MATERIALS THAT COULD HARM THE UNITED STATES, WHILE ENSURING THE TRANSFER OF BONA FIDE MATERIALS.

Summary: Projected FY 2004 Performance

In conjunction with efforts to monitor the flow of visitors into the United States in order to target more effectively those who are of concern, the Department is also working with DHS and other USG agencies to strengthen the controls over goods that enter the United States. In line with the travelers programs, the goal is to target those containers or other packages that are potentially harmful, thus preventing them from entering the United States or its environs. With this in mind, the Department is working on initiatives to improve border security with Canada, Mexico, and the Caribbean region. In addition, the Department is working with all its allies to have better control over the global transportation of potentially harmful goods and materials. The goal is to create a system that can stop harmful materials before they begin their journey to the United States or its allies, and to create redundancies that provide multiple layers of protection.

U.S.-Canada Smart Border Action Plan

In December 2001, the United States and Canada signed the 30-point Smart Border Accord to improve security along the common border while facilitating the legitimate flow of goods and people. Its four goals are the secure flow of people, the secure flow of goods, secure infrastructure, and enhanced information sharing. Other areas of activity include biosecurity and science and technology. The long-term goal of the accord is to create a more secure and efficient border with Canada and greater U.S. and Canadian coordination on information sharing, visa policies, border infrastructure, and critical infrastructure protection, in order to protect both nations better. Over the past year the Department has worked closely with DHS to implement this accord. There has been substantial progress in making the U.S.-Canadian border safer and more efficient. The Department has concluded agreements on information and fingerprint sharing, coordinated expansion of overseas personnel, and expanded programs for movement of known travelers and goods. Efforts in the area of transfer of goods include the exchange of customs officers with Canada to help screen incoming container shipments. Several information-sharing agreements and an air pre-clearance agreement are nearing conclusion.

Along with the expansion of the NEXUS frequent travelers program (see Performance Goal 1), the Department is augmenting the Free and Secure Trade (FAST) Program to improve the security of cross-border shipments while speeding the movement of truck traffic. Integrated Border Enforcement Teams (IBETs) are coordinating enforcement efforts that will result in greater efficiency and coherency, and more effective protection.

U.S.-Mexico Border Partnership

The U.S.-Mexico Border Partnership, signed in March 2002, commits the United States and Mexico to implement border policies that embrace technology and enhance bilateral cooperation to ensure safe, humane, efficient, and modernized management of the border. The Border Partnership action plan focuses on infrastructure development at POEs, the secure flow of people (one million crossings/day, and the secure flow of goods (\$233 billion in trade in 2001). The plan calls for the use of infrastructure to diminish delays and facilitate the movement of goods and people. Under the plan, goods will be subjected to non-intrusive inspection systems at POEs. Portable x-ray machines will screen vehicles and help detect smuggling. Additionally, various security devices to combat smuggling are being tested. INL is providing \$25 million in FY 2002 Terrorism Supplemental Appropriation international law enforcement assistance to Mexico to help Mexican authorities better carry out their responsibilities in support of the Border Partnership. The Department is seeking future-year funding to continue this assistance. Once fully operational, the Partnership will result in increased security and improved efficiency demonstrating that these goals are not exclusive but rather mutually obtainable.



INL's Mexico Border Security assistance program will enable U.S. and Mexican law enforcement authorities to focus more effectively on screening out illegal or dangerous movements of people and goods as *bona fide* commerce and travel flow more efficiently.

Third Border Initiative

The Third Border Initiative (TBI) is an ongoing, broad-based effort to channel USG assistance to meet key challenges in the Caribbean region. In the border security area in FY 2002, TBI began funding of \$900,000 to help Caribbean airports bring their safety and security enforcement and regulations up to FAA and ICAO standards. INL is also implementing the migration management assistance program detailed in Performance Goal 1.

Container Security Initiative

In 2002, the Department participated in an interagency group that worked to implement the Container Security Initiative (CSI) at the world's twenty largest ports and have foreign carriers submit full passenger and cargo manifest information electronically. By 2004, law enforcement agencies will be able to use digital information for pre-boarding screening and post-arrival tracking of people and goods.

Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Achievement of the Border Security Initiatives				
N/A	Baseline: Dialogue started with the Canadian Government to work together on border issues.	The 30-point Canadian plan and the 22-point Mexican plan were launched.	Delivery begins on U.S. support to Mexican law enforcement in non-intrusive inspection systems, safety and search and rescue training and equipment, border port management tools, Advanced Passenger Information, and facilitating Mexican access to the U.S. SENTRI system and related programs. Under the 30-point Canadian program, the API/PNR program is underway and is fully in place by early 2003.	Mexican law enforcement and equipment will be significantly upgraded to assist in screening potentially illegal or dangerous movements of goods and persons to the United States. This will include increased SENTRI access and Non-Intrusive Inspection Equipment (NIIE) being installed along road and track crossings into the United States. Assess needs for further improvements. In Canada, frequent traveler (NEXUS) and frequent shipper (FAST) programs are in place at all major border crossings; information sharing agreements are fully implemented; visa coordination plans ongoing; plans are developed for infrastructure improvements, joint facilities and critical infrastructure protection.
Indicator #2: Participation in the Container Security Initiative (CSI)				
N/A	N/A	Baseline: Launch of the CSI. Nine countries signed on, encompassing fourteen of the initial twenty megaports.	Expand program to six remaining top twenty ports and to cover 98 percent of EU shipments. Expand program worldwide.	All major ports that ship to the United States will participate in the CSI program.



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #3: Cargo Manifest requirements.				
Paper manifests sent to United States Customs Service (USCS) sometimes arriving a month after being sent.	USCS began electronic manifest programs with U.S. exporters.	USCS expanded electronic manifesting to Canadian and Mexican borders to speed clearance.	CBP (formerly USCS) requires air, sea, land, and rail freight to be manifested electronically and sent to BCPB before departure. The Department works with foreign carriers and industries to produce viable final regulations.	CBP continues implementation and screening. The Department works with overseas operators to create a seamless and safe door-to-door delivery system. Air cargo manifest screening will be in place at all ports of departure overseas. Sea and land freight trial screening programs will be in place at POEs.

Means and Strategies by Target

Screen cargo bound for the United States before departure.

- Have declarations of principles signed for containerized freight. By regulation, screen all other cargo and visitors before they enter the United States.
- All information on passengers and freight will be transmitted and stored electronically so that it can be organized and sent to the appropriate agencies.

Coordinate rules and legislation internationally to achieve the highest standards of comprehensive security for the transportation of goods.

- Introduce upgraded border security goals through international organizations such as the UN, International Civil Aviation Organization, the World Customs Organization, the International Maritime Organization, the G-8, OAS, and APEC where the United States can provide leadership and garner support for transportation security.



Performance Goal 3

PROTECTION OF CRITICAL PHYSICAL AND CYBER INFRASTRUCTURE NETWORKS THROUGH AGREEMENTS AND ENHANCED COOPERATION

Summary: Projected FY 2004 Performance

The smooth operation of national infrastructures – such as energy generation and distribution networks, financial networks, telecommunications networks, dams/waterways, and transportation networks – is a critical aspect of U.S. national strength. The information systems that support these infrastructures are interconnected domestically and internationally, creating complex interdependencies and shared vulnerabilities. Furthermore, the United States shares with Canada and Mexico the responsibility for many of its cross-border physical infrastructure assets. The Department, through bilateral discussions with close allies and with other countries in multilateral fora, will continue to advocate cooperative international actions to enhance physical and cyber security. By 2004, the Department's efforts will have significantly strengthened the protection of shared – and, by extension, U.S. – critical infrastructure.

The Department will raise concerns about infrastructural security concerns with a broader international audience by working through regional fora, such as the Organization of American States (OAS), the Organization for Economic Cooperation and Development (OECD), and the Asia-Pacific Economic Cooperation (APEC) Forum, as well as bilaterally and through regional groupings in Eastern Europe and the Middle East. The United States will continue to push for the adoption of concrete action plans to reduce the risk to critical infrastructure. Where possible, the United States will support education and training activities related to key themes such as modernizing legal frameworks, enforcing laws, creating incident response capabilities, and developing public-private partnerships. With close U.S. allies, particularly Canada and Mexico, the Department will continue to foster cooperative relationships and common solutions to secure shared critical infrastructure vulnerabilities, thereby ensuring a more robust North American infrastructure.

Efforts to prevent attacks on critical infrastructure must be reinforced by their effective criminalization and prosecution. In particular, in many countries existing legal frameworks are an insufficient basis for prosecution of cyber attacks. Through multilateral and bilateral outreach, the Department will help nations develop and modernize domestic legislation and strengthen trans-border law enforcement cooperation by encouraging nations to develop appropriate standards to permit successful investigation and prosecution of cybercrime, and by providing technical assistance to implement the rules. The Department supports the Council of Europe (COE) Cybercrime Convention as a model for legal frameworks and trans-border law enforcement cooperation, and as such supports its speedy activation. Once in force, the Department will seek to encourage accession to the convention by non-COE nations.



Summary: Indicators, Results, and Targets

Baseline	Results		Targets		
	2000	2001	2002	2003	2004
Indicator #1: Number of Multilateral Fora With Critical Infrastructure Protection Action Plans (New Indicator)					
N/A	N/A	N/A	N/A	N/A	3

Means and Strategies by Target

Multilateral fora have critical infrastructure protection action plans.

- Develop multilateral outreach program materials/tools for dissemination to a wide audience.
- Plan and secure funding for annual multilateral workshops or training devoted to critical infrastructure protection issues.
- Implement the critical infrastructure protection action plans developed with Canada and Mexico under the Smart Border Agreements.

Summary: Verification/Validation and Crosscutting Activities

Performance Goal 1	Denial of visas to foreign citizens who would abuse or threaten the U.S., while facilitating entry of legitimate applicants.
Verification and Validation	Data on visa applications, issuance, and refusals, including the number of applicants screened by the border security officials and subsequent denials based on national security grounds. The same data will be used to evaluate the efficacy of special clearance procedures.
Crosscutting Activities	Risk assessment and analysis are activities that involve coordination across the breadth of the law enforcement and intelligence communities.
Performance Goal 2	Implemented international agreements stop the entry of goods that could harm the United States, while ensuring the transfer of bona fide materials.
Verification and Validation	The Department will monitor negotiations for CSI agreements and implementation of CSI targeting of high-risk containers and freight.
Crosscutting Activities	The Department will work with DHS, other USG agencies, and industry to promote cargo security programs.
Performance Goal 3	Protection of critical physical and cyber infrastructure networks through agreements and enhanced cooperation.
Verification and Validation	The Department will collect and analyze data on multilateral efforts. The number of multilateral fora with concrete action plans is indicative of international awareness and activity on this issue and will foster a cooperative efforts by member states.
Crosscutting Activities	The Department will seek policy input and program support from USG agencies with specific public sector responsibilities and will cooperate with U.S. private sector representatives in order to advance international public-private partnerships.



Strategic Goal 3: Regional Stability

AVERT AND RESOLVE LOCAL AND REGIONAL CONFLICTS TO PRESERVE PEACE AND MINIMIZE HARM TO THE NATIONAL INTERESTS OF THE UNITED STATES

Public Benefit

The United States must provide for the safety of Americans at home and abroad, protect against threats to its interests worldwide, and honor commitments to its allies and friends. The activities of the Department are among the most cost-effective instruments for enhancing and ensuring regional stability. Through diplomacy and capacity building efforts, the United States builds and strengthens relations with neighbors and allies worldwide by shaping regional environments and by informing international publics in ways that can prevent, contain, or resolve conflicts, and foster cooperative efforts. In the same way, the Department also advances U.S. national security interests through the resolution of regional instability, so that all Americans, at home and abroad, are safe from violence. The Department achieves these regional stability objectives by focusing on two main performance goals.

Performance Goal 1

CLOSE, STRONG, AND EFFECTIVE U.S. TIES WITH ALLIES, FRIENDS, PARTNERS, AND REGIONAL ORGANIZATIONS

Summary: Projected FY 2004 Performance

Close and stable ties with key allies emphasize U.S. global partnerships and contribute to security for traveling Americans. A deepening relationship with Russia in bilateral and multilateral fora has provided and will provide a venue to discuss Eurasian security issues such as counterterrorism, nonproliferation, border security, and human rights. The North Atlantic Treaty Organization (NATO) continues to be America's strongest and most important partnership. Security relationships in both East Asia and the Middle East also contribute to more effective security for U.S. national interests worldwide. The Department continues and will continue to maintain strong relations with Canada and Mexico and international partnerships with key organizations such as the European Union (EU) and the Organization of American States (OAS). The Organization for Security and Cooperation in Europe (OSCE) provides the United States with a platform to advance the safety of its citizens and the security of its friends and key allies worldwide.

In the wake of the events of 9/11, the Department has secured bilateral agreements that enable U.S. forces to initiate combat operations under Operation Enduring Freedom. Since then, the Department has continued efforts to negotiate Status of Forces Agreements (SOFAs), basing, and overflight/landing agreements overseas in anticipation of possible follow-on phases of the global war on terrorism. These efforts will continue.

The Department also leads a USG working group that seeks bilateral agreements to ensure that members of the U.S. armed forces and USG officials are not subject to prosecution by the International Criminal Court (ICC).

Example of an FY 2002 Achievement

Supportive Bilateral Agreements

In the wake of the events of 9/11, the Department dispatched teams to negotiate and conclude a number of vital basing agreements and SOFAs to support U.S. national interests in general and ongoing and potential military operations in particular. As part of this effort, the Department finalized agreements with allies in Central Asia that enabled U.S. Forces to deploy to unprecedented locations in support of Operation Enduring Freedom. The Department was also able to conclude several complex SOFAs and basing, defense cooperation, and transit agreements in support of the war on terrorism. These agreements facilitate joint military operations and maintain global stability by ensuring close, strong, and effective ties with our allies. These mutually beneficial agreements have led to an estimated \$8.1 billion in annual savings to the United States through cost sharing contributions from our global allies.



The Department will continue to strengthen existing security relationships with key allies. The Department will continue to improve the U.S.-South Korean security alliance by consulting closely on new issues such as the future of the Alliance initiative and improvement of the SOFA and the Land Partnership Plan, and will work with NATO allies to strengthen transatlantic defense capabilities.

The Department will work with Russia to dispose of excess Russian weapons plutonium, dismantle warheads, and use U.S. assistance programs to retrain Russian nuclear scientists. The Department will also work with the Newly Independent States (NIS) to ensure they have effective export controls that meet internationally recognized standards. In cooperation with European and East Asian allies, as well as China, the Department will work to prevent Iran from acquiring the foreign technology needed for nuclear weapons programs.

By means of public diplomacy, the Department will explain U.S. national security policies and encourage nations to support and cooperate with U.S. efforts to secure peace; deter aggression; and prevent, defuse, and manage crises.

Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Status of Transatlantic Security Relationships.				
<p>Allies revised Transatlantic Framework for Strategic Concept, European Security and Defense Initiative (ESDI) elements, and Open Door Policy.</p> <p>Membership Action Plan (MAP) launched.</p> <p>NATO-Russia relationship expanded beyond Stabilization Force (SFOR) and Kosovo Force (KFOR).</p>	<p>Minimal progress on the Defense Capabilities Initiative, protracted discussion on NATO-EU arrangements.</p> <p>Redefined European Security and Defense Program (ESDP) goals.</p> <p>Expansion of NATO ties to Partner States. Significant progress on MAP.</p>	<p>Europeans made pledges at Prague to improve their capabilities. Seven new members invited at Prague. Berlin Plus would have allowed the EU to borrow NATO assets and capabilities for European-led operations, but was not agreed upon.</p> <p>Allied Heads of State and Government committed at Prague to enhance military capabilities by filling key shortfalls through the New Capabilities Initiative. The initiative will encourage pooling and specialization, introduce the NATO Response force (NRF) and reform NATO's Command Structure. U.S. export controls with key European allies streamlined to promote transatlantic defense industrial integration.</p> <p>NATO-Russia Council (NRC) and 2002 work plan established in May 2002.</p>	<p>Resolution of questions regarding ESDP, including participation of non-EU countries.</p> <p>Maintain NATO's Open Door policy through MAP and other engagement with aspirants.</p> <p>Continued progress on the NRC to broaden cooperation on specific projects.</p>	<p>ESDP capable of substantial operations. Initial operating capability of NRF.</p> <p>Allies complete full integration into NATO as MAP cycle continues for aspirants.</p> <p>Progress on Partnership-for-Peace (PfP) projects tailored to needs of individual partners.</p>



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #2: Status of U.S.-South Korean Relations.				
N/A	Baseline: Complete Joint U.S.-South Korean Study of Preliminary Military Confidence Building Measures (CBMs) and Arms Control Measures. Complete Phase I of Joint Study on Future of U.S.-South Korean alliance.	Begin Joint Study of North Korea's WMD. Begin Phase II of Joint Study on Future of U.S.-South Korean alliance. Begin Joint Study of Phase II Military CBMs and Arms Control Measures.	Complete Joint Study of North Korea's WMD. Complete Phase II of Joint Study on Future of U.S.-South Korean alliance. Complete Joint Study of Phase II Military CBMs and Arms Control Measures. Begin Joint Study of Phase III Military CBMs and Arms Control Measures.	Complete Joint Study of Phase III Military CBMs and Arms Control Measures. Begin Joint Study of Phase IV Military CBMs and Arms Control Measures.

Means and Strategies by Target

ESDP is capable of substantial operations; NRF has initial operating capability.

- Through the increased coordination and integration of EU forces the USG will be able to enhance ESDP operations.
- Promoting additional defense spending by European and NATO partners to increase ability to operate jointly with U.S. forces will allow U.S. and NATO forces to respond more efficiently and rapidly to international needs.

Allies complete full integration into NATO as MAP cycle continues for aspirants.

- Accession talks with new NATO members and progress on next round of MAP will help maintain NATO's Open Door policy.
- Working with the U.S. Senate to ratify new member accession treaties will bolster membership interest from those not currently on the accession track.

Tailor progress on PfP projects to the needs of individual partners.

- The Department will work toward continued progress on NRC to broaden and deepen cooperation on specific problem resolution.
- Needs of PfP states can be met through military reform, improvements in military infrastructure, and increased interoperability and standardization with NATO forces.

Complete Joint Study of Phase III Military CBMs and Arms Control Measures.

- Maintain a strong U.S.-South Korean alliance through cooperation with the South Korean Government on contingency planning.
- Encourage greater interagency cooperation within the South Korean Government for joint planning with the United States.

Begin Joint Study of Phase IV Military CBMs and Arms Control Measures.

- Maintain a strong U.S.-South Korea alliance through cooperation with the South Korean Government on contingency planning.
- Encourage greater interagency cooperation within the South Korean Government for joint planning with the United States.



Performance Goal 2
EXISTING AND EMERGENT REGIONAL CONFLICTS ARE CONTAINED OR RESOLVED

Summary: Projected FY 2004 Performance

The United States plays a mediating role in several of the world's most severe conflicts and will use its position on the UN Security Council to engage the international community in the search for solutions to crisis situations. U.S. representatives are currently involved in diplomatic activities that include Middle East peace efforts, Cyprus talks, and regional stability in Southeast Europe. The Department continues to support peace in Northern Ireland and also seeks to encourage Korean reconciliation, peace on the Korean peninsula, and greater stability in Northeast Asia. The Department extends its diplomacy to other conflicts affecting such areas as South Asia, where it is pursuing regional nonproliferation priorities and a reduction in tensions, and East Africa, where transnational conflicts persist.

To combat the threat of terrorists who pose a major challenge to regional stability in the Middle East, Asia, Africa, and Latin America, the Department works closely with friendly governments to build and maintain the political will and institutional capacity for fighting terrorism. The Department coordinates and implements U.S. counterterrorism capacity building overseas and has expanded and refocused its training programs to address the most critical issues.

Through International Military Education and Training (IMET), Foreign Military Financing (FMF), and Peacekeeping Operations (PKO) programs, the United States is strengthening the peacekeeping skills and abilities of various regional partners. The United States trained and equipped West African battalions under Operation Focus Relief to enhance peacekeeping capacity in the sub-region. Battalions from Nigeria and Ghana contributed significantly to successful operations conducted by the UN peace mission in Sierra Leone (UNAMSIL).

The United States is also aware that other factors contribute to instability and threaten the very foundations of peaceful and sustainable democracy. These include health crises, the illegal transport and dumping of hazardous wastes, the illegal trade in toxic chemicals and pesticides, and illegal and corrupt exploitation of natural resources. The United States has initiated new global public-private partnerships to fight infectious disease, particularly HIV/AIDS. Working with the G-8 and other concerned countries, the United States has embarked on a campaign to champion political commitment to address deforestation, including a partnership with Indonesia, one of the leading concerned countries. The Department has brought together other countries to discuss mutually beneficial approaches to the use of shared natural resources before issues escalate into armed conflict.

Example of an FY 2002 Achievement

Afghanistan

The Department provided the leadership, resources and expertise needed to implement the Bonn Agreement, which guides Afghanistan's efforts to rebuild its institutions as well as restore stability, security, and democracy. This effort began by arranging a broad range of diplomatic support for Operation Enduring Freedom through obtaining military forces from nearly sixty countries and negotiating airspace use, landing rights, and military assistance from 136 countries. Neighboring countries in Central Asia, such as Uzbekistan and Kazakhstan that did not previously play a regional security role joined in the effort to provide basing, troop support, and other contributions critical to military operations. The Department also provided intensive reconstruction and humanitarian assistance in the areas of food security; refugee assistance; education; and human rights, judicial and constitutional commissions. The Department, with its international partners, also orchestrated the planned construction of a national road system. The Department was instrumental in formulating plans, obtaining donated equipment, and working with the Department of Defense to establish the new Afghan National Army and in providing training to the Afghan National Police. These were critical elements for preserving the physical security necessary to allow other societal institutions to take hold.



The Department will press India and Pakistan to resume a direct, high-level dialogue that can reduce tensions and lead to peaceful resolution of disputes. In Africa, the Department will seek to encourage the deployment of internationally sanctioned monitors to Sudan to solidify progress made towards peace. Elsewhere in Africa and in other regions, the Department will continue to seek the resolution of ongoing conflicts and the successful management and conclusion of UN and other multilateral peacekeeping missions that leverage U.S. influence and resources. In the Andes, the Department will significantly expand assistance to the Government of Colombia to regain national authority over much of the country and assist Colombia's neighbors as they prevent the expansion of terrorist violence and drug production.

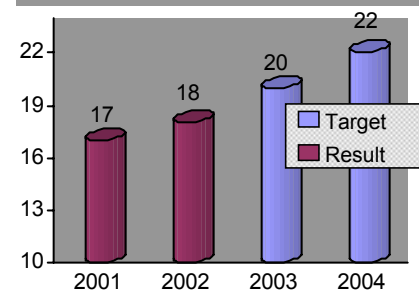
Arms control agreements contribute to confidence, transparency, predictability, and stability, thus serving as effective tools to prevent conflict. The Treaty on Conventional Armed Forces in Europe (CFE) plays a key stabilizing role in the Eurasian and Transatlantic security structures and reinforces U.S. influence in European security matters. A decision to seek ratification of its follow-on—the Adapted CFE Treaty, which responds to new post-Cold War challenges—awaits Russian fulfillment of obligations to reduce Russian forces in Georgia and Moldova. The Department has set the highest standards for implementation of the CFE Treaty, the Vienna Document (confidence- and security-building measures [CSBMs]), and the Treaty on Open Skies (reciprocal, unarmed observation flights) - especially their verification provisions.

Combating terrorist threats to regional stability will remain a critical priority; the Department will seek to keep counterterrorism at the top of bilateral and multilateral agendas. The Department will work to ensure that the UN presses its members to meet their obligations to fight terrorism and will engage regional organizations such as the EU, OAS, and ASEAN to press member states for counterterrorism action and coordination. The Department will expand capacity building programs such as the Anti-terrorism Training and Assistance (ATA) Program, the Terrorist Interdiction Program (TIP), and policy engagement workshops for senior officials. The Department will expand regional counterterrorism cooperation through a greater number of regional conferences and anti-terror financial training. The Middle East Partnership Initiative (MEPI) is also a critical element in the long-term war on terror through enhancing economic, educational, and political opportunity, particularly for women and young people.

The Department will expand efforts to inform the international public about U.S. policy towards Iraq and encourage public support for the U.S. goal of a broad-based representative Iraqi Government committed to the rule of law, protection of the rights of the Iraqi people, and regional stability.

The Department intends to change the focus of the Enhanced International Peacekeeping Capabilities (EIPC) program towards regional peacekeeping training centers. Because collaboration and cooperation are the foundations of peacekeeping training, focusing on regional training centers that bring nations together in common cause will further the U.S. goal of maintaining regional stability. In this vein, the Department will continue to engage the military forces of Western African countries in order to enhance peacekeeping capabilities and ensure their positive participation when responding to regional contingencies. The adjacent chart shows that by the end of FY 2004, the Department hopes to have U.S.-trained forces from twenty-two countries participating in PKOs.

Performance Trend: FY 2000–FY 2004
Number of Countries With U.S.-Trained Forces Participating in PKOs



In Europe, U.S. security assistance will continue to support countries undertaking military reforms and modernization necessary to promote regional stability, work toward the integration and interoperability necessary to meet NATO standards, and move toward accession to NATO. U.S. security assistance also provides support for front-line states in Central Asia that have provided essential assistance to the United States and coalition partners in the global war on terrorism, and that are critical to the continued success of those efforts.



Through economic and developmental assistance, the Department will support pro-Western reform-minded governments and development of civilian-controlled professional militaries that are appropriately sized, effectively trained, and capable of supporting border defense missions to ensure territorial integrity. By leveraging complementary interests in the Balkans with security interests in other regions such as the Caucasus and Central Asia, the Department will strive to achieve the broadest possible impact from U.S. security assistance efforts.

The Department will continue to partner with African nations through the Economic Community of West African States (ECOWAS) and the African Contingency Operations Training and Assistance (ACOTA) program to provide assistance aimed at creating a sustainable capacity for conflict mitigation and peace support operations. The Department will also assist the military forces of African countries in developing a counterterrorism operations capability and in conducting peace support missions. The Department will increase support for North and West African nations through its Pan-Sahel Initiative designed to establish rapid-reaction units to address security threats along their borders. In South and Northeast Asia, the Department will consult with and encourage China to continue its efforts to contribute to peace and stability.

Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Number of African Armed Conflicts Resolved and Peace Support Missions Concluded.				
Six armed conflicts ongoing. Four peace support missions active.	One conflict resolved (Ethiopia-Eritrea).	South Africa, an African Union member, provided personnel to the Joint Military Commission responsible for working with the UN Observation Mission in the (Democratic Republic of the) Congo to further the Congolese peace process. The war in Sierra Leone was effectively over and the peacekeeping mission was being phased out; peacebuilding activities continue using U.S. and other funding. Program activities such as the West Africa Stabilization Program and ACOTA have ensured that ECOWAS troop contributors are better able to meet the demands of peacekeeping operations.	One conflict resolved (Burundi). One peace support mission withdrawn (Angola).	Two conflicts resolved (Congo-Great Lakes, Sudan). Two peace support missions withdrawn (Sierra Leone and Ethiopia/Eritrea).



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #2: Status of Relations Between Pakistan and India on Kashmir.				
Continued military action by both sides along the line of control (LOC). Existing CBMs ignored. Pakistan providing materiel assistance and training to groups fighting in Kashmir. No good channels of communication.	From November 2000 to May 2001, Indian offensive security force operations suspended; militant infiltration and attacks continued. Agra Summit broke down over communiqué wording.	Major terrorist attacks brought India and Pakistan close to war, but U.S. and U.K. diplomatic intervention helped ease tensions, and Pakistan took actions against Kashmiri jihadist militants. India successfully held elections in Kashmir.	Infiltration is substantially reduced, number of terrorist attacks declines significantly from 2000-2002 average. Military training camps and related infrastructures in Pakistan are substantially dismantled. Military forces on both sides return to pre-crisis locations and readiness levels. India resumes dialogue with Pakistan.	No resumption of infiltration. Terrorist groups in Pakistan are disbanded. India and Pakistan effectively implement existing nuclear and conventional CBMs, and agree to implement new ones.

Baseline	Results		Targets		
1999	2000	2001	2002	2003	2004
Indicator # 3: Implementation of Adapted Conventional Forces in Europe (CFE) Treaty.					
CFE adaptation negotiations continued.	CFE adaptation negotiations successfully completed. Adapted Treaty and Final Act signed at Istanbul.	Second Review Conference of CFE Treaty successfully concluded and advanced U.S. and NATO interests. NATO remained firm in demanding Russian compliance with Istanbul commitments. Russia made initial progress towards implementing Istanbul commitments.	Russia fulfilled its Istanbul commitment on the flank issue, reduced its flank equipment to Adapted Treaty levels, and discharged its Istanbul commitments for CFE equipment in Georgia and Moldova. Russia needs to reach agreement with Georgia on remaining issues re: Gudauta base and its future use, and the duration of Russian presence in Batumi and Alkhalkalai. Russia also needs to complete the removal and destruction of munitions and small arms in Moldova. Conditions for U.S. ratification of Adapted CFE Treaty have not yet been met.	Russia fulfills all Istanbul commitments, allowing for U.S. ratification and entry into force of the Adapted CFE Treaty.	No major problems implementing the Adapted Treaty. Key states accede to the Adapted Treaty.



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #4: Number of U.S. PKO-Trained Countries That Participate in International PKO. (New Indicator)				
N/A	Baseline: 17	18	20	22

Baseline	Results		Targets		
1999	2000	2001	2002	2003	2004
Indicator # 5: Status of Chinese Cooperation on Regional Stability.					
Dialogue was initiated and subsequently suspended.	Cooperation on regional security selective and episodic.	Limited Chinese tension-reducing diplomatic efforts toward North Korea and South Asia. China cooperated in encouraging North Korean openness and dialogue.	China continued to urge Pakistan and India to avoid conflict and reduce tensions. There was a continuing impasse on Cross-Strait dialogue. China encouraged North Korean openness and multilateral dialogue to end its nuclear weapons program. China's public statements at APEC ministerial were helpful in maintaining a nuclear weapons-free Korean Peninsula.	China increases diplomatic efforts to urge India and Pakistan to resolve differences peacefully. China increases dialogue with United States on North Korea and urges North Korea to reform and to remove sources of tension.	China increases coordination with United States and international community regarding the Korean peninsula, South Asia, and the Middle East.

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #6: Effectiveness of Wassenaar Arrangement (WA) Control Lists.				
Control levels/parameters for some WA items are too high. Because some technologies are available globally, they are effectively uncontrolled. U.S. insistence on retaining those control levels has created problems with allies and threatens to undermine the WA as an arms control regime.	Agreement in the WA to add reporting on two new sub-categories of military vehicles.	No new categories were added to WA control lists, but progress was made in this multi-year effort.	Prompt reporting of arms transfers on the Wassenaar Arrangement Information System (WAIS). Reporting of denials of arms transfers, and notification before undercutting a previous dual-use denial.	Prompt reporting of arms transfers on the WAIS. Reporting of denials of arms transfers, and notification before undercutting a previous dual-use denial.
	Within the WA, Russia alone continues to oppose mandatory reporting for small arms and light weapons, Man Portable Air Defense Systems (MANPADS), and warships down to 150 tons.		Have 122 states participate in the UN Register of Conventional Arms Transfers; China still does not participate. Sharing of "best practices" papers on effective export control practices within the WA.	Have 150 states participate in the UN Register of Conventional Arms Transfers, including China. Sharing of "best practices" papers on effective export control practices within the WA.



Means and Strategies by Target

Resolve two conflicts (Congo-Great Lakes and Sudan).

- Using ACOTA, FMF and other programs, improve conflict management skills of key regional actors through training of African staffs and militaries.
- Seek employment of better-trained and -equipped African units to conduct peace support operations.
- Provide operational support to sub-regional efforts to mitigate conflict.
- Use diplomatic, economic, and other levers to pressure all sides to a conflict to sign/comply with peace agreements; work multilaterally and bilaterally.
- In the Congo, the key issue is army integration, which will help ensure the long-term viability of the Congolese Government, and its frontiers; IMET and PKO will be used to support U.S. and regional efforts to assist with security sector reform.
- Closely linked to resolution of the Congo conflict will be support of the African Union Mission to help end civil war in Burundi. Using PKO funds, the USG will assist the deployment of regional peacekeepers to monitor the December 2002 agreement. Stability in Burundi will reduce instability in the neighboring eastern region of the Democratic Republic of Congo.
- In Sudan, the United States will collaborate with the African Inter-Governmental Authority on Development (IGAD), Troika partners (the U.K. and Norway), UN agencies, and other entities to implement signed peace agreements.
- As needed, the United States will continue support for deployment of ceasefire monitoring mechanisms, including the Civilian Protection Monitoring Team (CPMT) and the Nuba Mountains Joint Military Commission (JMC). This support will also include coordination with the UN Department of Peacekeeping Operations (DPKO) for a possible UN mission.

Withdraw two peace support missions (Sierra Leone and Ethiopia/Eritrea).

- Prepare Republic of Sierra Leone Armed Forces (RSLAF) and police to defend the borders and to support extension of state administration throughout the country.
- Continue the West Africa Stabilization Program effort in conjunction with UN and U.K. lead-in peace building. US support to enhance professionalism of RSLAF through continued provision of logistics support/training and logistics training depot in Freetown, as well as IMET and Defense Department-funded programs.
- To help protect Sierra Leone from external threats, the United States will seek to contain Charles Taylor in Liberia using a mixture of bilateral and multilateral diplomacy (e.g., sanctions, Kimberly Process, etc.), and primarily through Economic Support Fund (ESF) programs designed to lay the foundation for his succession following the next round of elections.
- Final withdrawal of the UN Mission in Ethiopia and Eritrea (UNMEE) will be contingent on the successful conclusion of the border demarcation effort. Toward this strategy, the United States provides ESF to the UN trust fund supporting the demarcation process and is otherwise diplomatically engaged in pressing the two sides to cooperate fully with the Boundary Commission.

No resumption of infiltration into Kashmir.

- Maintain pressure on Pakistan to keep its commitments to stop permanently its support for infiltration.
- Work to enhance India's ability to monitor the border.
- Foster cooperative and confidence-building programs in Kashmir and between India and Pakistan in areas such as economic cooperation, people-to-people contacts, and nuclear confidence-building.

Disband terrorist groups in Pakistan .

- Maintain pressure on Pakistan to end all official support for Kashmiri militant groups.
- Consider assistance in demobilization, disarmament, and rehabilitation of militants.



India and Pakistan effectively implement existing nuclear and conventional CBMs, and agree to implement new ones.

- Promote nuclear and missile restraint as well as confidence-building measures, properly enforced export controls, and non-proliferation.
- Strengthen Indo-U.S. security ties as a key element of the growing U.S. strategic relationship with this emerging global power.
- Strengthen U.S. Department of Defense and Pakistani Ministry of Defense military ties as a key element of our intensifying bilateral relationship.

No major problems implementing the Adapted CFE Treaty.

- Maintain pressure on Russia to fulfill all Istanbul commitments.
- Work with Georgia and Moldova to assist them in working with Russia to fulfill Russia's Istanbul commitments.
- Lead U.S. ratification efforts once Russia fulfills all Istanbul commitments.
- Work in NATO fora and in the Joint Consultative Group (JCG) to resolve implementation issues.

Key states accede to the Adapted CFE Treaty.

- Once the Adapted CFE Treaty enters into force, work with other CFE States Parties in the JCG and with allies at NATO concerning accession of new states, especially those that have been invited to join NATO.
- Assist states seeking accession by training their experts in CFE provisions and procedures.

Units from twenty-two PKO-trained countries participate in international PKOs.

- The USG will work with NATO to provide training to any country outside of NATO that offers to participate in operations in the Balkans, Implementation Force (IFOR) and KFOR.
- Encourage NATO to host peacekeeping exercises for its member states and all PfP members.
- Work with U.S. Combatant Commanders to offer bilateral and multilateral peacekeeping-based exercises within their regions.

Increase China's coordination with the United States and the international community regarding the Korean peninsula, South Asia, and the Middle East.

- Pursue high-level diplomatic efforts in bilateral and multilateral fora to ensure Chinese cooperation on these issues.
- Ensure that high-level dialogue with senior Chinese leadership solicits Chinese cooperation and includes U.S. position on these issues.
- Pursue, as appropriate, coordination on regional security issues raised through multilateral fora, including the UN, APEC, and other regional bodies.
- Coordinate closely to make certain that U.S. interests in economic and other areas are neither undercut by, nor conflict with, Sino-U.S. cooperation on regional security issues.



Promptly report arms transfers on the WAIS; report denials of arms transfers; give notification before undercutting a previous dual-use denial.

- Active diplomacy, (e.g., demarches and consultations) with members nations of the WA and other non-WA nations, the UN, other international organizations, and NGOs as needed.

Share “best practices” papers on effective export control practices within the WA.

- Consultation efforts will focus on prompt reporting of arms transfers on the WAIS and sharing of "best practices" papers on effective export control practices within the WA.

Summary: Verification/Validation and Crosscutting Activities

Performance Goal 1	Close, strong, and effective U.S. ties with allies, friends, partners and regional organizations
Verification and Validation	<ul style="list-style-type: none"> • Cable reports and memoranda of communications from U.S. overseas posts, USNATO, USEU, intelligence reporting, and on-site verification. • U.S. Senate committee conference reports, <u>Federal Register</u> reporting on U.S. Senate floor debates, and final ratification of new member accession treaties. • Complete studies exist of the North Korean weapons situation, the U.S.-South Korean alliance, and arms control measures. • U.S., Japanese and South Korean monitoring confirms the status of the North Korean weapons situation and arms control measures.
Crosscutting Activities	<ul style="list-style-type: none"> • The Department works closely with the intelligence community, DoD (military and civilian components), the NSC, and NATO (members and new accession members). • All activities that relate to joint military planning with South Korea and China are carefully coordinated with DoD and appropriate South Korean ministries.



Performance Goal 2	Existing and emergent regional conflicts are contained or resolved
Verification and Validation	<ul style="list-style-type: none"> • Number of attacks is the best, albeit highly imperfect, direct measure of intensity of insurgency in Kashmir. The insurgency is driven largely, though not exclusively, by external support, which can be best measured by level of infiltration, which is in any event very difficult to measure. Force mobilization is the best measure of bilateral tensions, but is a non-incremental process and hence a crude tool. • Number of arrests is a direct but crude measure of the Pakistani Government's crackdown on terrorist groups. Level of fundraising and propaganda activity can also be observed. Level of infiltration provides some indication of official support. Pakistani request for assistance would indicate seriousness of intent. • Overall frequency and level of dialogue, stringency of transportation controls, and implementation of CBMs best assess state of the bilateral relationship. Bilateral trade is a good measure of economic cooperation; significant investment is unlikely in this time frame. • Department uses UN and U.S. embassy reporting as well as open sources to verify and validate efficacy of policy and program activities. • Data for measuring performance come from U.S. embassy reporting, reports of JCG meetings, and direct U.S. consultations. The data are sufficient and reliable. • Data to measure performance and progress are derived from direct participation, intelligence, cable reports, Executive Branch Principals and Deputies Committees decisions, decision memoranda, interagency discussion/input, and, where appropriate, WA documents and meetings, and trip reports. Data cover all relevant issues and are reliable. • Through the review of trip reports, cable reports, and on-the-ground military reporting the Department will learn if the ACOTA program has trained African countries for regional peacekeeping. • Department funding is used for the EIPC program, which provides global training to selected countries. Through interaction with the nations involved in EIPC training, the Department will be able to best validate the provision of peacekeeping training. • China plays a significant role in reducing tension in the region and actively collaborates with the USG. • U.S. mission, regional allies (Japan, South Korea, Australia, Thailand, and the Philippines) and NGOs will confirm successful compliance and action.
Crosscutting Activities	<ul style="list-style-type: none"> • Department works closely with the intelligence community, DoD (military and civilian components), the NSC, the CFE States Parties in the JCG, and NATO allies –(also with states seeking accession) on regional stability and conflict resolution. • The Department interacts/collaborates with, among others, DoD, the Office of the Vice President, and the NSC. • All activities that relate to China are extensively coordinated at the most senior levels of the USG and throughout the interagency process.



Strategic Goal 4: Weapons of Mass Destruction

REDUCE THE THREAT OF WEAPONS OF MASS DESTRUCTION TO THE UNITED STATES, OUR ALLIES, AND OUR FRIENDS

Public Benefit

Preventing the spread of weapons of mass destruction (WMD) and their means of delivery has acquired new urgency since the events of 9/11 and the subsequent October 2001 anthrax attacks. These events have put a personal face on the threat of WMD and missiles. Success in reducing this threat is the only viable option, as access by terrorists to WMD and delivery system materials opens the door to their use against the American homeland and U.S. interests abroad.

The Department is vigorously involved in reducing the global WMD and missile threat, and is pursuing active measures that include improved and effectively enforced export controls, agreements reducing current stockpiles of nuclear weapons, and cooperative efforts to build missile defenses. Moreover, the Department seeks strengthened implementation of the Nuclear Nonproliferation Treaty (NPT), aimed at halting the spread of nuclear weapons, as well as the Chemical Weapons Convention (CWC) and the Biological Weapons Convention (BWC), targeted at banning chemical and biological weapons, respectively, and strengthening efforts to keep them out of the arsenals of rogue states.

A transformed relationship with Russia is a key element of U.S. strategy. Upon taking office, the President declared that he wanted to change the U.S.-Russian relationship from one of nuclear balance of terror to one based on common responsibilities and interests. In 2001, the President made a commitment to achieve a credible deterrent with the lowest possible number of nuclear weapons, consistent with national security requirements, and invited Russia to join the United States in building defenses against the common threat posed by rogue state missiles that could threaten both countries, as well as U.S. allies. This new strategic framework with Russia contributes directly to reducing the WMD threat.

The Department will work with Russia to dispose of excess Russian weapons plutonium, dismantle warheads, and use U.S. assistance programs to retrain Russian nuclear scientists. The Department will also work with the Newly Independent States (NIS) to ensure they have effective export controls that meet internationally recognized standards. In cooperation with European and East Asian allies, as well as China, the Department will work to prevent Iran from acquiring the foreign technology needed for nuclear weapons programs.

The Department is also responsible for establishing verification policy and ensuring that these issues are a central element of arms control and nonproliferation agreements and commitments. To this end, the Department oversees the verification aspects of such agreements and commitments as they are being formulated and negotiated, assesses and reports on compliance with existing arms control and nonproliferation agreements and commitments, and coordinates the development of technology in support of arms control and nonproliferation objectives.

Finally, the destabilizing effect of the spread of WMD and their delivery systems worldwide has real consequences. Regional instability sends global political, economic, and social ripples. Tensions in South Asia are illustrative of the risk of the spread of WMD and missiles, as well as their possible use. The Department is responding to the President's imperative that halting WMD and missile proliferation are central elements of U.S. foreign policy.



Performance Goal 1

BILATERAL MEASURES, INCLUDING THE PROMOTION OF NEW TECHNOLOGIES, COMBAT THE PROLIFERATION OF WMD AND REDUCE STOCKPILES.

Summary: Projected FY 2004 Performance

The Department will engage with individual countries and regions in a variety of ways and fora to reduce the WMD proliferation threat, focusing on key areas in Eurasia, East Asia, South Asia, and the Middle East. The Department will commit significant diplomatic and financial resources to prevent the flow of WMD/missile expertise from Eurasia. This effort will include pursuing an array of threat reduction programs in Russia and the Eurasian countries to control and dispose of excess WMD and missile-related materials. In particular, these programs will include moves to eliminate excess fissile materials; ensure that nuclear, biological, chemical weapon, and missile-related expertise is not transferred to states of concern and terrorists; secure dangerous biological pathogens; and help countries meet their arms control obligations. The Department seeks to enhance significantly the traditional measures aimed at preventing the proliferation of WMD, missiles, related technologies, and materials by the end of 2004.

The Department is providing U.S. assistance to strengthen national export control systems in potential WMD source countries. In South Asia, improved and effective enforcement of export controls is vital to ensure that India and Pakistan do not become sources of sensitive materials and technology for other proliferators. The Department is also increasing export control cooperation with key transit/transshipment countries in the Mediterranean and Persian Gulf. The Department will continue border control assistance to Central Asia and the Caucasus. These controls are designed to prevent transfers of such items to end-uses and end-users of proliferation concern, including rogue states and terrorist networks.

The Department will also focus its energies on deepening the new strategic framework with Russia, expanding cooperation with NATO and Russia on missile defenses, and engaging in a strategic dialogue with China and India.

Regarding the new strategic framework, the Department will continue to operationalize the vision of the May 2002 U.S.-Russian Joint Declaration, which stated that "The era in which the U.S. and Russia saw each other as an enemy or strategic threat has ended. We are partners and we will cooperate to advance stability, security, and economic integration, and to jointly counter global challenges and to help resolve regional conflicts." The Department's efforts will include both implementation of the Moscow Treaty on Strategic Offensive Reductions, and broader U.S.-Russian cooperation in security areas. Under the Moscow Treaty, the United States and Russia will each reduce the number of its strategic nuclear warheads to between 1,700 and 2,200 over the next ten years. The Department will explore transparency measures with Russia to enhance confidence in each party's treaty implementation.

In the broader area of security cooperation and transparency, Russia appears to be prepared to agree on voluntary transparency, predictability, and confidence-building measures with regard to missile defense-related plans and programs. The Department will seek Russian agreement on a range of joint research and development cooperation projects. The Department will also work with NATO and other allies to gain their agreement to deploy missile defense systems to defend allied forces against short- and medium-range ballistic missiles, and later to defend allied territory and population centers against long-range ballistic missiles.

Example of an FY 2002 Achievement

U.S.-Russia Strategic Offensive Reductions

In May 2002, Presidents Bush and Putin signed the Moscow Treaty, reflecting the dramatic shift from Cold War rivalry to partnership based on the principles of mutual security, trust, openness, and cooperation. When it enters into force, the treaty will legally bind the United States and Russia to reduce the levels of strategic nuclear warheads by the end of 2012 to between 1,700 and 2,200 – about one-third of current levels.



Regarding China, the Department will work to enhance mutual understanding and transparency, particularly with respect to mitigating China's reaction to U.S. missile defense programs.

Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Access to Weapons of Mass Destruction Impeded.				
<p><u>Russia:</u> Provided technology and assistance to Iran and India.</p> <p><u>China:</u> Announced it would not assist other countries in developing ballistic missiles.</p> <p><u>North Korea:</u> Negotiated about ending missile exports.</p> <p><u>NIS Countries:</u> One (Ukraine) of twelve NIS countries enforced export controls.</p>	<p><u>Russia:</u> Partially halted assistance to Iran.</p> <p><u>China:</u> Implemented its 1997 nuclear commitment, but not its 2000 missile commitment.</p> <p><u>North Korea:</u> Did not export nuclear material or technology, but continued to seek buyers for missile exports.</p> <p><u>NIS Countries:</u> Marked increase in meeting export control standards and in interdicting WMD and related components.</p>	<p><u>Russia:</u> Exported technology; increased attention to Iran's WMD and missile programs.</p> <p><u>China:</u> Implemented its 1997 nuclear commitment but not its 2000 missile commitment.</p> <p><u>North Korea:</u> Accepted U.S. offer for talks, but continued to export missile-related items.</p> <p><u>NIS Countries:</u> European countries developed export controls; some NIS countries moved towards controls.</p>	<p><u>Russia:</u> Stops nuclear cooperation with Iran; fully adheres to NSG guidelines.</p> <p><u>China:</u> Fully implements and adheres to 1997 nuclear commitment and November 2000 missile commitment, including effective enforcement of comprehensive missile-related export controls.</p> <p><u>North Korea:</u> Eliminates or freezes its MTCR class missile programs exports; agrees to all commitments in the Agreed Framework.</p> <p><u>NIS Countries:</u> Significant progress by NIS and other countries towards enforcement of export control standards.</p>	<p><u>Russia:</u> Stops nuclear and missile cooperation with Iran.</p> <p><u>China:</u> China adheres to 1997 nuclear and 2000 missile commitments.</p> <p><u>North Korea:</u> Maintains its missile flight-test moratorium and to constrain its missile-related exports.</p> <p><u>NIS Countries:</u> All but one meet internationally recognized export control standards.</p>



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #2: States Conform to International Non-Proliferation Norms of Behavior.				
<p><u>South Asia:</u> Continued unilateral nuclear testing moratoria, restraints in nuclear and missile programs, and stronger export controls. Experts cooperated with India to improve export control regulation and mechanisms.</p> <p><u>Middle East:</u> Iraq defied UN inspectors. Iran continued WMD development.</p> <p><u>East Asia:</u> North Korean moratorium on missile testing and freeze at Agreed Framework continued, but North Korea continued missile exports.</p>	<p><u>South Asia:</u> Continued unilateral nuclear testing moratoria; restraints in nuclear and missile program; stronger export controls.</p> <p><u>Middle East:</u> Iraq defied UN inspectors. Iran continued WMD development.</p> <p><u>East Asia:</u> North Korean moratorium on missile testing and freeze at Agreed Framework continues, but continued missile exports.</p>	<p><u>South Asia:</u> Onward proliferation concerns remain.</p> <p><u>Middle East:</u> Broad international support for pressure on Iraq leads to two landmark UN Security Council Resolutions: Goods Review List (1409) and resumption of weapons inspections (1441). Smart sanctions denied Iraq technologies necessary for WMD and missiles. Iran continued WMD and missile development. Strengthened export controls in region.</p> <p><u>East Asia:</u> North Korea acknowledged its uranium enrichment program, lifted the Agreed Framework freeze, announced withdrawal from the NPT, and expelled IAEA monitors. The Long Range Missile flight-test moratorium continued, but North Korea's missile-related exports also continued.</p>	<p><u>South Asia:</u> Restraint on missile programs and testing moratoria continue. Progress by India and Pakistan on bringing export controls in line with international standards.</p> <p><u>Middle East:</u> Controls on Iraq receive international support. Iraq and Iran denied nuclear weapons technologies. Stronger export controls throughout region.</p> <p><u>East Asia:</u> Progress on verifiable constraints on North Korea's missile policy; and (*) the irreversible end to its nuclear weapons program.</p> <p><i>Language following (*) is a revision from initial FY 2003 target.</i></p>	<p><u>South Asia:</u> Restraint on nuclear and missile programs continued testing moratoria; India and Pakistan hold talks. Effective export controls implemented by India and Pakistan.</p> <p><u>Middle East:</u> New controls on exports to Iraq prevent the supply of WMD and missile related material and technology to Iraq from abroad. Iran denied technologies. Strengthened export controls in the region.</p> <p><u>East Asia:</u> North Korea remains a non-nuclear weapon state party to the NPT; no plutonium reprocessing; uranium enrichment program shut down and elimination begun in a verifiable and irreversible manner; re-freeze of plutonium program; IAEA prepared to assess program history; North Korea cooperates with IAEA on safeguards, including beginning assessment of program history.</p>
Indicator #3: Progress Toward Implementing Fissile Material Projects.				
<p>U.S.-Russian agreement on plutonium disposition completed.</p>	<p>Plutonium disposition suspended; Plutonium Production Reactor Agreement (PPRA) suspended.</p>	<p>Progress made on Russian plutonium stockpile implementation and transparency issues.</p> <p>Preparations for negotiations of U.S.-Russian plutonium-disposition multilateral framework are on track.</p> <p>PPRA Amendment and fossil fuel implementing agreement concluded, awaiting Russian government approval to sign.</p>	<p>Russian warhead dismantling continuing; U.S.-Russian Plutonium Disposition Agreement and financing structures for assistance completed.</p>	<p>Multilateral framework and international financing plan completed.</p> <p>Mayak FMSF contains at least several tons of plutonium under bilateral transparency.</p> <p>Implementation of PPRA fully underway.</p>



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #4: Number of Russian / NIS Weapons Scientists Redirected in Civilian Activities and Progress in Developing Self-Sustaining Civilian Alternative Employment.				
Engaged more than 30,000 scientists in peaceful civilian efforts; moved to support sustainable transition from weapons to civilian work.	Up to 40,000 scientists and several new high-interest institutes now engaged.	Engaged cumulative total of 50,000 scientists, of whom about 26,000 were former WMD scientists. Eight new U.S. industry partners recruited. Three new technological applications brought to market, including Neurok TechSoft (linear differential equation solver), a laser-based flourocarbon detector, and new computer animation technology.	Continued expansion of partnerships and technology markets.	Maintain engagement of core WMD/missile expertise and add any new expertise/institutes deemed to represent a U.S. national security risk.
Indicator #5: Status of Cooperation With Allies on new Strategic Framework. (New Indicator)				
N/A	Baseline: Consultations began with allies on new strategic framework.	Intensive consultations with allies continued on U.S. policies and decisions, including Moscow Treaty. Allies welcomed the treaty.	NATO allies agree to specific missile deployment goals/options.	Allies and friends support deployment of a limited U.S. missile defense system; some allies join U.S. on specific missile defense-related projects.



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #6: Status of Cooperation With Russia on new Strategic Framework. (New Indicator)				
N/A	Baseline: Consultations began with Russia on New Strategic Framework.	USG established the basis of a New Strategic Framework for its security relationship with Russia that consists of, among other things, a new approach to deterrence that relies on both offensive and defensive means. The United States exercised its right to withdraw from the ABM Treaty, thus removing the principal legal obstacle to pursuing alternative approaches to developing an effective missile defense system. The Department led or participated in over 125 consultation visits on U.S. missile defense efforts, threat assessments, and ABM Treaty withdrawal, as well as leading to forming cooperative missile defense development programs, and instituted a regular dialogue with Russia designed to increase transparency and openness in missile defense endeavors.	Agreement reached on transparency and predictability measures to enhance confidence in strategic reductions and missile defenses.	The United States and Russia begin implementing new transparency and predictability measures to enhance confidence in strategic reductions and strategic stability. The United States and Russia begin working on missile defense-related research and development projects. The United States and NATO reach agreement with Russia within the NATO framework about missile defense cooperation.

Means and Strategies by Target

Means and Strategies Common to all Targets Within the “Access to Weapons of Mass Destruction” Indicator

- Active diplomatic measures, (e.g., demarches and consultations with other nations, the UN, the IAEA, and other international organizations and NGOs, as needed).
- Encourage governments to use comprehensive export control legislation and enhanced enforcement capabilities developed with U.S. assistance to prevent, deter, and interdict shipments of proliferation concern.
- Appropriate Department and USG interagency stakeholders vet and the NSC approves U.S. demarches and negotiating positions

Russian technology proliferation

- Nonproliferation dialogue with Russia (to halt WMD/missile proliferation to Iran); active diplomacy to sensitize Europe to the dangers of Iran’s programs and ensure that European political outreach to Iran includes efforts to halt Iran’s WMD/missile efforts.



China does not assist in nuclear and missile development

- Engage China, including at the highest levels, to make clear that it must halt Chinese entities' WMD/missile-related transfers to countries of concern (e.g., Iran); continue to make clear that effective enforcement of export controls is key.

Halt North Korean missile exports

- Work with regime partners, friends and allies to halt illicit North Korean missile-related exports and to echo the U.S. call to North Korea to maintain its long-range missile flight-test moratorium.

Means and Strategies Common to all Targets Within the “States Conform to International Nonproliferation Norms of Behavior” Indicator

- Active diplomacy, (e.g., demarches and consultations) with other nations, the UN, the IAEA and other international organizations and NGOs), as needed.
- Via regime Plenaries (NSG, MTCR, AG, and WA) and outreach activities, work to strengthen regime controls, urge restraint in WMD/missile programs (including with non-partners); engage non-partners to urge that they bring their respective nonproliferation policies and practices (including export controls) in line with international norms.
- Encourage countries to adopt the control lists of the international nonproliferation regimes and ensure effective control of items of proliferation concern, not only exports but also over the movement through their territories.
- Work to have additional countries subscribe and implement the International Code of Conduct Against Ballistic Missile Proliferation; have Code running smoothly.
- Appropriate Department and USG interagency stakeholders vet and the NSC approves U.S. demarches and negotiating positions.

South Asia: Continued unilateral nuclear testing moratoria; restraints in nuclear and missile program; stronger export controls

- Engage India and Pakistan on WMD/missile concerns including further development of programs, testing, deployment, and exports.

Middle East: Iraq defiance of UN inspectors

- Work with the UN Security Council and other entities to negotiate, implement, and enforce controls on exports to Iraq effectively.

East Asia: Progress on verifiable constraints on North Korea's missile programs; North Korea complies with international agreements.

- Work with regime partners, friends and allies to halt illicit North Korea missile-related exports and to echo the U.S. call to North Korea to maintain its long-range missile flight-test moratorium.

Complete multilateral framework and international financing plan (US/Russia Agreement).

- Accomplished through bilateral and multilateral negotiations with Russia and key donor states such as the G-7 and Sweden.
- Careful preparations/meetings for negotiations are designed to ensure that the plutonium-disposition multilateral framework, necessary Russian program decisions, and the linked U.S. domestic program, stay on track.
- Detailed negotiations with the G-7 allies and Sweden on the specifics of the plutonium-disposition multilateral framework and financing are required.
- This strategy has so far resulted in pledges of \$700 million and additional pledges are likely by the 2003 G-8 Summit at Evian, as well as considerable common ground for upcoming negotiations on the framework.
- Appropriate Department and USG interagency stakeholders vet and the NSC approves U.S. demarches and negotiating positions.



Maya FMSF contains at least several tons of plutonium under bilateral transparency.

- Accomplished through bilateral negotiations with Russia centered on fissile material storage facility (FMSF) transparency arrangements.
- Appropriate Department and USG interagency stakeholders vet and the NSC approves U.S. demarches and negotiating positions.

Implement the PPRA.

- This is accomplished through bilateral negotiations with Russia.
- The strategy is to achieve signature and begin implementation of replacement implementing agreement to cease plutonium production under PPRA through shutdown and replacement of reactors by fossil fuel plants rather than core conversion. These also must be access arrangements for U.S. personnel overseeing fossil fuel plant construction and initial contracts.
- Continue to monitor shutdown reactors and Russian plutonium in storage; develop procedures to measure agreed attributes of stored Russian plutonium.
- Appropriate Department and USG interagency stakeholders vet and the NSC approves U.S. demarches and negotiating positions.

Maintain and increase civilian redirection of core former Soviet WMD/missile expertise.

- Solicit and fund civilian research projects by former Soviet WMD scientists/institutes through the intergovernmental Science Centers in Moscow and Kiev.
- Expand efforts to engage former BW and CW scientists/institutes that might be vulnerable to targeting by proliferant states or groups.
- Recruit new U.S. industry partners to collaborate with Science Centers.
- Actively market new technological applications developed by the Science Centers. Examples include Neurok TechSoft (linear differential equation solver), a laser-based flouorocarbon detector, and Animatek computer animation technology.
- Promote links between former WMD scientists/institutes with global civilian science community.
- Develop sustainability models for biological institutes and production facilities for application to selected former BW facilities.
- Reorganize Science Centers to allow better development of technology commercialization from research and increased success in cooperative research competitions.
- Continue well managed project audits and newly developed computer-based financial accounting/project monitoring system.
- Coordinate with other governmental and non-governmental programs
- Outreach made possible by extensive data collected and maintained in accessible databases by the Science Centers and periodic reporting by U.S. embassies in Moscow and Kiev.

Allies and friends support deployment of a limited U.S. missile defense system; some allies join the United States on specific missile defense-related projects.

- Continue intensive work at NATO, bilaterally with other friends and allies, and in various international fora to ensure shared understanding of the WMD/missile threat and to agree on common approaches for addressing that threat.
- Engage in extensive public diplomacy activities to inform countries and publics about the WMD and missile threat, and promote acceptance of the U.S. missile defense program.
- Consult bilaterally with certain allies, particularly the U.K. and Denmark, to seek their support for use of their territory for the necessary infrastructure of U.S. missile defense plans.
- Consult bilaterally with NATO allies and other countries about specific ways they can participate in research and development and other projects related to missile defense.



The United States and Russia begin implementing new transparency and predictability measures to enhance confidence in strategic reductions and strategic stability.

- Work with Russia in the START Joint Compliance and Implementation Commission (JCIC) and, when established, in the Moscow Treaty Bilateral Implementation Commission to resolve outstanding implementation issues and to foster enhanced confidence and transparency regarding START/Moscow Treaty implementation.
- Work with Russia in the Consultative Group of Strategic Security Working Group 1 and through exchanges between the Department and the Russian Ministry of Foreign Affairs to foster broader strategic confidence and transparency.

The United States and Russia begin working on missile defense-related research and development projects.

- Work with Russia within the framework of the Consultative Group on Strategic Stability in the Missile Defense Working Group to determine what Russia might contribute to joint projects on missile defense research and development.

The United States and NATO reach agreement with Russia within the NATO framework about missile defense cooperation.

- Work with Russia in the NATO-Russia Council on theater missile defense cooperation to lay the conceptual framework to facilitate the development of a future joint non-Article V NATO-Russia missile defense rapid reaction capability to protect deployed military forces and critical assets, and identify next steps.



Performance Goal 2
STRENGTHENED MULTILATERAL WMD AGREEMENTS AND NUCLEAR ENERGY COOPERATION
UNDER APPROPRIATE CONDITIONS.

Summary: Projected FY 2004 Performance - Multilateral WMD Agreements

In the wake of the events of 9/11, the global war on terrorism redoubled the Department's determination to reduce the risks that terrorists and the states that harbor them might acquire and use WMD. This has added urgency to the need to bolster the Nuclear Non-Proliferation Treaty (NPT) and the international safeguards regime, the CWC, and the BWC. The bedrock of the Department's nuclear nonproliferation strategy is the NPT, for which the International Atomic Energy Agency (IAEA) plays a key verification role. For the IAEA in 2004, the Department hopes to strengthen the agency's operations, replace outdated equipment, and support development of new measures to verify that nuclear materials removed from nuclear weapons by the United States and Russia are not re-used for weapons.

To buttress the NPT, the Department will continue to work to strengthen the IAEA. Mindful of the risks from countries such as Iraq and Iran, the Department will fund and work with the IAEA on improved safeguards on nuclear materials and facilities and increase its ability to ferret out covert weapons efforts. The Additional Safeguards Protocol sets an important new nonproliferation norm that every country should accept. The Department will also seek political support within the review process toward the 2005 NPT Review Conference (RevCon) for actions to reinforce the NPT barrier to proliferation of nuclear weapons.

The discovery of a clandestine highly enriched uranium (HEU) enrichment program in North Korea and its subsequent decisions to terminate IAEA safeguards and withdraw from the NPT have led to a serious situation on the Korean peninsula. The Department is rallying support behind an effort designed to encourage North Korea to reconsider these decisions and return as a party to the NPT. The Department seeks a North Korea that is a fully compliant non-nuclear state party to the NPT.

In May 2002, the President sent to the Senate for ratification the U.S.-IAEA Additional Protocol to strengthen safeguards which will assist the Department's ongoing diplomatic efforts to encourage universal acceptance and implementation of the Additional Protocol. Other critical areas requiring strong support are IAEA's nuclear safety program and its nuclear materials security initiatives. The Department will seek support from other states to assist the IAEA in reducing the risks of nuclear terrorism, and to ensure that the IAEA's regular budget provides sufficient resources for the safeguards program. By the end of 2004, the Department expects to address critical programs designed to counter nuclear terrorism and implement strengthened safeguards, among others. The Department will also champion the development of advanced safeguards technology and procedures, confront unique safeguards challenges, combat nuclear smuggling, and strengthen nuclear safety measures in Eastern Europe and Eurasia.

Strengthening international nonproliferation regimes such as the Zangger Committee, the Nuclear Supplier's Group (NSG), the Missile Control Technology regime (MTCR), the Wassenaar Arrangement (WA), and the Australia Group (AG) remains critical to the Department. The United States has helped lead international efforts to develop and initiate the International Code of Conduct Against Ballistic Missile Proliferation (ICOC), a continuous, everyday process.

Examples of FY 2002 Achievements

OPCW Leadership Change

In an unprecedented diplomatic move of last resort, the United States led efforts to change the leadership of the OPCW's Technical Secretariat, whose Director-General (DG) had led the OPCW into financial and administrative crisis. The United States is helping the new DG focus the OPCW on its core CWC implementation missions and regaining financial solvency.

Positive Outcome for 1st PrepCom Meeting

U.S. efforts to support the first meeting of the Preparatory Committee for the 2005 NPT Review Conference contributed to a positive outcome that addressed a full range of substantive issues, including the importance of treaty compliance and strengthened IAEA safeguards.



Another high priority for the Department is to strengthen the CWC primarily by ensuring that the new leadership of the Organization for the Prohibition of Chemical Weapons (OPCW) has the wherewithal to carry out its full inspection program. A series of voluntary contributions is fiscally preferable to increasing substantially the base of the OPCW's budget. The Department will also continue to work to improve OPCW's budget processes and its focus on core missions. The Department will continue efforts to expand the number of States Parties to the CWC, and to facilitate destruction of Russian chemical weapons stockpiles. By the end of 2004, the Department hopes to ensure that the OPCW has optimized its inspection activities so that they may better reflect the potential risks posed by different categories of chemical facilities and has increased the efficiency of inspections of chemical weapons destruction.

The Department will work to persuade other States Parties of its new approach to strengthening implementation of the BWC. The United States believes the most effective way to counter the biological weapons threat is to focus on national efforts to improve implementation of the BWC. It would be a step forward if all States Parties were to make greater efforts to ensure that biological weapons could not be transferred to illegitimate groups or acquired because of lax security, and that national laws regarding possession and transfer of biological agents are tightened and strictly enforced.

The Department will continue working with other states to complete an International Monitoring System (IMS) (originally envisaged as part of the CTBT) that will improve U.S. and other countries' capabilities for monitoring possible nuclear tests anywhere in the world. In addition, the Department will continue work at the Geneva Conference on Disarmament to resume negotiations on a Fissile Material Cut-Off Treaty (FMCT) that would cap the amount of material available for use in nuclear weapons.

The Department wants to strengthen existing nonproliferation treaties and upgrade the means to verify compliance, including strengthening compliance with the safeguards and verification requirements of the NPT, and encouraging adherence to and compliance with the CWC and BWC.

Summary: Projected FY 2004 Performance - Nuclear Energy Cooperation

The Department will promote the role of nuclear energy in sustainable development and ensure that the United States continues to be seen as a reliable and valuable partner in international nuclear cooperation.

In pursuing this, the Department will provide advice and technical assistance to other countries, including those operating unsafe Soviet designed reactors, in meeting international standards of safety and physical security. Over the past few months, the Department has launched pilot projects with Nonproliferation and Disarmament Fund (NDF) funding that address the global problem of radiation sources, which can be used in terrorist "dirty" bombs. The Department also nearly concluded the Multilateral Environmental Program in the Russian Federation Framework (MNEPR) Agreement to manage spent fuel and radioactive waste from defense programs safely. This important work will continue, and in the case of NDF, will expand as more projects are sought.

The Department will continue to work with industry and other governments to ensure the smooth operation of existing cooperative relationships that account for significant export earnings and provide the entree for discussion of nuclear proliferation issues. The Department will also pursue a nuclear cooperation agreement with Russia, if Russia-Iran issues are resolved. The Department also will continue to press for a non-binding commitment that focuses on strengthening and reinforcing the IAEA Code of Conduct on the Safety and Security of Radioactive sources to help in preventing terrorist access to material that could be used for a radiological or "dirty" bomb.

Examples of FY 2002 Achievements

Smooth Operation of Cooperation Agreements

Continued smooth operation of cooperation agreements, licensing nuclear exports and enhanced international nuclear export controls were achieved by initiating information sharing and proposing expansion to consider terrorist activities.

Nuclear Damage Compensation

The Convention on Supplementary Compensation for Nuclear Damage was sent to the Senate for ratification.



Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Strengthen Non-Proliferation Treaty (NPT) and International Atomic Energy Agency (IAEA).				
The 2000 Review Conference showed wide support for the NPT; forty-five countries have signed the IAEA safeguards protocol.	Fifty-two countries have signed the IAEA safeguards protocol.	<p>PrepCom I for the 2005 NPT RevCon concluded smoothly.</p> <p>The IAEA took action on integrated safeguards and emphasized financial needs; nine more states signed, bringing the total to sixty-seven, of which, twenty-eight protocols have entered into force.</p> <p>The IAEA Board approved a multi-year program with a substantial increase in funding, to \$11 million annually.</p>	The NPT remains strong; the review process continues with no disruption. Several more states sign or bring into force the IAEA safeguards protocol. The IAEA anti-nuclear terrorism program receives adequate funding and expands assistance.	<p>The first increase in the safeguards budget is used successfully by the IAEA to meet critical needs.</p> <p>More states take action on strengthening safeguards protocol. The IAEA continues to reflect U.S. views.</p> <p>PrepCom III for the 2005 NPT Review Conference (RevCon) concludes satisfactorily.</p>
Indicator #2: Strengthen the Physical Protection Convention (CPPNM). (New Indicator)				
N/A	N/A	<p>Baseline:</p> <p>The IAEA met to discuss whether the CPPNM should be revised or strengthened. Experts made recommendations</p> <p>The Experts Group recommended "well defined amendment" to CPPNM for consideration by the Drafting Group.</p> <p>The Drafting Group worked on recommendations for consideration by a revision conference.</p>	Conference approves a series of amendments to the CPPNM to cover nuclear material in domestic use.	The United States signs the revised CPPNM, which is sent to the Senate for ratification. A sufficient number of states sign the revised CPPNM to allow it to enter into force.



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #3: Strengthen the Chemical Weapons Convention (CWC).				
<p>At total of 133 States Parties. The United States began implementing U.S. industry obligations. Discussions with Russia on CW destruction moribund.</p>	<p>A total of 144 States Parties. The United States fully implemented its industry obligations, i.e., to conduct sixteen inspections of U.S. industry facilities. OPCW budget problems continued. Some destruction of Russian stocks begun.</p>	<p>Four States Parties (Nauru, Uganda, St. Vincent and the Grenadines, and Samoa) were added to the CWC, and two other states (Libya and Thailand) voiced intent to join.</p> <p>The United States fully implemented CWC industry obligations by meeting all declaration and reporting requirements, hosting eight industry inspections, and successfully resolving issues from five previous inspections.</p> <p>Three of the six Congressional conditions for granting authority for U.S financial assistance for Russian stockpile destruction have been resolved; limited progress was made on the other three conditions; Congress granted the President waiver authority. As a result of intense Department efforts, significant international financial assistance was provided.</p> <p>In the summer of 2002, the United States succeeded in bringing about a change in the leadership of the OPCW Technical Secretariat and called for voluntary donations to resolve the immediate OPCW financial crisis. The United States made a \$2 million voluntary contribution, and sought and obtained agreement of the States Parties for a ten percent increase in the 2003 OPCW budget.</p>	<p>A total of 150 States Parties. One CW destruction facility in Russia begins operations. OPCW under good management and conducting full inspection program.</p>	<p>Additional CWC States Parties.</p> <p>OPCW well managed and adequately funded.</p> <p>Work begins on a second CW destruction facility in Russia.</p>



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #4: Number of States Parties who Incorporate U.S. Proposals in Their National Approaches to Controlling the Biological Weapons Threat.				
The States Parties continued work on the BWC Protocol. The United States worked with the Ad Hoc Group Chairman to fix deficiencies in the BWC Protocol.	The States Parties continued work on the BWC Protocol. The United States rejected the flawed BWC Protocol because it would harm the U.S. pharmaceutical industry and undermine U.S. security.	Development of effective measures to strengthen the BWC continued.	U.S. alternative proposals incorporated by 18-20 BWC States Parties in their national approaches to control the BW threat.	U.S. alternative proposals incorporated by 25-30 BWC States Parties in their national approaches to control the BW threat.
Indicator #5: Reactor Closures and Nuclear Waste Improvements.				
Several reactor closures agreed to in NIS and other Eastern European countries; negotiations held on nuclear waste framework agreement.	Several NIS plants closed; G-7 adopted the goal of pressuring Russia to close unsafe reactors.	Positive results achieved in Eastern Europe: e.g., Lithuania and Armenia; Bulgaria shut down two of its four high-risk reactors. Liability agreement reached with Russia allowing U.S. participation in waste cleanup; implementing agreements negotiated.	Closure of key plants in the former Eastern Bloc; G-7 and Russia agree to new reactor closure agenda; the international community funds programs to deal with Russian nuclear waste problems.	Progress toward closure of key plants in the former Eastern Bloc, including Ignalina. Bulgaria takes steps toward closure of one plant. Armenia continues progress.



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #6: Extension of Benefits of Nuclear Cooperation to U.S. Partners and Implementation of Provisions of Existing Cooperation Agreements.				
<p>The United States had nuclear cooperation agreements with the IAEA, EU, and twenty-five other nations; new nuclear technology transfers to China stalled; the United States conducted regular consultations on protection of U.S.-supplied nuclear material; the United States reached necessary agreements on security arrangements for transfer from Europe to Japan; Generation IV International Forum (GIF) on innovative reactor designs began well.</p>	<p>U.S.-China discussions made substantial progress; GIF successfully drafted/approved; no significant issues about security of U.S.-origin nuclear materials; United States continued as reliable partner in nuclear cooperation.</p>	<p>U.S.-China Agreement for Cooperation implemented successfully. U.S.-China discussions on retransfer consents concluded, but agreement not yet in force.</p> <p>GIF developed list of new technologies for international development and continued as a leading forum for international cooperation in advanced reactor development for safety, sustainability, and proliferation resistance.</p> <p>No security problems arose with U.S.-origin nuclear material.</p> <p>United States continued as reliable partner in nuclear cooperation. Agreement extended with Morocco, but not with Indonesia. Other agreements remained in force.</p>	<p>Peaceful nuclear cooperation with China proceeds smoothly; GIF proceeds as a viable forum for reactor cooperation; no security problems arise from U.S.-origin nuclear material; other cooperation programs proceed normally.</p>	<p>Peaceful nuclear cooperation with partners continues without difficulties. If initiated, negotiation of nuclear cooperation agreement with Russia makes substantial progress.</p> <p>New nuclear cooperation programs initiated.</p>

Means and Strategies: Multilateral WMD Agreements

The IAEA uses the first increase in its safeguards budget to meet critical needs.

- Pursue consultations with the IAEA; key supporters of safeguards seek to influence the IAEA in establishing priorities for distribution of additional resources.
- In response to the nuclear terrorism threat, support IAEA work that provides enhanced assistance to states for detection and prevention, including developing guidance and providing training and advisory services.
- Continue close collaboration with the IAEA to ensure that both its safeguards and anti-terrorism programs gain widespread financial, in-kind, and political support.
- Appropriate Department and USG interagency stakeholders vet and the NSC approves U.S. demarches and negotiating positions.



More states take action on strengthening the safeguards protocol; the IAEA continues to reflect U.S. views.

- Work closely with the IAEA and key nations supporting the Additional Protocol to focus energies and resources on countries with significant nuclear activities.
- These consultations are designed to help the IAEA take positive action on implementing integrated safeguards and assist the IAEA in articulating its financial needs.
- The United States lays down a strong marker on safeguards priorities at the 2005 NPT Review Conference, through consultations with the IAEA and other nations committed to the strengthened safeguards system.
- Appropriate Department and USG interagency stakeholders vet and the NSC approves U.S. demarches and negotiating positions.

The United States signs the revised CPPNM, which goes to the Senate for ratification; sufficient number of states sign the revised CPPNM to allow it to enter into force.

- Seek to strengthen the Convention on Physical Protection of Nuclear Material (CPPNM) to extend its coverage to include nuclear material in domestic use.
- Drafting group meets for the fifth time to consider recommendations with the goal of creating a package of amendments for a revision conference.
- The conference will approve the amendments package to the CPPNM to cover nuclear material in domestic use.
- Appropriate Department and USG interagency stakeholders vet and the NSC approves U.S. demarches and negotiating positions.

Seek additional States Parties to the CWC.

- Remind states that have signed but not yet ratified the CWC of the value of ratification.
- Develop strategies for approaching states that have not yet signed the CWC, taking account of their concerns and explaining why the CWC would be in their interest.

OPCW is well managed and adequately funded.

- Urge States Parties to make voluntary contributions so that the OPCW can resolve its financial crisis without raising assessments.
- Seek additional U.S. voluntary contributions and cost-free U.S. experts to assist the OPCW in its administrative and budgeting restructuring.

Work begins on a second CW destruction facility in Russia.

- Work with Russia and the U.S. Congress to meet Congressional conditions for U.S. financial assistance for Russian CW destruction facilities.
- Work with the EU, G-8, and other organizations to generate additional international funding for Russian CW destruction programs.

25-30 BWC States Parties incorporate U.S. alternative proposals in their national approaches to controlling the BW threat.

- Individually and collectively work with other BWC States Parties to persuade them of the value of U.S. alternative proposals, and assist in improving their national approaches, as needed.
- Consult with all other BWC States Parties in annual experts meetings to elaborate on U.S. alternative proposals and agree on common standards and measures.



Means and Strategies: Nuclear Energy Cooperation

Make progress toward closure of key plants in the former Eastern Bloc, including Ignalina. Bulgaria takes steps toward closure of plant. Armenia continues progress.

- Work bilaterally with the countries concerned and multilaterally through the G-7 and the European Bank for Reconstruction and Development (EBRD).
- Consultations lead to G-7 adoption of the goal of pressuring Russia to close unsafe reactors.
- Appropriate Department and USG interagency stakeholders vet and the NSC approves U.S. demarches and negotiating positions

Continue peaceful nuclear cooperation with partners without difficulties; if initiated, make substantial progress on negotiation of nuclear cooperation agreement with Russia.

- As ombudsman, lead diplomatic support to U.S. nuclear power industry.
- Provide incentives for improved Russian and Chinese nonproliferation behavior.
- Define and negotiate new nuclear cooperation agreements, as appropriate.
- Support and participate in appropriate international fora for development of advanced reactors.
- Engage NGO, public, industry and environmental groups to make the case for nuclear energy cooperation under appropriate nonproliferation conditions and controls.

New nuclear cooperation programs initiated.

- As ombudsman, lead diplomatic support to U.S. nuclear power industry.
- Negotiate new nuclear cooperation agreements, as appropriate.
- Support and participate in appropriate international fora for development of advanced reactors.
- Engage NGO, public, industry, and environmental groups to make the case for nuclear energy cooperation under the appropriate nonproliferation conditions and controls.



Performance Goal 3

VERIFICATION INTEGRATED THROUGHOUT THE NEGOTIATION AND IMPLEMENTATION OF NONPROLIFERATION AND ARMS CONTROL AGREEMENTS AND COMMITMENTS AND RIGOROUS ENFORCEMENT OF COMPLIANCE WITH IMPLEMENTATION AND INSPECTION REGIMES.

Summary: Projected FY 2004 Performance

The Department is responsible for establishing policy that assesses and articulates the elements of verifiable nonproliferation and arms control agreements and commitments. The Department is also responsible for establishing noncompliance policy by weighing data against obligations and commitments to determine whether the actions of a nation or an entity are in compliance.

The success of verification regimes can be measured by the degree to which they are crafted to provide confidence in deterring and detecting noncompliance. In this regard, verifiability is enhanced when intelligence is robust and credible information on activities to be limited or proscribed can be collected, the language of an agreement or commitment is clear and is structured to maximize the information the Department expects to obtain, and the policy process of analyzing the data using reasonable standards of evidence is rigorous. Verification can be judged effective when the degree of verifiability is sufficient given the probability of noncompliance, the acceptability of the risks associated with both undetected and detected noncompliance, and the ability of the United States to respond to or deny the harmful effects of noncompliance on the United States.

Timely and rigorous compliance assessments are essential to inform policymakers whether other nations and entities are complying with their commitments and to enable timely and appropriate responses to violations. As such, it is essential that the Department rigorously assesses activities and verifies that parties to agreements and commitments follow through on their obligations.

Example of an FY 2002 Achievement

Verification Mission

In a new initiative, the Department transferred funds in July 2002 to the Department of Defense to help preserve a technical collection capability critical to the Department's verification mission. These funds were used to establish a program to replace the aging COBRA JUDY radar, a sea-borne system that contributes to verifying the START Treaty and characterizing foreign ballistic missile systems, as well as a Program Office, and enable the United States to acquire a replacement several months early, saving about a year in development time and hedging against a gap in collection coverage.

In 2004, the Department will expand and strengthen its compliance assessments by fully utilizing sensitive compartmented intelligence information regarding WMD activities and the proliferation behavior of other nations and entities. Applying additional rigor to compliance assessments will further support and inform the process for evaluating and determining sanctions in 2004. In addition, the Department will expand its compliance diplomacy efforts to resolve U.S. compliance concerns and gain support for redoubled enforcement efforts. A major Department focus will be to develop an ongoing dialogue with key Congressional committees on verification and compliance issues and requirements.

In carrying out its mission, the Department has produced a verifiability assessment of the Moscow Treaty. The Senate provided its advice and consent to ratification of the Moscow Treaty on March 6, 2003. The Department has identified the elements of and is seeking international support for verifiable dismantlement of North Korea's nuclear weapons capability. The Department is also assessing a verifiable ban on North Korean missile production, testing, and exports. The Department also will turn its attention to developing the Administration's approach to the conduct of challenge inspections under the CWC. In an effort to support compliance diplomacy, the Department will pursue an open source information initiative to gather all available information to enhance detection and analysis of noncompliance, as well as support strategies for enforcement.



Strengthening the Department's efforts to develop and implement verification concepts and to advocate the development and deployment of intelligence capabilities to monitor WMD will continue in 2004. To this end, the Department will seek permanent funding lines for key intelligence community assets and will assess the impact on treaty verifiability of changes to these assets.

The Department also will advocate a robust Verification Assets Fund (V Fund) to preserve critical assets and to identify and promote R&D of promising verification technologies. Additionally, the Department will continue to manage the Nonproliferation and Arms Control Technology Working Group (NPAC TWG) that annually reviews \$500-million worth of arms control and nonproliferation verification R&D across twenty-five USG agencies. By bringing together these agencies, the NPAC TWG identifies ongoing arms control and nonproliferation R&D throughout the USG and seeks to eliminate redundancies, identify gaps, and facilitate enhanced coordination and better products. In 2004, the Department will continue to participate in more than thirty USG intelligence groups that monitor and assess weapons and proliferation activities. Based on the Department's involvement in these groups, appropriate action related to sensors and other assets is directed in support of arms control and nonproliferation objectives (see box). In 2004, the Department will release the World Military Expenditures and Arms Transfers (WMEAT) Report for 2003, which will contain CY 2002 updates. The WMEAT is widely used by the Department, other USG agencies, academia, and other countries to conduct analyses of world military trade.

In an effort to improve the Department's ability to coordinate arms control, nonproliferation, and political-military efforts with other USG agencies, foreign governments, international organizations, and U.S. delegations abroad, ten classified and unclassified videoconferencing systems have been installed in the Department and at select military locations where Department personnel are stationed. The Department has also installed operational video systems at the U.S. Missions in Geneva and Vienna, the U.S. Mission to the UN in New York, the Harry S Truman Building, State Annex 1, and at five military locations.

The Department will continue its work to ensure that the Nuclear Risk Reduction Center (NRRC) system resources, operational procedures, and trained personnel are available and ready to support new arms control and nonproliferation agreements and commitments as they are negotiated and become operational. To this end, the Department will maintain critical round-the-clock staffing, while increasing automation of message processing to meet notification requirements. Work will also proceed on the development of an emergency back-up communications site outside of the Harry S Truman Building to meet NRRC requirements for communications with sites in Russia and the NIS countries.



Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Verification Integrated into Arms Control and Nonproliferation Agreements and Commitments. (New Indicator)				
N/A	N/A	<p>Baseline: Moscow Treaty Verifiability Report completed.</p> <p>U.S. positions on verification requirements developed.</p> <p>Transparency Measures for the Moscow Treaty developed, as necessary.</p>	<p>Revised Target: The Senate provided its advice and consent to ratification of the Moscow Treaty on March 6, 2003.</p> <p>Analyze and make decisions on role of transparency measures to support Moscow Treaty implementation and Bilateral Implementation Commission activities.</p>	<p>Seek Senate ratification of the Moscow Treaty. Seek to enforce Russian compliance with START in support of the Moscow Treaty Implement and enforce Moscow Treaty.</p> <p>Devise and carry out strategy for integrating the START verification regime implementation, national monitoring activities, and as necessary, transparency measures to enhance monitoring of and confidence in implementation of the Moscow Treaty.</p>
N/A	N/A	<p>Baseline: North Korean Verifiable Dismantlement of Nuclear Weapons Capability and Verifiable Missile Ban.</p> <p>Prepared assessment of the elements of the verifiable dismantlement of the North Korean nuclear weapons capability. Maintained capability to finalize verification regime for ban on North Korean indigenous and export programs for ballistic missiles in preparation for negotiations.</p>	<p>USG approves elements of verifiable dismantlement for use with other nations. As international situation permits, enter into negotiations on verifiable ban on North Korean indigenous and export ballistic missile programs.</p>	<p>Pursue North Korean agreement to verifiable dismantlement of their nuclear programs, and ensure that verification requirements are implemented. Pursue verifiable ban on North Korean indigenous and export ballistic missile programs.</p>



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #2: Submission of Presidential Report on Compliance with Arms Control and Nonproliferation Agreements and Commitments.				
CY 1999 Annual Noncompliance Report submitted to Congress, but not on time.	CY2000 Annual Noncompliance Report not submitted to Congress on time, and instead was combined with the CY 2001 report.	<p>CY 2001 Annual Noncompliance Report submitted to the NSC on time, but needed revision to meet more fully Congressional requirements.</p> <p>CY 2001 Report on Compliance with the CWC was submitted to the NSC, but needed revision to meet Congressional requirements more fully.</p> <p>CY 2001 Report on Compliance with the CFE Treaty submitted to the NSC on time.</p>	<p>Revised Target: CY 2001 Annual Noncompliance Report (which incorporated CY 2000 activities) was submitted to the NSC, but not yet submitted to Congress.</p> <p>Timely submission of the CY 2002 Annual Noncompliance Report to Congress.</p> <p>Participate in rigorous review of proliferation behavior to determine sanctionable activities.</p> <p>Pursuant to Senate Resolutions of Ratification, prepared and submitted to the NSC, the CY 2002 Annual Reports on Compliance with the CWC and the CFE Treaty. Reports submitted to the Senate.</p>	<p>Revised Target: Annual Noncompliance Report covering CY 2003 activities submitted to Congress on time</p> <p>Participate in rigorous review of proliferation behavior to determine sanctionable activities.</p> <p>CY 2003 Annual Reports on Compliance with the CWC and the CFE Treaty submitted to the Senate.</p>



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #3: Compliance Diplomacy Strategy Developed To Enforce Compliance with Arms Control and Nonproliferation Agreements and Commitments. (New Indicator)				
N/A	N/A	<p>Baseline: Compliance issues associated with the CWC enforced.</p> <p>Visits conducted in four countries under the provisions of Article IX of the CWC to clarify and resolve compliance issues. Compliance issues were resolved as a result of several of these visits.</p> <p>During these bilateral discussions with several States Parties, the United States identified its concerns and necessary mitigating steps. The United States also proposed to a State Party a plan for conducting possible site visits to address U.S. CWC compliance concerns.</p> <p>Five States Parties responded to follow-up demarches and the Department resolved its compliance concerns with some States Parties.</p>	<p>Revised Target: Clarify and seek resolution of U.S. compliance concerns. Visits under Article IX of the CWC will be proposed to clarify and resolve compliance issues. Bilateral compliance consultations will be conducted.</p> <p>Work with Congress to enlist support in enforcing Russian compliance.</p> <p>Work with Congress to enlist support in enforcing Russian compliance.</p>	<p>Clarify and seek resolution of U.S. compliance concerns. Visits under Article IX of the CWC will be proposed to clarify and resolve compliance issues. Bilateral compliance consultations will be conducted.</p> <p>Pursue open source information in support of compliance diplomacy.</p> <p>Work with Congress to enlist support in enforcing Russian compliance.</p>
N/A	N/A	<p>Baseline: Compliance issues with the BWC enforced.</p> <p>Protocol to the BWC was not supported at the BWC Ad Hoc Group, nor revived at the Fifth Review Conference. The United States called for violators to come into compliance with the BWC.</p> <p>Concerns about noncompliance with the BWC were raised in all BWC consultations leading up to the resumed Fifth BWC Review Conference; the United States made this a major focus of the Conference.</p>	<p>Articulate and seek international support for enforcement of compliance with the BWC at appropriate forums and in bilateral consultations.</p> <p>Gain adherence of all NIS countries to the BWC.</p>	<p>Promoting compliance with the BWC is a principle thrust of U.S. BWC activities at appropriate forums and in bilateral consultations.</p>



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #4: Prepared for Rapid Assessment of Allegations of Biological and Chemical Weapons Use. (New Indicator)				
N/A	N/A	<p>Baseline: Rapid assessment of allegations of biological and chemical weapons use.</p> <p>Requirement for rapid assessment policy is identified. Team is formed and research begun on methodology and policies to accomplish.</p>	<p>Department develops U.S. policy for the rapid assessment of allegations of biological and chemical weapons use.</p>	<p>Department and USG interagency group validate agreed U.S. policy for the rapid assessment of allegations of biological and chemical weapons use, which is deployed during the 2004 Annual Meeting of BWC States Parties.</p>



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #5: Intelligence Collection Resources Promoted to Support Arms Control and Nonproliferation Verification Objectives. (New Indicator)				
N/A	N/A	<p>Baseline: Verification Assets Fund utilized.</p> <p>Verification Technology R&D and intelligence assets coordinated and supported.</p> <p>The Department provided \$400,000 to initiate a Program Office and to advocate funding the replacement for the COBRA JUDY radar (operated by the Department of Defense and the intelligence community), critical for verification of the Strategic Arms Reduction Treaty (START) and for missile proliferation assessments.</p> <p>The Verification and Compliance Bureau (VC) co-chaired the interagency Nonproliferation and Arms Control Technology Working Group (NPAC TWG), which acts as a central Coordinator for verification technology and identifies shortfalls in funding for critical arms control and nonproliferation R&D projects. The Department finalized the biennial NPAC TWG Report. As co-chair, VC assisted in sponsoring major symposia on Biological Weapons Detectors, Nuclear Explosion Detection, Chemical Weapons Detectors, and Unattended Radiation Sensors.</p>	<p>Seek Congressional support for endowing the Verification Assets Fund mandated by Congress in 1999 in support of preserving intelligence assets and funding R&D critical for supporting arms control and nonproliferation objectives.</p> <p>Conduct the annual NPAC TWG Conference. Assist in conducting several major symposia involving NPAC TWG focus groups.</p> <p>Identify and fund Verification Assets Fund projects which are important for monitoring WMD activities.</p> <p>Urge and obtain redeployment of key intelligence assets against a significant threat.</p>	<p>Identify and fund Verification Assets Fund projects which are important for monitoring WMD activities.</p> <p>Draft and coordinate the NPAC TWG Report among all interagency participants.</p> <p>Participate in over 30 USG intelligence groups which monitor and assess weapons and proliferation activities, and direct appropriate action related to sensors and other assets in support of arms control and nonproliferation objectives.</p>
Indicator #6: Report on World Military Expenditures and Arms Transfers (WMEAT) Published.				
Release of WMEAT 1998 Report (CY 1997 update).	Release of most of WMEAT 1999-2000 Report (with CY 1998-1999 updates) on Internet and SIPRINET.	WMEAT 1999-2000 Report completed and prepared for printing.	Release of WMEAT 2002 Report (CY 2001 updates) by the end 2003.	Release of WMEAT 2003 Report (CY 2002 updates) by the end 2004.



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #7: Timely Treaty-Mandated Communications.				
NRRC Agreement Amendment Protocol signed by the Secretary in January 2000. Study of architecture for GGCL replacement system began (the current system is operational only until 2005).	Study of architecture for GGCL replacement system took place.	START partners (former Soviet nuclear states) considered completed U.S. proposal for replacement of current Government-to-Government Communications Links (GGCL) system; Integrated Notification Application (INA), designed to support CFE, Open Skies and VC 1999 notification exchange was being tested; OSCE Network Phase II Migration was on track.	Proof of concept tests conducted on U.S. end for the preferred GGCL replacement design. START Treaty Parties consider and accept U.S. design for GGCL architecture.	Coordination of international testing of accepted GGCL replacement architecture design.
Indicator #8: Nuclear Verification Information System (NVIS) Enhances Verification of Compliance With Nuclear Testing Treaties and Moratoria.				
Identified need to improve classified and open source information access for verifying compliance with nuclear testing treaties and moratoria.	Initial contracts concluded for development of Phase I of the NVIS tool on the Secret Internet Protocol Router Network (SIPRNET).	Received and used information from U.S. National Technical Means (NTM) and open sources to verify compliance with nuclear testing treaties, commitments, and moratoria.	Use NVIS to verify international compliance with nuclear testing treaties, commitments and moratoria and to develop USG compliance positions.	Compatible NVIS tools operate on classified and unclassified systems to access seismic, radionuclide, satellite, and other intelligence information for verifying international compliance of nuclear testing treaties, commitments, and moratoria.

Means and Strategies by Target

Moscow Treaty: Seek to enforce Russian compliance with START in support of the Moscow Treaty; implement and enforce the Moscow Treaty. Devise and carry out strategy for integrating START verification regime implementation, national monitoring activities and, as necessary, additional transparency measures to enhance monitoring and confidence in Moscow Treaty implementation.

- Participate in the Bilateral Implementation Commission.
- Develop and negotiate useful transparency measures as identified.
- Assess compliance through Verification and Compliance Analysis Working Group (VCAWG) and include in demarches and the Annual Noncompliance Report.

North Korea: Pursue North Korean agreement for verifiable dismantlement of their nuclear programs; ensure that verification requirements are implemented. Pursue a verifiable ban on North Korean indigenous and export ballistic missile programs.

- Participate in negotiations.
- Develop and coordinate Secretary's Verifiability Assessment of the final agreement.
- Assess compliance through Verification and Compliance Analysis Working Group (VCAWG), raise issues with North Korea, and include in the Annual Noncompliance Report.
- Coordinate with the intelligence community on known facilities and identify gaps in knowledge.



- In coordination with National Nuclear Security Administration's (NNSA) nuclear weapons labs, U.S. allies, the IAEA, and other entities, develop monitoring objectives for each element of the dismantlement of the North Korea's nuclear weapons capability.
- In coordination with national and international partners, develop robust verification techniques for each monitoring objective and gain acceptance of the verification suite.
- Work with appropriate agencies to identify funding sources for dismantlement monitoring/verification tools and for implementation of verification activities within North Korea.
- Have staff coordinate with affected agencies; host international workshop on dismantlement; brief Congressional staff in support of funding for international dismantlement activities and for implementation of verification activities.
- Work to obtain funding and support for a program that contains nuclear weapon knowledge and technology.

Submit the CY 2003 Annual Noncompliance Report to Congress on time.

- Rigorously analyze all source intelligence to supply well-grounded conclusions.
- Fully utilize sensitive, compartmented intelligence information on WMD activities and the proliferation behavior of nations and entities included in the Report.
- Record VCAWG compliance assessments of existing agreements and report in a comprehensive and timely manner.
- Streamline interagency coordination process.
- Rigorous review and analysis of proliferation behavior to determine sanctionable activities.

Develop diplomatic strategy to enforce compliance with arms control and nonproliferation agreements and commitments; promote compliance with BWC as a principle thrust of U.S. BWC activities at appropriate forums.

- Prioritize approaches to selected countries.
- Seek out additional occasions to use diplomatic approaches to pursue more than one objective at a time, with a focus on CWC and BWC compliance.
- Prepare for CWC Challenge Inspection activities within the USG and internationally.

CY 2003 rapid assessment of allegations of BW and CW use.

- The Department expands the composition of the CW/BW Allegations of Use Team with additional disciplines.
- USG experts consult with outside experts.
- Interagency collaborators are brought into the Team.
- Deploy U.S. policy related to allegations of BW use at the 2004 Annual Meeting of BWC States Parties.

Utilize the Verification Assets Fund (V Fund). Coordinate and support Verification Technology R&D and intelligence assets. Participate in USG intelligence groups that monitor and assess weapons and proliferation activities, and direct appropriate action related to sensors and other assets.

- Obtain IPA to assist in managing the \$7-million effort for the V Fund.
- Continue and expand the contract with MITRE to assist in supporting the efforts to coordinate the NPAC TWG.

Release the WMEAT 2003 Report (CY 2002 updates) by the end of 2004.

- Issue another double report in 2003 to make reporting more up to date.
- Adopt new automation strategies to speed up production.



Coordinate international testing of accepted Government-to-Government Communications Links (GGCL) replacement architecture design.

- The VC and IRM Bureaus will coordinate on U.S.-Russian system testing.
- VC and IRM will involve Ukraine, Kazakhstan, and Belarus in coordinating server-based system testing.
- Review results and make final recommendations for server-based system start-up.

Enhance verification of compliance with nuclear testing treaties, commitments, and moratoria through use of the Nuclear Verification Information System (NVIS) on multiple systems.

- Assess current Measurement and Signature Intelligence (MASINT) requirements for nuclear test monitoring and timely reporting of results. This requires coordination with the Air Force Technical Applications Center (AFTAC); the Weapons, Intelligence, Nonproliferation, and Arms Control Center (WINPAC); and the Bureau of Intelligence and Research (INR).
- Evaluate and provide guidance on Verification and Compliance (VC) Bureau-funded enhancements to the classified AFTAC Event Reporting Tool, to ensure that AFTAC reporting comprehensively meets Department needs for timely reporting of U.S. Atomic Energy Detection System (USAEDS) monitoring results.
- Provide technical direction and guidance to Lawrence Livermore National Laboratory and Sandia National Laboratory in their ongoing development of the Nuclear Verification Information Tool (NVITool) software, to ensure that the tool functions as designed and meets Department needs for nuclear test information access and management.
- Develop and coordinate interagency clearance of a proposal for reciprocal visits to nuclear tests sites of key countries. Support the review and clearance process, as determined by the NSC.

Summary: Verification/Validation and Crosscutting Activities

Performance Goal 1	Bilateral measures, including the promotion of new technologies, combat the proliferation of WMD and reduce stockpiles.
Verification and Validation	Data to measure performance and progress are derived from intelligence reporting cables from U.S. embassies and meetings, principals' committee/deputies committee (PC/DC) decisions, decision memos, interagency USG input, and, where appropriate, treaty and regime documents and meetings. For the Science Centers, data are collected and maintained in accessible databases in Moscow and in Kiev. Data and performance measurement are also derived from reports by independent outside auditors. Data generally cover all relevant issues and are usually reliable.
Crosscutting Activities	The Department collaborates with the intelligence community; the Departments of Defense, Commerce, Energy, Health and Human Services, and Agriculture; FBI; CBP; Coast Guard; JCS; EPA; NRC; NSC; OVP; MTCR; Nuclear Suppliers' Group; Zangger Committee; UN Security Council; KEDO; NATO allies; IAEA; EU members; G-8 members; P-5 members; India; Japan; South Korea; Norway; Pakistan; academia; Congress; and the private sector.



Performance Goal 2	Strengthened multilateral WMD agreements and nuclear energy cooperation under appropriate conditions.
Verification and Validation	Data to measure performance and progress are derived from direct participation, intelligence, reporting cables, PC/DC decisions, decision memos, interagency input, and, where appropriate) IAEA documents and meetings, and trip reports. Data cover all relevant issues and are reliable. For the IAEA and OPCW, data to measure performance and progress are derived from IAEA and OPCW Board decisions and other IAEA and OPCW documentation, USG policy papers and decision documents, and U.S. diplomatic reporting (particularly from IAEA and OPCW) and e-mail. Data also come from other USG personnel involved in supporting programs (e.g., from NRC and Department of Energy).
Crosscutting Activities	The Department collaborates with the Departments of Defense, Energy, Transportation, and Treasury; OVP; NSC; NRC; USAID; adherents to the NPT and CWC; IAEA; OPCW; relevant NGOs; and the U.S. nuclear and chemical industries.



<p>Performance Goal 3</p>	<p>Verification integrated throughout the negotiation and implementation of nonproliferation and arms control agreements and commitments, and rigorous enforcement of compliance with implementation and inspection regimes.</p>
<p>Verification and Validation</p>	<p>Data to measure performance and progress are derived from intelligence, reporting and analysis, diplomatic reporting cables, direct participation in multilateral and bilateral forums, open sources of information, reporting by international inspectorates, data declarations, treaty notifications, documents submitted to international implementing bodies, information submitted as confidence building measures, on-site inspections, National Technical Means, and notifications exchanged among agreement signatories. Data are cross-compared, analyzed, and tested for accuracy and for verification. PC/DC decisions, decision memos, IAEA documents, meetings, and trip reports, interagency input, treaty, agreement, and commitment documents and meetings, and Congressional activities also play a part in validating performance.</p> <p>For North Korean nuclear dismantlement, verification will be self-evident with the development of objectives, list of monitoring and verifying tools, international consensus on elements of the verification regime, and funding and implementation of verification of dismantlement activities.</p> <p>Data are assessed through the applicable VCAWG and compliance judgments are rendered. Findings are recorded annually in the President's Annual Noncompliance Report.</p> <p>Performance of NVIS development tasks are verified and validated by the implementation of these software tools on the classified system and their routine use within the Department.</p> <p>The performance of test site transparency will be validated by the occurrence of reciprocal test site visits with key countries.</p>
<p>Crosscutting Activities</p>	<p>The Department collaborates with the intelligence community; the Departments of Defense, Energy, and Commerce; JCS; NSC; NRC; MTCR; IAEA; G-8 members; and P-5 members. The Department also collaborates with NGOs, other States Parties, adherents to the Moscow Treaty, INF, START, and MTCR, and (for CWC issues) the OPCW Technical Secretariat.</p> <p>For North Korean nuclear dismantlement, international consensus on elements of dismantlement, development, use and validation of verification procedures and tools, international support for dismantlement mandate and verification – all will support momentum for U.S. nonproliferation goals and may be applicable to dismantlement of nuclear weapons activities in other countries of concern. NVIS development will require significant collaboration with other agencies – the NVIS tool is being developed by Lawrence Livermore National Laboratory and Sandia National Laboratory, and will be shared with AFTAC and the NNSA.</p> <p>Test site transparency initiatives will require full interagency coordination with the NNSA, weapons intelligence, Nonproliferation and Arms Control organization in the Office of the Secretary of Defense, NSC, and others.</p>



Strategic Goal 5: International Crime and Drugs

MINIMIZE THE IMPACT OF INTERNATIONAL CRIME AND ILLEGAL DRUGS ON THE UNITED STATES AND ITS CITIZENS

Public Benefit

Americans face growing security threats, both at home and abroad, from international terrorist networks and their allies in the illegal drug trade and international criminal enterprises. Illegal drugs impose a staggering toll, killing more than 19,000 Americans annually and costing more than \$160 billion in terms of law enforcement, drug-related health care, and lost productivity. This is in addition to the wasted lives; the devastating impact on families, schools, and communities; and the generally corrosive effect on public institutions. In the President's words, "Illegal drug use threatens everything that is good about our country." International crime groups, although they attract less media attention, rival the threat posed by narcotics traffickers. International trafficking in women and children, smuggling of migrants and contraband, money laundering, cybercrime, theft of intellectual property rights, vehicle theft, public corruption, environmental crimes, and trafficking in small arms cost U.S. taxpayers and businesses billions of dollars each year. Some experts estimate that non-drug crime accounts for half of the estimated \$750 billion of money laundered each year in the United States. The events of 9/11 and their aftermath highlight the close connections and overlap among international terrorists, drug traffickers, and transnational criminals. All three groups seek out weak states with feeble judicial systems, whose governments they can corrupt or even dominate. Such groups jeopardize peace and freedom, undermine the rule of law, menace local and regional stability, and threaten the United States and its friends and allies.

To meet these challenges, the Department supports a robust and comprehensive range of bilateral, regional, and global initiatives and assistance programs to build up the law enforcement capabilities of foreign governments so they can help stop these threats before they reach U.S. soil. In the case of drug trafficking, this means strengthening the ability of key source and transit countries such as Colombia, Afghanistan, Peru, and Bolivia to destroy drug crops, disrupt operations, dismantle organizations, arrest and imprison leaders, and seize assets while helping to help provide economic alternatives for farmers. To help extend the U.S. security perimeter beyond our immediate borders, the Department helps selected other countries strengthen their own borders and gateways against drug and people traffickers, terrorists, and other criminal groups, whether in Mexico, the Caribbean, or countries neighboring on Afghanistan. The Department also works with the UN, the Organization of American States, the G-8, the EU, and other international entities to set international counterdrug and anti-crime standards and norms, coordinate collective actions, remove safe havens, close jurisdictional and enforcement gaps between countries, and share the financial and political burden of combating such threats. In carrying out these programs, the Department works closely with more than a dozen other USG agencies, including the Departments of Justice, Defense, Homeland Security, and Treasury; DEA; CIA; FBI; BCBP, the Coast Guard; and USAID.

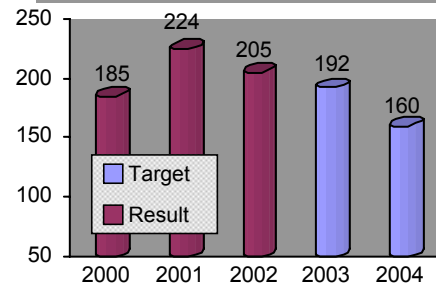


Performance Goal 1
**INTERNATIONAL TRAFFICKING IN DRUGS, PERSONS, AND OTHER ILLICIT GOODS DISRUPTED
AND CRIMINAL ORGANIZATIONS DISMANTLED**

Summary: Projected FY 2004 Performance

The primary target of the Department’s counterdrug effort is cocaine and heroin trafficking out of the Andean Ridge, particularly Colombia, which provides 90 percent of the cocaine and approximately 40 percent of the heroin entering the United States. Building on the record-setting 2002 year, during which coca cultivation in Colombia declined by approximately 15 percent, Department-supported eradication and alternative development programs will lead to increased destruction of drug crops and a reduction in net cultivation. Law enforcement, including border assistance to neighboring states will help prevent spillover caused by increased counterdrug and counterterrorism activities in Colombia. Training, equipment, and technical assistance for source and transit states will strengthen their ability to interdict drug shipments and break up trafficking organizations. U.S. delivery of the last round of major equipment under Plan Colombia will enable the Colombian Army (COLAR) and the Colombian National Police (CNP) to carry out a more vigorous counternarcotics program. A significantly expanded spraying program in Colombia will reduce overall cocaine production, even in the event of extensive replanting. Expanded U.S. Congressional authorities and the recognition that the battles against narcotics and terrorism are inexorably linked will mean an expanded U.S. role in combating terrorist/insurgent groups in Colombia. By 2004, a more mobile COLAR counterdrug brigade will strike high-value targets such as the narco-terrorist leadership and key narco-terrorists involved in the drug trade wherever they are located, provide improved protection for critical infrastructure such as pipelines, and rescue victims of kidnappings by narco-terrorist groups. Resumption of the air interdiction program will deny traffickers the use of Colombian and Peruvian airspace. Meanwhile, the Department’s justice sector institutional development programs will provide increased transparency and accountability in the public sector as well as improved protection for human rights.

Performance Trend: FY 2000–FY 2004
Cultivation of Coca
(in Thousands of Hectares)



The renewal of the opium trade in Afghanistan, which finances a range of terrorist and other illegal armed groups, threatens the stability of both the new Afghan government and the region, especially the newer Central Asian states of the former Soviet Union. The United States and its partners are rebuilding the Afghan national police and reestablishing key judicial institutions. Although the rebuilding will still be underway in 2004, police and counternarcotics units should be increasingly capable of operating throughout the country by the end of the year. An expanded alternative development program will attack the opium trade from the economic side, improving economic infrastructure and offering alternative livelihoods.

Example of FY 2002 Achievement

Afghanistan

Following the fall of the Taliban, the Department spearheaded a successful international campaign to convince the new Afghan Interim Administration to include counternarcotics as one of its early priorities and to ban the cultivation of opium poppies. Although the ban came too late to prevent the poppy crop that was harvested in the spring of 2002, this political and legal commitment by the new government, which will require U.S. counternarcotics and other assistance, provides an historic window of opportunity to curb significantly the opium trade in Afghanistan, the world’s leading producer of heroin.



Drug traffickers, terrorists, and international crime groups launder and move funds secretly. In the wake of the events of 9/11, the United States embarked on an accelerated program to identify and assist countries most at risk for terrorist financing. By the end of 2004, the Department plans to help eighteen priority states tighten their anti-terrorist financing regimes.

Each year, more than 700,000 people, primarily women and children, are trafficked across international borders, and become subject to sexual, economic, or other forms of exploitation. Some 50,000 of them are brought to the United States. To combat this form of modern day slavery, the Department helps vulnerable countries strengthen their anti-trafficking laws and enforcement. This includes guidance for drafting anti-trafficking laws; training for government officials, medical personnel, and NGOs; helping set up specialized police units and child-friendly interview rooms; and providing key equipment, such as forensic rape kits. In 2004, Department assistance will lead to increased prosecutions of traffickers, enhanced victim protection, and improved coordination between source and destination countries. Working with the Department of Justice and other USG agencies, the Department will coordinate interagency intelligence on trafficking and support disruption operations against significant migrant smuggling/trafficking networks, including migrant smugglers who facilitate terrorist travel, in cooperation with key foreign governments.

Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Implementation of Counterterrorism Financing Regimes in the 19 Countries Most Involved in Al Qaeda Financing. (New Indicator)				
N/A	N/A	Baseline: USG assessed institutional/legal deficiencies on nine of the nineteen priority countries most heavily involved in funding al-Qaeda. The USG provided technical assistance to two of these countries.	Establish viable money-laundering regimes in five most affected countries. Complete assessments for all nineteen countries. Provide assistance to fifteen or sixteen countries.	Develop viable money-laundering regimes in twelve of the priority countries.



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #2: Number of Countries Meeting Minimum Standards in the Elimination of Trafficking in Persons.				
The Trafficking Victims Protection Act of 2000 (P.L. 106-386) called for the creation of the Office to Monitor and Combat Trafficking in Persons.	The Office to Monitor and Combat Trafficking in Persons was established. First <u>Trafficking in Persons Report</u> was issued.	The President's Interagency Taskforce and Senior Policy Advisory Group coordinated anti-trafficking policy. Ratification package for UN Trafficking in Persons Protocol was sent to the Senate. Second <u>Trafficking in Persons Report</u> was issued.	Thirty percent of Tier 2 and 3 countries use Department assistance to develop or further anti-trafficking initiatives. ¹ Expand TIP report to include twenty additional countries with significant number of trafficking victims. Promote best practices via five new bilateral and regional initiatives among source, transit, and destination countries. Twenty-five countries ratify UN Trafficking in Persons Protocol	Increase number of countries in Tier 1 by five. Enhance research and data collection; include the addition of countries to TIP report. Enhance public awareness in U.S. and abroad. Thirty countries, including the U.S., ratify UN Trafficking in Persons Protocol

¹ Tier 1, 2 and 3 ratings: A rating scale used to designate levels of governmental efforts to combat trafficking on the basis of minimum standards. First tier countries are those that are in full compliance with standards. Third tier countries neither fully comply with the minimum standards nor make significant efforts to do so.



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #3: Foreign Cultivation of Coca, Opium Poppy, and Marijuana. (in Hectares)				
Coca: 185,000 Opium Poppy: 209,465 Marijuana: 8,700	Coca: 223,700 Opium Poppy: 143,000 Marijuana: 8,900	Coca: 205,450 Opium Poppy: TBD Marijuana: TBD	Coca: 192,000 Opium Poppy: 125,000 Marijuana: 5,600	Coca: 160,000 Opium Poppy: 119,000 Marijuana: 5,000
Indicator #4: Potential Production of Cocaine and Heroin in key Source Countries (in metric tons)				
Cocaine: 840 Heroin: 498	Cocaine: 995 Heroin: 123	Cocaine: 880 Heroin: TBD	Cocaine: 800 Heroin: 240	Cocaine: 750 Heroin: 220
Indicator #5: Seizures of Cocaine (HCl/base) (Colombia, Peru, Bolivia). (in metric tons)				
Cocaine: 86	Cocaine: 93	Cocaine: TBD	Cocaine: 110	Cocaine: 120

Means and Strategies by Target

Develop viable anti-money laundering regimes in twelve priority countries

- Lead interagency teams to assess each country's anti-money laundering/anti-terrorist financing training and technical assistance needs.
- Design comprehensive implementation plans based on assessments, negotiate training and technical assistance agreements with host government.
- Fund and coordinate the delivery of targeted training and technical assistance by USG law enforcement agencies and other providers.

Increase the number of Tier 1 countries by five.

- Identify pilot countries to receive increased USG attention.
- Develop additional new country specific TIP strategies for foreign governments to implement.
- Expand programmatic TIP presence in ten new underserved areas.
- Conduct informal assessments of governmental anti-TIP efforts to determine gaps in underserved areas.
- Conduct informal assessment of Non governmental actors' efforts to determine gaps in underserved areas.

Enhance research on trafficking and data collection; add countries to the TIP report.

- Travel to geographic areas where there is insufficient TIP information.
- Encourage U.S. embassies to obtain and foreign embassies to provide regular updates on governmental TIP efforts.
- Fund additional research studies on TIP, particularly in areas where there is insufficient information.
- Gather information on best practices in the areas of prevention, protection and prosecution.
- Produce practical guidelines and other law enforcement strategies to enhance prosecution efforts.



- Collect law enforcement data on successful prosecutions and convictions of traffickers, and/or corrupt government officials.
- Support NGOs that promote increased prosecution via increased cooperation and program funding.

Enhance public awareness through Department engagement.

- Revamp TIP Report, including additions of human interest stories and photographs, to attract increased readership and public awareness.
- Use the TIP report in bilateral meetings.
- Place articles and op-ed pieces in major newspapers and journals.
- Conduct more radio, TV, and print interviews.
- Invite media to anti-trafficking related events.
- Expand number of international visitor programs.
- Increase number of digital video conferences.
- Host public venues featuring innovative speakers (e.g., celebrities and investigative journalists).
- Host regular screenings of documentary films.

Reduce annual foreign cultivation of coca to 160,000 hectares, of opium poppy to 119,000 hectares, and of marijuana to 5,000 hectares.

- Obtain additional spraying equipment and access to coca-rich areas in Andean Ridge previously denied for political reasons, along with increased mobility for security forces accompanying spray operations in Colombia.
- Step up the pace of Andean Ridge interdiction and spraying operations – up to 200,000 hectares of coca and 10,000 hectares of opium poppy, including multiple spraying of some areas, in coordination with Colombia's expanded national security strategy.
- Increase political pressure on Peru and Bolivia to prevent replanting of illicit coca.
- In Afghanistan, expand the alternative development program, and assist in rebuilding the national police and creating specially trained and equipped counternarcotics units.
- Work with key members of the international community to keep pressure on the Afghanistan continue to give priority to counternarcotics.
- Help the Afghanistan extend counternarcotics operations to all provinces.
- Maintain counternarcotics support, including eradication and alternative development, for Laos, Pakistan, and the UN counterdrug program in Burma.

Reduce foreign potential production in key source countries to 800 metric tons of cocaine and 220 metric tons of heroin per year.

- In Colombia, step up the aerial spraying program with delivery of additional equipment.
- Increase mobility of the COLAR counterdrug brigade.
- Armed with expanded U.S. Congressional authorities and strengthened commitment to national security by Columbia, intensify attacks on narco-terrorists throughout the country.
- Press Peru and Colombia to step up eradication programs and prevent replanting.

Increase seizures of cocaine (HCl/base) in Colombia, Peru, and Bolivia to 120 metric tons per year.

- Strengthen maritime interdiction along Colombia's west coast, an increasing choke-point for trafficking operations and deliveries departing by sea.
- Intensify attacks against high-value narco-terrorist leaders and operations throughout Colombia.
- Press Peru and Bolivia to step up interdiction efforts.



Performance Goal 2

STATES COOPERATE INTERNATIONALLY TO SET AND IMPLEMENT ANTI-DRUG AND ANTI-CRIME STANDARDS, SHARE FINANCIAL AND POLITICAL BURDENS, AND CLOSE OFF SAFEHAVENS THROUGH JUSTICE SYSTEMS AND RELATED INSTITUTION BUILDING

Summary: Projected FY 2004 Performance

Multilateral cooperation is crucial for combating drugs and crime. Once negotiations for a UN Convention on Corruption have been completed (the target date is 2003), the Department will provide political and financial support for ratification and implementation. The Department will also continue to push for regional anti-corruption cooperation in key regions, such as the Middle East, the Caucasus/Central Asia, and Africa to set regional standards, to monitor and evaluate performance of member states, and to press members to enact anti-corruption laws and practices. By the end of FY 2004, the first stage – discussion and review of specific proposals for mutual evaluation mechanisms on corruption – should be well advanced. When the UN Convention Against Transnational Crime enters into force, expected in 2003, the Department will support the Conference of Parties to address implementation and provide assistance to requesting states. With Department support, CICAD, the Spanish acronym for the anti-drug agency of the OAS, will continue to refine the Mutual Evaluation Mechanism by conducting a second survey in 2004 to provide a more detailed accounting of how well member states implement international and regional drug conventions and agreements. Based on the results, member states will exert peer pressure on laggards to bring their anti-drug laws and practices up to standard.

In addition to combating terrorist financing in the wake of the events of 9/11, the United States will continue to address money laundering by “traditional” international crime groups. The United States will work with other Financial Action Task Force (FATF) members to graduate the fifteen countries now on the list of Non-cooperating Countries and Territories (NCCT) by helping them establish anti-money laundering regimes that meet FATF standards. The Department will also continue to support existing and encourage the creation of new regional FATF-like bodies to promote regional cooperation and monitoring.

When the United States is President of the G-8 in 2004, the Department will use the U.S. chairmanship of the Crime (Lyon) and Counterterrorism (Roma) Experts Groups to combat international crime and terrorism by establishing a shared database to combat internet child exploitation, developing agreed principles on critical information infrastructure protection, and moving to the implementation stage of an (expected) 2003 agreement on biometrics.

The Department will build on new cooperative relationships with Central Asian countries to support anti-money laundering, border control, and criminal justice assistance programs. Specifically, U.S. assistance to Pakistan will expand border security, strengthen police and criminal justice institutions, and help develop a national anti-money laundering regime. Delivery of additional helicopters to border units in 2004 should further enhance mobility. The Department will also build on new cooperative relationships with other Central Asian countries to support law enforcement programs in the areas of anti-money laundering, border control, and criminal justice assistance.

Example of an FY 2002 Achievement

Pakistani Border Control

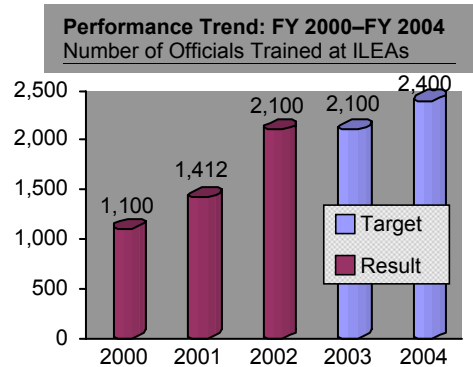
To help stop the flow of drug traffickers, terrorists and other illegal combatants along Pakistan’s porous, 1,500-mile border with Afghanistan and to prevent Pakistan’s border provinces from being used as staging areas for terrorist groups in the aftermath of 9/11, the Department provided urgent assistance to Pakistan’s border guard and other law enforcement units. This aid included vehicles, communications equipment, pilot training, and setting up aircraft maintenance facilities. By August 2002, five Huey-II helicopters had been delivered, providing mobility for police units.



Increased law enforcement and related assistance for Mexico in 2004 is designed to strengthen the prosecutorial sector of the judicial system to keep pace with the increased targeting of major trafficking groups; iron out judicial obstacles to extradition; and improve border security against traffickers, alien smugglers, and other criminals. The Third Border Initiative to help Caribbean states improve control over travel documents, including machine-readable passports, will encompass three additional countries.

International Law Enforcement Academy (ILEA) and bilateral training, updated regularly to reflect new issues such as terrorism, trafficking in persons, and environmental crime, will continue to be a key tool for the professionalization of foreign law enforcement counterparts. By 2004, a new ILEA tentatively planned for Costa Rica should be operational. The adjacent chart shows that about 300 additional officials will be trained at ILEAs during FY 2004.

The Department will continue to strengthen U.S. capacity to provide civilian police, advisors, trainers, and justice experts to international peacekeeping and related missions in the Balkans, East Timor, and Afghanistan, and will expand the number of “ready roster” (pre-trained and fast-deploying) civilian police from 500 to 750 in 2004.



Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Status of UN Convention Against Transnational Organized Crime (TOC) and Supplemental Protocols.				
Negotiations in progress.	TOC completed; 135 states signed treaty.	A total of 141 states have signed the TOC, of which, twenty-four have ratified it. Of the 107 states that have signed the Trafficking in Persons Protocol, fourteen have ratified it. Of the 103 states that have signed the Migrant Smuggling Protocol, thirteen have ratified it. Of the thirty-five states that have signed the firearms protocol, two have ratified it.	Forty states ratify TOC treaty, which enters into force.	First meeting of Conference of Parties for TOC; ten additional states ratify TOC.
Indicator #2: Status of UN Convention Against Corruption.				
UN Crime Center received mandate to complete comprehensive study of existing work on corruption.	Study completed. Experts Group developed Terms of Reference for negotiations.	Progress made at three negotiating sessions.	Consensus reached on text of all major provisions.	Convention completed and opened for signature.



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #3: Number of Officials Trained at International Law Enforcement Academies (ILEAs) and Through Other Programs.				
ILEA: 1,100 Other: 11,799	ILEA: 1,412 Other: 14,581	ILEA: 2,100 Other: 9,500	ILEA: 2,100 Other: 15,000	ILEA: 2,400 Other: 11,100
Indicator #4: Number of law Enforcement Officials Receiving Counternarcotics Training.				
1,200	1,662	1,800	1,800	1,800
Indicator #5: Status of Regional Anticorruption Frameworks.				
Three existing multilateral anti-corruption and peer review mechanisms (OAS, COE, GCA).	Number of mechanisms increased to four, by addition of Stability Pact agreement.	Number of mechanisms increased to five, by addition of ADB/OECD Asia Initiative.	Number of mechanisms increased to six by addition of African Union or NePAD.	Number of mechanisms increased to eight, by addition of Middle East Governance Framework and Caucasus Framework.
Indicator #6: Status of Financial Action Task Force on Money Laundering (FATF) List of Non-Cooperative Countries and Territories (NCCT).				
FATF identified fifteen countries as non-cooperative.	FATF removed four countries from list (due to improved performance) and added eight new ones based on additional reviews.	FATF removed four countries from list; fifteen countries remain on list.	FATF removes four additional countries from list.	FATF removes all but two countries placed on list prior to 2003.
Indicator #7: Parties to the 1988 UN Drug Convention.				
152	162	165	170	175

Means and Strategies by Target

Encourage ratification of Convention Against Transnational Organized Crime

- Provide assistance both bilaterally and through relevant international organizations to requesting states to help them bring laws into compliance.
- Press other countries to ratify during relevant multilateral and bilateral meetings.

Convention Against Corruption completed and opened for signature

- Assign relevant Department and interagency experts to lead and support negotiations.
- Coordinate closely with key states, including G-8, to pursue common goals and meet U.S. objectives.

Train officials at ILEAs and through bilateral programs—ILEA: 2,400; bilateral: 15,000

- The opening of an ILEA in Costa Rica will increase ILEA training capacity.
- ILEA curriculum development includes input from Washington agencies as well as feedback from participating countries.
- Bilateral training depends on requests from missions and will continue to be linked to in-country projects.



Give 1,800 law enforcement officials counternarcotics training.

- Department depends primarily on posts for training requests.
- Training will continue to be project-based.

Increase the number of regional anticorruption frameworks to eight by the addition of the Middle East Governance Framework and the Caucasus Framework

- Develop and integrate anticorruption policies as part of the U.S. – Middle East Partnership Initiative (MEPI).
- Convene meetings with the World Bank, OECD, and regional partners to elevate discussion on good governance.
- Work with Middle Eastern governments to implement effective anticorruption strategies.
- Create more resources to strengthen capacity to reduce corruption in the region.

Financial Action Task Force (FATF) removes all but two countries placed on list before 2003

- Support face-to-face FATF meetings that working groups have with listed countries to assess their progress and commitment for coming into compliance with FATF recommendations.
- Provide technical assistance that will enable countries that are committed to coming into compliance, do so.

Total number of parties to the 1988 UN Drug Convention is 175 countries.

- Continue to stress the importance of the Convention to international counternarcotics efforts
- At bilateral and multilateral meetings, urge non-signatory states to become parties

Summary: Verification/Validation and Cross Cutting Activities

Performance Goal 1	International trafficking in drugs, persons, and other illicit goods disrupted and criminal organizations dismantled.
Verification and Validation	<ul style="list-style-type: none"> • Cultivation levels are perhaps the most simple and direct gross indicator of the production of crop-based illicit drugs. The CIA’s Crime and Narcotics Center (CNC) provides crop estimates for Colombia, Peru, Bolivia, Mexico, and Afghanistan. CNC estimates assume that all of the crop has reached harvestable age. Estimating the amount of raw product that is actually harvested is extremely difficult without routine access to narcotics farmers. What any farmer actually harvests during any given year depends on numerous factors, including the maturity of the plants, eradication efforts, available labor and market demand. Host governments provide estimates for other countries, or in some cases, other governments and the UN. • Estimates of potential production for selected countries offer a refinement over cultivation levels because the former include key data gathered directly from narcotics farmers and others on the ground. However, the periodic nature of the ground surveys means that there is a time lag before new developments, e.g., an expanded spraying program, are fully reflected in the production estimates. The Department’s annual International Narcotics Control Strategy Report (INCSR) includes estimates of production levels for most countries in both hectares and metric tons and can be accessed on the Department’s website. • The Department uses FATF standards to measure the effectiveness of anti-terrorist financing regimes. Verification is provided by USG experts who may also consult with other experts. • Trafficking in persons is a relatively new law enforcement issue and is little understood in many countries, even among those with long-standing trafficking problems. The various TIP indicators are part of a comprehensive



Performance Goal 1	International trafficking in drugs, persons, and other illicit goods disrupted and criminal organizations dismantled.
	strategy to provide teeth to the annual TIP Report by increasing public awareness to the issue in general, identifying problem areas in specific countries, and offering assistance to help develop or improve anti-trafficking laws and practices. TIP Office will provide verification.
Crosscutting Activities	<ul style="list-style-type: none"> • The Department is the lead coordinating agency for internationally-focused narcotics control and anti-crime policy formulation and implementation, working closely with many USG agencies, including the Departments of Justice, Treasury, and Defense; DEA; USAID; the FBI; CBP; the Coast Guard; INS; and the intelligence community. The Department works closely with the Department of the Treasury on money-laundering/terrorist financing and asset seizures; with the Department of Justice on extradition, mutual legal assistance treaties, and the rule of law assistance programs; with DEA on operations support and anti-drug institution-building; with USAID on alternative development and the rule of law, including anti-corruption; with the Coast Guard on operations support and institution building; with the Department of Defense on counterdrug training and equipping; with CBP on money laundering and border security; and with INS on border security and migrant smuggling. The Department will obviously develop close coordination with the new Department of Homeland Security. • The Department coordinates human trafficking policy and programs among several federal agencies in cooperation with international organizations, foreign governments, and NGOs. The Department's lead office on this issue serves as the secretariat to the President's Interagency Task Force on Trafficking in Persons, working with the Departments of Justice, Labor, and Health and Human Services; the CIA; and USAID.
Performance Goal 2	States cooperate internationally to set and implement anti-drug and anti-crime standards, share financial and political burdens, and close off safehavens through justice systems and related institution building.
Crosscutting Activities	<ul style="list-style-type: none"> • In addition to working with several USG agencies on a range of crosscutting programs in drugs and crime (see above), the Department also works closely with and funds programs through a range of international organizations, including the UN, CICAD/OAS, G-8, FATF, OECD, OSCE, the Council of Europe, EU, the Dublin Group, and a variety of other regional and sub-regional groups to set standards, coordinate collective action, monitor performance, and provide assistance.



Strategic Goal 6: American Citizens

ASSIST AMERICAN CITIZENS TO TRAVEL, CONDUCT BUSINESS, AND LIVE ABROAD SECURELY

Public Benefit

The Department has no more vital responsibility than the protection of American citizens. Approximately 3.2 million Americans reside abroad, and Americans make about 60 million trips outside the United States each year. The Department issues a passport that gives Americans the freedom to travel internationally and is a symbol of the protection that the USG provides its citizens.

U.S. embassies and consulates provide a range of services that protect U.S. citizens from the cradle to the grave. The Department must plan for the unexpected and be prepared to respond to crises abroad, transportation disasters, and other situations in which U.S. citizens need assistance, including incidents of terrorism and other serious crimes such as hostage taking, homicide, assault, domestic violence, child abuse, and international parental child abduction. The Department ensures that host governments take steps to protect Americans from crime and unrest; develop effective investigative, prosecutorial, and other judicial capabilities to respond to American victims of crime; and expand their cooperation and information sharing with the United States in order to prevent terrorist attacks on U.S. citizens. The Department also works with foreign governments, other USG agencies, and international organizations on transportation security initiatives.

To alert Americans to conditions that may affect safety and travel abroad, the Department disseminates threat assessments to posts abroad and announcements to the public as quickly as possible using all available means. The Department uses its websites and the Overseas Security Advisory Council (OSAC), a government-private sector partnership, to foster creative solutions to security-related issues affecting U.S. private sector interests abroad and to share USG threat information and security expertise overseas to protect their personnel, property, proprietary information, and other assets. The Department is making its websites increasingly accessible and interactive.



Performance Goal 1

U.S. CITIZENS HAVE THE CONSULAR INFORMATION, SERVICES, AND PROTECTION THEY NEED WHEN THEY RESIDE, CONDUCT BUSINESS, OR TRAVEL ABROAD

Summary of Projected FY 2004 Performance

The Department will continue training consular officers, enhancing the systems that they use to provide services to Americans, and otherwise preparing them to assist Americans in need. The Department will enhance its crisis management capability and ability to track how many U.S. citizens abroad are victims of terrorism and other serious crimes such as kidnapping, homicide, rape, assault, and child abuse. The Department will continue to provide American businesses and private organizations with a forum to address their security concerns via the Overseas Security Advisory Council. As a result of these efforts, at the end of 2004, Americans will be better equipped to deal with the uncertainties of life abroad, and the Department will be better equipped to help when they encounter trouble.

Example of an FY 2002 Achievement

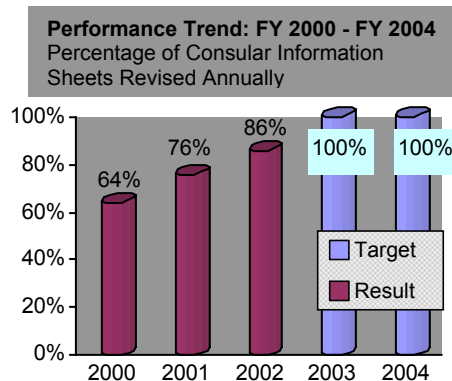
Federal Benefits

After an anthrax attack shut down the Department's Dulles Airport mail facility and impeded the timely delivery of monthly U.S. federal benefits checks to overseas recipients, the Department worked with the Treasury Department and benefit-paying agencies to arrange alternative methods for delivering checks to recipients. What could have been an acute financial hardship for thousands of beneficiaries and a management nightmare for U.S. embassies worldwide was instead a stellar example of interagency cooperation, customer service, and efficiency.

The Department plans to expand the Consular Call Center's scope to provide routine and non-Privacy Act information regarding the safety and welfare of American citizens abroad. Thus, by the end of FY 2004, case officers will no longer have to spend large amounts of time on routine inquiries and can devote the majority of their time helping Americans who face difficulties abroad. To improve the ability of Americans to make informed decisions about personal security in foreign countries, the Department will revise all Consular Information Sheets on an annual basis by the end of FY 2004.

The Department will improve its ability to collect registration information and make it accessible to the field by creating an Internet site allowing Americans to register their travel plans. Providing the option of registration on-line will encourage more Americans to register their presence abroad, improving the chances of being able to contact them in an emergency and to offer assistance. By the end of 2004, enhancements to the on-line registration system will also deliver travel safety information about the countries on their itinerary to citizens when they register.

The Department will focus on implementation of the Hague Intercountry Adoption Convention in 2004. In accordance with the Convention and U.S. implementing legislation, the Department will assume new responsibilities and roles, including oversight of an accrediting entity (or entities) for intercountry adoptions and mechanisms for registering complaints concerning adoption service providers. The Department will seek contractual support for discrete or one-time functions, such as the development of training and informational materials. It is anticipated that the treaty will enter into force for the United States in 2004. At the end of FY 2004, as a result of the Department's efforts, the Convention will govern American adoption from fifty countries; protect the rights of children and parents; and help Americans avoid the child trafficking, fraud, corruption, and other irregularities that have disrupted intercountry adoptions in the past.





The Department will continue to expand the Voting Assistance Program to increase overseas absentee voter participation in the 2004 elections.

Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Percentage of Consular Information Sheets Revised on an Annual Basis.				
64%	76%	86%	100%	100%
Indicator #2: Access to On-Line Registration System.				
Some posts allowed registration on-line.	Assessment of Registration and Warden List Services completed. U.S. embassies worked with the Bureau of Consular Affairs (CA) to formulate a global plan for allowing U.S. citizens to register with posts electronically.	Pilot software was developed for an Internet-based system that will allow Americans to register overseas travel itineraries at a central website.	U.S. citizens can use a global Internet-based registration system to inform U.S. embassies and consulates about their planned travel to other countries so that they can be contacted in an emergency.	On-line registration system will begin to deliver Consular Information Program documents to citizens when they register.
Indicator #3: Hague Convention on Intercountry Adoption Implemented.				
The Senate ratified the Convention. Congress passed the Intercountry Adoption Act of 2000 to implement the Convention.	The President signed the Intercountry Adoption Act of 2000 (PL 106-279) on October 6, 2000. Requirements for a federal accreditation program for adoption agencies and other new programs were established. Adoption regulations were drafted.	Adoption regulations were discussed and cleared with stakeholders and other federal agencies. Software to manage international adoption cases was delayed to accommodate the Department's new responsibilities as Central Authority under the Hague Convention on adoptions.	Adoption regulations are published in the Federal Register.	Accrediting agency/agencies is/are selected and will begin to process all adoption providers that qualify for accreditation. U.S. instruments of accession deposited.

Means and Strategies by Target

Revise all Consular Information Sheets on an annual basis.

- Expand the services provided by the contractor-operated Call Center, freeing Department staff to create and update information more frequently.

Deliver Consular Information Program documents via the on-line registration system to U.S. citizens when they register.

- Develop a standard, worldwide Internet site allowing American citizens to register with any post or to record itineraries and emergency contacts for short trips abroad.
- Make the Internet-based Registration Service easy to use and ensure that functionality, technical, and security aspects are aligned with Department directives, integrated with current and future consular systems, and facilitate the sharing of travel information among consular sections and systems.
- Complete and deploy additional functionality, including the ability to collect long-term registrations for overseas posts and provide information to registrants.



Select accrediting agency/agencies to process all adoption providers that qualify for accreditation; deposit U.S. instruments of accession.

- Assign more staff to this area and obtain contractual support for discrete or one-time functions.
- Promulgate regulations establishing accreditation/approval standards, criteria, and procedures; designate one or more entities to accredit U.S. adoption agencies for intercountry adoptions and approve other bodies and persons wishing to provide adoption services covered by the Convention.
- Create a computerized case-tracking system for U.S. intercountry adoptions, both incoming and outgoing.
- Establish a program to share information with adoption service providers, state courts and public authorities, the U.S. adoption community, and future adoptive parents concerning their role in compliance with the requirements of the Convention, the implementing legislation, and federal regulations.



Performance Goal 2

EFFECTIVE AND TIMELY PASSPORT ISSUANCE, WITH DOCUMENT INTEGRITY ASSURED

Summary: Projected FY 2004 Performance

A major near-term focus will be the development of a system to introduce biometrics into the U.S. passport. The Department anticipates that, because of U.S. requirements in the Enhanced Border Security and Visa Entry Reform Act that mandate the adoption of biometrics in foreign travel documents used to enter the United States, other nations will implement reciprocal requirements for U.S. visitors. The Department will work with other nations to develop biometric standards for passports and in 2004 will begin to develop systems and procedures to collect biometrics. The need to incorporate biometrics and other security devices will require a redesign of the U.S. passport so that it can include a device, such as an embedded chip, onto which the biometric data can be written. By 2004, the Department will have taken the first steps toward a more secure passport that can be linked to the true bearer by biometric technology, making use by impostors virtually impossible.

By 2004, the Department will modify the systems used at posts to enable electronic transmission of passport application data, including digital photographs, from overseas posts to a domestic passport office to cut down on processing time and maximize the number of passports issued in the more secure, digitized format. The Department anticipates processing 7.1 million passport applications in 2003 and 7.6 million in 2004. Workload projections show that yearly passport demand could rise to more than 9 million by 2008, which exceeds the production capacity of the existing infrastructure. In the interim, the Department will construct and equip a passport facility in the western United States to meet the anticipated demand for passports.

To further homeland security initiatives, the Department will continue through 2004 a project to image digitally 32 million passport records dating from 1994 to 1999, 450,000 lookout files relating to persons who may not be issued passports or whose applications require special scrutiny, and 200,000 citizenship and loss of nationality files. The scanning of applications for older but still valid passports and other important citizenship documents will provide the benefit of making images as well as data available to consular offices worldwide, adding speed and security to the passport process and contributing to homeland and border security.

Photo substitution is now more difficult with the photodigitized passport; the Department will continue to identify ways to enhance the physical integrity of the passport. In addition to maintaining document security, the Department must now close the loop on fraud perpetrated during the application process. The Department has done preliminary work with the Social Security Administration (SSA), which is establishing connections with the vital records offices of the fifty states. The Department expects to have electronic access to SSA data by 2004. Beginning in FY 2004, the comparison of documents and information provided by passport applicants against the original records held by other agencies will be an important step toward greater integrity of the passport adjudication process by minimizing the potential for breeder-document fraud. The Department will continue efforts to detect, investigate, and seek assistance from U.S. attorneys to prosecute passport fraud.

Example of an FY 2002 Achievement

Passports

An important element in the return of an American child abducted to Guyana was the arrest and indictment of the relative who forged his mother's name on the child's passport application. The two-year-old was returned to his mother in New York in May after the FBI had his aunt arrested and indicted for conspiracy, fraud, and abetting child abduction. This is the second known indictment under a 1999 law aimed at combating parental child abduction and requiring that both parents sign the passport application of children under fourteen years of age.



Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Development of a Biometrics Collection Program for U.S. Passports.				
Biometrics were not used in U.S. passports.	Biometrics were not used in U.S. passports.	Inclusion of biometric indicators in U.S. passports considered.	Initial planning and requirements definition for biometrics collection.	Prepare for 2005 roll out of the system by developing software, conducting initial procurement, and beta testing for biometrics collection.
Indicator #2: Checking of Passport Applications Against SSA Death Records.				
Capability did not exist.	Capability did not exist.	Capability did not exist. Initial work done to share data and check information.	Continue to work to establish a data link with SSA systems.	Check 35 percent of applications. (Ultimate goal is 100 percent.)

Means and Strategies

Prepare for 2005 roll out of the system by developing software, conducting initial procurement, and beta testing for biometrics collection.

- Identify the security devices that will be embedded in the new passport and complete the design for the passport.
- Sign new MOUs with application acceptance facilities, the Bureau of Engraving and Printing, the Government Printing Office (GPO) and/or other partners in the passport process, as necessary.
- Establish a contractual source for public key infrastructure and key management that will be necessary for the digital signing of the documents and the control of keys with agencies and other governments that will read the passport.
- Procure and install systems and equipment to capture and enroll personal biometrics at passport agencies and application acceptance facilities, transfer biometric data securely from enrollment locations to issuance facilities, check data against existing records, and store data on-board the passport and in the Department's electronic records systems.

Check 35 percent of applications against SSA death records.

- Identify the fields that might be used in the data exchange process to confirm identities.
- Negotiate a MOU or other arrangement with SSA to establish a data link that would provide the Department with access to current Social Security number data and death records.
- Work with SSA to expand the Vital Records Verification Project.



Summary: Verification/Validation and Crosscutting Activities

Performance Goal 1	U.S. citizens have the consular information, services, and protection they need when they need to reside, conduct business, or travel abroad.
Verification and Validation	<ul style="list-style-type: none"> • Information posted on Department's web site at http://travel.state.gov for public inspection. • Project management milestones. • Testing and review of systems by users, project team, and independent verification and validation (IV & V). • Customer surveys. • Reports to Congress.
Crosscutting Activities	<ul style="list-style-type: none"> • The Department will work with the elements of the Department of Homeland Security (DHS) handling immigration and citizenship matters to develop regulations covering intercountry adoption procedures and to create a shared database to ensure successful tracking of adoption cases from the filing of immigrant petition through the finalized adoption, naturalization in the U.S., and beyond. • The Department works on parental child abduction cases with the Department of Justice, law enforcement agencies, state and judicial officials, and the National Center for Missing and Exploited Children. • The Department coordinates with other federal agencies and victims services agencies to ensure that appropriate services are available to victims of crime, survivors of disasters, and their families. • The Department works with the Department of Defense on crises involving non-combatant evacuations and on efforts to facilitate absentee voting by private Americans abroad. • The Department expects to contract with private sector experts for accreditation of intercountry adoption service providers, systems development, training, publications, surveys, and other functions that are not essentially governmental.
Performance Goal 2	Effective and timely passport issuance, with document integrity assured.
Verification and Validation	<ul style="list-style-type: none"> • Project management milestones. • Testing and review by users and project team and IV & V.
Crosscutting Activities	<ul style="list-style-type: none"> • The Department will work with the International Civil Aviation Organization to establish biometric standards for passports. • Preparation for collection of biometric data at the federal, state, and local government offices that accept U.S. passport applications will require considerable work with those agencies, as well as with DHS, whose officers will need to be able to read the encoded data in the new passports at ports of entry. • The redesign of the passport will involve collaboration with the Bureau of Engraving and Printing and the GPO. • The Department will work with the SSA and with the states on issues involving access to SSA and vital records needed to confirm the authenticity and accuracy of documents submitted in connection with passport applications.



Strategic Goal 7: Democracy and Human Rights

ADVANCE THE GROWTH OF DEMOCRACY AND GOOD GOVERNANCE, INCLUDING CIVIL SOCIETY, THE RULE OF LAW, RESPECT FOR HUMAN RIGHTS, AND RELIGIOUS FREEDOM

Public Benefit

Extending and defending democracy has long been a centerpiece of U.S. foreign policy. The United States recognizes that a world composed of democracies will better protect America's long-term national security than a world of authoritarian or chaotic regimes. The rule of law, open markets, more prosperous economies, and better-educated citizens are all benefits of a democratic form of government, but democratic governance also ensures a more peaceful, predictable world – a great and lasting benefit to the United States.

Over the past two decades, there has been an unprecedented expansion of the number of democracies in the world. Nevertheless there are still too many governments that routinely ignore international human rights and democratic norms, serving as breeding grounds for instability and terror.

Governments that rule by force and violence against their own people are also the most likely to threaten and intimidate their neighbors. In an age when the destructive capacities of brutal regimes exceed national, and even regional boundaries, addressing human rights violations – whether episodic or systemic – becomes imperative to the assurance of security throughout the international community. On a smaller scale, governments that breach their constitutional obligations and the rule of law place the well-being of their societies at risk for the short-term, but ultimately illusory, objective of stability.

Although democratization must ultimately be a process driven by a society's citizenry, the United States can – indeed must – be an active catalyst for democratic reform. Working closely with other USG agencies such as the Departments of Commerce, Defense, and Labor, as well as numerous NGOs that work to promote democracy and human rights around the world, the Department and USAID will implement this objective knowing that any country that persists in abusing its citizens' rights will remain a threat to the long-term security of the United States.



Performance Goal 1

MEASURES ADOPTED TO DEVELOP TRANSPARENT AND ACCOUNTABLE DEMOCRATIC INSTITUTIONS, LAWS, AND ECONOMIC AND POLITICAL PROCESSES AND PRACTICES

Summary: Projected FY 2004 Performance

Safeguarding democracy means working with other governments and non-governmental groups to create the conditions that make societies healthy, strong, and vibrant – societies in which ordinary citizens flourish and tyrants and terrorists cannot thrive. Democratic ideals and values give voice to a fundamental yearning in every human being – freedom and dignity to make a better life for oneself and one’s children.

The Department must radically reshape the incentives for democratization. The President’s proposed Millennium Challenge Account (MCA) does just this by breaking the mold of how foreign assistance is delivered. The Department will work with MCA-eligible countries to strengthen their democracies and expand on their successes through a demonstrative effect by being examples for other countries. Although the success of the Department’s advocacy starts with a renewed dedication to encouraging democracy, it must build on the practical work of geographic prioritization and comprehensive integration of policy with programming.

By combining diplomatic efforts with innovative programs, the Department will endeavor to promote elections, government institutions and their transparency, and broader political and civil society participation in the Muslim world, including Central Asia and what had been considered the “democratic exception” of the Middle East. The Middle East Partnership Initiative will be a critical component of the Department’s actions to strengthen democracy, civil society, and the rule of law in the region.

The Department will also work to encourage democratic development in China as that country seeks to cope with social and political demands that may accompany the rapid economic changes taking place there. Efforts will include pressing for individual liberty and structural reforms in governance.

In Latin America, the Department will work to ensure that a democracy dividend resulting from reduced corruption, increased legitimacy of political institutions and better governance slows the deterioration of public support for democracy and free market values. The Department will continue to support organizations that promote government transparency and accountability.

Africa, where the picture is much more mixed, will require a more nuanced approach. The Department will seek opportunities to enhance democratic reform efforts, including strengthening the weak governmental institutions and the elements of civil society in fragile democracies. The Department will work with reformers in authoritarian strongholds such as Zimbabwe to increase the number of democratic states.

Examples of FY 2002 Achievements

Human Rights and Democracy Fund (HRDF)

The Department initiated large scale funding in the Middle East and substantially increased it in China, representing the first Department grants in these regions aimed at cutting edge programs to support democratic reform.

Cuba

With strong U.S. support, Latin American members of the UN Commission on Human Rights, introduced and helped pass a resolution on Cuba, the only non-democratic state in the Western Hemisphere. More than 10,000 Cubans signed petitions calling for a referendum on democratic change known as the Varela Project. The President’s new Cuba initiative will lead to greater outreach to the Cuban people.



In a world marching toward democracy, the United States is a leader, a partner, and a contributor. The Department will work with other democratic governments to reform multilateral forums such as the UN Commission on Human Rights. The Department will also look beyond these more traditional bodies to create new multilateral mechanisms to challenge the rest of the world to live up to internationally recognized democratic standards.

Through the Community of Democracies and regional “democracy caucuses” the Department will seek to expand the human rights consensus beyond the rhetoric of treaty ratification to actually changing the reality on the ground. Regional organizations like the Organization of American States (OAS) and the Organization for Security and Cooperation in Europe (OSCE) have enlisted in the struggle for democracy, and USG collaboration with these organizations will cement progress and deepen support for democratic norms.

Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Number of Countries Eligible to be Invited to a Ministerial Meeting of the Community of Democracies (CD) (New Indicator).				
N/A	N/A	Baseline: Invitations sent to 117 countries to participate in CD Ministerial in Seoul.	More countries are eligible for inclusion on invitation list for CD ministerial.	Additional countries are eligible for inclusion on invitation list for CD ministerial.
Indicator #2: Status of Community of Democracies (CD).				
CD held its first ministerial in Warsaw.	CD Caucus established and met.	Follow-up ministerial CD took place in Seoul.	Implement Regional meetings per Seoul Action Plan.	Implement Seoul Plan of Action; establish mechanisms to strengthen country and regional groups' ability to address threats to democracy; execute preparations for 2005 CD ministerial in Santiago.

Means and Strategies by Target

Increase the number of countries eligible to attend a CD ministerial meeting.

- Increase support to pro-democracy groups; intensify pressure on non-democratic governments to open political systems. The Department will emphasize the Middle East, Central Asia, and Latin America.
- Use HRDF to support cutting-edge projects focusing on development of NGOs, political parties, transparency in governance, and the rule of law.
- Place the need for democratic reform at the top of U.S. diplomatic agenda with target countries.
- Engage governments to ensure that they do not hinder political participation through direct or indirect means.
- Support free and fair elections through training for election commissions, political parties, and election observers.
- Provide training and other support for independent media outlets and journalists.
- Provide training in democratic processes to elected officials and representative bodies.



Implement the Seoul Plan of Action, establish mechanisms to strengthen the ability of country and regional groups' to address threats to democracy, prepare for the 2005 CD in Santiago.

- Develop projects and events to advance action plan goals.
- Establish working groups to address specific democracy issues such as civic education.
- Convene and/or participate in regional democracy meetings.
- Review convening group membership and criteria for CD participation.

Performance Goal 2

UNIVERSAL STANDARDS PROTECT HUMAN RIGHTS, INCLUDING THE RIGHTS OF WOMEN AND ETHNIC MINORITIES, RELIGIOUS FREEDOM, WORKER RIGHTS, AND THE REDUCTION OF CHILD LABOR

Summary: Projected FY 2004 Performance

Judging a country's human rights performance according to internationally accepted norms continues to be a powerful tool, for citizens who refuse to accept empty promises and demand accountability from their governments, and for the international community in its efforts to promote stability and rally against the threats of non-compliance.

Promoting democratic governance remains the best way to ensure protection of human rights. At the same time, the United States will remain a leading human rights defender, speaking out publicly and forthrightly through such instruments as the *Country Reports on Human Rights Practices* and the *International Religious Freedom Report*. The Department will not simply rely on "naming and shaming", but will develop and implement bilateral strategies to create progress where human rights abuses persist.

Within the USG, the Department will work to ensure increased coordination on human rights programs and initiatives among its bureaus and other USG agencies.

The Department will provide enhanced training for foreign affairs officers on human rights issues, especially using the Human Rights and International Religious Freedom Reports as case study material. Department employees in Washington and at missions abroad will have enhanced capabilities to collect, evaluate, and report on human rights abuses and develop strategies to reduce them. U.S. diplomatic strategies on human rights will continue to include pressing governments with poor human rights records to move toward full observation of internationally respected human rights standards and norms, through bilateral engagement and multilateral human rights mechanisms.

Example of an FY 2002 Achievement

Partnership Against Sweatshops Program

The Partnership, with \$4 million of projects, has made notable progress working with NGOs, governments, and private enterprise to eliminate sweatshop conditions in more than thirty countries. Projects and associated activities are expanding the number of participating factories and industrial sectors adopting voluntary codes of conduct for worker rights.

The Department will work to improve and expand the number of multilateral forums addressing human rights issues, including the UN Commission on Human Rights and the Community of Democracies. The Department will continue to support UN Special Rapporteurs and the High Commissioner for Human Rights in their work to address issues on the global and country-specific levels.

Recognizing the importance of international religious freedom, the Department will work to fulfill the mandates of the International Religious Freedom Act (IRFA). The Department will expand its dialogue with countries of particular concern for international religious freedom in order to improve the religious freedom situation in the worst-performing countries.

The Department will promote development of and respect for voluntary business codes of conduct, internationally recognized worker rights; and the rule of law. The Department will encourage unions and labor organizations to work transparently and democratically to represent worker interests in a market-based, liberalized economy. Such efforts will raise the level of workers' protection according to



internationally recognized standards, in a way in which flexibility and buy-in from multiple stakeholders results in policies best suited to local circumstances.

Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Number of UN Commission on Human Rights (UNCHR) Resolutions on Democracy Adopted.				
Resolutions on Cuba, Iran, and Iraq passed. Resolution on China defeated. No Belarus or North Korean resolutions on table.	UNCHR passed resolution for the third year on Cuba, Iran, and Iraq passed. Resolution on China defeated. No Belarus or North Korean resolutions on table.	N/A (This Indicator was not tracked because the United States was not a member of the UNCHR in 2002, but was re-elected as a member for 2003.)	UNCHR adopts an increased number (compared to 2002) of country-specific resolutions of the highest interest.	UNCHR adopts a majority of U.S.-priority country-specific resolutions. UNCHR adopts fifth consecutive democracy resolution and/or new democracy-development resolution. The United States successfully opposes moves to eliminate country-specific resolutions.
Indicator #2: Number of UNCHR States With Negative Human Rights Records.				
Of the fifty-three member states, seventeen had negative human rights records.	Eighteen states had negative human rights records.	UNCHR election in April 2002 returned the United States as a member; United States began work to change UNCHR membership.	Reduce by 20 percent the number of UNCHR states with negative records.	Further reduce the number of UNCHR states with negative records.
Indicator #3: Amount and Quality of Post Reporting on Human Rights Violations Pursuant to Leahy Requirements.				
Leahy procedures established for Foreign Ops and Defense funding, but posts are not required to make systematic reports.	The Bureau of Intelligence and Research (INR) created a database for HR abuses in Colombia and Indonesia.	The Bureau of Democracy, Human Rights and Labor (DRL) produced case studies and lessons learned from Leahy implementation. DRL reopened dialogue with the Bureau of Political and Military Affairs (PM), regional bureaus on standardization of vetting procedures and implementation.	Reporting procedures formulated, including DRL involvement, and put into place,	Reports from all affected countries reflect new guidance.



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #4: Effective Use of the Human Rights Report (HRR) to Promote U.S. Foreign Policy Objectives.				
HRR is not linked to policy or activities.	HRR not linked to policy or activities. HRR translated into Vietnamese.	DRL developed strategic plan within the Department to use HRR to promote key policy issues. Strategy developed to increase number of posts using HRR for public diplomacy efforts. Introduction of HRRs translated into French, Spanish, and Russian.	Increased number of posts use HRR in public diplomacy. Choose pilot posts for human-rights-based program implementation plan. Develop focus on institutional change in HRR. Translate HRR into Chinese and Russian. More posts in Asia, Latin America, and Europe place the appropriate country reports in translated version on their websites.	Implement HRR-based programs. CRA officers visit posts to assess programs. Reports by CRA on program implementation. Add Arabic translation of the HRR. More posts in Middle East place translated version on their websites.
Indicator #5: Level of Engagement with Foreign Governments and NGOs to Promote and Advocate on Behalf of Religious Freedom in Keeping with Foreign Policy Directives such as the International Religious Freedom Act (IRFA)				
Some religious prisoners released; discussions on religion laws.	Minor U.S. successes in forestalling or improving bad religion laws in Eastern Europe and Central Asia; some religious prisoners released.	Continuing U.S. influence on some religion legislation; some religious prisoners released; some religious refugees assisted.	Efforts in Eastern Europe result in more religion laws improved; fewer religious prisoners taken, more released; more inter-faith dialogue; more religious reconciliation programs implemented.	U.S. influence on legislation. Fewer people detained and imprisoned for religious reasons in three target countries. Two additional bilateral RF negotiations; discussions with three allies on promoting RF. IRF advocacy by senior officials and posts. Interfaith dialog expands because of IRF effort in target country for each IRF officer.
Indicator #6: Intensity of Monitoring, Reporting and Analysis on Behalf of Religious Freedom by the USG and Multilateral Institutions in Keeping With Foreign Policy Directives Such as the IRFA.				
IRF Ambassador and IRF office established for one year. Ambassador attended senior staff meetings with Assistant Secretaries; access to Secretary.	Second IRF Report built credibility among NGOs and in Congress. Improved IRF reporting from U.S. posts abroad. Vietnam, and China HR dialogues included subject of IRF.	Third IRF report generally well received. Post reporting remained at improved 2001 levels. Bilateral HR dialogues with China and Vietnam included subject of IRF.	More IRF advocacy by senior U.S. officials abroad, including from executive and legislative branches. More advocacy by posts. Consistently high-quality reporting on religious freedom. One additional bilateral IRF negotiation. Discussions with one or two potential allies on promoting IRF.	IRF reports recognized for high-quality reporting. Analysis expanded either in report introduction or in separate op-ed piece for major U.S. newspaper or other widely circulated publication. New resolution or conference reporting on IRF or IRF-related issue agreed to by a multilateral institution due to U.S. intervention.



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #7: Number of Public-Private Partnerships to Advance Respect for Human Rights.				
Voluntary Principles for Security and Human Rights (VPs) announced. Partnership to Eliminate Sweatshops (PESP) grants awarded.	Government of the Netherlands and Newmont Mining adhered to the VPs. Public-private partnerships created in Central America and Asia to address labor conditions in factories. Child labor abuses decreased due to programs.	Occidental Petroleum, ExxonMobil, PaxChristi and the Government of Norway joined VPs. First security managers workshop conducted. In-country briefings in Colombia. PESP programs contributed to greater respect for worker rights in Central America and Philippines. PESP program contributed to workers empowerment enabling negotiation of agreed framework in Costa Rica and Guatemala.	Conduct in-country VP workshops in Nigeria and Colombia with companies, host governments, and NGOs. Establishment of steering committee to foster continued implementation on the ground. Approach southern tier governments to gauge willingness to join VPs. PESP pilot program developed to integrate worker and manager training to strengthen worker rights. Initiate discussion on harmonization of codes with public and private partners to increase effectiveness of factory compliance monitoring.	New companies and southern tier governments join VPs. Establish in-country working group in Indonesia and begin implementation in Angola. Launch PESP pilot program in China or Vietnam to improve worker rights. Harmonization of codes permits greater number of factories to be inspected and worker rights are strengthened.
Indicator #8: Worker Rights are Strengthened.				
N/A	N/A	Baseline: Established national plans for the elimination of child labor in Muslim countries. Increased acceptance of International Labor Organization (ILO) issues in the Muslim world.	Increase implementation of ILO labor standards in Muslim countries. Increase in respect for worker rights in China.	Increase the number of independent associations of workers in Muslim countries.

Means and Strategies by Target

UNCHR adopts a majority of U.S.-priority country-specific resolutions as well as the fifth consecutive democracy resolution and/or new democracy-development resolution. The United States successfully opposes moves to eliminate country-specific resolutions.

- Build coalitions to uphold country resolutions and thematic resolution on democracy.
- Develop and implement reforms to UNCHR procedures and mechanisms.
- Convene CD like-minded participants during and beyond UNCHR to collaborate on country and thematic resolutions.
- Work with new High Commissioner and assist in development of indicators for UNCHR mechanisms.

Continue to decrease the number of UNCHR member states with negative records.

- Press for recognition of standards of human rights performance and accountability in the selection of future members.
- Engage CD and/or regional groups to set and implement criteria for membership and for endorsement by international bodies.
- Propose reforms to subcommission to clarify and limit terms of membership.



Reports from all affected countries reflect new guidance regarding Leahy compliance.

- Ensure accuracy of reports through clear instruction and feedback.
- Continue clarification of instructions.
- Select and disseminate “best practices” to encourage better reporting.
- Develop and deploy a consolidated databank that draws on internal Department, post, and independent external reporting.

Implement HRR-based programs. CRA officers visit posts to assess programs. Reports by CRA on program implementation. Add Arabic translation of the HRR. More posts in Middle East put translated HRRs on their websites.

- Sharpen focus of reports to allow for better use.
- Extend pilot project for revised drafting and editing procedures to all 196 country reports.
- Increase consultations with desks/posts to explain new procedures.
- Redraft HRR instructions to reflect new format.
- Continue outreach to U.S. ambassadors on HRR/U.S. foreign policy strategy.
- Continue outreach to key congressional staffers to explain new format and solicit comments.
- Increase travel to regions to report on programs.
- Implement routine translation procedures with Language Services and IIP in the Department.

Maintain U.S. influence on legislation. Have fewer people detained and imprisoned for religious reasons in three target countries. Have two additional bilateral IRF negotiations and discussions with three allies on promoting IRF. Senior officials in the Department and at posts advocate IRF. Interfaith dialogue expands because of IRF effort in target country for each IRF officer.

- Seek opportunities to influence laws on religious freedom.
- Use the threat of CPC-designation to enter into negotiations with countries about taking measures to avert designation.
- Meet with allies in their home countries or at international meetings to seek common approaches and support for IRF issues.
- Meet with U.S. counterparts of religious groups involved in conflicts abroad.
- Each IRF staffer travels once more than in previous year to increase contact with U.S. ambassadors, political officers, and NGOs in the field.
- Each IRF staffer works with public diplomacy staff on one IRF outreach program with NGOs in the United States or in a target country.
- Each IRF staffer works with post in one target country on one reconciliation project.
- Each IRF staffer works with faith-based groups, multilateral institutions, and government officials from a target country to amend a restrictive law or prevent enactment of harsher law.

IRF reports recognized for high-quality reporting. Expand analysis either in report introduction or in separate op-ed piece for major U.S. newspaper or other widely circulated publication. Multilateral institution agrees to new resolution or conference reporting on IRF or IRF-related issue, due to U.S. intervention.

- Ensure high reliability of IRF Report and translate it into additional foreign languages.
- Work with desks, posts, multilateral institutions and NGOs to increase reporting on religious freedom and causes of its curtailment.
- Provide training workshops on U.S. IRF policy objectives at the Foreign Service Institute and selected posts
- Seek funding for translation of IRF Report into additional foreign languages.
- Co-sponsor a conference with INL on a timely topic to improve the Department’s reporting on IRF issues.
- Continue outreach to NGOs to improve contacts to facilitate reporting.



Have new companies and southern tier governments join Voluntary Principles (VPs). Establish an in-country VP working group in Indonesia and begin implementation of VP in Angola. Launch PESP pilot program in China or Vietnam to improve worker rights. Harmonize codes so that there are more factories inspections and worker rights are strengthened.

- Build greater support for voluntary guidelines such as VPs.
- Implement pilot program on improving work rights in factories in China or Vietnam.
- Reach out to potential southern tier partners (Mexico, Brazil, and South Africa) and Canada about joining the VPs.
- Conduct in-country fact-finding mission to Angola.
- Work with NGOs and brand/factory managers to develop multi-stakeholder approach to improve labor conditions.
- Convoke meeting of stakeholders on harmonization or reciprocity of codes and monitoring systems for factory reviews.

Increase the number of independent associations of workers in the Muslim world.

- Identify and assist emerging unions and leaders; advocate legal environments that permit labor organization.
- Advance multilateral initiatives for promoting labor rights.
- Increase USG interagency cooperation on labor diplomacy.
- Fully staff International Labor (IL) office for global coverage.



Summary: Verification/Validation and Crosscutting Activities

Performance Goal 1	Measures adopted to develop transparent and accountable democratic institutions, laws, and economic and political processes and practices.
Verification and Validation	<ul style="list-style-type: none"> Multiple sources confirm Department-collected data on human rights abuses and democratic practices and review them for objectivity and accuracy. Take into account independently compiled data and indexes of rights and liberties in individual countries, organizational histories, methods, and reputations for credibility. Laws adopted by individual countries; standards promulgated by multilateral institutions.
Crosscutting Activities	<ul style="list-style-type: none"> Coordination with USAID on assistance strategies for development of civil society, the rule of law, and democratic institution-building. Work with Community of Democracies on thematic and regional groupings of nations to develop democracy strategies and disseminate best practices.
Performance Goal 2	Universal standards protect human rights, including the rights of women and ethnic minorities, religious freedom, worker rights, and the reduction of child labor.
Verification and Validation	<ul style="list-style-type: none"> General agreement by multiple sources of the importance and credibility of Country reports on human rights practices compiled by the Department (Human Rights Report, International Religious Freedom Report), the UN and other international organizations, and NGOs. Resolutions passed and actions taken by international bodies. Third country and corporate actions to adhere to voluntary codes of conduct. Reports on results of assistance, mediation, and other programs. Media commentary and opinion on human rights standards and U.S. policy goals.
Crosscutting Activities	<ul style="list-style-type: none"> Collaboration with new UN Commissioner of Human Rights and UNCHR members to strengthen. The UNCHR is a credible international voice for human rights advocacy. Coordination with the Department of Labor on programs aimed at organized labor. U.S. embassies with host governments bolster adherence to voluntary principles for corporate social responsibility.



Strategic Goal 8: Economic Prosperity and Security

ENHANCE ECONOMIC PROSPERITY AND SECURITY BY PROMOTING GLOBAL ECONOMIC GROWTH, DEVELOPMENT, AND STABILITY, WHILE EXPANDING OPPORTUNITIES FOR U.S. BUSINESSES

Public Benefit

Americans have a vital interest in a strong international economy that enhances U.S. national security by advancing prosperity, freedom, and economic opportunity worldwide. Economic growth creates new jobs and higher incomes for Americans and for citizens of other nations. The Department works closely with other agencies, businesses, and NGOs to build a strong and dynamic international economic system based on free trade with new opportunities for American business, workers, and farmers, and to ensure the economic security of the United States.

The United States is the world's largest importer and exporter. Trade accounts for about one-quarter of the U.S. economy and reached \$2.9 trillion in FY 2002. Export growth produced about 25 percent of U.S. economic growth during the past decade. One of every five U.S. manufacturing workers depends on exports for a job. Exports generate 25 percent of gross cash sales for U.S. farmers and ranchers. Imports make lower cost, competitive, quality consumer goods available, and supply components to American industries. The United States is the largest importer from developing countries, importing goods worth \$564 billion in FY 2002 -- eight times greater than all official development assistance to developing countries from all donors.

An open international system of investments means increased jobs, productivity, and trade opportunities for Americans. In 2000, the total accumulated stock of foreign direct investment in the United States totaled \$1,238 trillion, and the total accumulated stock of U.S. direct investment abroad reached \$1,245 trillion. European direct investment in the United States amounted to \$890.6 billion, and European affiliates employed 3.9 million Americans. U.S. investment abroad also increases economic growth there, increasing the global market for U.S. goods and services. Everyone wins, if the trading and investment systems are open.

The remarkable growth and prosperity of the developed economies have demonstrated that only a dynamic, open international trading system based on free trade and free markets, good governance, the rule of law, education, and health care can produce sustainable development. The new Millennium Challenge Account (MCA), when approved by Congress, will provide new resources to accelerate needed reforms for developing nations that have created the conditions for growth and the reduction of poverty by governing justly, investing in their people, and promoting economic freedom. America is determined that everyone will participate fully in a new era of prosperity.

The economic security and stability of the American and global economies are closely linked to U.S. national security. To ensure U.S. economic security, the United States is developing diversified and reliable supplies of energy and ensuring the stability of the international financial system and the economic stability of key allies. (See Goal 1, Counterterrorism, and Goal 2, Homeland Security, for discussion of the Department's efforts to cut off terrorist financing and protect critical infrastructure.)



Performance Goal 1

INSTITUTIONS, LAWS, AND POLICIES FOSTER PRIVATE SECTOR-LED GROWTH,
MACROECONOMIC STABILITY, AND POVERTY REDUCTION

Summary: Projected FY 2004 Performance

The Department will work with other USG agencies, foreign governments, multilateral institutions (including international financial institutions and the UN organizations), to promote higher levels of economic growth and increased prosperity in developing nations.

The MCA initiative, announced in March 2002, will provide important incentives for key reforms needed to make growth possible. Current theory and vast experience show that development largely depends less on the volume of financial flows than on the efficiency and effectiveness with which official and private capital are used. Effective use of capital is only possible where sound policy and institutions attract and harness resources. Creating the right environment to enhance investment and trade flows requires a new effort to build the capacity of developing countries to participate fully in global capital markets and trading systems. Governments increasingly acknowledge the need for sound domestic policies. The United States will work with other nations and international organizations so that countries can build the institutional and legal systems vital to good governance that are critical elements for development today when private capital flows and trade are the primary sources of development finance.

Following Congressional approval, implementation and funding of the MCA "new compact for development" can start in 2004. With stair-step increases in the budget, its full funding of \$5 billion will be reached in 2006. The MCA will help countries raise productivity and integrate their economies into global markets by investing in areas such as good governance, agricultural development, education, health, and enterprise and private sector development, as well as trade and investment capacity building. The Department will also work with other entities on initiatives such as the 2002 Agricultural Productivity Initiative to support international efforts to cut hunger and poverty in half by 2015, and a G-8 anti-corruption/transparency action plan.

The Department will use bilateral contacts, international institutions, and public diplomacy to encourage foreign governments to privatize state-owned companies, eliminate unnecessary regulations, reduce trade barriers, battle corruption, and improve the investment environment through the rule of law and greater transparency. Progress here will lead to benefits on many fronts and promote sustained economic growth.

Example of an FY 2002 Achievement

The Monterrey Consensus

As a result of strong leadership by the United States, more than fifty heads of state/government and 200 ministers adopted the Monterrey Consensus at the United Nations Conference on Financing for Development in Monterrey, Mexico in March 2002. This groundbreaking document states that, "Each country has primary responsibility for its own economic and social development, and the role of national policies and development strategies cannot be overemphasized." Monterrey launched a new, more balanced international partnership for development.

The scores for the average developing and transitional country Growth Competitiveness Index (GCI) of World Economic Forum are expected to increase. Changes in the GCI reflect changes in the capacity of national economies to achieve sustained economic growth over the medium term, controlling for the current level of economic development. The Department has chosen this indicator because the Department's engagement with the World Bank Group, and regional development banks, as well as U.S. bilateral efforts, all work towards strengthening the capacity of countries to achieve sustainable growth in the medium to long term.



In the information technology arena, the Department will unlock the global potential of e-commerce by promoting development and liberalization of telecommunications, transportation, customs, and product delivery systems, thereby promoting economic development and greater opportunities for U.S. firms. The Department will work closely with the United States Trade Representative (USTR), the Department of Commerce, the Federal Communications Commission, and other USG agencies to promote multilateral and bilateral trade liberalization in telecommunications and e-commerce.

The Department will continue to persuade foreign governments to eliminate monopolies, high access charges, and unnecessary regulations in these sectors, and to encourage market-based competition. To get out its message, the Department will use briefings for foreign media and digital video conferences with key opinion makers.

International Telecommunications Union (ITU) recommendations and decisions have been chosen as indicators because it is through such mechanisms that the ITU establishes the multilateral policies, technical rules, and standards that are critical to the global development of telecommunications and information technologies.

Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Average Developing Country Account (GCI).				
4.78*	4.81*	Data not yet available.	Increase in average GCI.	Increase in average GCI.
Indicator #2: MCA Account. (New Indicator)²				
N/A	N/A	Baseline: The President announced the MCA. Agreement on indicators for MCA allocation.	Obtain Congressional support and legislative authorization for the MCA. Choose countries for initial MCA funding and establish an administrative mechanism.	MCA programs begin.
Indicator #3: International Telecommunication Union (ITU) Recommendations Adopted.				
526	321	385	455	480

* Scoring: 1=lowest level of medium-term growth sustainability; 7= highest level of medium-term growth sustainability

² Once the MCA is established following Congressional approval, more specific targets will be developed.



Means and Strategies by Target

Increase in Average Developing Country GCI

- Broad-based USG efforts to encourage developing countries to adopt sound economic policies, invest in their people, govern justly, and promote economic freedom and enterprise through programs such as the MCA lead to higher economic growth rates. Meeting the target will depend upon developing countries' efforts, world economic conditions, and, to some extent, U.S. and other donors' support.

Begin MCA Programs

- In FY 2004, MCA implementation will begin, if Congress provides legislative authorization and funding. Implementation will consist of country selection based on independent criteria (FY 2003, if possible); consultation with selected countries on development of their MCA contract proposal; agreement on MCA country contracts which include objectives, benchmarks and controls; actual funding; and monitoring and evaluation for results and fiscal probity. Key areas of focus would include good governance, agricultural development, education, health, enterprise and private sector development, and trade and investment capacity building.

A total of 480 ITU recommendations adopted.

- Promote development of new technologies, particularly in the deployment of advanced services, and facilitate technical and policy support for the Information Society through pro-active diplomacy prior to and at ITU meetings, and the 2003 and 2004 World Summits on Information Society.



Performance Goal 2
 INCREASED TRADE AND INVESTMENT, ACHIEVED THROUGH MARKET-OPENING
 INTERNATIONAL AGREEMENTS AND FURTHER INTEGRATION OF DEVELOPING COUNTRIES INTO
 THE TRADING SYSTEM

Summary: Projected FY 2004 Performance

The Administration is pressing aggressively to strengthen U.S. leadership on trade and investment because of its benefits to all sectors of the U.S. economy and its crucial role in global security and stability. The Department is working bilaterally, regionally, and multilaterally with USTR, the Department of Commerce, and other USG agencies to open markets for U.S. exports of goods, services, and investment capital. If these efforts are successful, U.S. exports will increase, creating more jobs for Americans. U.S. consumers and businesses will enjoy the benefits of lower-priced imports.

U.S. exports of goods should rebound to nearly \$800 billion in 2004 as the U.S. and world economies recover from the current economic downturn. U.S. exports of goods and services should amount to about \$1.14 trillion.

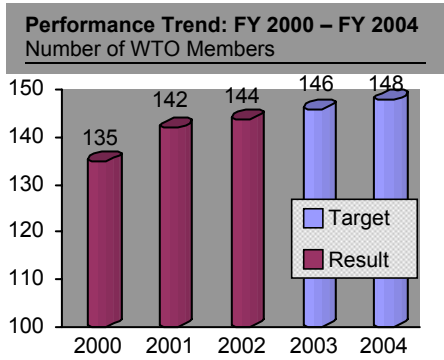
Example of an FY 2002 Achievement

U.S. Foreign Investment

As a key part of the interagency advocacy and outreach process, the Department helped U.S. companies secure contracts and investments, including investments by PSEG Global in Peru (\$227 million), General Electric in Kenya (\$6 million) and Noble America in Colombia (\$4 million). The Department supported the Export-Import Bank's \$252 million financing for export of a satellite launch service project to Thailand. Working with Overseas Private Investment Corporation, the Department helped resolve an expropriation dispute in Indonesia on a \$350 million oil and gas project.

The Department will vigorously pursue opening markets in a wide range of areas, such as industrial goods, aviation, financial services, telecommunications, agricultural biotechnology, and government procurement. Adequate protection for intellectual property will also be an important item on the U.S. agenda. The negotiations for the Doha Development Agenda of the World Trade Organization (WTO) have a January 1, 2005 target for completion.

The Department will devote significant effort to prepare developing and transition economies for accession to the WTO and for conclusion of the Doha Round. The adjacent chart shows that during FY 2004, the Department will work toward the accession of two additional members of the WTO. The Department will also contribute to efforts to monitor the implementation of accession commitments, including that of China. The United States hopes to conclude the Free Trade Area of the Americas (FTAA) by January 1, 2005.



In 2003, the United States begins discussions on free trade and investment agreements (FTA) with Central America (CAFTA), Morocco, the Southern African Customs Union (SACU), and Australia. FTA negotiations with Chile and Singapore were concluded in January 2003. Other negotiations may begin before 2005 as well. In January 2003, the Department was discussing bilateral investment treaties (BITs) with Colombia, South Korea, Peru, and Venezuela. In FY 2004, the Department will continue its work with the Asia Pacific Economic Cooperation Forum (APEC) economies to reduce traditional barriers to trade and investment, and open "new economy" opportunities in e-commerce, information technology and agricultural biotechnology. The Department will also use unilateral trade benefit programs, such as the Andean Trade Promotion and Drug Eradication Act (ATPDEA), the Caribbean Basin Trade Partnership Act (CBTPA), and the African Growth and Opportunity Act (AGOA), to expand trade, regional economic integration, good governance, prosperity, and stability.



In FY 2004, the Department will conclude trade and investment framework agreements (TIFAs) and aviation liberalization agreements as appropriate. The Department will continue its efforts to improve access to foreign agricultural markets, especially for biotech agricultural products and telecommunications markets.

Advancing America's economic prosperity requires direct support to companies that are actively engaged in doing business abroad and are exporting to foreign markets. The Department will continue to support U.S. companies, especially those pursuing foreign government procurement and requiring assistance to resolve investment disputes, and to expand trade promotion activities (with particular attention to the more than 100 posts where there is no Foreign Commercial Service presence).

In addition, the Department will engage in public-private and government-industry collaborations to ensure that business concerns are well represented in foreign policy considerations. The Department will build on the models of its successes in 2002 and 2003, such as the AGOA Business Roundtable, the U.S.-Jordan workshop on Qualifying Industrial Zones, and the conference on Caspian Basin Energy Development, as well as its wide-ranging and extensive political, economic, and consular risk briefings for U.S. business.

Summary: Indicators, Results, and Targets

Baseline	Results			Targets	
2000	2001	2002	2003	2004	
Indicator #1: Status of Negotiations on Open Markets for Services, Trade, and Investment.*					
WTO negotiations on agriculture and services began. Ten BITs sent to the Senate for ratification. Negotiations on FTAs ongoing.	Preparations for launch of new WTO round underway. Chile and Singapore FTA negotiations began. Congress approved Jordan FTA. Five BITs entered into force. APEC leaders agreed in Shanghai to liberalize trade and investment.	WTO launched new round in Doha. China and Taiwan joined WTO. Jordan FTA entered into force. Chile and Singapore FTA negotiations continued. Morocco, CAFTA, SACU and Australia identified as partners for FTAs. BIT discussions continued with Venezuela, Peru, Colombia, and South Korea. China took concrete steps to remove trade barriers and open its markets; some shortfalls remained in areas of interest.	Conclude Chile and Singapore FTAs. Conclude two new BITs. Begin new FTA negotiations, with CAFTA, Morocco, SACU, and Australia.	WTO Doha Round negotiations continue (with January 1, 2005 target for completion). Conclude two new BITs. Conclude two FTAs. Continue FTAA negotiations, (with a January 1, 2005 target for completion).	
*This indicator combines the Indicators on WTO, BIT, and FTA negotiations that were listed separately in the Department's 2003 Performance Plan.					
Indicator #2: Number of Market Opening Transportation Agreements in Place.					
Bilateral Open Skies agreements in place with forty-seven countries.	Five additional bilateral Open Skies agreements concluded. Multilateral Open Skies agreements with four countries concluded.	Five additional bilateral Open Skies agreements plus three other liberalized agreements concluded.	Conclude two bilateral Open Skies (or Multilateral accessions). Conclude three non-Open Skies agreements.	Conclude two bilateral Open Skies agreements (or Multilateral accessions). Conclude Three non-Open Skies agreements. Conclude shipping agreement with China.	



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #3: Number of Countries Allowing Commercial use of Agricultural Biotechnology.				
Seven countries allowed commercial use of ag-biotech products.	Seven additional countries allowed commercial use of ag-biotech products. Acreage under cultivation increased.	India commercialized transgenic cotton. Philippines and Brazil took initial steps toward commercializing ag-biotech.	The Philippines and Kenya commercialize ag-biotech.	Three additional countries begin to commercialize ag-biotech. (Implement transparent science-based regulatory regimes.)
Indicator #4: Number of new Accessions to the WTO.				
135 members.	7 new accessions 142 members.	2 new accessions 144 members.	2 new accessions 146 members.	2 new accessions 148 members.

Means and Strategies by Target

WTO Doha Round negotiations and FTAA negotiations continue (each with a January 1, 2005 target for completion); conclude two new BITs and two new FTAs.

- Multilateral and bilateral negotiations, supported by public diplomacy.

Conclude two bilateral Open Skies agreements (or multilateral accessions), three non-Open Skies agreements, and a shipping agreement with China.

- Multilateral and bilateral negotiations, supported by public diplomacy.

Three countries begin commercialization of ag-biotech. (Implement transparent science-based regulatory regimes.)

- Multilateral and bilateral diplomacy, supported by public diplomacy and capacity-building.

Two new members join WTO.

- Bilateral diplomacy, supported by public diplomacy.



Performance Goal 3 SECURE AND STABLE FINANCIAL AND ENERGY MARKETS

Summary: Projected FY 2004 Performance

The Department will work closely with other USG agencies, business, and U.S. friends and allies to secure stable and secure financial and energy markets to protect America's economic security, ensuring that neither terrorist actions nor the policies of other governments nor unexpected financial events fundamentally damage the U.S. or global economies.

In the war against terrorism, the Department will continue to secure the support of nations around the world; its efforts are designed to ensure that front-line states are not threatened by economic and financial instability and that the global economy enjoys reliable supplies of energy at reasonable prices. The Department will work actively with other countries, international financial institutions (IFIs), and the private sector to ensure that front-line states receive the support necessary to prevent financial crises or to resolve them more effectively when they occur. Promoting regional trade will also play an important role in promoting economic growth among key front-line states, including Afghanistan and Pakistan.

To prevent financial disruptions from undermining the economic stability of emerging markets, the Department will work with the IFIs to provide advice and support to countries trying to pursue sound macroeconomic policies, provide greater transparency, adopt prudential standards, and keep debt levels manageable and inflation low.

Unpredictable financial crises will continue to drive much of the Department's activity in this area. Continuing activities will include work with the Department of the Treasury to assess and implement better sovereign debt restructuring mechanisms and to enhance international implementation of stronger anti-money laundering and terrorist financing rules.

The Department will continue to work closely with the Department of the Treasury to strengthen international financial systems. The Department will strongly support Treasury's efforts to increase transparency and information-sharing among international financial institutions, increasing their efficiency and public support for their work. The Department will also continue to play a vital role in working with individual governments – particularly in developing and transitional economies – in support of better-regulated, more transparent financial sectors, essential to reducing the vulnerability of these countries to financial crises.

The Department will secure reliable supplies of energy at reasonable prices in order to foster economic growth and prosperity, and to ensure that oil cannot be used as a weapon. The United States must deal with some hard facts about the international oil markets. Two-thirds of proven world oil reserves are in the Middle East. Aftershocks from global oil supply disruptions can ripple through the global economy because Europe and Japan, like the United States, rely on imports to meet a growing portion of their oil needs.

Example of an FY 2002 Achievement

Forestalled Financial Crisis

The Department and the Treasury Department coordinated with the IMF to secure an agreement providing \$16.3 billion in emergency financing for Turkey, forestalling an economic crisis in this important European ally bordering the Middle East and Central Asia. The Department performed in-depth analyses of Turkey's domestic and foreign economic problems, and devised and built support for optimal solutions.

Example of an FY 2002 Achievement

Energy Dialogue

A commercial energy dialogue with Russia, launched by the Department and the Departments of Commerce and Energy, broadened private sector cooperation to increase production/export of Russian oil and gas. The privately owned and run Caspian Pipeline Consortium oil pipeline opened, a major milestone in developing an East-West corridor linking Caspian energy producers with world markets.



Finally, reliability of supply from some producing states is a major concern. U.S. energy security will continue to require a robust international strategy and close cooperation with other countries. Working with and through the International Energy Agency (IEA), the Department will use its well-tested approach to prevent sudden disruptions in the oil market from damaging the world economy. The United States will maintain its own Strategic Petroleum Reserve at appropriately high levels and ensure that other nations do so as well. In the mid to long term, America must continue to increase and diversify energy production in reliable producing countries. As part of this effort, the United States will improve the climate for oil sector investment in many countries, and actively help improve the infrastructure necessary to gain access to relatively new suppliers in Latin America, Africa, and the Caspian and Central Asian regions.

Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: World Emergency Oil Stocks.				
IEA stock level was 111 days of net oil imports.	IEA stock level was 112 days of net oil imports.	Higher stock levels in the United States, Japan, and South Korea (a new IEA member), increased overall IEA stocks to 114 days of net oil imports as of 12/21/02. China (a non-IEA member) actively engaged with the IEA, APEC, and the United States to create emergency oil stock reserves and has formulated a plan for holding significant stocks.	Increase IEA and non-IEA emergency oil stocks above FY 2002 stock levels.	IEA and non-IEA emergency oil stocks are at or above FY 2003 levels.
Indicator #2: Percentage of Debt Crisis Countries on IMF Programs / Successfully Reforming.				
61%	57%	63% (Indonesia, Brazil, Uruguay, Russia, Thailand, Ukraine, Pakistan, Turkey, and former Yugoslavia implemented IMF reform programs.)	60%	60%

Means and Strategies by Target

Successful reform by 60 percent of Debt Crisis countries on IMF Programs.

- Multilateral and bilateral negotiations, supported by public diplomacy.

World Emergency Oil Stocks.

- Multilateral and bilateral negotiations focused on IEA members.



Summary: Verification/Validation and Crosscutting Activities

Performance Goal 1	Institutions, laws, and policies foster private sector-led growth, macroeconomic stability, and poverty reduction Indicator 1: Average Developing Country Account GCI.
Verification and Validation	World Bank information is widely used and available to the public.
Crosscutting Activities	The Department will work with USAID and other USG agencies, foreign governments, IFIs, and the private sector to promote capacity building and development.
	Indicator 2: Millennium Challenge Account.
Verification and Validation	The Department will provide reliable information on its website about the status of the MCA.
Crosscutting Activities	Department will work with Congress, USAID and other USG agencies, foreign governments, IFIs, and the private sector to promote a successful MCA program.
	Indicator 3: International Telecommunications Union (ITU) Recommendations.
Verification and Validation	The ITU provides reliable information to the public on its recommendations and activities.
Crosscutting Activities	The Department will work with other USG agencies, foreign governments, the private sector, and the ITU to develop and implement ITU resolutions that expand telecommunications liberalization and development.
Performance Goal 2	Increased trade and investment, achieved through market-opening international agreements and further integration of developing countries into the trading system Indicator 1: Status of negotiations on open markets for services, trade and investment.
Verification and Validation	The WTO, USTR, and the Department provide reliable information on their websites.
Crosscutting Activities	The Department will work with USTR and other USG agencies, foreign governments, and the private sector to promote successful conclusion of new agreements.
	Indicator 2: Number of market opening transportation agreements in place.
Verification and Validation	The Department and the Department of Transportation provide reliable information on their websites.
Crosscutting Activities	The Department will work with the Department of Transportation and other USG agencies, foreign governments, and the private sector to promote successful conclusion of new agreements.



Performance Goal 2	Increased trade and investment, achieved through market-opening international agreements and further integration of developing countries into the trading system. Indicator 3: Number of countries allowing commercial use of agricultural biotechnology.
Verification and Validation	The Department provides reliable information to the public.
Crosscutting Activities	The Department will work with USTR, the Department of Agriculture, USAID, and other USG agencies, foreign governments, the private sector, and the scientific community to promote open markets for biotech agricultural products.
	Indicator 4: Number of new accessions to the WTO.
Verification and Validation	WTO provides reliable information on its website.
Crosscutting Activities	The Department will work with USTR, other USG agencies, and foreign governments to enable countries to make the reforms needed to enter the WTO.
Performance Goal 3	Secure And Stable Financial And Energy Markets Indicator 1: Percentage of Debt Crisis Countries on IMF Programs / Successfully Reforming.
Verification and Validation	The IMF provides reliable information on its website.
Crosscutting Activities	The Department will work with the Department of the Treasury, other USG agencies, the IMF, and foreign governments to enable countries to reform successfully.
	Indicator 2: World Emergency Oil Stocks.
Verification and Validation	The IEA provides reliable information to the public on its website.
Crosscutting Activities	The Department will work with Department of Energy, other USG agencies, the IEA, foreign governments, and the private sector to maintain appropriate global levels of emergency oil stocks.



Strategic Goal 9: Social and Environmental Issues

IMPROVE HEALTH, EDUCATION, ENVIRONMENT, AND OTHER CONDITIONS FOR THE
GLOBAL POPULATION

Public Benefit

"The strong partnership between American science and American statecraft is more critical than ever in meeting the challenges of the 21st century. Whether the mission is supporting the President's campaign against terrorism, implementing arms agreements, creating conditions for sustainable development, or stemming the global HIV/AIDS pandemic, the formulation of foreign policy must proceed from a solid scientific foundation.
- Secretary Colin L. Powell

The Department works to improve health, education, and living conditions in order to ameliorate people's lives worldwide. In addition to being an important humanitarian goal in and of itself, better health is integral to economic development, since healthy people can be more productive and contribute to the economic growth of their communities. Better education helps people increase productivity, understand the need for health care and how to access it, and participate in community governance, including environmental protection. A clean environment is essential for individual health, which, along with sound resource management, is critical for sustainable development. Better migration policies permit people to emigrate in a more regular fashion, enabling individuals to improve their living conditions and receiving countries to benefit from the skills and backgrounds migrants have.

The Department seeks to accomplish this by negotiating and implementing treaties and agreements; promoting partnerships among governments, elements of civil society, academia, and the private sector; raising and coordinating funds among major donors; and expending USG funds on direct bilateral and multilateral assistance. The Department helps countries and regions build capacity and sound institutions to provide healthcare and education, better manage migration issues, and provide environmental protection. In the area of the environment, the Department helps countries promote access to environmental information and participation in environmental decision-making, and combat illegal environmental activities such as those involving forests, wildlife, hazardous wastes, ozone depleting substances, fisheries, and maritime issues. These efforts promote good domestic governance and the rule of law, which are preconditions to successful and sustainable achievement of improved conditions and alleviating poverty within countries, and improving regional stability and sustainable development.

The Department targets its education efforts at improving conditions in developing countries, while its environmental, health, and migration efforts are global in reach. These initiatives often help attain both international and domestic benefits. By combating the illegal timber trade, the Department helps preserve valuable timber resources in developing countries, while protecting the competitiveness of the \$114-billion U.S. timber industry. The Department's support for improved global fisheries management and enforcement standards helps ensure long-term sustainability of these fisheries, provides for a level playing field for the \$50-billion U.S. commercial fisheries industry, and ensures long-term global access to fisheries. The negotiation of the Cartagena Protocol helped maintain the continued growth of the international biotech industry, leading to improved food security for all, and protected U.S. agricultural exports valued at over \$60 billion annually. The Department also helps protect the U.S. environment directly by combating and mitigating the impact of invasive species, which have cost the U.S. an estimated \$138 billion over the last decade.

The Department works to promote orderly and humane migration flows on the regional and inter-regional level. Legal migration contributes to prosperity for both sending and receiving countries, including the United States. National security and respect for the human rights of migrants are essential components of effective migration management.

A healthy and educated world population is more likely to participate in and promote democratic governance, economic opportunity, and environmental and human rights protection. A sound environment is central to health and to sustainable development, and to political and economic security in key regions. U.S. efforts to improve these conditions for the global population thereby also promote American security, growth, and values.



Performance Goal 1

IMPROVED GLOBAL HEALTH, INCLUDING CHILD, MATERNAL, AND REPRODUCTIVE HEALTH, AND THE REDUCTION OF ABORTION AND DISEASE, ESPECIALLY HIV/AIDS, MALARIA, AND TUBERCULOSIS

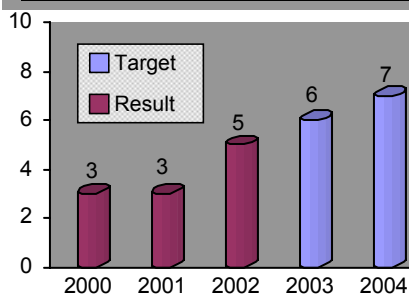
Summary: Projected FY 2004 Performance

Disease Reduction: The Department will work to catalyze effective coalitions and partnerships, boost political and financial commitment to health, and garner public support for health programs, particularly those aimed at fighting infectious diseases such as HIV/AIDS, malaria, tuberculosis, and diarrheal and respiratory diseases. This will require broad international cooperation among physicians, scientists, and development and health professionals. To raise and coordinate funds for health-related efforts, the Department's Bureau of Oceans and International Environmental and Scientific Affairs (OES) will promote innovative public-private partnerships, and work with multilateral agencies such as the World Health Organization (WHO); the Joint United Nations Program on HIV/AIDS (UNAIDS); the Global Fund to Fight AIDS, Tuberculosis and Malaria (The Global Fund); the World Bank and other international financial institutions (IFIs) as well as; other major donors. The Department will engage in public diplomacy and educational campaigns to inform key foreign audiences about U.S. and international efforts in support of health, and use its influence and knowledge of individual countries to promote effective and coordinated health efforts, including operational synergies and regional approaches. The Department will ensure information is available at overseas posts on global health issues such as HIV/AIDS prevention, the mitigation of impacts from increasing illness and death, and the need for sustainable solutions.

The Department will also help strengthen U.S. global health programs by re-emphasizing the need for sustainable private financing along with governmental commitment, by improving health education to empower recipients and ensure informed decision-making, and by expanding programs to address chronic conditions and encompass entire families, including income earners and the elderly. In countries where maternal and child mortality and morbidity remain particularly high, the focus will be on reducing mortality through maternal and child health care including pre-, post- and neonatal care; skilled birth assistance; nutrition; vaccination; hygiene and breastfeeding education and assistance; and other infant and child survival interventions.

The Department will also work to reduce abortion by promoting compassionate alternatives such as adoption, by funding family planning assistance, including provision of contraceptives and of information about the reproductive system and the mechanisms, risks, and benefits of family planning options, and by promoting abstinence for the unmarried.

Performance Trend: FY 2000 – FY 2004
Number of Countries With Stabilized or Reduced Rates of New HIV Infection



Example of an FY 2002 Achievement

The Global Fund To Fight AIDS, Tuberculosis, and Malaria

In April 2001, the UN Secretary-General called for a global fund to combat the three great killer diseases: AIDS, tuberculosis, and malaria. The United States was the first government to pledge, before the Fund was even operational. With strong U.S. diplomatic involvement, the Fund was operational and had approved its first grants by April 2002. The Fund is intended to work through public-private partnerships and complement existing bilateral and multilateral assistance programs.



The Department will not fund or promote abortion, abortion-related services, or the use of abortifacients such as RU486. However, the Department supports humane treatment and counseling for women who have had recourse to abortion; the treatment of abortion-related illnesses or injuries is not considered an abortion-related service. The Department also endeavors to ensure that men take part in family planning decisions and that parents are involved in decisions affecting their minor children.

The Department also encourages parents to teach responsible sexual behavior, including abstinence, fidelity, voluntary family planning, and disease prevention efforts, in order to promote adolescent health and well-being and prevent disease and unwanted pregnancies.

The Department will also work to eliminate violence against women including selective abortion of females; coerced abortion, forced sterilization and the coercive imposition of birth control; trafficking; rape; female genital mutilation; and “honor” killings and other harmful traditional practices. The Department will work to ensure that international health care providers respect human rights and refrain from coercive practices, and will institute field monitoring of UN Fund for Population Activities (UNFPA) programs and ask the UNFPA Executive Board to adopt guidelines and programs that prohibit coercion and require voluntarism and informed consent.

Finally, the Department is working to help governments identify and react appropriately to issues raised by the demographic changes facing the world today, as described by demographers at the UN Population Division. Within the Western collectivity, lifespans are lengthening and fertility is falling. Except for the United States, most Western and certain other nations are experiencing fertility that is far below replacement level. For these nations, population aging and shrinkage are issues that may have broad economic and social implications. Other nations are experiencing abnormal demography caused by poor health conditions, the impact of diseases such as HIV/AIDS, and discrimination against women (e.g., sex-selective abortions that can result in a significant imbalance in the gender ratio). While decisions about family size are for families, not governments, to make, governments can play an important role in creating political and economic conditions that allow families to flourish, regardless of a country’s overall population demographics.

Example of an FY 2002 Achievement

Oversight of the UN Population Fund (UNFPA)

The United States used its position on the UNFPA Executive Board to press for reforms that would minimize programmatic redundancies across UN development agencies. The United States did not provide funding to UNFPA in 2002 because the Secretary determined that UNFPA provided funds and other support to the Chinese governmental entities charged with enforcing China’s birth limitation program, which relies upon coercive abortion. The United States is working to encourage UNFPA to reform, and to cease its involvement with coercion so that future U.S. funding of UNFPA will be legally possible.



Summary: Indicators, Results and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Level of International Collaboration and Partnerships to Support Health, Including the Global Fund to Fight AIDS, Tuberculosis and Malaria				
More countries involved in developing alternative malaria and flu vector control methods; increased awareness of Roll Back Malaria and Stop TB partnerships.	The level of bilateral and multilateral collaboration on global health increased significantly; UN Special General Assembly Session on HIV/AIDS; negotiations completed for the Global Fund.	The Global Fund began work; negotiations continued to put mechanisms in place that guarantee program and financial accountability, set rules for procurement, etc.; The Global Fund had multi-year pledges totaling \$2.1 billion, with approximately \$750 million available for the year; one large contribution was from the private sector.	Sign the first grant agreements for the Global Fund, which indicate agreement on the monitoring and evaluation framework; the Global Fund database to track country-level partnerships is in place, to ensure that country-level mechanisms are true public-private partnerships. Funding increases, including funds from one additional foundation, one commercial enterprise.	Continued viability and success of the Global Fund. As reported by the Global Fund, one-fourth of all Country Coordination Mechanisms include NGO stakeholders as full participants in the design and implementation of proposals. Two more foundations and one more commercial enterprise make contributions to the Global Fund, including those at the country level. The Global Fund has conducted evaluations of grants, and half of the grant recipients make progress toward the indicators outlined in the proposals and the monitoring and evaluation (M&E) framework.
Indicator #2: Number of Bilateral and Multilateral Meetings in Which the U.S. Plays a Leadership Role in Dealing with Health Issues. (New Indicator)				
N/A	N/A	Baseline: As of September, the United States participated in five UN meetings and one bilateral meeting.	The United States participate in UN meetings dealing with health issues, and in two bilateral meetings.	The United States participates in UN meetings dealing with health issues, and in three bilateral meetings.
Indicator #3: Department-Wide Awareness of Global Health Issues and USG Policy. (New Indicator)				
N/A	N/A	Baseline: Briefings for ambassadors and other USG personnel on health issues and USG policy.	Briefings for ambassadors and other USG personnel on health issues and USG policy.	Briefings for ambassadors and other USG personnel on health issues.
Indicator #4: Countries or Regions With Stabilized or Reduced Rates of New HIV Infections.				
Uganda, Senegal, and Thailand stabilized or reduced rates of new HIV infections.	The same three countries stabilized or reduced rates of new HIV infections.	A total of five countries had stabilized or reduced rates of new HIV infections (Uganda, Senegal, Thailand, Zambia and Cambodia).	A total six countries stabilize or reduce rates of new HIV infections.	A total of seven countries stabilize or reduce rates of new HIV infections.
Indicator #5: Maternal Mortality Rate. (New Indicator)				
N/A	N/A	N/A	Baseline: Five countries decrease maternal mortality rate by at least 2 percent.	Five countries decrease maternal mortality rate by at least 2 percent.



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #6: Number of UNFPA Field Monitoring Trips Conducted. (New Indicator)				
N/A	N/A	Baseline: One independent Department team visited China to assess the UNFPA program there.	Make three monitoring trips to UNFPA program countries.	Make monitoring trips to two countries in each region where UNFPA operates.
Indicator #7: Status of WHO International Health Regulations (IHR).				
WHO revision mandate predated 2000. New concept reassessed-elaborated on.	World Health Assembly linked IHR revision process to global health security and bioterrorism.	WHO continued consultation and elaboration of approach and international consensus building.	Work continues to ensure surveillance and reporting on man-made as well as natural disease outbreaks.	Submit draft of revised International Health Regulations to WHO Governing bodies and adopt it at the World Health Assembly.
Indicator #8: The Global Health Security Action Group (GHSAG) Becomes Sustainable.				
GHSAG (formerly known as the Ottawa Group) did not exist.	The United States, Canada, France, Germany, Italy, Japan, Mexico, and the United Kingdom agreed to cooperative efforts to counter bioterrorism.	General terms of reference for the creation of a pharmaceutical and biotech industry anti-terrorism code of conduct were developed.	Revised Target: The GHSAG clarifies its mission and membership considerations. The GHSAG forms technical working groups on key issues such as risk management, containment/isolation, pandemic influenza and support for a WHO smallpox vaccine reserve. GHSAG develops a formalized network of laboratories to enhance cooperation and collaboration.	GHSAG conducts cooperative exercises; the private sector, NGOs, and health and science institutions, are more involved in the introduction of new knowledge to a rapidly evolving security area.
Indicator #9: Countries With Smallpox Vaccine and Drug Stockpiles. (New Indicator)				
N/A	N/A	N/A	Baseline: Two countries agree to establish stockpiles.	Additional ten countries establish vaccine and drug stockpiles; work with WHO to strengthen its smallpox vaccine reserve.

Means and Strategies by Target

The Global Fund continues to be viable and successful. As reported by the Global Fund, 25 percent of all Country Coordination Mechanisms include NGO stakeholders as full participants in the design and implementation of proposals. Two more foundations and one more commercial enterprise make contributions to the Global Fund, including those at the country level. The Global Fund conducts evaluations of grants, and half of the grant recipients make progress toward the indicators outlined in the proposals and the M&E framework.

- Play a leading role in coordinating U.S. policy toward the Global Fund; participate in deliberations and decisions of the Global Fund's Board of Directors; work with the Global Fund's Board and Secretariat to ensure that its policies and operations are effective and accountable; brief members of Congress and staff, the private sector, and NGOs on major developments and U.S. policies.



Participate in UN and bilateral meetings dealing with global health issues.

- Assign staff to attend these meetings, and ensure that other U.S. representatives to these meetings are briefed on USG global health policies, including policies on reproductive health.

Brief ambassadors and other USG personnel on global health issues and USG policy.

- Prepare briefing materials on global health for new ambassadors and other USG personnel; offer briefings to new personnel when issues arise.

Seven countries stabilize or reduce rates of new HIV infections.

- Engage foreign diplomats and health officials to advance bilateral opportunities; contribute to the development of policies regarding the President's International Mother and Child HIV Prevention Initiative; seek out opportunities to use the Millennium Challenge Account to fight HIV/AIDS.

Five countries decrease maternal mortality rate by at least 2 percent.

- Use diplomatic efforts to educate countries about the most common causes of maternal mortality; promote bilateral and multilateral policies, including the allocation of resources, targeted at reducing those causes ; and expend USG funds on building local capacity, training birth assistants, and providing direct health care for women giving birth.

Monitoring trips to two countries in each region where UNFPA operates.

- Ask embassy staff to assist in monitoring UNFPA programs; send U.S.-based staff to participate in such monitoring.

Submit a draft of revised International Health Regulations to WHO governing bodies and adopt it at the World Health Assembly.

- Review draft regulations; advocate needed changes.

The GHSAG conducts cooperative exercises; the private sector, NGOs, and health and science institutions, are more involved in the introduction of new knowledge to a rapidly evolving security area.

- Continue to participate in the work of the GHSAG; develop a framework for risk communication of chemical, biological, and radio-nuclear (RCBN) terrorist incidents.

Additional ten countries establish vaccine and drug stockpiles; work with WHO to strengthen its smallpox vaccine reserve.

- Encourage countries, through multilateral and bilateral diplomacy, to develop stockpiles.



Performance Goal 2
PARTNERSHIPS, INITIATIVES AND IMPLEMENTED INTERNATIONAL TREATIES AND AGREEMENTS
THAT PROTECT THE ENVIRONMENT AND PROMOTE EFFICIENT ENERGY USE AND RESOURCE
MANAGEMENT

Summary: Projected FY 2004 Performance

In 2002 the Department participated in a series of multilateral fora, including the Doha World Trade Ministerial, the Monterrey Finance for Development Summit, and the Johannesburg World Summit on Sustainable Development (WSSD), which created a coherent international framework for new partnerships and innovative programs to promote the three pillars of sustainable development (environmental protection, economic development, and social development), based on a foundation of good domestic governance (democratic institutions, transparency, and the rule of law). The Department intends to follow through on developing and implementing these goals during 2003 and 2004 in the UN and other multilateral, regional, and bilateral fora. The Department will also work to ensure the effective implementation of the four key signature partnerships on water, energy, forests, and hunger, as well as many of the over 200 partnerships which emerged from the WSSD. The Department also will promote domestic capacity in key countries for good environmental governance.

Through the Congo Basin Forest Partnership (CBFP), which the Secretary announced at the WSSD, the Department will help to conserve the world's second largest tropical forest area in the world, and provide its inhabitants with sustainable economic benefits. By 2004, the CBFP is scheduled to have established an international data network that would link project proposals to potential donors, and to an international data bank that will allow the partners to maximize funds for specific projects in the area while eliminating redundancies. In addition, by working to develop funding agreements and public-private partnership for on-the-ground conservation efforts under the Tropical Forest Conservation Act (TFCA), the Department's efforts will help to stimulate forest conservation in countries that otherwise may lack interest in conservation.

Effective environmental protection is critical to create a level playing field to harness trade, competition and investment for sustainable development. Over the next two years, the Department will work to ensure that satisfactory environmental provisions are incorporated in free trade agreements with Morocco, the Southern African Customs Union, Central America, Australia, and the entire Western Hemisphere, and to negotiate and implement complementary environmental cooperation mechanisms with Chile, Singapore and other U.S. trading partners. The Department will also encourage its partners in the OECD to strengthen environmental standards and transparency for export credit agencies.

Example of an FY 2002 Achievement

Global Fisheries

Illegal, unregulated and unreported (IUU) fishing activities undermine sustainable management of fishery resources, often contributing to collapse of fish stocks, penalization of legal fishermen, and in some cases the facilitation of other illegal activities. The Department led international efforts to develop a voluntary international plan of action to address IUU fishing. Under the plan, countries agree to develop national plans by 2004 to prevent, deter, and eliminate IUU fishing. The plan also provides recommendations on vessel monitoring, information sharing, and the use of market-based control and surveillance measures to combat IUU fishing.

The Department also helped establish a voluntary network of fisheries' law enforcement officials, enhanced developing countries' capacities for implementing the Code of Conduct for Responsible Fisheries, and led a fisheries law enforcement training workshop in East Africa.



Regarding climate change, in 2003-2004 the Department intends to establish and begin implementing new partnerships with Russia, Ukraine, South Korea, Brazil, Mexico, the United Kingdom, and other countries, as necessary. The Department will work to identify key outcomes, deliverables, and associated timelines and begin implementation of partnerships with Canada, the EU, India, China, and other countries that meet established timelines for deliverables. The Department will complete reviews of existing partnerships, and use the lessons learned to adjust activities to enhance effectiveness of the overall climate change approach. By building bilateral and regional partnerships, the Department will enhance the capacity of key countries to understand and address global climate change.

Over the next two years, the Department will continue cooperative efforts to promote the effective implementation of fisheries treaties and instruments; fight illegal fishing; address fishery-related pollution; and promote conservation of sharks, sea turtles, and other species. Working with Australia, New Zealand, and Peru bilaterally and through FAO and APEC, the Department will promote better science and more effective management of the earth's deep-sea fisheries. Through global and regional bodies, the Department will promote capacity building activities that contribute to the scientific, legal, and enforcement capabilities of managers in developing countries to promote responsible fisheries and aquaculture. Through this work, the Department will help to ensure the sustainability of the world's fisheries and a level playing field for the U.S. fishing industry.

The Department will support sustainable development by building partnerships among governments, research institutions, and industry for science and technology (S&T) cooperation, including science-based decision-making, environmental and biodiversity protection, marine sciences, energy, climate, HIV/AIDS, and other health issues. In 2003-2004, the Department will work to negotiate and implement new S&T agreements with Oman, Uzbekistan, Australia, and Pakistan; renew the S&T agreement with Ukraine; update and expand the interactive database that tracks activities under existing S&T agreements; and conduct a policy review of the China S&T agreement.

Summary: Indicators, Results and Targets

Baseline	Performance Results		Performance Targets	
	2000	2001	2003	2004
Indicator #1: Status of Trade Agreements or Guidelines That Minimize Environmental Harm.				
Free Trade Agreement (FTA) with Jordan was signed. Environmental review of the Free Trade Agreement of the Americas (FTAA) undertaken pursuant to Executive Order 13141. G-8 Summit calls for negotiation of a new agreement on environmental guidelines for export credit agencies (ECAs).	FTA negotiations with Singapore and Chile are launched. The WTO agreed to negotiate trade and environment issues within the Doha Round.	Negotiations were ongoing for four bilateral FTAs. The Trade Act of 2002 authorized the President to negotiate trade agreements subject to an up-or-down vote in Congress. FTAA negotiators agreed at the Quito Ministerial to language in the declaration that included protecting the environmental as an FTAA goal.	FTAs with Singapore and Chile are completed that have satisfactory environmental provisions. OECD members agree to undertake formal discussions of environmental standards. U.S.-Jordan Environmental Forum agrees on workplan for environmental cooperation.	OECD partners take qualitative and quantitative steps to strengthen environmental standards and transparency for export credit agencies. New FTA negotiations incorporate satisfactory environmental provisions. Implementation of environmental cooperation agreements negotiated with FTA partners.



Baseline	Performance Results		Performance Targets	
2000	2001	2002	2003	2004
Indicator #2: Enhance or Establish Bilateral and Regional Climate Change Partnerships in Target Countries to Implement the President's new Approach on Climate Change.				
Several bilateral policy dialogues existed, but most did not involve specific implementing activities.	New partnerships announced with Japan, EU, Central American countries, and Italy to initiate the President's directive to engage internationally toward more effective global effort to address climate change.	New partnerships announced or initiated with Australia, Canada, the EU, India, South Korea, and China. Implementation of partnerships with Japan, Central American countries, Italy, and Australia. Key working groups were established and specific projects and project-related activities agreed to and begun.	Establish and begin implementing new partnerships with additional countries including Russia, Kazakhstan, South Korea, Brazil, Mexico, and the United Kingdom. Identify key outcomes and deliverables, with associated timelines. Begin detailed implementation of partnerships with Australia, Canada, the EU, India, and China. For existing partnerships, the Department will meet timelines for deliverables established in 2002. Complete reviews of existing partnerships will take place.	Establish additional climate change partnerships, as necessary (Mexico, Brazil, South Africa, and Egypt). For existing climate change partnerships, the Department meets timelines and deliverables established in previous years. Review existing climate change partnerships, increase or adjust engagement where needed.
Indicator #3: Coordination and Management of all U.S. Government S&T Activities Derived From S&T Agreements.				
Congress requests list of all S&T agreements and derivative MOUs and protocols.	Policy review was concluded of the S&T activities under the U.S.-Russia S&T agreement.	Policy review was conducted of the S&T activities under the U.S.-China S&T agreement.	Touching on the full spectrum of OES issues (science-based decision-making; environmental and biodiversity protection; marine sciences; energy; climate; HIV/AIDS and other health issues, and science, technology and engineering for sustainable development), establish, renegotiate, as necessary, and implement S&T agreements that forge partnerships between USG agencies, foreign counterparts, public and private research institutions, and industry.	Conduct a policy review of S&T activities under the U.S.-China S&T agreement. Touching on the full spectrum of OES issues (science-based decision-making; environmental and biodiversity protection; marine sciences; energy; climate; HIV/AIDS and other health issues, and science, technology and engineering for sustainable development), establish, renegotiate, as necessary, and implement S&T agreements that forge partnerships between USG agencies, foreign counterparts, public and private research institutions, and industry.



Baseline	Performance Results		Performance Targets	
2000	2001	2002	2003	2004
Indicator #4: Partnerships, Capacity-Building Efforts, Level of Funding and Sectoral Policies Promoting Sustainable Development.				
MDBs adopted new measures to take environmental considerations into account in project reparation.	FAO activities were often limited to pelagic fisheries. The World Bank Fund for Sustainable Fisheries established with a donation from Japan. The World Bank undertook work on new environmental policy paper for forest sector projects.	<p>The Department began consultations with other States Parties to the UN Fish Stocks Agreement (UNFSA) to promote its effective implementation, particularly cooperation with developing states. The UN General Assembly and States Parties to the UNFSA agreed in principle to establish a voluntary trust fund to implement the UNFSA.</p> <p>A rebuilding plan of the International Commission for the Conservation of Atlantic Tunas, (ICCAT) contributed to recovery of the North Atlantic swordfish. APEC workshop on shark conservation and management was held to build capacity to implement FAO International Plan of Action (IPOA). A regional fisheries management organization adopted the first limitations on fishing capacity. The Southern Ocean Albatross and Petrel Agreement entered into force. Further progress was made toward establishing a regime to conserve and manage highly migratory fish stocks in the central and western Pacific.</p> <p>The Department raised U.S. concerns with EU fisheries policies at a high level and in multilateral for a, and continued to work with EU counterparts as the Common Fisheries Policy (CFP) was finalized.</p>	Increase contributions to the World Bank Fund for Sustainable Fisheries by \$2 million. Increase contributions to FAO FishCODE. GEF institutes environmental performance measures and establishes an independent monitoring unit. Approximately \$600 million is available for project funding through GEF.	<p>Launch and maintain partnerships and initiatives with governments, elements of civil society and the private sector to advance U.S. interests on water, access to energy, health, forests, oceans, and science and technology. Promote good domestic governance in developing countries by building environmental enforcement and compliance capacity and public access to information.</p> <p>The Congo Basin Forest Partnership improves forest conservation efforts and promotes sustainable development and forest management in eleven critical landscapes.</p> <p>Develop additional country participation for debt reduction in return for conservation under the Tropical Forest Conservation Act</p> <p>Implement fisheries treaties and voluntary instruments (including ones to resolve fisheries disputes and the reduce illegal fishing), in order to conserve sharks, mitigate sea turtle by-catch, and increase awareness of fishery-related marine pollution, through cooperative work programs and technical and financial assistance to developing countries. Encourage additional states to sign or participate in existing agreements, and develop new instruments, as needed.</p> <p>Promote trading regimes that support sustainable fisheries by continuing inspections in shrimp exporting countries, achieving progress in implementing cooperative agreements on trade-related fisheries issues, and achieving by working for WTO agreements that do not undermine U.S. interests.</p>



Means and Strategies by Target

OECD partners take qualitative and quantitative steps to strengthen environmental standards and transparency for export credit agencies.

- Consult with key OECD partners bilaterally.
- Negotiate in OECD committee sessions.

Incorporate satisfactory environmental provisions in FTA negotiations.

- Coordinate among the Department's regional and economic bureaus.
- USG interagency consultations.
- Community outreach.
- Negotiate with partners in bilateral and multilateral FTA negotiations.

Implement environmental cooperation agreements negotiated with FTA partners.

- Coordinate among the Department's regional and economic bureaus.
- USG interagency consultations
- Community outreach regarding partnerships.

Establish climate change partnerships with additional countries as necessary (Mexico, Brazil, South Africa, and Egypt)

- Mobilize interagency teams; inventory/assess existing bilateral climate programs; develop new/expanded areas of engagement; engage environment, science and technology staff at U.S. embassies, identify/contact appropriate officials in country to elaborate bilateral agreement text.
- Identify specific staff responsibilities; assign/reassign portfolios to reflect additional work, secure needed funds, and identify future needs for additional work (staff, training, and budget).

Meet timelines and deliverables established in previous years for existing climate change partnerships.

- Engage interagency working group to evaluate progress in bilaterals; review resource allocation (travel, videoconferencing, etc.) to ensure balance.
- Identify specific staff responsibilities; assign/reassign portfolios to reflect additional work, secure needed funds, and identify future needs for additional work (staff, training, and budget).

Review existing climate change partnerships and increase or adjust engagement where needed.

- Engage interagency working group to evaluate progress in bilaterals and review resource allocation (travel, videoconferencing, etc.) to ensure balance.
- Identify specific staff responsibilities; assign/reassign portfolios to reflect additional work, secure needed funds, and identify future needs for additional work (staff, training, and budget).

Conduct policy review of S&T activities under U.S.-China S&T agreement.

- Conduct biennial reviews of all activities conducted under the U.S.-China S&T Agreement and summarize report results in both classified and unclassified form, as required by Congress..



Touching on the full spectrum of OES issues (science-based decision-making; environmental and biodiversity protection; marine sciences; energy; climate; HIV/AIDS and other health issues, and science, technology and engineering for sustainable development), establish, renegotiate as necessary, and implement S&T agreements that forge partnerships between USG agencies, foreign counterparts, public and private research institutions, and industry.

- Examine agreements up for renewal in light of OES-wide S&T issues and propose new language to ensure that the agreements remain a useful platform from which the full spectrum of S&T diplomacy can be pursued.
- Examine current partnerships under existing S&T agreements to determine best practices that can be applied to other existing relationships and new agreements.
- Pursue new S&T agreements at the national, multilateral, and regional levels that support OES-wide issues and USG agency mandates; and support partnerships in science, technology, engineering, and medical fields. Select target countries and regions in consultation with other USG agencies, OES offices, and the U.S. scientific community.

Develop additional country participation for debt reduction in return for conservation under the Tropical Forest Conservation Act

- Work with the Department of the Treasury to allocate available funds to eligible countries
- Interact with domestic and international stakeholders
- Coordinate with interested foreign governments

The Congo Basin Forest Partnership improves forest conservation efforts and promotes sustainable development and forest management in eleven critical landscapes.

- Continue to develop partners and implement programs.
- Coordinate with USAID's Central African Regional Program for the Environment (CARPE) on allocation of U.S. share of funding.

Implement fisheries treaties and voluntary instruments, (including ones to resolve fisheries disputes and reduce illegal fishing), in order to conserve sharks, mitigate sea turtle by-catch, and increase awareness of fishery-related marine pollution, through cooperative work programs, technical and financial assistance to developing countries. Encourage additional states to sign or participate in existing agreements, and develop new instruments, as needed.

- Cooperate and coordinate with other USG agencies, especially the Department of Commerce, the U.S. Coast Guard, and the U.S. Fish and Wildlife Service.
- Consult with Congress.
- Participate in intergovernmental organizations and regional bodies.
- Promote science-based decision making in fisheries management and the use of appropriate technologies (e.g., vessel monitoring systems) that contribute to sustainable fisheries.
- Develop and transfer selective gear technologies that reduce trade and environment disputes (e.g., turtle excluder devices).
- Target activities to build coalitions among like-minded countries, promote regional cooperation, and strengthen developing country capacity building.
- Conduct public diplomacy and outreach to key stakeholders.



Promote trading regimes that support sustainable fisheries by continuing inspections in shrimp exporting countries, achieving progress in implementing cooperative agreements on trade-related fisheries issues, and achieving by working for WTO agreements that do not undermine U.S. interests.

- Cooperate and coordinate with other USG agencies, especially The Department of Commerce, the U.S. Coast Guard, and the U.S. Fish and Wildlife Service.
- Consult with Congress.
- Participate in inter-governmental organizations and regional bodies.
- Promote science-based decision making in fisheries management and the use of appropriate technologies (e.g., vessel monitoring systems) that contribute to sustainable fisheries.
- Develop and transfer selective gear technologies that reduce trade and environment disputes (e.g., turtle excluder devices).
- Target activities to build coalitions among like-minded countries, promote regional cooperation, and strengthen developing country capacity building.
- Conduct public diplomacy and outreach to key stakeholders.



Performance Goal 3
 BROADER ACCESS TO QUALITY EDUCATION WITH EMPHASIS ON PRIMARY SCHOOL
 COMPLETION
 [USAID Goal]

Activities related to this goal will be undertaken by the United States Agency for International Development (USAID) and reported in USAID's FY 2004 Performance Plan.

Performance Goal 4
 EFFECTIVE AND HUMANE INTERNATIONAL MIGRATION POLICIES AND SYSTEMS

Summary: Projected FY 2004 Performance

The Department will continue its work that promotes orderly, legal, and humane international migration through the promotion of regional migration dialogues, capacity building programs, and support for the International Organization for Migration (IOM). The Department will seek to ensure that it balances human rights and protection concerns of migrants, including those of trafficking victims, against the need for national security and counterterrorism. The Department accomplishes this by supporting specific projects that bolster the capacity of governments, international organizations (especially the International Organization for Migration), and NGOs to address these issues. The Department's work will be closely coordinated with the Department of Homeland Security, as appropriate.

Example of an FY 2002 Achievement

Regional Conference on Migration (RCM)

FY2002 was a particularly successful year for the Regional Conference on Migration (RCM). Made up of eleven member states in North and Central America and the Caribbean, the RCM tackled several important migration issues of regional concern, including migrant smuggling and trafficking in persons, modernization of management systems and the return of regional and extra-regional migrants. Most significantly, the forum addressed the common concern of regional security. Member states adopted a declaration against terrorism and worked together in a joint training and interdiction exercise involving the detection of fraudulent documents and the assessment of security risks posed by travelers to the region. Seven of these countries later participated in a joint interdiction effort, which recorded incidents of use of fraudulent documents. This week-long joint exercise was the first of its type to be undertaken by RCM member countries.

Summary: Indicators, Results and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Percentage of Initiatives Agreed Upon at Regional Migration Dialogues That are Implemented. (New Indicator)				
N/A	N/A	N/A	N/A	Baseline: Implement approximately 60 percent of the activities agreed upon in the Regional Conference on Migration (RCM), and about half of the activities agreed upon in the Intergovernmental Consultations on Asylum, Refugees, and Migration (IGC), and the Western and Southern African dialogues.



Means and Strategies by Target

Implement approximately 60 percent of the activities agreed upon in the Regional Conference on Migration (RCM) and about half of the activities agreed upon in the Intergovernmental Consultations on Asylum, Refugees, and Migration (IGC), and the Western and Southern African dialogues.

- The United States will advance proposals that are practical and achievable. The Department will work to advance their success and support appropriate projects as funds are available.

Summary: Verification/Validation and Cross Cutting Activities

Performance Goal 1	Improved global health, including child and maternal health, the reduction of abortion, and the reduction of disease, especially HIV/AIDS, malaria, and tuberculosis.
Verification and Validation	Data will be validated and verified by comparison with data supplied by international organizations, (including UNAIDS and WHO), information supplied by the Global Fund, and information from other sources.
Crosscutting Activities	The Department cooperates closely with partner USG agencies (including USAID, the Departments of Health and Human Services, Defense, and Labor; and the Peace Corps), the NSC, and the White House Office of National AIDS Policy (ONAP), in the formulation and implementation of U.S. global health policy. The Department works particularly closely with USAID and HHS on all activities concerning the Global Fund, and with HHS on all activities concerning the GHSAG. The Department serves, along with other partner agencies, on the ONAP-led steering committee for the President's International Mother and Child HIV Prevention Initiative. The Department convenes interagency working groups frequently to coordinate policies with partner agencies.
Performance Goal 2	Partnerships, initiatives, and implemented international treaties and agreements that protect the environment and promote efficient energy use and resource management.
Verification and Validation	The Department consult with USG agencies, foreign governments, the private sector, and NGOs to critique the effectiveness of its activities, provide relevant data, and assist in evaluating the extent to which U.S. objectives are being met. There will be formal, fully documented reviews of the China S&T agreement and the implementation of agreements conducted by UN agencies/ treaty Secretariats. In other cases, validation will occur in the context of ongoing formal and informal consultations.
Crosscutting Activities	There broad coordination with USG agency partners (the Departments of Commerce, Interior, Energy, and Treasury; the EPA; NAS; USAID; and USTR), NGOs, private sector partners, and a range of donor and developing country partners.
Performance Goal 4	Effective and humane international migration policies and systems.
Verification and Validation	The Bureau of Population, Refugees, and Migration (PRM) manages the Department's participation in multilateral migration dialogues and tracks the implementation of follow-on activities..
Crosscutting Activities	The Department coordinates with other USG agencies (including the Departments of Homeland Security and Labor), international organizations (IOM and the Organization for Security and Cooperation in Europe), and a variety of NGOs.



Strategic Goal 10: Humanitarian Response

MINIMIZE THE HUMAN COSTS OF DISPLACEMENT, CONFLICTS AND NATURAL DISASTERS

Public Benefit

The U.S. commitment to humanitarian response demonstrates America's compassion for victims of armed conflict, forced migration, human rights violations, widespread health and food insecurity, and other threats. The strength of this commitment derives from both our common humanity and our responsibility as a global leader. When responding to natural and human-made disasters, the United States complements and enhances its efforts to promote democracy and human rights. In addition to saving lives and alleviating human suffering, humanitarian programs support the objectives of the U.S. National Security Strategy by addressing resource and economic crises with potential regional (or even global) implications, fostering peace and stability, and promoting sustainable development and infrastructure revitalization.

The Department is a leader in international efforts to prevent and respond to humanitarian crises. It provides substantial resources and guidance through international and nongovernmental organizations (NGOs) for worldwide humanitarian programs, with the objective of increasing access to protection, promoting burden-sharing, and coordinating funding and implementation strategies. The Department provides early warning about potential humanitarian crises through its extensive reporting capacity. When a humanitarian crisis does occur, the Department urges and participates in multilateral response. Department field staff often provide critical resources and information as humanitarian emergencies unfold. The Department's emphasis on regular monitoring and evaluation of humanitarian programs ensures that the needs of refugees, internally displaced persons (IDPs), and other conflict victims are met, and that the international community continually strives to improve its response to their plight. Its financial support for demining activities makes areas safe for the return of refugees and IDPs. Its management and support of overseas refugee admissions programs provides an important durable solution for refugees, and also serves as a leading model for other resettlement countries.



Performance Goal 1

EFFECTIVE PROTECTION, ASSISTANCE, AND DURABLE SOLUTIONS FOR REFUGEES,
INTERNALLY DISPLACED PERSONS, AND CONFLICT VICTIMS

Summary: Projected FY 2004 Performance

Crude mortality rates and child nutritional status are vital data in refugee and other humanitarian emergencies; they indicate the severity of a crisis, and the effectiveness of response. Department-funded humanitarian programs prevent crude mortality and child malnutrition rates in refugee settings from reaching the emergency level of one death per 10,000 people per day. In exceptional cases where this effort fails due to external factors, the Department supports urgent interventions to reduce the major causes of mortality and malnutrition.

The Department seeks to increase the amount of food available for humanitarian emergencies – a significant factor in preventing mortality and child malnutrition – by encouraging other governments to contribute to the World Food Program (WFP).

The Department’s effort to resettle 100 percent of the allocated number of refugees annual authorized the President for admission to the United States to provide the maximum number of refugees in need or resettlement world-wide with lasting protection and the opportunity to rebuild their lives in a new home.

The Department works to prevent exploitation of humanitarian victims and to improve accountability for refugee protection. Before FY 2004, in all spheres of programming, Department-funded humanitarian partners will have adopted codes of conduct and implemented anti-exploitation measures such as awareness training for staff and reporting mechanisms to detect fraud, waste, abuse, or exploitation in all spheres of programming.

The Department continues to work with USAID to address more effectively the needs of IDPs. The Department also and to funds humanitarian resettlement to Israel through the United Israel Appeal, although the latter program is expected to decline.

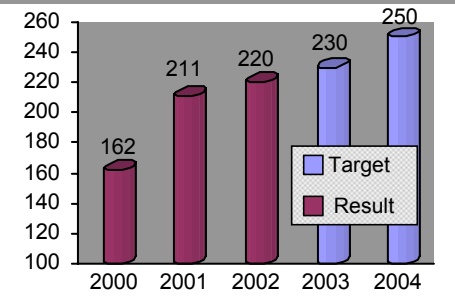
In immediate post-conflict situations, humanitarian mine action (HMA) reduces casualties and enables refugees and IDPs to return in safety, and allows for the delivery of other types of humanitarian assistance, food, and medical services. HMA often serves as a confidence-building measure, and in the long term, it fosters the social and economic development of mine-affected nations by promoting the health and welfare of the workforce. The clearance of agricultural land facilitates the development of self-sufficiency in food production. HMA opens infrastructure, allowing access to water, the rebuilding of roads, rail lines, schools, hospitals, and power plants. Reconstruction cannot begin while mines are still present. The adjacent chart shows that the Department intends to clear mines from an additional 20 million square meters of land during FY 2004.

Example of an FY 2002 Achievement

Afghan Refugees

In Afghanistan, the ousting of the Taliban regime made it possible for over 2 million refugees (mostly living in Pakistan and Iran) and over 600,000 IDPs to return home. The Department contributed over \$140 million to its international and nongovernmental partner organizations, including the UN High Commission for Refugees (UNHCR) and the International Committee of the Red Cross (ICRC). These organizations were then able to respond to the Afghan emergency and meet the immediate protection and reintegration needs of returning refugees and IDPs, including return transportation, shelter, public health, water, sanitation, and education. These funds also assisted refugees who remained in neighboring countries of asylum.

Performance Trend: FY 2000 – FY 2004
Land Cleared of Mines in U.S. Program Countries (in millions of square meters)





Summary of Indicators, Results and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Crude Mortality Rates.				
No reports of excessive mortality rates based on set criteria.	Refugee crises did not exceed a CMR of 1/10,000 people/day. Links established between the Bureau of Population, Refugees and Migration (PRM) and USAID to strengthen data collection.	Where data were available, refugee crises did not exceed a CMR of 1/10,000 people/day for an extended period. PRM and USAID developed tools to measure and track CMR and the nutritional status of children under 5 years of age. A training workshop for practitioners was held in July.	Refugee crises do not exceed a CMR of 1/10,000 people per day. Expand pilot data collection to other countries.	Refugee crises do not exceed a CMR of 1/10,000 people per day. Improve and expand data collection and reporting.
Indicator #2: Nutritional Status of Children Under 5 Years of age. (New Indicator)				
N/A	N/A	N/A	Baseline: In humanitarian crises, children under five have weight-for-height ratios that are greater than or equal to 2 standard deviations below the mean (Z score of greater than or equal to -2), or greater than 80 percent median weight-for-height, and an absence of nutritional edema. Improve and expand data collection and reporting.	In humanitarian crises, children under weight-for-height ratios that are greater than or equal to 2 standard deviations below the mean (Z score of greater than or equal to -2), or greater than 80 percent median weight-for-height, and an absence of nutritional edema. Improve and expand data collection and reporting.
Indicator #3: Percentage of refugees resettled in the U.S., as a percentage of the established ceiling. (New Indicator)				
(The ceiling is established by Presidential determination each year through consultations with voluntary agencies, Congress, the Immigration and Naturalization Service, and the Department of Health and Human Services.)				
N/A	Baseline: As a percentage of the established ceiling, 87 percent of refugees were resettled.	Out of a ceiling of 70,000 refugees, 27,113 were resettled. This number was significantly affected by developments since the events of 9/11.	100%.** (This is the Department's ideal target, based on the President's allocated admissions ceiling of 70,000 for FY 2003.. Meeting this target, however, is contingent upon a number of external factors, such as unanticipated domestic and foreign refugee approval rates, security constraints on travel, and the capacity of other agencies to process security checks.)	100%



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #4: Percentage of non-U.S. donors to the World Food Program (WFP). (New Indicator)				
N/A	N/A	Baseline: Out of a total of \$1.8 billion, U.S. contributions were 52 percent and non-U.S. contributions were 48 percent.	Increase the number of donors to WFP by four, and increase non-U.S. contributions by 4 percent over CY 2002.	Increase the number of donors to WFP by five, and increase non-U.S. contributions by 5 percent over CY 2003.
Indicator #5: Decrease in Percentage of Reported Landmine Casualties in U.S. Program Countries.³				
10%	10%	6 %	5%	5%
Indicator #6: Square meters of Land Cleared in U.S. Program Countries.³				
162,000,000 m ²	211,000,000 m ²	220,000,000 m ²	230,000,000 m ²	250,000,000 m ²
Indicator #7: Number of U.S. Program Countries in Sustainment or End State (cumulative).				
4	7	9	13	17
Indicator #8: Status of Global Disaster Information Network (GDIN)				
Partners reported that GDIN products and services were timely and valuable tools worth further investment.	Attempts were made to obtain information-sharing agreements among data-sharing partners.	The GDIN community agreed on a new approach to set up five specific services in the 2002-2004 time frame. GDIN membership agreed to establish a 501(c)(3) funding mechanism and to retain the rest of the project as an unincorporated partnership until 2004.	Establish a GDIN operations center.	Complete the effort to develop a GDIN information Facilitator/Broker Service.

Means and Strategies by Target

Do not exceed a CMR of 1/10,000 people per day during refugee crises.

- Prioritize appropriate resource allocation and interventions to reduce the major causes of mortality in refugee settings.
- Continue to collaborate with the Standard Monitoring and Assessment of Relief and Transitions (SMART) initiative and SPHERE partners to improve and expand data collection.
- Encourage international and NGO partner organizations to report on CMR data collected.
- Increase the number of refugee situations where data collection and reporting are conducted.
- Improve data accuracy by encouraging implementing partners to adopt standardized surveillance methods, survey tools, and data triangulation.

³ Results are calculated on an annual, not fiscal, year basis.



In humanitarian crises, children under five year of age to have weight-for-height ratios greater than or equal to 2 standard deviations from the mean (Z scores of greater than or equal to -2), or greater than 80 percent median weight-for-height, and an absence of nutritional edema.

- Prioritize appropriate resource allocation and interventions to reduce the major causes of child malnutrition in refugee settings.
- Continue to collaborate with the Standard Monitoring and Assessment of Relief and Transitions (SMART) initiative and SPHERE partners to improve and expand data collection.
- Encourage international and NGO partner organizations to report on nutritional data they have collected.
- Increase data collection and reporting for refugee situations/crises.
- Improve data accuracy by encouraging implementing partners to adopt standardized surveillance methods, survey tools, and data triangulation.

As a percentage of the President's annual allocated ceiling, 100 percent of refugees are resettled in the United States.

- Identify new refugee populations in need of resettlement.
- Actively seek/ develop new resettlement populations.
- Train assistance NGOs to identify refugees for resettlement.
- Provide appropriate resources to UNHCR to develop resettlement referrals.
- Expedite the transmission of Security Advisory Opinion for resettlement applicants.

Increase the number of donors to WFP by five, and non-U.S. contributions by 5 percent over 2003.

- The USG will work with the WFP to encourage "twinning," a mechanism to match non-traditional donors of commodities with non-traditional donors of cash for the delivery of humanitarian assistance in food emergencies
- With the goal of halving hunger by 2015, the USG will introduce a famine initiative in the G-8 to mobilize more resources, make available more effective tools, strengthen international cooperation mechanisms and analytical approaches, and focus on shared efforts to reduce the risk of famine and to intervene quickly to prevent its worst effects.
- The USG will urge other traditional and non-traditional donors to initiate/increase cash or commodity contributions to the WFP.

Reported landmine casualties in HDP program countries decrease by 5 percent.

- Focus resources on mine action, i.e., operational demining to locate and destroy landmines and other unexploded ordnance (UXO), to train indigenous demining groups, and to educate refugees and IDPs on how to live safely with a mine/UXO threat.
- Use surveys to prioritize clearance operations for high impact areas.
- Coordinate mine risk education to best inform returning refugees and IDPs.

Clear mines from 230,000,000 square meters of land per year.

- Provide training for demining clearance to International standards. Training consists of providing a demining expert to train indigenous persons to either be a member of a demining team or to train other deminers. Deminers learn how to search for, locate and destroy mines and UXO.
- Introduce mine detection dogs and mechanical demining to programs that rely solely on manual methods.
- Provide technical assistance for mine action operations.



Increase by four the number of program countries in sustainment or end state.

- Provide technical assistance to national mine action centers.
- Support management training for middle and senior level mine action managers.
- Support train the trainer programs in demining methods.
- Provide equipment and machinery for demining.

Complete the effort to develop a GDIN Information Facilitator/Broker Service.

- Provide 24/7 access to operational disaster information to national and sub-national authorities, NGOs, and UN agencies.
- Based on GDIN access to information, provide advice to operational NGOs to make triage decisions that would otherwise to impossible, except at great cost.

Summary: Verification/Validation and Crosscutting Activities

Performance Goal 1	Effective protection, assistance, and durable solutions for refugees, internally displaced persons and conflict victims.
Verification and Validation	Department program officers and refugee coordinators who regularly monitor and evaluate humanitarian assistance and resettlement programs will verify and validate data, relying on reports of the Department's international and NGO partners.
Crosscutting Activities	The Department will continue to collaborate with other USG agencies such as USAID, DHS, CDC, and the Department of Agriculture; international organizations such as UNHCR, ICRC, OCHA, WFP, IOM, UNICEF, UNRWA, and Refugee Nutrition Information System; and foreign governmental agencies such as the Canadian International Development Assistance (CIDA), U.K.'s DFID and ECHO, and NGOs.



Strategic Goal 11: Public Diplomacy and Public Affairs

INCREASE UNDERSTANDING FOR AMERICAN VALUES, POLICIES, AND INITIATIVES TO CREATE A RECEPTIVE INTERNATIONAL ENVIRONMENT

Public Benefit

"Information and education are powerful forces in support of peace. Just as war begins in the minds of men, so does peace." - President Dwight D. Eisenhower

The exchange of information, persons, and ideas is fundamental to the foreign, economic and security policy of the United States. The Department relies upon public diplomacy and public affairs to understand, inform, engage, and influence foreign audiences by reaching out beyond government-to-government relations to establish a foundation of trust upon which specific policy and societal issues can be addressed in a context of informed understanding and mutual respect. The public is better served through the continuous dialogue that the Department's outreach efforts build with communities across America. Public diplomacy activities promote better appreciation of the United States abroad and greater receptivity for U.S. policies among foreign publics. Through public affairs programs, the Department also informs the American people of U.S. foreign policy and initiatives that have a direct impact on their lives. In a democratic society, it is imperative that the public understands the basis of Department policies carried out on their behalf.

The much discussed potential of public diplomacy to address anti-American sentiment is vitally important at a time when terrorism is such a worldwide threat and uncertainty is pervasive. In the struggle of ideas, public diplomacy is a critical component, a rapid and flexible capability for U.S. diplomacy abroad directed at improving understanding of and support for U.S. policy, encouraging and empowering moderates, and discrediting intolerance. For example, public diplomacy programs offer a fuller picture of how religious, ethnic, and cultural tolerance are keys to a peaceful and prosperous community of nations, and open access to information that provides alternatives to learning extremism.

Educational and cultural exchanges, international information programs, and public affairs activities reach current and future overseas opinion leaders, agenda setters, decision-makers, and the larger public. Rapport achieved through public diplomacy promotes relationships that provide for sustained U.S. access and influence in important sectors of foreign societies critical to achieving long-term international security and accelerating transitions to democracy. "Right content, right format, right now" describes our strategic aim in seeing that U.S. policies are explained and placed in the proper context in the minds of foreign audiences." (Secretary of State Colin L. Powell)



Performance Goal 1

PUBLIC DIPLOMACY INFLUENCES GLOBAL PUBLIC OPINION AND DECISION-MAKING
CONSISTENT WITH U.S. NATIONAL INTERESTS

Summary: Projected FY 2004 Performance

The Administration's National Security Strategy (NSS) states that the United States is in "a struggle of ideas and this is an area where America must excel in enlisting the international community...using effective public diplomacy to promote the free flow of information and ideas to kindle the hopes and aspirations of freedom..." To this end, the Department will lead the foreign affairs community to develop a coordinated national communication strategy so that all public diplomacy and public affairs activities promote a unified message.

Exchange programs will expose current, emerging and future leaders to U.S. values, ideas, language, and methodologies and open dialogue with them on important transnational and global issues. Professional exchange programs such as the International Visitor Program and Citizen Exchange Grants will bring decision-makers to the United States to meet with their counterparts to discuss combating terrorism, religious tolerance, journalistic freedom and other issues. Academic exchanges will engage scholars, teachers, student leaders, and policy-makers in the training of future generations. Success in influencing decision-making will include program participants who promote and implement positive change in their organizations as they assume increasingly senior positions of leadership in their home societies; it will also include improved global understanding of the values behind U.S. policy approaches, especially the encouragement and empowerment of moderation and discrediting of intolerance in societies at risk. Over forty current heads of state and senior cabinet officials are alumni of the Department's exchange programs.

International information programs will reach millions of people in their own language on themes and issues vital to American national interests with information and services such as the Department's international website (usinfo.state.gov—the primary source for information on U.S. policy and perspective), print publications and speakers and digital videoconferences. The Department encourages users to reuse and repackage programs to make them more effective in their cultural contexts. International information activities both respond rapidly to emerging crises and provide a long-term perspective. Success will be indicated by the relevant and timely delivery of authoritative and balanced information on U.S. opinion in context to overseas publics and opinion leaders.

Public affairs will expand its reach to foreign audiences, particularly those with large Muslim populations, by working with international journalists and broadcasters to produce TV Co-Ops that document American values, culture, issues, and life as well as cooperative television productions that focus on U.S.-led initiatives in developing countries and American generosity.

Examples of FY 2002 Achievements

"The Network of Terrorism"

This print and electronic pamphlet is now available in thirty-six languages. More than 1.3 million print copies are in circulation, making it one of the most widely read publications the Department has ever produced for international publics. Since *Network* was released on November 9, 2001, millions of people have read it on the web, in hard copy, and in the media throughout the world. International media have reprinted the publication and posted it on websites for an impressive multiplier effect.

ECA and US-Afghan Women's Council Partner for First Post-Taliban Visitor Project

Fourteen women representing five Afghan government ministries and the Kabul Public Security Court participated in a month-long "U.S. Leadership Management and Computer Education" program. The project gave women working in the new Afghan government the opportunity to prepare to reenter the social, political and economic life of a liberated and reconstructed Afghanistan. Project goals included computer [computer what, training?], grant writing, and English language training. The project was tailored to the specific needs of the participants, taking into account their backgrounds and previous experience. The program also includes follow-up training with the expectation that participants will train others in their respective ministries.



These activities will resonate well with local audiences because coverage is generated from the perspective of popular and credible news entities within each country. The Bureau of Public Affairs will acquire high quality commercial or public television programs for placement on foreign television stations and networks, or for educational and informational outreach purposes. This will result in increased programming and the expansion to larger audiences. In addition, the Department will continue to conduct thematic reporting tours for journalists and correspondents that do not maintain news bureaus.

Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: The Percentage of Participants who Initiate or Implement Change in Their Organization or Community Within Five years of Their Program Experience. (New Indicator)				
N/A	N/A	N/A	N/A	Baseline: 76%
Indicator #2: Level of International Public Understanding of U.S. Policies. (New Indicator)				
N/A	N/A	N/A	Baseline: Evidence shows that information provided has reached intended user.	Evidence of individual action or institutional change parallel with U.S. interests
Indicator #3: Percentage Increase of Unique Users to Department's International Website and Listservs. (New Indicator)				
N/A	N/A	N/A	Baseline: A total of 120,000 unique weekly users, 8,000 subscribers to listserv.	Ten percent increase over 2003 baseline.
Indicator #4: The Level of Media Placement in Foreign Markets in Print, Broadcast and Radio. (New Indicator)				
N/A	N/A	N/A	Baseline: Evidence shows that information has reached intended user.	Evidence shows that information has reached intended user. WGT:

Means and Strategies by Target

Within five years of their program experience, 76 percent of participants will initiate or implement change in their organization or community.

- Strengthen tracking of alumni through an accurate, comprehensive worldwide alumni database so that the Department can stay in touch with alumni.
- Increase staff working on alumni affairs.
- Provide alumni activities that focus on deepening knowledge and increasing skills in targeted thematic areas.
- Provide awareness and access of International Information Program (IIP) materials.
- Assess through program evaluations what types of activities alumni have most often engaged in to bring about change—be it introducing curriculum changes, publishing articles, drafting legislation, organizing advocacy campaigns—and develop alumni programming to encourage more recent alumni to undertake similar efforts.
- Assess obstacles to reform through program evaluations and develop support networks and activities for alumni facing obstacles in their reform efforts.



- Offer foreign program alumni opportunities to return for professional and educational development in the United States.

Increase the level of international public understanding of U.S. policies.

- Engage international publics about U.S. policies through publications, web-based media, digital videoconferencing, U.S. speakers, broadcast media, and reference services.
- Reach out to publics via websites and listservs.
- Pay comprehensive attention to important official texts, transcripts, fact sheets, by-liners, and other feature material in English, Arabic, French, Russian, Chinese, Spanish, and Farsi.
- Sustain worldwide advocacy through 170 IRCs and enrichment of Washington editorial projects.
- Sustain extensive personal interaction on the part of U.S. embassies and consulates worldwide.
- Work through alumni programming to provide accurate and balanced information to recently returned alumni regarding U.S. policies.

Increase unique users to Department international websites and listservs by ten percent.

- Publicize and promote resources more actively for unique users, defined as “a session from a specific computer system, with thirty minutes of inactivity causing a new session to be counted.”

Increase the level of media placement in foreign markets in print, broadcast, and radio

- Utilize Department broadcasting studios and access to satellites to reach new media outlets and increase the number of television productions, news reports, video news releases, mini-documentaries, interactive dialogues and interviews with Department principals, and briefings for transmission on the American Embassy Television Network, as well as secondary broadcasting outlets.
- Increase the number of TV Co-Ops with foreign broadcasters from Muslim populated countries and third-world countries in Asia, South America, and Africa by working more closely with regional bureaus for identifying and pursuing joint funding support.
- Acquire educational and informational programming for dissemination to posts from multiple sources (Discovery, PBS, etc.) on subjects related to positive American values.
- Increase awareness of the scope of USG humanitarian and development programs through reverse co-ops in which joint television documentary stories are filmed and broadcast abroad.
- Utilize multiple language versioning to maximize the audience outreach of selected productions.
- Develop tracking mechanisms for monitoring placement of media products in foreign markets.
- Expand the use of digital video conferencing technology to widen the reach of its newsmaker briefings, linking posts in countries with no U.S.-based journalists to allow their media to ask questions.
- Initiate a new service of thirty-second audio clips from major briefings, web-delivered for posts to market the material to local radio broadcasters and reporters for placement.
- Maximize efforts to reach Muslim countries through television, radio and print by the coordination of FPC, OBS, and RMO.



Performance Goal 2

INTERNATIONAL EXCHANGES INCREASE MUTUAL UNDERSTANDING AND BUILD TRUST
BETWEEN AMERICANS AND PEOPLE AND INSTITUTIONS AROUND THE WORLD

Summary: Projected FY 2004 Performance

During FY 2004, the Department will use exchange programs to build networks of informed opinion leaders in the national political, economic, and social infrastructures of foreign countries. Exchanges build the trust, confidence, and international cooperation with other countries that sustain and advance the full range of American national interests and provide foreign publics with a context for understanding American policies that might otherwise be misunderstood.

The Department will focus on high priority areas articulated in the NSS as non-negotiable demands for human dignity, the rule of law, limits on the absolute power of the state, free speech, freedom of worship, equal justice, respect for women, religious and ethnic tolerance, respect for private property, and the right to basic education, especially for women.

Exchanges go beyond the affirmation of these freedoms, and explain to and learn from key foreign participants how they are best secured and protected. The Department will work with government and university officials, educators and private sector specialists to institute a range of programs that will reach younger and wider audiences.

The Department will strive to increase participant levels by 26 percent with initiatives that include,

- Exchange programs for high school students from countries with significant Muslim populations,
- Partnerships For Learning, a commitment to sustained dialogue on education and opportunity, that emphasizes youth, education and leadership development and attacks the breeding ground and ideological bases for terrorism by applying academic and professional exchanges to convey American values, shatter stereotypes and address anti-American sentiment.
- Programs such as the Fulbright Program and Gilman Scholarships increase opportunities for U.S. citizens to experience other countries and cultures, and share that knowledge with decision-makers and the general public at home. Grant-based exchanges similarly increase the understanding and engagement of U.S. NGOs and local government.
- Sports programming, school-to-school Internet connectivity programs, teacher exchanges, and curricula consultants for foreign ministries of education.
- Widely expanded English teaching programs that not only meet worldwide demand for more English teaching, but also serve as effective means of communicating American values concerning civil society.

Success will come with increased numbers of participants -- both U.S. and foreign -- maintain or increased percentages of those participants who gain a better understanding of their host country and those who continue to communicate and collaborate with people encountered through their exchange experience. The adjacent chart shows that Department's FY 2004 goal is for 92 percent of exchange participants to increase understanding of their host country.

Example of an FY 2002 Achievement

Counterterrorism Projects Increase Understanding

An evaluation of the International Visitor Program Special Initiative Projects showed that on a scale of 1 (not at all) to 5 (to a great extent), the program experience helped increase participant understanding the United States and its people and culture (4.32), U.S. democracy and its institutions (4.22), and the effect of September 11 on global security (4.31). One participant observed, "Everything in my life has now changed—my perspective on world views, culture, religion, conflicts, and how they are address has been enhanced. The study represents the views of 90 percent of the participants of 10 projects including 20 countries in the Near East, South Asia, Central Asia and the East Asia.



It is hoped that a greater number of individuals who have participated in exchange programs will ultimately attain positions of leadership in their societies – in government, business, academia, NGOs and the arts. Foreign participants in exchanges demonstrate a higher acceptance of democratic values, individual and human rights, and the rule of law. They are less suspicious of U.S. motives, show a greater desire to become leaders in their societies, and are less tolerant of their own government’s anti-democratic actions.

Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Percentage of Participants Who Increased Their Understanding of the Host Country Immediately After Their Program.				
N/A	Baseline: 92%	91%	92%	92%
Indicator #2: Percentage of Participants who Remain in Contact with Host Country People Met on Their Program one Year or Longer After Their Program. (New Indicator)				
N/A	Baseline: 76%	81%	75%	75%
Indicator #3: The Percentage of Participants Who Have Shared Information From Their Exchange Experience With Colleagues, Friends and Family Within One Year of Their Experience. (New Indicator)				
N/A	N/A	N/A	N/A	Baseline: 85%

Means and Strategies

Immediately after their program, 78 percent of participants increase their understanding of the host country.

- During exchange programs, emphasize that the exchange experience is only the start, and that the real work of exchange—building trust and lasting relationships—comes after returning home.
- Provide information to potential program participants on new visa restrictions and border control reviews in the context of the U.S. public policy response to terrorist attack and threat and gain their active cooperation while implementing enhanced security for J-visa programs.
- Leverage private sector funds to increase the number of exchange participants.

One year or longer after their program, 75 percent of participants remain in contact with host country people encountered during their program.

- Develop alumni programming to encourage alumni to stay in contact with each other and the people they met on their program by means of websites, scheduled on-line chats, and professional and personal correspondence and collaboration.

Eighty-five percent of participants share information about their exchange experience with colleagues, friends and family.

- Make use of other program alumni (from crosscutting programs) to show newer alumni how they can creatively share their experiences with others.
- Develop leadership training for alumni to enable them to share their knowledge with their communities more effectively.



Performance Goal 3

BASIC HUMAN VALUES EMBRACED BY AMERICANS ARE RESPECTED AND UNDERSTOOD BY
GLOBAL PUBLICS AND INSTITUTIONS

Summary: Projected FY 2004 Performance

The NSS observes, "Today, the distinction between domestic and foreign affairs is diminishing. In a globalized world, events beyond America's borders have a greater impact inside them" but "ultimately, the foundation of American strength is at home." The Department will use its public diplomacy and public affairs programs to dispel stereotypes and misconceptions about the United States, provide accurate and balanced information about American ideas, values, and beliefs, and build an international community that recognizes the "non-negotiable demands of human dignity." The Department will promote the best of what America is and has, but with a keen sensitivity to listening to and understanding the perceptions of those whom we would inform, engage and influence. By the end of FY 2004, the number of people who understand and respect universal human values identified with the United States will increase, mitigating the level of hostility directed toward the United States and Americans abroad.

Educational and cultural exchange programs can mobilize substantial domestic U.S. support for international engagement through partnerships with state and local governments, academia, businesses, and NGOs. To accurately portray American ideals and practices, exchange programs must maintain their nonpolitical character and must be balanced and representative of the diversity of American political, social, and cultural life. Academic and cultural programs must maintain their scholarly integrity and meet the highest standards of academic excellence and artistic achievement. Programs will provide an opportunity for foreign visitors to interact with Americans in different settings and on various topics including individual liberty and human rights and democratic practices. The success of exchanges will be gauged by the percentage of participants who express an understanding of these values in independent surveys and polls.

The Department will work with the Smithsonian Institution and other organizations to develop interactive, multi-media exhibits called "American Corners," that provide access to reference materials on the United States.

Examples of FY 2002 Achievements

Exhibit Demonstrates Common Experiences

After the events of 9/11, Images from Ground Zero, a photographic art exhibit by Joel Meyerowitz, depicted the physical damage at the World Trade Center and the human drama of the recovery effort. Twenty-six ECA produced sets of the exhibit have been shown to millions of people in 135 cities in sixty countries. In Afghanistan, a female Afghanistan National Gallery of Art exhibit guide publicly observed: "I show people here the destruction in America and it shows we are not so different. We understand the tragedy in America because we lived with tragedy under the Taliban and through the years of war."

Shared Values: Opening a Dialogue

In the fall of 2002, the first phase of the Shared Values Initiative was launched in Pakistan, Indonesia, Malaysia, and Kuwait and in pan-arab media. Five short-form mini-documentaries featuring American Muslims telling their stories in their own words were produced for television, radio and print in English, Arabic, Indonesian Malay, Urdu, and French. Simultaneously, the Department launched a comprehensive, multi-language and interactive website (www.opendialogue.org). The paid media effort reached over 288 million people, with earned media (press coverage) reaching countless more.

Information USA

International Information Programs released the fifth annual addition of InfoUSA, an authoritative resource on CD-ROM and on-line for foreign users seeking information about U.S. policies and American society, culture, and political processes. U.S. embassies distribute 30,000 copies each year. The InfoUSA Web Site receives 7,000 hits a day.



These installations will be located in selected countries with significant Muslim populations and will provide a positive view of American society. A more modest version of this concept, "American Rooms," co-locates with a host country institution. Several American Rooms are now operating in Russia. In addition, the Department will use its capability to counter anti-Americanism with reasoned and focused messages. By the end of FY 2004, the number of individuals abroad willing to turn to U.S. sources for information and knowledge will increase.

In response to the war on terrorism and the need to answer the question of "why do they hate us", the Department's will continue its shared values campaign, specifically targeted at countries with significant Muslim populations. Through public relations efforts, the Department will reinforce the messages disseminated to targeted countries in the first wave of media flights in 2002 and work to close the value gaps in reaching out to moderate segments of the Muslim world. The Department proposes to conduct additional research, develop media products such as mini documentaries and, public service announcements, and with the placement of these media products in other Arab countries, conduct in-country public relations efforts. By FY 2004, the Department will reach a younger and more influential audience so that they can be advocates of shared values. In 2004, this program will expand the dialogue beyond the initial countries of Indonesia, Kuwait, Egypt, Lebanon, Jordan, Malaysia, Morocco, and Pakistan to other countries where informing, influencing, and engaging audiences is in the U.S. national interest.

Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Percentage of Program Participants who Demonstrate an Affinity for Democratic Values Three or More Years After Their Program Experience. (New Indicator)				
N/A	N/A	N/A	N/A	Baseline: 65%
Indicator #2: Level of International Public Understanding of U.S. Policies. (New Indicator)				
N/A	N/A	N/A	Baseline: Evidence shows that information provided has reached intended user.	Evidence of individual action of institutional change parallel with U.S. interests.
Indicator #3: Targeted Publics Receive Intended Message (New Indicator)				
N/A	N/A	N/A	Baseline: Evidence shows that information has reached intended use.	Evidence shows that information provided has reached intended user.
Indicator #4: Percentage Increase of Unique Users to Department International Website and Listservs				
N/A	N/A	N/A	Baseline: 120,000 unique weekly users, 8,000 subscribers to listserv	10% increase over 2003.



Means and Strategies by Target

Three or more years after their program experience, 65 percent of program participants demonstrate an affinity for democratic values.

- Structure programs that allow for discussion and observation of democratic values.
- Conduct qualitative and quantitative sampling and evaluation of program participants; refine programs as needed.

Increase the level of understanding of U.S. policies by international audiences.

- Engage international publics about U.S. policies through publications, web-based media, digital videoconferencing, U.S. Speakers, broadcast media, and reference services.
- Reach out via websites and listservs.
- Pay comprehensive attention to important official texts, transcripts, fact sheets, by-liners, and other feature materials in English, Arabic, French, Russian, Chinese, Spanish, and Farsi.
- Sustain worldwide advocacy through 170 IRCs and field amplification of printed and electronic materials produced in Washington.
- Sustain extensive personal interaction on the part of American embassies and consulates worldwide.
- Work through alumni programming to provide accurate and balanced information to recently returned alumni regarding U.S. policies.

Targeted audiences receive intended messages.

- Conduct qualitative and quantitative sampling through focus groups and data analysis.
- Develop media products and print collateral materials that reflect lessons learned and audience appeal from analysis; work with foreign government to place products.
- Conduct in-country public relations efforts that reinforce dissemination of materials.

Increase by 10 percent the number of unique users of Department international websites and listservs.

- Publicize and promote resources more actively for unique users, defined as "a session from a specific computer system, with thirty minutes of inactivity causing a new session to be counted."



Performance Goal 4

AMERICAN UNDERSTANDING AND SUPPORT FOR U.S. FOREIGN POLICY, DEVELOPMENT PROGRAMS, THE DEPARTMENT OF STATE, AND THE U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Summary: Projected FY 2004 Performance

The Department strengthens the international relations of the United States by explaining Department activities to Americans, particularly how Department initiatives contribute to world stability. An informed public is a critical element in a dynamic and functioning democracy.

The Department will use a variety of methods to communicate its message and explain U.S. foreign policy to established and new audiences, and will continue to establish relationships with both domestic and international media outlets to broaden its reach. The Department will expand its regional satellite media tour program, which allows a Department principal to be interviewed consecutively by media outlets in several cities.

Through town hall meetings, conferences with NGOs, and intergovernmental groups, the Department will expand its outreach to ethnic groups, particularly Hispanic and Muslim communities, geographically dispersed around the country. Education programs will open more channels of communication with a younger audience through involvement with curriculum development, and the distribution of educational videos, developed through partnerships between the Department and various teacher associations. The Department will work toward the creation of the United States Diplomacy Center as a focal point where the general public can explore the pivotal U.S. role in world affairs. The museum will inform and educate visitors about U.S. diplomatic history and the operations of the Department.

Outreach through technology, primarily the Department's website, www.state.gov, will continue to be a dominant tool in the dissemination of Department messages. To reach the important and electronically savvy younger generation, the Department will launch before the end of FY 2003a new website specifically designed for students. The Department will continue to engage students through innovative means such as its annual web competition and print brochures that include crossword puzzles and other games. The Department will continue its major effort, supported by the Secretary, to provide updated information in the Background Notes series, the Department's single most popular publication. The Department will also expand its efforts using multiple delivery components for streaming and digital videoconferencing (DVC) to accompany electronic and print publications. To gather public feedback, the Department will continue to use the web survey developed for the general public and student sites.

Examples of FY 2002 Achievements

Terrorism: A War Without Borders

In a collaborative effort with the National Council for social studies, the Department's Office of the Historian launched the first in a series of videos that will be used to help students understand the connection between world events and their own lives. "Terrorism: A War Without Borders" is a brief overview of the history of terrorism and the global impact of terrorist acts. The curriculum package was provided to 12,000 educators. Feedback from surveys has been overwhelmingly positive.

Enhancement of the Department's www.state.gov Website

The Department's website, rated by Brown University's Center for Public Policy among the top seven federal websites and described as a "well-designed federal website," was enhanced through the addition of several features. The site received a new "look and feel" in FY 2002. Video/Audio presentation of daily press briefings were added, pages were revamped to provide a central focus for audio and video releases, email features were added, and the "message of the day" for current news was incorporated into the refreshed home page.



The Office of the UnderSecretary for Public Diplomacy and Public Affairs will move closer to meeting its legislative mandate to publish a national foreign policy record of each administration through the publication of the *Foreign Relations of the United States* (FRUS) series. Completion of additional FRUS series will ensure that the Department meets the objectives of the Advisory Committee on Historical Diplomatic Documentation, created by law to provide independent guidance and oversight of the FRUS series. By FY 2004, if appropriate resources are provided, the series will be publishing within thirty-five years of the events documented.

The degree of overall success will be assessed by the level of understanding of U.S. foreign policy by the American public as measured by research conducted on an ongoing basis through focus groups and national audience polling. This research will aid in developing communication tools and techniques to target specific messages that articulate U.S. foreign policy.

Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Number of Interviews and Contacts With Media. (New Indicator)				
N/A	N/A	N/A	Baseline: 16,000 contacts/year	16,000 contacts/ year
Indicator #2: Increase in Outreach to Targeted Audiences. (New Indicator)				
N/A	N/A	Baseline: Information provided has reached intended user.	Evidence shows that information provided has reached intended user.	Evidence shows that information provided has reached intended user
Indicator #3: Increase in "hits" on the Department's Website www.state.gov.				
4 million hits per month	4.8 million hits per month	4 million hits per month	4.5 million hits per month	5 million hits per month
Indicator #4: Compliance With Legislative Mandate for Completion of FRUS [write out acronym] Volumes.				
N/A	N/A	N/A	Baseline: Make progress in meeting mandated compliance.	Make progress in meeting mandated compliance.

Means and Strategies By Target

Complete 16,000 interviews and contacts with media.

- Develop a national communication strategy (working on an interagency/Department basis) to formulate a coherent strategic plan to communicate U.S. foreign policy and political-military goals to the rest of the world.
- Increase the monthly number of its media satellite tours by Department Principals.
- Initiate monthly press outreach to student editors and local universities that have schools of public affairs.
- Increase outreach to ethnic groups in the United States, identifying and addressing policy matters of special interest.
- Increase the number of briefings by Department officials and USUN ambassadors with the Washington press corps.
- Streamline guidance processes for daily press briefing with training of Public Affairs Officers, and develop collaboration software.



Increase in outreach to targeted audiences.

- Expand the video lecture series, award program, DVCs, educational videos, and post pals in the Doors to Diplomacy program.
- Develop specific Hispanic, Arab, Asian, and Muslim outreach programs through websites, media, NGOs, and inter-governmental affairs.
- Complete a major capital campaign to raise private/public funding for the United States Diplomacy Center.
- Conduct focus groups, and qualitative/quantitative research for understanding message development.

Attain 4 million hits per month on the Department’s website www.state.gov.

- Through web surveys, measure customer satisfaction with the Department’s website; initiate changes based upon results.
- Implement a facelift of the website in coordination with IIP.
- Incorporate foreign-language versions to reach targeted audiences.
- Compliance with the legislative mandate for completion of FRUS volumes.
- Augment the staff of the Office of Historian with in-house and contractor staff to allow the Department to meet its requirement to complete full foreign policy records of Administrations within thirty years.

Summary: Verification/Validation and Crosscutting Activities

Performance Goal 1	Public diplomacy influences global public opinion and decision-making consistent with U.S. national interests
Verification and Validation	<ul style="list-style-type: none"> • When completed, the RESULTS database, will be the most comprehensive public diplomacy impact reporting database available to the Department. • Independent polling and targeted survey research. • Independent program evaluation. • Media placement tracking (PA). • Field reporting by posts (PA, IIP). • Listserv analysis and feedback on website effectiveness (IIP). • Older verification sources, including Project Tracker (database), Public Diplomacy Query (database), program reviews and evaluations, and IRC network site visits.
Crosscutting Activities	Partner with all regional bureaus, other functional bureaus; the Departments of Education, Justice, Defense, Treasury, Commerce, and Labor; USTR; the National Endowment for the Arts; the National Endowment for the Humanities, the National Endowment for Democracy; Smithsonian Institution, other cabinet departments and independent agencies, academia and NGOs.



Performance Goal 2	International exchanges increase mutual understanding and build trust between Americans and people and institutions around the world.
Verification and Validation	<ul style="list-style-type: none"> • Grant reporting from program agencies using ECA/P-designed, standardized questionnaire/reporting templates. • ECA participant database. • Political, economic, public affairs and topical reporting from U.S. missions. • Exchange alumni activities and communications. • GPRA reports from field and domestic USG agencies. • Planned program evaluations conducted by independent evaluators using recognized and valid data collection methodology and scientifically valid sampling. • Quantitative measures based on increases in number of programs and participants are reliable and give an accurate measure of potential increased impact of ECA activities. • Qualitative measures combine rigorous measurement based on statistically valid survey research with ad hoc feedback from knowledgeable professionals on the quality of programs. Together they present a reliable picture of quality.
Crosscutting Activities	Partner with all regional bureaus, other functional bureaus; the Departments of Education, Justice, Defense, Treasury, Commerce, and Labor; USTR; the National Endowment for the Arts; the National Endowment for the Humanities, the National Endowment for Democracy; Smithsonian Institution, other cabinet departments and independent agencies, academia and NGOs.
Performance Goal 3	Basic human values embraced by Americans are respected and understood by global publics and institutions.
Verification and Validation	<ul style="list-style-type: none"> • When completed, the RESULTS database, will be the most comprehensive public diplomacy impact reporting database available to the Department. • Independent polling and targeted survey research. • Focus groups, qualitative/quantitative sampling and audience pooling (PA). • Field reporting by posts and NGOs. • Listserv analysis and feedback on website effectiveness (IIP) • Older verification sources, including Project Tracker (database), Public Diplomacy Query (database), program reviews and evaluations, and IRC network site visits
Crosscutting Activities	<ul style="list-style-type: none"> • Partner with all regional bureaus, other functional bureaus, the Departments of Education, Justice, Defense, Treasury, Commerce, and Labor, USTR, National Endowment for the Arts, National Endowment for the Humanities, National Endowment for Democracy, Smithsonian Institution, and other cabinet Departments, independent agencies, academia, and NGOs.
Performance Goal 4	American understanding and support for U.S. foreign policy, development programs, the Department of State, and the U.S. Agency for International Development.
Verification and Validation	<ul style="list-style-type: none"> • Website customer survey and data reports (PA) • Feedback reporting (PA)
Crosscutting Activities	The White House, the Department of Defense, NSA, regional and other functional bureaus.



Strategic Goal 12: Management and Organizational Excellence

ENSURE A HIGH QUALITY WORKFORCE SUPPORTED BY MODERN AND SECURE
INFRASTRUCTURE AND OPERATIONAL CAPACITIES

Public Benefit

Human Resources: The approximately 26,500 Foreign Service, Civil Service, and Foreign Service National employees posted throughout the world in over 300 different locations are the Department's most significant resource. To maintain the U.S. role as a world leader in the twenty-first century, the people of the Department - America's foreign policy representatives - must be the best the nation has to offer. The Department must have sufficient resources to attract, train, promote, and retain the very best employees. The Department's goal is to employ the right people, with the right skills, in the right place, at the right time.

Information Technology: The Department's ability to fulfill its mission effectively depends heavily on the collection, analysis, communication, and presentation of information in forms useful to its stakeholders - the public, businesses, other USG agencies, foreign governments, and its employees. In turn, these capabilities depend heavily on the presence of a secure, modern, information technology infrastructure.

The Department is making a concerted effort to use commercial best practices to deploy secure modern office automation platforms, secure global networks (unclassified, classified, and the Internet), a centrally managed IT infrastructure, a modern messaging/archiving/knowledge management system, streamlined administrative systems, and a customer-focused portal.

In addition, the Department continues to implement a comprehensive risk management program for IT systems, using state-of-the-art tools. Further improvements in the ability of users to access information and services, and virtual collaboration in such areas as foreign policy initiatives, passport and visa services, crisis management, grants management, acquisition data and internal administrative functions, will become a reality by the end of FY 2004.

Diplomatic Security: The Bureau of Diplomatic Security (DS) provides protection that ensures the safety of personnel and information in order to maintain the Department's ability to conduct diplomacy.

Facilities: The Department's worldwide network of facilities is a major element of the nation's diplomatic readiness from which USG employees are able to advance U.S. interests. By providing secure, safe, and functional overseas facilities, USG employees are able to pursue the vital interests of the American public more effectively.

The consolidation and renovation of the Department's office space in Foggy Bottom will both serve the conduct of diplomacy in Washington and provide a more secure, safe, and efficient workspace for employees. The completion of a modern office building for the U.S. Mission to the United Nations at 799 UN Plaza in New York will not only serve employees better, but will also provide a more suitable face to the world for the U.S. delegation.



Budget: Better budget formulation and execution, grounded in better performance planning and the tracking of results against targets, will permit more efficient and accountable use of funding. It will also facilitate achievement of the Department's mission and program goals for the benefit of the American people.

Financial Management: Integrated budgeting, planning and performance measurement processes, together with effective financial management and demonstrated financial accountability, will improve the management and performance of the Department. It will ensure that the resources entrusted to the Department are well managed and judiciously used. The American people will be able to see how well programs perform, and the costs they incur for that performance. This improved accountability for performance, together with unquestionable fiscal integrity, will deliver meaningful results to the American people.

Administrative and Information Services: The 80 percent reduction in the backlog of Freedom of Information Act (FOIA) requests by FY 2005 will make a significant contribution to advancing the knowledge of the public about foreign policy operations. This is especially important as the United States pursues the war on terrorism and enforcement of international regimes to control weapons of mass destruction.

A new modern information system providing allowance and differential rates for U.S. civilian personnel serving abroad will enable the Office of Allowances to be more effective and efficient in carrying out its critical mission. This office's vision for the future is to implement a simpler, faster, more accurate and reliable information system that uses state-of-the-art technology, including web-based resources that allow overseas posts to submit allowances data electronically.

Accreditation of individual overseas schools by U.S. accrediting agencies ensures that the overseas schools are comparable to those of public schools in the United States. Accreditation by U.S. accrediting agencies helps to guarantee the availability of an appropriate, high quality American-style education for USG dependents overseas, and facilitates their transfer between overseas and U.S. schools. Most of the overseas assisted by the Department have been accredited by U.S. accrediting agencies. The Department is working to obtain accreditation of those few schools that have not yet been accredited.

The Department's Office of Logistics Management provides sustainable support to diplomatic activities by ensuring on-time delivery of products and services to U.S. embassies and consulates around the world. E-logistics processes and other improvements will enhance services by eliminating redundancies, increasing efficiencies, decreasing cycle time, and providing global visibility about the status of transactions in the chain of supply and by using secure, near real-time query tools. These tools will display key information from ordering to receipt about item type, shipment dates, and shipment history.

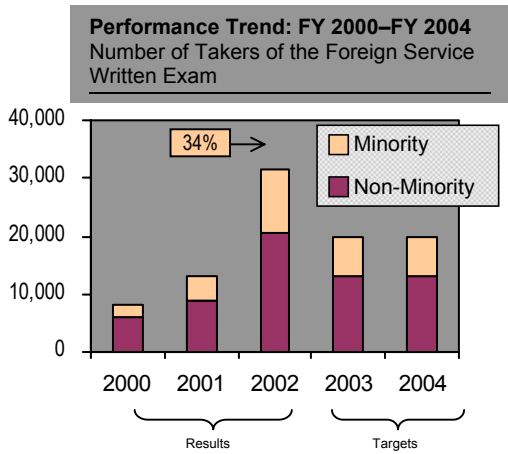
Electronic commerce offers American businesses expanded opportunities to compete for Department contracts. Performance-based service contracting will result in more efficient and effective use of program dollars to promote cost-effective results.



Performance Goal 1
A HIGH PERFORMING, WELL-TRAINED, AND DIVERSE WORKFORCE ALIGNED WITH MISSION REQUIREMENTS

Summary: Projected FY 2004 Performance

Through the Diplomatic Readiness Initiative, the Department has begun to address the severe imbalance that formed in the 1990s between an expanding workload and a diminishing labor force. By the end of FY 2004, the Department will have fulfilled the initial plan to restore diplomatic readiness through additional hiring. Additional hiring efforts will also continue to include significant outreach activities designed to attract minorities to the Foreign Service. The adjacent chart shows that in FY 2002, 34 percent of the people who sat for the Foreign Service exam were minorities. The Department hopes to maintain or increase this percentage in FY 2003 and FY 2004.



In 2004, the Department will implement comprehensive workforce planning tools. With the completion of the Domestic Staffing Model and a Civil Service Succession Planning Model the Department will be able to ensure that workforce is aligned with mission. The efforts begun in 2003 to reform the Civil Service hiring process should be paying off in 2004, resulting in shorter hiring times and fewer staffing gaps. In 2004, the Department will expand use of a locally engaged staff appointment authority that will streamline the hiring process and expand use of a computer-aided job evaluation program. Finally, the Department will continue to take appropriate steps, in cooperation with other relevant USG agencies, to ensure that U.S. citizens are satisfactorily represented in multilateral organizations.

Example of an FY 2002 Achievement

Diplomatic Readiness Task Force

The "Diplomatic Readiness Initiative" strategic human capital plan depends on increased productivity through the human resources chain—from recruitment to testing to clearance to intake. Every element of the system must work to make the process function. During FY 2002, all these elements came together to produce results characteristic of a high-performing workforce. Oral assessments were administered to more candidates in less time than in FY 2001. The Diplomatic Security "Surge Team" accelerated security clearances, reducing clearance time by half. In a change from standard business procedures, contract security investigators worked overtime at the seven nationwide testing sites to reduce the six-month application collection process to a 24-hour period. The Department reduced the time necessary to complete medical clearances, and FSI met the challenge of training 25 percent more students under new mandatory training standards, creatively managing its limited space and classrooms.

To retain staff in a competitive labor market, the Department is committed to ensuring that its rising generation of leaders has a thorough and professional education from entry through the middle ranks and continuing on to the senior levels. The center for these developmental programs is The Foreign Service Institute (FSI), which supports the Department's strategic goals and initiatives through training programs that reflect policy priorities such as counterterrorism, economics and trade, science policy, global issues, and human rights. FSI helps ensure diplomatic readiness through training in leadership and management, foreign languages, area studies, professional tradecraft, and technical subjects such as IT. FSI also helps family members prepare for the demands of a mobile lifestyle and life abroad. In order to provide such training, however, the Department requires a sufficiently large complement of personnel so that it can release some employees for training and ensure that day-to-day responsibilities are met.



The Department will soon have a sufficient complement of personnel to mitigate staffing gaps and allow employees the time to take needed training. To ensure the capacity to meet potential demand, FSI, given an adequate resource base, will increase the amount of course sessions it offers in professional tradecraft, foreign languages, and technical skills; continue the second year of implementing mandatory leadership training; and increase efforts to capitalize on Distance Learning as a means to reach the Department's worldwide target audience quickly and more economically. To meet other Department priorities, FSI will further its efforts to strengthen consular training in interviewing techniques and border security, and bolster public diplomacy training that helps U.S. diplomats communicate America's message. FSI will incorporate these subject into all of its language courses.

During FY 2004, the Department will work toward expanding programs that address spousal employment, dependent care, health and crisis response, working conditions, and support of families overseas. These are only a few of the numerous programs aimed at providing the men and women of the Department with a work environment competitive with the best of the private sector. Charged by the President and Congress with a major new hiring campaign, the Department can now provide its personnel with the kind of work environment crucial to a well-functioning organization.

Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Number of Individuals Taking the Foreign Service Written Exam (FSWE).				
8,000	13,000	FSWE: 31,400 (4/02 and 9/02 exams)	20,000	Maintain or increase FY 2003 level.
Indicator #2: Applicants to Foreign Service Specialist Positions.				
3,028	3,695	4,000	3,300	Maintain or increase FY 2003 level.
Indicator #3: Applicants to the Student Programs.				
1,450	1,787	2,000	1,530	Maintain or increase FY 2003 level.
Indicator #4: Minority Foreign Service Written Exam (FSWE) Takers.				
2,100 - 27 %	4,000 – 27%	10,700 - 34 % (04/02 and 09/02 exams)	Maintain or increase FY 2002 level.	Maintain or increase FY 2002 level.
Indicator #5: Hiring Levels (to meet expanding priorities and to provide a training float).				
Hired to attrition (about 800 new employees.	Hired to attrition (about 800 new employees); including additional specialists in security, consular affairs, and IT programs.	Hired 470 junior FS officers and more than 700 FS specialists, including over 300 security personnel and 150 IT professionals. (900 above attrition, to begin closing mission- critical gaps overseas.)	Hire 400 above normal intake and for security and consular needs, as required.	Hire 400 above normal intake and for security and consular needs, as required.



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #6: Level of Civil Service Hiring.				
Hired to attrition.	Hired to attrition.	Over 600 CS employees hired.	Reduce total vacancies by half.	Achieve sustainable level of hiring to minimize staffing gaps.
Indicator #7: Number of Course Offerings Supporting DRI and Mandatory Leadership Training.				
3,021 course offerings. Mandatory Leadership/ Management courses did not exist.	3,118 course offerings. Mandatory Leadership/ Management courses did not exist.	3,329 course offerings. Mandatory Leadership/ Management requirements approved. About 700 employees received mandatory Leadership/ Management training.	Correct number of offerings support Department's hiring plan. Mandatory Leadership/ Management training for 1,725 employees.	Correct number of offerings support based on Department's hiring plan. Mandatory Leadership/ Management training for 1,725 employees.
Indicator #8: Enrollment in Foreign Language/Area Studies Relating to "Enduring Freedom" and Post-9/11 Initiatives.				
63,408 hours of training, 109 enrollments.	57,320 hours of training; 106 enrollments.	109,921 hours of training; 231 enrollments.	Meet increased demand resulting from assignments to language designated positions (LDPs) in target languages; rebuild 'dormant' language training programs in Dari, Kurdish, Pashtu, and Farsi.	Meet increased demand resulting from assignments to LDPs in target languages. Promote greater fluency in Arabic by launching a "Beyond 3" training effort.
Indicator #9: Percentage of Employees Assigned to Language Designated Positions (LDPs) who Meet the Requirement of the Position.				
In CY 2000, 83 percent fully met and 10 percent partially met LDP requirement.	In CY 2001, 80 percent fully met and 13 percent partially met LDP requirement.	In FY 2002, 88 percent fully met LDP requirement.	Maintain or improve FY 2002 percentage.	Maintain or improve FY 2002 percentage.
Indicator #10: Percent of Language Students Attaining Skill Objectives When Enrolled for at Least the Recommended Amount of Training.				
66%	74%	75% (FY 2001- FY 2002)	Maintain or improve current percentage.	Maintain or improve current percentage from FY 2002 level.



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #11: Results of Employee Satisfaction Survey.				
N/A	N/A	Baseline: 4,000 American direct-hire employees responded to survey. Department morale is high, with a significant majority of employees categorizing morale as either outstanding (12.8%) or good (47.6%). Seven out of ten surveyed employees plan to stay with the Department for the long term, at least until eligible to retire.	Use employee survey results to evaluate and develop programs.	Administer survey again.
Indicator #12: Percent of Eligible Family Members Employed in Local Economies Overseas Through Spouse Networking Assistance Program (SNAP). (New Indicator)				
N/A	N/A	Baseline: 2%	4%	6%

Means and Strategies by Target

Maintain or increase number of individuals taking the Foreign Service Written Exam (FSWE).

- Continue broad-based outreach through the Department's website, advertising, colleges and universities, and professional organizations to widen and deepen the talent pool.
- Continue using e-gov technologies to maintain contact with registrants and to encourage them to take the exam.

Maintain or increase number of applicants for Foreign Service specialist positions.

- Continue targeted advertising and web-based recruiting for specialized skills.

Maintain or increase number of applicants to student programs.

- Continue outreach to colleges and universities.
- Offer paid internships to expand opportunities.

Maintain or increase the percentage of minority takers of the FSWE.

- In addition to general recruitment efforts, continue to have recruiters who focus on minority recruitment.
- Continue advertising and outreach to minority communities including the Diplomats-in-Residence Program and professional organizations.
- Continue efforts to encourage minority registrants to take the FSWE.

Hire 400 employees above normal intake.

- Maintain high levels of interest in employment by implementing effective recruitment plans to provide a diverse and talented pool of candidates.
- Continue to improve hiring processes for Foreign Service and Civil Service positions.
- Use a variety of staffing mechanisms such as Presidential Management Internships and the Career Entry Program.



Achieve a sustainable level of Civil Service turnover and prevent staffing gaps through targeted hiring.

- Implement effective recruitment plans to provide pool of candidates.
- Continue to improve hiring processes for Civil Service positions.
- Use a variety of staffing mechanisms such as Presidential Management Internships and the Career Entry Program.

Offer sufficient numbers of FSI courses to support the Department's hiring plan and the Diplomatic Readiness Initiative.

- Schedule the appropriate number of orientation and other training sessions to meet the Department's FY 2004 hiring plan.
- Monitor and adjust, as warranted, the number of course offerings and/or class capacity as the "training float" takes effect.
- If necessary, explore rented/leased training space to accommodate any training surge.

Conduct mandatory Leadership/ Management (L/M) training for 1,725 employees.

- Schedule the appropriate number of L/M training sessions.
- Ensure that targeted personnel are assigned to L/M training.

Meet the increased demand for target foreign languages.

- FSI will realign and request adequate resources to support the demand. (e.g., increase capacity in previously lower-enrollment languages such as Persian/Farsi, based on an increase in LDPs.)
- FSI will continue to rebuild target language programs (e.g., Dari, Kurdish, Pashtu, and Farsi), and develop appropriate language modules and other material to support strategic goals (e.g., strengthening consular interviewing skills).

Maintain and/or improve the FY 2002 percentage of language students attaining skill objectives when enrolled for at least the recommended amount of training.

- HR will strive to ensure that personnel are assigned to language training for the appropriate length of time
- FSI will continue to exploit the potential of technology based training tools.
- FSI will undertake to develop a "Language Learning Continuum" to help guide employees throughout their careers on how best to acquire, maintain, and improve foreign language skills.

Administer an Employee Satisfaction Survey

- Continue to implement programs to improve management culture.
- Seek to expand participation in employee programs and evaluate program operations.
- Institute additional training for community liaison officers and enhance the capacity for crisis support for evacuations and response to catastrophic events.
- Upgrade medical facilities so that more posts offer greater access.

Employ six percent of eligible family members on the local economy overseas through SNAP.

- Continue to address spousal employment overseas and seek to expand opportunities at post and on the local economy.



Summary: Verification/Validation and Crosscutting Activities

Performance Goal 1	A high performing, well-trained, and diverse workforce aligned with mission requirements.
Verification and Validation	<ul style="list-style-type: none"> • Maintain and generate training data from the Department corporate training database (STMS) and validate data through regular comparison with attendance rosters, program reviews, and periodic enrollment reports. • Assess success in language skill based on end-of-training proficiency tests, instead of length of time in training. • HR and FSI track these indicators as part of regular program management Staff regularly measure these indicators and report on them.
Crosscutting Activities	Collaboration with OPM on Civil Service hiring.



Performance Goal 2

MODERNIZED, SECURE, AND HIGH QUALITY INFORMATION TECHNOLOGY MANAGEMENT AND INFRASTRUCTURE THAT MEET CRITICAL BUSINESS REQUIREMENTS

Summary: Projected FY 2004 Performance

By June 2003, the Department will have successfully completed the deployment phase of the OpenNet Plus project on schedule and on budget; over 43,000 USG employees worldwide will have desktop access to the Internet. This capability will greatly enhance communication, collaboration, and information sharing with all Department e-Government customers and stakeholders. By FY 2004, the project will have moved into its routine maintenance phase.

By the end of FY 2003, the Classified Connectivity Program (CCP) will be completed. It will provide Department employees worldwide who are authorized access to classified material with a single, modern, and secure classified network and e-mail system; greater access to web-based information via a classified Intranet; and improved communication and collaboration with other national security agencies via connection to the Secret Internet Protocol Router Network (SIPRNET). By the second quarter of FY 2003, the Department will have installed CCP at 126 posts and it expects installation at all 221 eligible posts by the second quarter of FY 2004. The project will then move into its routine maintenance phase.

The Enterprise Network Management (ENM) program provides the services and infrastructure to manage the Department global network and systems assets. In FY 2004, ENM plans to continue to focus on improved network and systems availability through Virtual Private Networks (VPNs), consolidation of unclassified and classified network operations and management systems, Windows 2000 transition, Remote Systems Management, Application Management, Universal Trouble Ticket, and IT Asset Management. By the end of FY 2004, the Department projects that network reliability will improve to the 99-percent level and that over 75 percent of overseas posts will have had VPNs installed.

SMART (State Messaging and Archive Retrieval Toolset) is a simple, secure, sophisticated system that meets three critical business needs of diplomacy - - modern messaging, dynamic archiving, and desktop information sharing. It will be able to search and manage the information contained in the more than 72 million messages sent each year through diplomatic channels. Personnel of all other USG agencies (located at 260 overseas posts in 150 countries, their Washington headquarters, and at other domestic sites) will be able to access Department e-Documents via SMART messaging capability. The Department will refine requirements, design, and technology concepts that lead to the release of a design competition Request for Proposal (RFP) during FY 2003, begin SMART deployment in FY 2004 and finish in FY 2005.

To ensure the integrity, confidentiality and availability of information and information systems, the Chief Information Officer (CIO) is implementing a comprehensive cyber security program. As part of the program, systems undergo system authorization which is a risk management process. Based on a risk management approach, the CIO plans to complete these assessments on all existing and emerging systems by September 2004. To accomplish this objective, all systems will undergo Certification and Accreditation (C&A) over an eighteen-month period rather ending in FY 2004. After FY 2004, a three-year recurring C&A cycle will be adopted.

Example of an FY 2003 Achievement

OpenNet Plus

With its OpenNet Plus program, the Department is accomplishing the Secretary's highest IT priority - providing worldwide desktop Internet access for over 43,000 Department users. When completed in FY 2003, all sites will have Internet services and augmented bandwidth to handle increased workload. OpenNet Plus will provide an appropriate level of security against cyber intruders, consistent with good risk management practices. Open access to the Internet enables employees to take full advantage of its tremendous capability, and to facilitate communication and collaboration internally as well as with the public, business, other USG agencies, and foreign governments. Using the Department's existing OpenNet infrastructure instead of installing a new network has enabled this initiative to be performed rapidly in a cost-effective manner.



Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Status of Commercial Networking Facilities Available for Unclassified and Classified Processing Completed.				
Custom-leased telecommunications lines. Limited bandwidth and availability.	OpenNetPlus (Internet) pilot completed. Twelve Virtual Private Networks (VPNs) installed.	OpenNetPlus pilot period completed; lessons learned documented. Substantial progress made on deployment to domestic and overseas posts. A cumulative total of fifty-four VPNs installed.	OpenNetPlus extends to all existing global OpenNet sites. A cumulative total 125 VPNs installed.	OpenNetPlus project completed. More than 43,000 users have desktop Internet access. A cumulative total of 200 VPNs installed, thus providing over 75 percent of all posts will this capability.
Indicator #2: Networking Availability.				
ENM program initiated to consolidate global network and systems management.	Baseline: Network availability was 85 percent.	Network availability was 97 percent.	Improve network availability to 98 percent.	Improve network availability to 99 percent.
Indicator #3: Progress Toward Replacing Classified and Unclassified Desktop Computers More Than Four Years Old.				
Unclassified—10 percent Classified—90 percent	CCP installed at seventy-four posts. Replacement of 1,875 desktops and 90 servers classified program for 2002 jump-started.	CCP significantly increased for a surge in installations in 2002 and completion in 2003. CCP installed at 135 posts. Six percent of overseas classified desktop computers are slower than the 450MHz standard. Thirty-five percent of unclassified desktop computers are over four years old.	Expand CCP to all 221 overseas posts. Unclassified refresh continues. No significant number of desktops are more than four years old.	Complete Classified program, thus providing classified connectivity to all domestic and overseas locations. Continue consolidated program to refresh and maintain classified and unclassified computers.
Indicator #4: Progress Toward Elimination of the Current Cable System and Processes.				
Current cable system outmoded. CableXpress deployed as an interim solution.	Significant progress made in preparing groundwork for upgrade. No actual work completed.	Comprehensive requirements analysis completed, steering committee formed, users consulted to determine requirements, BPR completed, and prototype developed.	Test prototype. Determine final requirements, and complete system design.	System piloted. Initial Operational Capability (IOC). Deployment begins.



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #5: Certification and Accreditation (C&A) of Major Applications and General Support Systems.				
N/A	N/A	Baseline: Four percent of Department systems and networks certified and accredited in accordance with National standards.	C&A of one-third of the identified major applications in the Department.	All major applications and general support systems will have undergone the C&A process.

Means and Strategies by Target

Implement OpenNetPlus (Internet) project to provide desktop Internet access for 43,000 plus Department users.

- OpenNetPlus Program Management Office (PMO) established to manage projects through study, acquisition, integration, deployment, and integration phases. Funding obtained via the Department IT capital planning process.
- OpenNetPlus Connection Approval Process (CAP) and Independent Verification and Validation process (IV&V) created to ensure existing security requirements met before Interim Authority to Operate (IATO) on the Internet granted to bureaus and posts.

ENM installs 200 VPNs, thus providing over 75 percent of this capability to all posts.

- ENM office established an integrated project team and obtained requisite funding via the Department's IT capital planning process to set the policies, procedures, service agreements, and target technical solutions to complete this effort.
- Project management uses Business Engine Software Corp's known as "MPM" to manage contract and project performance and report status to senior management.

Improve network availability to 99 percent.

- ENM office established an integrated project team and obtained requisite funding via the Department's IT capital planning process to set the policies, procedures, service agreements, and target technical solutions to complete this effort.
- Project management uses Business Engine Software Corporation's planning tool to manage contract and project performance and report status to senior management.

Completed the classified program, thus providing classified connectivity to all domestic and overseas locations authorized to handle classified material. Continue classified and unclassified refresh and maintenance program.

- A program management office (PMO) was established to develop and implement the Classified Connectivity Program (CCP).
- With the completion of the Classified Connectivity Program (CCP) at all 221 posts in the first quarter of FY 2004, a consolidated program office will be put in place to refresh, maintain, and enhance the Department's classified and unclassified infrastructure on a continuing basis.



Complete the SMART Pilot and begin deployment of a simple, secure, state-of-the-art system to meet three critical business needs: modern messaging, dynamic archiving, and desktop information sharing.

- The SMART steering committee, chaired by a career ambassador and reporting to the Under Secretary for Management, provides project oversight. Its primary responsibility is to ensure the inclusion of Department-wide perspective and participation in the project. It is also responsible for ensuring coordination with all agencies with an overseas presence that will be potential users of SMART. The steering committee is supported by four working groups, including an interagency working group, responsible for addressing critical issues in the conceptual development of the project.
- Establish a PMO to manage the project.

Certification and accreditation of major applications and general support systems.

- Establish a PMO with experienced in-house staff and contractor support.
- Certify and accredit the IT environment consistent with the National Institute of Standards and Technology (NIST) guidance document and the types of accreditations.



Summary: Verification/Validation and Crosscutting Activities

<p>Performance Goal 2</p>	<p>Modernized, secure, and high quality information technology management and infrastructure that meet critical business requirements.</p>
<p>Verification and Validation</p>	<ul style="list-style-type: none"> • OpenNetPlus PMO reports monthly to the CIO and Under Secretary for Management on progress towards milestones and performance measures. The IT Capital Planning Program Board, chaired by the Under Secretary for Management, also reviews OpenNetPlus at least annually. • ENM uses Business Engine Software Corp’s MPM to manage contract and project performance and generate comprehensive reports to senior management on status of VPN and network availability. The IT Capital Planning Program Board also reviews ENM. • The management controls currently in place consist of a work breakdown structure that clearly defines roles, responsibilities and requirements for the entire program. The IT Capital Planning Program Board also reviews CCP. • The Steering Committee headed by a career ambassador, will monitor progress and report directly and regularly to the Under Secretary for Management. In addition, the IT Capital Planning Board reviews SMART. Once the project approach has been determined, a performance-based management system will be employed based on a detailed work breakdown structure and cost estimates. Currently, Microsoft Project is being used to manage the project. • The Department will submit a completed security corrective action plan and quarterly updates to OMB on the Department’s progress in remediating security weaknesses. These reports will detail the Department’s progress on implementing a C&A program, developing Public Key Infrastructure, a strengthened network intrusion and detection capability, an improved anti-virus capability, and other components of a comprehensive IT security program that provides the Department with a defense in depth.
<p>Crosscutting Activities</p>	<ul style="list-style-type: none"> • OpenNetPlus end users will include some representatives of the overseas interagency community who currently have access to existing networks at post. Current proposals call for OpenNetPlus to be connected to the unclassified interagency Open Sources Information System (OSIS) and the classified interagency SIPRNET system. • ENM will provide the infrastructure to all for an integrated network system for use by up to forty other USG agencies represented at posts depending on the size and scope of the mission. • CCP is not a multi-agency initiative, but through this program the Department provides SIPRNET access to thirty other USG agencies with overseas presence. The Department also has partnered with the Defense Intelligence Agency to provide procurement and deployment support to approximately 130 overseas agencies where there are Defense Attaché Offices. • Foreign affairs agencies are represented on the SMART Interagency Collaboration Working Group. • The Department’s C&A program benefits the agencies that rely upon Department IT assets and those that connect to the Department as separate but trusted networks. The Department intends to work closely with NIST and other organizations to take advantage of lessons learned and best security practices. The Department will use these organizations and the Federal CIO Council to share information with other agencies concerning effective methodologies, secure technologies, and lessons learned.



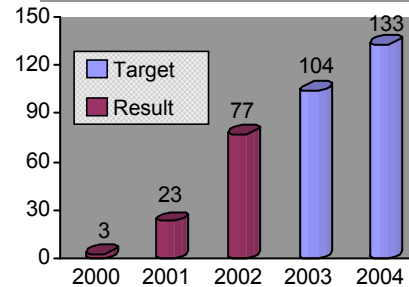
Performance Goal 3

PERSONNEL ARE SAFE FROM PHYSICAL HARM AND NATIONAL SECURITY INFORMATION IS SAFE FROM COMPROMISE

Summary: Projected FY 2004 Performance

The adjacent chart shows that during FY 2004, the Department will complete technical security upgrades for the remaining twenty-nine posts scheduled. The Chemical Biological Countermeasures Program will complete distribution of escape masks to all USG employees overseas. This will complete the last of the projects begun under the Emergency Security Amendment (ESA). A capital replacement program is in place to ensure that armored vehicles deployed abroad under the ESA remain operational. The intrusion detection system for ClassNet will be near completion and the final posts will be in the process of being outfitted. Also, during FY 2004, a new access control system has been designed and implementation is planned for half of the Department annexes in the National Capital Region. The new access control system is needed to replace the current outdated system and to upgrade the Department to SMART card technology. Finally, periodic reinvestigations will be conducted at a five year rate in accordance with E.O. 12968.

Performance Trend: FY 2000–FY 2004
 Number of Posts With Completed Technical Security Upgrades



The Department signed a MOU with the Federal Emergency Management Agency (FEMA) to establish a highly survivable redundant capability for the Department’s Critical Infrastructure Protection (CIP) Information Technology infrastructure at FEMA’s Federal Support Center in Olney, Maryland. This facility will serve as a “live mirror site” for the Beltsville Information Management Center (BIMC) and is designed to handle any disruption to the Department’s communications infrastructure and ensure communications with our overseas posts. Previous estimates for establishing an alternate communication site for BIMC exceeded \$500 million; this effort will cost approximately \$7 million.

Summary: Indicators, Results, and Targets

Baseline	Results			Targets	
2000	2001	2002	2003	2004	
Indicator #1: Installation of Technical Security Upgrade Equipment (100% = 133 posts.)					
TSUs completed at three posts.	TSUs completed at twenty-three posts.	TSUs completed at 77 posts.	TSUs completed at 104 posts.	TSUs completed at 133 posts. (An additional forty-four posts are deemed to meet the standard or cannot be completed because they require substantial renovations)	



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #2: CW/BW Countermeasure Masks Deployed to Posts Abroad.				
0	0	26 posts	120 posts	240 posts
Indicator #3: Capital Replacement Program in Place; Countermeasures on Schedule				
0	0	0	72 armored vehicles replaced.	225 armored vehicles replaced.
Indicator #4: Access Control Systems are Installed at Department of State Facilities				
N/A	Baseline: Phase 1 completed for HST and 150 new Smart Card badges issued.	Phase 2 was 85 percent complete; 75 percent of personnel data has been gathered and entered into the computer database. Phase 2 completed for HST; half of personnel in the Washington National Capital area received new badges.	Access Control System is fully operational in the HST building.	Install Access Control Systems for half of Department's annexes.
Indicator #5: Conduct Periodic Reinvestigations of State Employees Every Five Years by Attaining a Rate of 300 per Month				
100 reinvestigations per month.	100 reinvestigations per month.	189 reinvestigations per month.	300 reinvestigations per month.	300 reinvestigations per month.
Indicator #6: Remediation of Identified Critical Infrastructure Protection (CIP) Vulnerabilities				
Department-wide "Vulnerability Assessment Review" completed.	BIMC information assurance vulnerability review conducted.	Status of remediation for all Tier 1 vulnerabilities progressed to yellow. All other tiers remained at red.	Olney FEMA Federal Support Center reaches Initial Operating Capability (IOC) with half of BIMC redundant circuits installed and operational. All Tier 1 vulnerabilities progress to green. All Tier 2 and half of Tier 3 vulnerabilities progress to yellow. Tier 4 is red.	Olney FEMA Federal Support Center reaches Full Operational Capability (FOC), with all BIMC circuits installed. All Tier 2 and 3 vulnerabilities progress to green and half of Tier 4 vulnerabilities progress to yellow.

Means and Strategies by Target

Complete TSUs at all 133 posts in the DS Technical Security Upgrade Project.

- Current contract workforce in place is on schedule to meet target.

Distribute CW/BW Countermeasure Masks to 240 overseas posts.

- Contract training staff in place to meet target.
- Enhance logistical support to accelerate deployment.



Replace 225 armored vehicles.

- Implement a plan to replace vehicles on a five-year cycle.
- Develop purchasing schedule with vendor and armorer to meet increased need.

Install Access Control Systems at half of Department annexes.

- Develop plan for remaining annexes using lessons learned from initial Harry S Truman project.
- Negotiate with contractor about the cost of and logistics for annexes.

Conduct 300 security reinvestigations per month.

- Reorganized unit and adjusted processes to increase number of investigations.
- Develop improved electronic capability for case management.

Olney FEMA Federal Support Center reaches Full Operational Capability (FOC), with all BIMC circuits installed.

- The Department has requested funding of \$7,067,400 through FY 2004 for the project.
- Work with the SPAWAR contractors to accomplish the build-out of the Combined Bureau Processing Center (classified e-mail), the network Control Center (unclassified e-mail), Command and Control Communications (cable traffic), Telephone Switch (domestic telephone), and Alternate Routes (VPN).

All Tier 2 and 3 vulnerabilities progress to green; half of Tier 4 vulnerabilities progress to yellow.

- Work with concerned bureaus and offices through the CIP Working Group and CIP Governance Board to track remediation efforts that have been established in the CIP remediation executive summary based on known CIP vulnerabilities. The strategy is to keep the Departmental CIP remediation efforts aligned with our budget and planning process.

Summary: Verification/Validation and Crosscutting Activities

Performance Goal 3	Personnel are safe from physical harm and national security information is safe from compromise
Verification and Validation	<ul style="list-style-type: none"> • Data are verified and compiled quarterly through program managers. Project-completion close-out reports are obtained from both the program manager and through cable track with posts to ensure deliverables and installation. • CIP Governance Board and CIP Working Group Reports and Budget Recommendations; Director of Central Intelligence's Community Management Staff Reports; Other RM/IRP/CIP-facilitated inter-agency and internal working group recommendations. • Department-wide BPP's, FinPlan reviews and supplementals that track CIP-related remediation program requirements.
Crosscutting Activities	The Department contracts with FEMA for use of the Olney CIP facility.



Performance Goal 4

SECURE, SAFE, AND FUNCTIONAL FACILITIES SERVING DOMESTIC AND OVERSEAS STAFF

Projected FY 2004 Performance

The Department expects to meet the Secretary's challenge to complete new construction projects on time, within budget, and in the most efficient ways possible, while ensuring that facilities be well-built, secure, and modern facilities. The Department now uses a "design-build" delivery method that reduces the time and cost of new construction, while using "standard embassy designs" to provide shorter design/construction periods and to control costs through standardization.

Currently, the Department has twenty-two capital projects under construction and forty-two major rehabilitation projects underway overseas. Of the twenty-two projects, nine are to be completed by the end of FY 2004. In FY 2004, the Department plans to acquire ten new sites for New Embassy Construction (NEC) construction projects, award contracts for eleven capital construction projects, and start construction on five major rehabilitation projects. Other work planned for FY 2004 includes replacement of fire protection systems in 329,000 square feet of principal office buildings overseas, refurbishment of 6 percent of principal officer residences, and hiring full-time facility managers for 90 percent of "critical" overseas posts. These facility managers are highly trained specialists responsible for establishing and managing maintenance and repair programs.

Phase 1A of the Foggy Bottom renovation is on schedule. DS will move to a new headquarters building in northern Virginia beginning in mid-2003. The architectural design for a new building for the U.S. Mission to the United Nations (USUN) at 799 UN Plaza in New York has been completed. Additionally, numerous capital improvements have been made in Department-owned facilities

Domestically, the Foggy Bottom consolidation of office space will continue on schedule. The phased installation first of fragment-resistant film, and then of blast-resistant windows beginning in 2004, is now integrated into the multiyear renovation at the Harry S Truman building and other designated facilities. Arrangements are under way with GSA to lease a planned addition to the American Pharmaceutical Association building adjacent to the Truman building, for occupancy by 2006. Planning is also underway to develop new office space at the George P. Shultz National Foreign Affairs Training Center to accommodate additional employees and to provide a permanent daycare facility. Several sites have been identified to serve as a possible interim office building (IOB) space for USUN. Funding in FY 2003 will enable the IOB lease award and preparation for occupancy in early 2004. Demolition of the existing office building (EOB) will begin as soon as complete construction funding is available for the joint GSA/State new office building (NOB) project.

Examples of FY 2002 Achievements

Long-Range Overseas Buildings Plan

The Department completed two capital projects during FY 2002, the new embassy in Doha and the USAID building in Lima. – Congressional approval allowed the Department to award new capital projects in Abidjan, Abuja, Beijing, Cape Town, Conakry, Kabul, Phnom Penh, Tashkent, Tbilisi, Yaounde, Dushanbe, Sao Paulo, and Seoul.

Facilities in the U.S.

The Department is consolidating and renovating Foggy Bottom offices and is working with GSA on a new building for the U.S. Mission to the UN.



Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Number of new Sites Acquired for NEC Capital Projects.				
3	6	10	7	10
Indicator #2: Number of Capital Projects Awarded IAW LROBP. (New Indicator)				
N/A	N/A	13	7	11
Indicator #3: Foggy Bottom Consolidation: Renovation of HST.				
Phase 1A of Old State demolition on schedule.	Phase 1A of Old State demolition begun.	Phase 1A of Old State demolition completed; infrastructure construction started. Consolidation was 85 percent complete.	Begin Phase 1A of Old State renovations.	Complete Phase 1A Old State construction; start construction on U.S. Diplomacy Center; begin planning for New State Phase 1B.
Indicator #4: USUN New Construction (Indicator Keyed to GSA/DOS Funding Authorizations).				
New Office Building (NOB) 50 percent design level completed.	NOB 90 percent design level completed; interim office building space sought.	NOB 98 percent design level completed; IOB space sought. \$18.3 million for IOB in FY 2003.	Obtain IOB funding; Award IOB lease; complete IOB build-out.	Relocate staff; complete existing EOB demolition. Obtain Department portion of NOB funding; begin NOB construction.

Means and Strategies by Target

Acquire ten new sites for NEC capital projects in FY 2004.

- Include NEC site candidates in the six-year Long-Range Overseas Buildings Plan (LROBP), to ensure that target sites are identified, planned, and funded appropriately.
- Use global real estate firms, internal assets, and post assets to identify suitable NEC sites.
- Ensure responsibility and accountability in the acquisition of NEC sites.
- Actively employ performance measures and program reviews.

Award eleven capital projects IAW LROBP in FY 2004.

- Work extensively with stakeholders and partners (e.g., regional bureaus, Bureau of Diplomatic Security, overseas posts, and other USG agencies) to identify capital projects to be included in the LROBP.
- Seek funding in accordance with the LROBP, award contracts expeditiously while taking advantage of flexibility in procurement. Use other initiatives such as design-build contracts and employment of standard embassy designs.
- Actively employ performance measures and program reviews to ensure targets are met.
- Place awarded capital projects on the “fast track.”



Complete Phase 1A of Old State construction; start construction of U.S. Diplomacy Center; do planning for New State Phase 1B construction.

- The HST building renovation, the highest priority project of the GSA National Capital Region, is the centerpiece of efforts to consolidate essential Department staff in Foggy Bottom. The Department is contributing a significant portion of the funding for this project, in partnership with GSA. The U.S. Diplomacy Center was approved for construction in the “Old State” section of the building. Now in the design stage, construction will begin in FY 2004.

Relocate staff and begin construction at USUN.

- The Department and GSA are prepared to relocate USUN staff and begin construction on a new secure, safe, and functional USUN office building, provided funding is made available in FY 2003 for the IOB build-out and USUN move to the IOB. The move is anticipated by early January 2004. GSA has funds to cover the demolition of the EOB and anticipates receiving construction funds for the NOB in FY 2003. The Department needs FY 2004 funds for its share of the NOB construction. GSA could bid the NOB project anytime between October 2003 and April 2004 in order to coordinate award of the NOB construction when the EOB demolition is completed in June 2004.

Summary: Verification/Validation and Crosscutting Activities

Performance Goal 4	Secure, safe, and functional facilities serving domestic and overseas staff.
Verification and Validation	<ul style="list-style-type: none"> • Review of contract documents, real estate transactions, and status reports from OBO project director’s at construction sites, and data as reported during Director’s monthly Program Performance Reviews (PPRs). • The Director/Chief Operating Officer conducts monthly performance review meetings to ascertain that the acquisition schedule is on track such that sites are identified, researched, surveyed, and contracts closed on and signed based on established timeframes. [Indicator 1] • Data verified by records and budgetary documents of the Bureau of Administration. [Indicator 3 and 4]
Crosscutting Activities	<ul style="list-style-type: none"> • Close collaboration/coordination with Department bureaus, posts, and other USG agencies in developing the LROBP and with private industry representatives and contractors in using latest technologies to acquire overseas facilities. • GSA, National Capital Planning Commission, and local jurisdictions. [Indicator 3 and 4]



Performance Goal 5

INTEGRATED BUDGETING, PLANNING AND PERFORMANCE MANAGEMENT; EFFECTIVE FINANCIAL MANAGEMENT; AND DEMONSTRATED FINANCIAL ACCOUNTABILITY

Summary: Projected FY 2004 Performance

The Department will achieve a “green” status rating for the President’s Management Agenda (PMA) initiatives of Budget and Performance Integration and Improved Financial Performance.⁴ The Department will accomplish this by improving its annual performance and strategic planning process, receiving unqualified (“clean”) opinions on timely financial statements, modernizing corporate financial management systems, consolidating most financial operations in Charleston, South Carolina, and ensuring that effective management controls are in place and functioning.

The Department will continue to focus on improving its annual performance and strategic planning process, and its coordination between policy and resources. At the mission level, the process will be automated to allow overseas posts to develop their performance plans on-line and in collaboration with each other. In addition, the Department is working to develop bureau-specific performance plans to determine resource allocation. Through the deployment of the Central Financial Planning System (CFPS), the Department will link its different databases and accounting systems with program performance results. Using the Department’s Central Resource Management System (CRMS) as its foundation, CFPS will be a comprehensive planning and budget system that will link and consolidate budgeting, financial planning, costing, and performance management activities. CRMS will integrate into one database all data collection, budget formulation, financial planning, apportionment, allotment control, foreign currency transactions, and reimbursement management, as well as budget and financial plan preparation, publication, and promulgation.

Example of an FY 2002 Achievement

Resource Management Consolidation

The Department consolidated financial management, strategic planning, and budget authorities in a new Bureau of Resource Management (RM), bringing all resource management and planning activities together in one bureau, thereby significantly improving coordination between policy and resources.

Improving financial management consists of several critical efforts. RM will ensure that there is continued excellence in the quality and timeliness of the Department’s Financial Statements and Performance and Accountability Reports, and meet the increasingly short deadlines for issuing these reports as required by OMB. The implementation of a new Global Financial Management System (GFMS) will establish a single, worldwide integrated financial management system that allows standardization of Department business processes. Leveraging the benefits of a standardized, modern, worldwide financial management system, RM will continue to streamline and consolidate Department worldwide financial operations into the Charleston Financial Services Complex. Having resolved all outstanding material weaknesses, RM will continue to aggressively administer the Department’s management controls program.

The Department will continue to transform itself into an e-Government organization. By adopting new technologies to improve and reengineer the Department’s business processes, the Department will successfully leverage best business practices and electronic technologies. An estimated 85 percent of U.S. embassies now operating in a batch environment will be connected in FY 2004 to the Global Direct Connect (GDC) network that will provide real-time, on-line connection with GFMS. The Department will also complete implementation of Web-based procedures to collect worldwide Time and Attendance data (thereby eliminating hard-copy Earnings and Leave Statements), a web-based Travel Manager system integrated with GFMS, and an electronic Business-to-Government commercial invoice system. Use of the Reuters foreign currency purchasing system in consolidated foreign currency purchasing operations will begin. Finally, during FY 2004, the Department will expand the use of purchase charge cards.

⁴ The PMA uses a stoplight scoring system as follows: “Green” for successful results, “Yellow” for mixed results, and “Red” for unsatisfactory results.



The FY 2004 deployment of CFPS will allow the Department to plan, budget, and manage resources better and to track performance against strategic goals and objectives. It will integrate planning, budgeting, execution and performance information in a central data repository for use by decision-makers at all levels of the Department and other USG agencies. CFPS will accomplish this by providing a central planning and budgeting system for use by bureaus and missions. CFPS will also provide visibility of headquarter-, bureau-, and mission-level program decisions through all phases of the financial management process, and ensure consistency in essential performance planning, budgeting, and information tracking.

Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Improved Financial Performance Rating. (New Indicator)				
N/A	Baseline: Status: Red (i.e., Unsatisfactory Results). Progress: Red.	Status: Red. Progress: Green (i.e., Successful Results).	Status: Yellow (i.e., Mixed Results). Progress: Green.	Status: Green. Progress: Green.
Indicator #2: Budget and Performance Integration Rating. (New Indicator)				
	Baseline: Status: Red. Progress: Red	Status: Red. Progress: Green.	Status: Green. Progress: Green.	Status: Green. Progress: Green.
Indicator #3: Central Financial Planning System (CFPS) Modules are Successfully Implemented. (New Indicator)				
N/A	N/A	Baseline: The initial design, funding, and preparations with pilot bureau completed.	Complete development of pilot testing and phased deployment of the Mission Performance Plan Module, the Bureau Performance Plan Module, and the Statement of Net Cost module. Target reflects revision of CFPS development from a waterfall to a modular approach.	Complete the development and deployment of Bureau and Field Budget Plan Module and Financial Performance and Reporting Module completed.
Indicator #4: Status of Annual Accountability and Performance Reports.				
FY 1999 Accountability Report issued late. FY 1999 Performance Report issued on time.	FY 2000 Accountability Report issued on time. FY 2000 Performance Report issued on time.	FY 2001 Accountability Report signed and submitted in March 2002, including Performance Plan data. Report received the Association of Government Accountants (AGA) "Certificate of Excellence in Accountability Reporting" (CEAR) award.	Submit the FY 2002 Combined Performance and Accountability Report on time. Report receives the CEAR award.	Submit the FY 2003 Combined Performance and Accountability Report on time. Report receives the CEAR award.



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #5: Department Financial Services Consolidation.				
The financial services of the United States Information Agency and Arms Control and Disarmament Agency were integrated into the Department. Foreign currency purchasing moved from Financial Service Centers (FSCs) in Paris and Bangkok to FSC Charleston.	The Department approved the transfer of certain financial management functions to FSC Charleston. The Department approved the transfer of posts serviced by FSC Paris to FSC Charleston and FSC Bangkok.	Implementation plan submitted to OMB. Initial implementation of RFMS in Charleston. The Department took occupancy of the second building in Charleston complex in April 2002.	Relocate domestic processing for American payroll and Foreign Service Pension to FSC Charleston. Fully convert all posts serviced by FSC Paris to FSC Charleston and FSC Bangkok.	The Department takes occupancy of the third building in Charleston complex.

Means and Strategies by Target

Improved Financial Performance Rating. Status: Green. Progress: Green.

- Green status rating will be achieved through continued excellence in the quality and timeliness of the Department's Financial Statements and Performance and Accountability Reports, implementation of a new GFMS, streamlining and consolidating the Department's worldwide financial operations into FSC Charleston, and aggressively administering the Department management controls program.

Budget and Performance Integration Rating. Status: Green. Progress: Green.

- Use CFPS to:
 - clarify how proposed program activities align with the Department's priority goals,
 - clarify what those activities can achieve and what they will cost, and
 - ensure budget amounts, financial plans, and execution will maximize the beneficial impact of Department program goals.

Complete the development and deployment of CFPS Bureau and Field Budget Plan and Financial Performance and Reporting Modules.

- Develop/deploy an automated system that will be used by missions and bureaus to develop, submit for approval, and monitor resource decisions and financial performance against requests and approved spending plans.
- Utilize regular meetings of the Configuration and Integration Council (CIC) to manage risk and keep the development of project modules on schedule.



Submit the FY 2003 Combined Performance and Accountability Report (PAR) on time.

- Assign more staff to this area.
- Develop new processes to receive information included by end of fiscal year, and improve development and publication of information.

The FY 2003 PAR receives the Certificate of Excellence in Accountability Reporting (CEAR) Award.

- Continue participation in the Association of Government Accountants (AGA) CEAR program, incorporating improvements to the Report based on comments received from the annual CEAR Review.
- Incorporate into the Report those best practices identified from reports from other entities and industry leaders.

Occupy the third building in the Charleston complex.

- Detailed planning, oversight of construction of building (including incentive clauses), human resource rightsizing and hiring plan, and continued funding.

Summary: Verification/Validation and Crosscutting Activities

Performance Goal 5	Integrated budgeting, planning, and performance management; effective financial management; and demonstrated financial accountability.
Verification and Validation	<ul style="list-style-type: none"> • COTR certifications of milestones achieved. • Independent Auditor's Report. • Date of submission of Financial Statements to OMB. • Form and content of Financial Statements. • Independent Auditor's Report on annual financial statements. • Status updates of milestones in FFMI Remediation Plan. • CFO's annual determination on FFMI compliance. • OIG review and semi-annual report. • Status of milestones as reported on OIG review(s). • Circulate proposed measure and targets to Department bureaus and to OMB for comment/concurrence. • Consult with other Department offices, overseas missions, OMB and other international affairs agencies for comments and suggestions on milestones. • Consult with other federal agency central budget/funds control offices and OMB for comment on standards. • The indicator is a tangible activity that can be judged to have happened or not have happened. • OMB Scorecard, Independent Auditors' Report on annual financial statements, date of submission of Performance and Accountability Report, annual FMFIA Statement of Assurance by the Secretary, and periodic progress reports on Consolidation Plan.
Crosscutting Activities	<ul style="list-style-type: none"> • The Department always includes representatives of other USG agencies in the formal and informal review sessions for mission and bureau budget requests. • CFPS will support the future integration of USAID data into a consolidated view that adheres to both the new State/USAID Joint Strategic Planning Framework and the Joint Enterprise Architecture currently being developed. • OMB, the Department of the Treasury, and GAO.



Performance Goal 6
 CUSTOMER-ORIENTED, INNOVATIVE DELIVERY OF ADMINISTRATIVE AND INFORMATION SERVICES, AND ASSISTANCE

Summary: Projected FY 2004 Performance

Recent initiatives have emphasized business process improvement and customer-centered efforts in the areas of logistics, procurement, grants, official records, facilities, and other programs. The Center for Administrative Innovation is inspiring new action to meet the needs of Department customers worldwide, and has worked with administrative professionals at posts to offer the “Admin Toolkit” and other information-sharing via the Intranet. Another initiative, “WebMove,” allows Foreign Service personnel assigned overseas to manage their moves on-line. A multi-year project is underway to eliminate the backlog of Freedom of Information Act (FOIA) requests, and to provide more information from historical foreign policy records to the public via the Internet. Likewise, vendors used by the Department benefit from an expanded catalog of businesses available through the Statebuy Interactive Program, www.statebuy.gov.

OMB has approved the Department’s competitive sourcing plan, which also includes a quality sourcing initiative begun this year to provide a new approach to acquisitions. This permits the Department seeks performance-based contracting rather than traditional labor-hours contracting.

The Department will continue efforts to provide and measure the effectiveness of additional innovative administrative programs. The planned Jefferson Information Center will transform the Ralph J. Bunch Library into a twenty-first century center for information and research on diplomacy and foreign affairs. The Department will develop and implement a web-enabled allowances system for reporting between posts and Washington and will begin initial deployment of the Integrated Logistics Management System. E-Commerce opportunities for vendors, including small and disadvantaged businesses, will expand. The Department proposes establishing a rapid-response logistics capability both in Washington and Europe, as well as a consolidated warehouse and pouch facility in the Washington metropolitan area. The Department will also address numerous requirements for proper management of official records to reduce life-cycle costs and to fulfill legal obligations.

Example of an FY 2002 Achievement

Improved Administrative Services

OMB approved the Department’s competitive sourcing plan, which also includes a plan for quality sourcing. The amount of business available through the Statebuy Interactive Platform for e-Commerce (www.statebuy.gov) has been expanded, and projects are under way to provide web-enabled quality of life services to employees.

Summary: Indicators, Results, and Targets

Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #1: Percentage of Service Contracts Using Quality Sourcing Specifications. (New Indicator)				
N/A	N/A	Baseline: Plan approved.	Implementation underway.	20%
Indicator #2: Logistics in the Areas of Acquisition, Distribution, Transportation, Travel and Diplomatic Pouch and Mail.				
Seventy percent customer satisfaction.	Seventy-two percent customer satisfaction.	ILMS implementation delayed until FY 2003.	Deploy Perfect Order Performance for Secure Logistics; implement the Balanced Score Card system in all business units.	Fill seventy-five percent of orders perfectly.



Baseline	Results		Targets	
2000	2001	2002	2003	2004
Indicator #3: Overseas Schools Accreditation.				
A total of 146 accredited schools.	A total of 148 accredited schools.	A total of 150 accredited schools.	A total of 152 accredited schools.	A total of 155 accredited schools.
Indicator #4: FOIA Backlog Reduction.				
0 percent	0 percent	Baseline: Twenty-percent reduction in the FY 2001 backlog of 6,214 FOIA requests.	Forty-percent reduction in the FY 2001 level by July 2003.	Eighty percent reduction in the FY 2001 level by July 2004.
Indicator #5: E-Allowances System for Reporting From Posts to Washington. (New Indicator)				
N/A	N/A	Baseline: User requirements Identified.	Preliminary work and development.	Development/ Initial deployment.

Means and Strategies by Target

Use Quality Sourcing specifications in 20 percent of service contracts.

- Review advance acquisition plans, analyze OMB Form 300 submittals for IT capital projects, and coordinate with program offices to provide a means to identify contracts that could become performance-based.
- Under the Quality Sourcing initiative, blanket purchase agreements for technical support under the GSA MOBIS schedule were awarded in FY 2003. Pursue additional outreach to program offices and dissemination of instructional material.
- E-Commerce return on investment will maintain the functionality of the Statebuy Interactive Platform. Web site enhancements will continue as well as promotion of its availability, including both pre-award and post-award functions.

Fill 75 percent of orders perfectly.

- Achieve Optimal Customer Relationships by collaborating across organizations to streamline and integrate business processes to reduce cycle time.
- Provide Informed On-line Support by continuing to enhance the value of electronic communications, improving the quality and timeliness of interactive on-line communications such as e-mail exchanges and text messaging, and presenting non-interactive information and support using clear intuitive web page postings.
- Implement a Flexible Product Configuration and Order Fulfillment by improving product selection and making changes to align product selection with customer requirements more effectively.
- Integrate Operations Infrastructures by implementing integrated cost accounting and financial systems.

Have a total of 155 accredited schools.

- Provide grants and technical assistance to overseas schools that educate USG dependent children.
- Encourage accreditation, Advanced Placement (AP) examinations, programs for children with special needs, fundraising, and in-service training.
- Enhance assistance to Department families about overseas schooling during bidding and assignment process.
- Encourage the use of technology in overseas schools.
- Provide support for the work of Regional Educational Associations.



Reduce the FOIA Backlog by 40 percent.

- The funding and FTE allotted for this effort will allow for a 40 percent reduction in the FOIA backlog by the end of the third quarter of FY 2003. The continued resource commitment to the project will reduce the backlog an additional 40 percent by the beginning of the fourth quarter of FY 2004.

Development/Initial deployment of E-Allowances system.

- Phase I of the project to request a new system is underway; requirements review and justification are nearing completion. This work will lead to a comprehensive OMB Exhibit 300 presentation within Department Information Technology Capital Planning guidelines.

Summary: Verification/Validation and Crosscutting Activities

Performance Goal 6	Customer-oriented, innovative delivery of administrative and information services, acquisitions, and assistance.
Verification and Validation	Data verified by records and budgetary documents of the Bureau of Administration.
Crosscutting Activities	National security/foreign affairs agencies; Congress; NARA; OMB; the Departments of Commerce, Agriculture, and Defense; and regional/domestic education associations.



Glossary of Terms

AC/HDP- Department's Office of Humanitarian Demining Program
AEP- Alternate Foreign Service Examination Program
AFV- Alternative Fuel Vehicles
AG- Assistance Group
APEC- Asia Pacific Economic Cooperation Forum
ASEAN- Association of Southeast Asian Nations
ATA- Antiterrorism Assistance Program
BCPB- Bureau of Customs and Border Protection (DHS)
BFIF- Business Facilitation Incentive Fund
BLM- Bureau of Land Management (Interior)
BWC- Biological Weapons Convention
CAFTA- U.S.-Central America Free Trade Agreement
CBP- Customs and Border Patrol (DHS)
CBMs- Confidence-building measures
CDC- U.S. Center for Disease Control
CEA- Council of Economic Advisors
CEQ- Council on Environmental Quality
CFC- Chlorofluorocarbon gases
CIA- Central Intelligence Agency
CICP- UN Center for International Crime Prevention
CNC- CIA Crime and Narcotics Center
CT- Counterterrorism
CTBT- Comprehensive Test Ban Treaty
CWC- Chemical Weapons Convention
CY- Calendar year
DC- Deputies Committee
DEA- U.S. Drug Enforcement Agency
DHS- Department of Homeland Security
DHHS- Department of Health and Human Services
DOC- U.S. Department of Commerce
DOE- U.S. Department of Energy
DOJ- U.S. Department of Justice
DPRK- Democratic People's Republic of Korea (North Korea)
DS- Department's Bureau of Diplomatic Security
DTS- Diplomatic Telecommunications Service



EBRD- European Bank of Reconstruction and Development
EC- European Commission
ECOWAS- Economic Community of West African States
EO- Executive Order
ESDI- European Security Defense Initiative
FAO- UN Food and Agriculture Organization UNFAO
FASI- Foreign Affairs Systems Integration
FCC- Federal Communications Commission
FDA- Food and Drug Administration
FDI- Foreign Direct Investment
FMCT- Fissile Materials Cutoff Treaty
FOIA- Freedom of Information Act
FTA- Free Trade Agreement
FTO- Foreign Terrorist Organization
FY- Fiscal year
G-8- Group of Eight (major industrialized nations)
GAO- General Accounting Office
GEF- Global Environment Facility
GIF- Generation IV International Forum
GMRA- Government Management Reform Act of 1994
GSA General Services Administration
HIPC- Heavily Indebted Poor Countries
HRDF- Human Rights and Democracy Fund
HST- Harry S Truman Building (Main State Department Building)
IASP- International Affairs Strategic Plan
IATC- Inter-American Telecommunication Commission
IATTC- Inter-American Tropical Tuna Commission
IBWC- International Boundary and Water Commission
IC- Intelligence Community
ICRC- International Committee for the Red Cross
IFRC- International Federation of Red Cross and Red Crescent Societies
IIP- The Department's office of International Information Programs
IMF- International Monetary Fund
IPA- International Plan of Action
JCS- Joint Chiefs of Staff (000)
KEDO- Korean Peninsula Energy Development Organization
IIP- International Information Programs
MDA- Missile Defense Agency
MSTCC- Migrant Smuggling and Trafficking in Persons Coordination Center
MTCR- Missile Technology Control Regime



NASA- National Aeronautics and Space Administration

NEA- Department's Bureau of Near East Affairs

NIH- National Institutes of Health

NMFS- National Marine Fisheries Service

NOAA- National Oceanic and Atmospheric Association

NPT- Nuclear Non-Proliferation Treaty

NRC- Nuclear Regulatory Commission

NSF- National Science Foundation

NSG- Nuclear Suppliers Group

OAS- Organization of American States

OBO- Bureau of Overseas Buildings Operations

OSD- Office of Secretary of Defense (DoD)

OSTP- Office of Science and Technology Policy

OVP- Office of the Vice President of the United States

PART- Programming Assessment Rating Tool

PC- Principals Committee

PCC- Policy Coordination Committee

PPRA- Plutonium Production Reactor Agreement

PREPCON- Preparatory Conference

PRM- Bureau of Population, Refugees, and Migration

REC- Regional Environmental Center

REVCON- Review Conference

SA- Bureau of South Asian Affairs

SACU- South African Customs Union

SADC- Southern Africa Development Community

SATF- South Asia Task Force

SBA- Small Business Administration

Tier 1, 2 and 3 Countries - A rating that used to designate levels of governmental efforts to combat trafficking on the basis of minimum standards described in the law. First tier countries are those that are in full compliance with standards. Third tier countries neither fully comply with the minimum standards, nor are making significant efforts to do so.

TVA- Tennessee Valley Authority (Department of Interior)

U.K.- United Kingdom

UNAIDS- UN Program on HIV/AIDS

UNCCD- UN- Convention to Combat Desertification

UNDP- UN Development Program

UNEP- UN Environment Program

UNICEF- UN Children's Fund

UNSC- UN Security Council

UNSCR- UN Security Council Resolution



- US GAO**- U.S. General Accounting Office
- USFWS**- U.S. Fish And Wildlife Service
- USGCRP**- U.S. Global Change Research Program
- USGS**- U.S. Geological Survey
- USNATO**- U.S. Mission to NATO
- USTR**- U.S. Trade Representative
- WB**- World Bank
- WHO**- World Health Organization
- WSSD**- World Summit on Sustainable Development



Appendix

Appendix: Resources by Strategic Goal

Two tables are provided:

1. **Department of State Appropriations Act**: This is a three-page spreadsheet. The first two pages show FY 2000 through FY 2003 resources by Strategic Goal using the Department's previous Strategic Planning Framework that consisted of twenty strategic goals. The third page shows FY 2004 resources using the Department's new framework consisting of twelve strategic goals.
2. **Foreign Operations Resources**: The first two pages of this three-page spreadsheet depict Foreign Operations Resources allocated by Strategic Goal. The first page shows Foreign Operations Resources for FY 2002 and FY 2003 by Strategic Goal using the Department's previous framework. The second page shows FY 2004 Foreign Operations Resources by Strategic Goal using the Department's new framework. Finally, the last page shows FY 2002 through FY 2004 resources allocated for other accounts.

DEPARTMENT OF STATE APPROPRIATIONS ACT: Resources by Goal

(without fees; funds in thousands*)

(Previous Strategic Goal Framework)

NATIONAL INTEREST		FY 2000 Actual		FY 2001 Actual		FY 2002 Actual		FY 2003 Request ⁽¹⁾	
Code	Strategic Goal	Positions ⁽²⁾	Funds	Positions ⁽²⁾	Funds	Positions ⁽²⁾	Funds	Positions ⁽²⁾	Funds
NATIONAL SECURITY		2,515	\$1,216,172	2,439	\$1,205,945	2,387	\$1,294,433	2,572	\$1,338,908
RS	Regional Stability	1,587	1,016,440	1,492	1,022,585	1,215	1,037,356	1,252	946,464
WD	Weapons of Mass Destruction	682	160	697	148,438	504	137,604	506	156,760
TE	Countering Terrorism	246	38,748	250	34,922	668	119,473	814	235,684
ECONOMIC PROSPERITY		1,419	597,208	1,486	434,612	1,239	431,968	1,252	478,749
OM	Open Markets	554	374,388	581	217,219	488	219,861	494	249,594
EX	US Exports	410	49,904	448	49,382	287	43,436	290	48,585
EG	Global Economic Growth	236	33,870	236	39,930	239	32,789	244	40,833
ED	Economic Development (Broad-Based Economic Growth)	219	139,046	221	128,081	225	135,882	224	139,737
AMERICAN CITIZENS & BORDERS		1,624	161,014	1,859	148,156	1,288	151,857	1,067	79,560
AC	American Citizens	700	79,522	848	75,808	665	71,154	544	36,028
TM	Travel and Migration	924	81,482	1,011	72,348	623	80,703	523	43,532
LAW ENFORCEMENT		545	71,862	371	43,209	711	92,182	721	95,995
IC	International Crime	418	47,767	246	27,249	351	47,674	355	49,619
ID	Illegal Drugs	127	24,095	125	15,960	360	44,508	366	46,376
DEMOCRACY		863	416,243	1,078	566,938	808	574,158	826	561,583
DE	Democracy	502	364,601	705	521,829	808	574,158	826	561,583

DEPARTMENT OF STATE APPROPRIATIONS ACT: Resources by Goal

(without fees; funds in thousands*)

(Previous Strategic Goal Framework)

NATIONAL INTEREST		FY 2000 Actual		FY 2001 Actual		FY 2002 Actual		FY 2003 Request ⁽¹⁾	
Code	Strategic Goal	Positions ⁽²⁾	Funds	Positions ⁽²⁾	Funds	Positions ⁽²⁾	Funds	Positions ⁽²⁾	Funds
HUMANITARIAN RESPONSE		284	661,546	165	23,177	168	24,267	167	26,423
HA	Humanitarian Assistance	151	643,126	21	6,428	168	24,267	167	26,423
GLOBAL ISSUES		634	328,606	676	311,701	712	296,277	724	307,379
EN	Environment	554	108,122	558	133,046	570	106,657	575	125,635
PO	Population	31	5,444	63	8,118	32	5,598	29	6,832
HE	Health	49	215,040	55	170,537	110	184,022	120	174,912
DIPLOMACY		1,334	217,125	1,251	179,977	462	86,205	468	82,397
DA	Diplomatic Activity	0	15,357	0	14,114	462	86,205	468	82,397
MUTUAL UNDERSTANDING (formerly PUBLIC DIPLOMACY)		2,162	322,512	2,538	436,319	2,292	442,696	2,292	431,916
MU	Mutual Understanding	2,162	322,512	2,538	436,319	2,292	442,696	2,292	431,916
DIPLOMATIC READINESS		6,676	2,485,295	6,319	3,210,604	8,985	4,390,466	9,274	4,200,036
HR	Human Resources	1,686	445,648	1,668	492,564	2,230	666,416	2,438	719,244
IR	Information Resources	1,083	278,373	1,073	362,894	1,596	620,467	1,604	601,937
IO	Infrastructure and Operations	3,907	1,761,274	3,578	2,355,146	5,159	3,103,583	5,232	2,878,855
IG	Inspector General Activities	314	27,382	314	29,891	314	29,000	314	29,264
Transfers		0	2,578	0	90,358	0	-	0	-
TOTALS		FY 2000 Actual		FY 2001 Actual		FY 2002 Actual		FY 2003 Request	
		Pos	Funds	Pos	Funds	Pos	Funds	Pos	Funds
		18,370	\$6,507,543	18,496	\$6,680,887	19,366	\$7,813,509	19,677	\$7,632,210

Note 1: The FY 2003 data is the request which ties to the Congressional Presentation Document.

Note 2: The "Positions" column denotes the number of authorized positions.

U.S. DEPARTMENT OF STATE
 Appropriations Act Resources by Goal
 (\$ in thousands)
 (New Strategic Goal Framework)

STRATEGIC OBJECTIVE		FY 2004 Request ⁽¹⁾	
Strategic Goal		Positions ⁽²⁾	Funds
PROTECT THE NATION			
CT	Countering Terrorism	900	\$ 198,904
HS	Homeland Security	593	70,773
RS	Regional Stability	1,238	920,369
WD	Weapons of Mass Destruction	506	155,860
IC	International Crime and Drugs	727	98,691
AC	American Citizens	540	40,807
ADVANCE SUSTAINABLE DEVELOPMENT AND GLOBAL INTERESTS			
DE	Democracy & Human Rights	827	588,611
EP	Economic Prosperity and Security	1,253	478,291
SE	Social & Environmental Issues	724	302,365
HR	Humanitarian Response	167	27,499
PROMOTE INTERNATIONAL UNDERSTANDING			
PD	Public Diplomacy and Public Affairs	2,293	482,420
STRENGTHEN DIPLOMATIC AND PROGRAM CAPABILITIES			
MG	Management and Organizational Excellence	10,147	4,684,449
OIG	Office of the Inspector General	314	31,703
Total		20,229	\$8,080,742

Note (1): The FY 2004 data is the request which ties to the Congressional Presentation Document.

Note (2): The "Positions" column denotes the number of authorized positions.

**U.S. DEPARTMENT OF STATE
Foreign Operations Resources
(\$ in thousands)**

(Previous Strategic Goal Framework)

CATEGORY 1: Department of State Administered Accounts

The following breakdown represents six foreign assistance appropriation accounts that the U.S. Department of State administers and can allocate by strategic goal, although the process is still being refined. These funds include INCLE, IO&P, MRA, ERMA, NADR, and PKO.

NATIONAL INTERESTS		FY 2002 Actuals	FY 2003 Request (*)
Strategic Goal			
NATIONAL SECURITY			
RS	Regional Stability	\$ 378,000	\$ 110,250
WD	Weapons of Mass Destruction	281,766	246,200
CT	Countering Terrorism	207,234	69,500
ECONOMIC PROSPERITY			
OM	Open Markets	-	-
EX	Economic Development (Broad-Based Economic Grow	-	-
EG	Global Economic Growth	-	-
ED	Economic Development (Broad-Based Economic Gr	104,600	227,500
AMERICAN CITIZENS & BORDERS			
AC	American Citizens	-	-
TM	Travel and Migration	-	-
LAW ENFORCEMENT			
IC	International Crime	159,000	197,000
ID	Illegal Drugs	870,000	731,000
DEMOCRACY			
DE	Democracy	9,000	9,000
HUMANITARIAN RESPONSE			
HA	Humanitarian Assistance	869,000	775,000
GLOBAL ISSUES			
EN	Environment	54,600	48,600
PO	Population	-	-
HE	Health	-	-
DIPLOMACY			
DA	Diplomatic Activity	-	-
MUTUAL UNDERSTANDING			
MU	Mutual Understanding	-	-
DIPLOMATIC READINESS			
HR	Human Resources	-	-
IR	Information Resources	-	-
IO	Infrastructure and Operations	-	-
UNALLOCATED			
			25,000
SUB-TOTAL		\$2,933,200	\$2,439,050

Note (*): The FY 2003 data is the request which ties to the Congressional Budget Justification Document. This does not include the FY 2003 supplemental request.

**U.S. DEPARTMENT OF STATE
Foreign Operations Resources**

(\$ in thousands)

(New Strategic Goal Framework)

CATEGORY 1: Department of State Administered Accounts

The following breakdown represents six foreign assistance appropriation accounts that the U.S. Department of State administers and can allocate by strategic goal, although the process is still being refined. These funds include INCLE, IO&P, MRA, ERMA, NADR, and PKO.

STRATEGIC OBJECTIVES

Strategic Goal		FY 2004 Request (*)
PROTECT THE NATION		
CT	Counterterrorism	120,900
HS	Homeland Security	-
RS	Regional Stability	96,900
WD	Weapons of Mass Destruction	204,000
IC	International Crime and Drugs	1,015,550
AC	American Citizens	-
ADVANCE SUSTAINABLE DEVELOPMENT AND GLOBAL INTERESTS		
DE	Democracy and Human Rights	9,000
EP	Economic Prosperity and Security	227,500
SE	Social and Environment Issues	45,350
HT	Humanitarian Response	866,197
PROMOTE INTERNATIONAL UNDERSTANDING		
PD	Public Diplomacy and Public Affairs	-
STRENGTHEN DIPLOMATIC AND PROGRAM CAPABILITIES		
MG	Management and Organizational Excellence	-
UNALLOCATED		
		25,000
SUB-TOTAL		\$2,610,397

Note (*): The FY 2004 data is the request which ties to the Congressional Budget Justification Document.

**U.S. DEPARTMENT OF STATE
Foreign Operations Resources**

(\$ in thousands)

(New Strategic Goal Framework)

CATEGORY 2: State Oversight Accounts

The following resources are implemented by other foreign affairs agencies and not administered by the Department of State. As a result, in the FY 2004 Performance Plan these resources are not allocated by strategic goal. In future years, the Department will collaborate with implementing agencies in an effort to begin to break down these resources by strategic goal.

	FY 2002 Actuals	FY 2003 Request	FY 2004 Request
U.S. Agency for International Development	3,727,000	3,887,400	3,923,900
Economic Support Fund	3,289,000	2,490,000	2,535,000.00
Assistance for Eastern Europe & the Baltic States	621,000	495,000	435,000
Assistance for the Independent States	958,000	755,000	576,000
International Military Education and Training	70,000	80,000	91,700
Foreign Military Financing	4,052,000	4,107,200	4,414,000
SUB-TOTAL	12,717,000	11,814,600	11,975,600

CATEGORY 3: Other Agency Accounts

Although the following resources are part of international affairs resources (Function 150), the Department only provides foreign policy guidance to these agencies. Thus, the Department of State does not allocate these resources by the Department's strategic goals.

	FY 2002 Actuals	FY 2003 Request	FY 2004 Request
Export-Import Bank	765,323	596,727	(36,425)
Overseas Private Investment Corporation	(221,000)	(227,115)	(198,000)
Trade and Development Agency	50,024	44,512	60,000
Peace Corps	278,900	317,000	359,000
Inter-American Foundation	13,107	14,000	15,185
African Development Foundation	16,542	16,542	17,689
Treasury Technical Assistance	9,500	10,000	14,000
Debt Restructuring	229,000	-	395,000
International Financial Institutions	1,174,796	1,437,097	1,554,878
Millenium Challenge Account	-	-	1,300,000
Complex Foreign Emergencies	-	-	100,000
Global AIDS Initiative	-	-	450,000
Famine Fund	-	-	200,000
SUB-TOTAL	2,316,192	2,208,763	4,231,327
TOTAL	\$ 17,966,392	\$ 16,462,413	\$ 18,817,324