

Department of Commerce
BUREAU OF INDUSTRY AND SECURITY
Summary of Goals, Objectives and Performance Measures

Resource Requirements – Grand Total

Grand Total	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	Increase/ Decrease	FY 2005
	Actual	Actual	Actual	Actual	President's	Base		Request
Operations and Administration								
Management and Policy Coordination	3.8	3.7	6.0	2.2	1.9	1.9	0.0	1.9
Export Administration	24.1	29.3	29.2	33.8	32.1	31.8	2.0	33.8
Export Enforcement	24.6	25.9	27.3	40.7	34.4	34.7	6.1	40.8
Total Funding	56.4	63.1	67.6	76.7	76.7	74.2	8.1	82.3
Direct	52.5	59.1	62.5	67.9	68.4	68.4	8.1	76.5
Reimbursable ¹	3.9	4.0	5.1	8.8	8.3	5.8	0.0	5.8
IT Funding ²	2.6	2.6	4.2	4.2	6.7	6.7	0.0	6.7
FTE ³	383	373	358	454	447	447	35	482

¹ Reimbursable funding included in total funding.

² IT funding included in total funding.

³ Includes reimbursable FTEs.

Notes: Totals may differ slightly due to rounding.

Total obligations may differ from those reported in other exhibits due to inclusion of restorations of prior year funds in the amounts cited above.

Number of Internal Control Programs That Contribute to Compliance With License Conditions	New	New	New	New	New	New	New	New	New	100
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Corresponding Strategic Goal 1: Provide the Information and Tools to Maximize U.S. Competitiveness and Enable Economic Growth for American Industries, Workers, and Consumers

Corresponding General Goal/ Objective 1.2: Advance Responsible Economic Growth and Trade While Protecting American Security

Rationale of Performance Goal 1: BIS serves U.S. companies engaged in international trade by analyzing export license applications for controlled commodities in accordance with Export Administration Regulations (EAR). BIS also serves U.S. companies in conjunction with the Departments of Defense, Energy, and State, by making prompt decisions on license and related applications and by providing guidance to exporters on how to conform to applicable laws and regulations. BIS is particularly vigilant in evaluating transactions involving advanced technologies and dual-use products that potentially can be diverted to use in missile programs or in chemical, biological, nuclear, or conventional weapons programs. BIS also implements the Defense Production Act by analyzing the defense industrial and technology base to ensure that the United States remains competitive in sectors that are critical to national security.

Responding to increased concern about the proliferation of weapons of mass destruction, BIS continues to refine U.S. export controls in light of geopolitical and business realities. BIS also seeks to enhance the effectiveness of the EAR by educating exporters and other stakeholders in the export licensing process, thereby improving industry compliance with export control regulations. These efforts will increase the efficiency of the license processing system and thus enable exporters to be more competitive in the global economy while deterring transactions that threaten U.S. security interests.

Program Increases That Apply to This Performance Goal:

(Please see applicable Exhibit 13 for further details.)

Office of Technology Evaluation (10 Positions; 8 FTE; and \$2,000,000).

The Office of Technology Evaluation (OTE) will enable the Department to implement and maintain a more effective system of dual-use export controls that better protects U.S. national and economic security by (1) identifying sensitive new technologies for potential inclusion on the Commerce Control List; (2) assessing whether items currently controlled are available abroad or on a mass market basis; (3) conducting a thorough, systematic review of the Commerce Control List to ensure that items are appropriately controlled for the protection of U.S. national security; and (4) reviewing the effectiveness of multilateral export control regimes and of the control systems of regime members.

Explanation of Each Measure:

Measure 1a: Median Processing Time for Referral of Export Licenses to Other Agencies (Days)

This measure tracks the median processing time of an export license application from its receipt to its referral to other agencies. Approximately 85% of all export licenses must be referred to other agencies as dictated by Executive Order 12981. Although in FY 2003 BIS exceeded its target with a median processing time of 4 days, we are receiving increasingly complex license applications, therefore, we will retain the target of 9 days in FY 2004 and FY 2005.

Measure 1b: Median Processing Time for Export Licenses Not Referred to Other Agencies (Days)

This is the other component of the license application inventory (about 15% of all applications received). This measure monitors the time it takes to process a license application (that is not referred to another agency) from its receipt to a final decision. For the reasons stated above, BIS will retain the median processing time of 15 days in FY 2004 and FY 2005.

Measure 1c: Median Processing Time for Issuing Draft Regulations (Months)

BIS routinely issues new and amended regulations to effectuate its responsibilities under the Export Administration Act (EAA). Whether regulations liberalize or restrict industry activity, their prompt promulgation benefits the United States from a trade, economic, and national security perspective. Regulatory changes can, for example, reduce the number of license requirements imposed on U.S. exporters, close loopholes in the regulations, implement international agreements, or address new export control challenges. The majority of BIS regulations issued implement changes agreed to in the four multilateral control regimes in which the United States participates: Wassenaar Arrangement (conventional arms and related sensitive dual-use goods), Nuclear Suppliers Group, Missile Technology Control Regime, and the Australia Group (chemical and biological controls). This measure will track the length of time it takes BIS to issue a draft regulation after regime changes have been received and analyzed. There is a significant amount of time that is spent analyzing each regime resolution before actual drafting of a regulation can begin. For example, BIS must determine the appropriate level of unilateral controls for items decontrolled by the Regimes before it can change its regulations. Due to the complexity of changes recently made by the multilateral control regimes, BIS will retain the FY 2003 target of 3 months in FY 2004 and FY 2005.

Measure 1d. Level of Exporter Understanding of BIS Export Control Requirements

This measure indicates the effectiveness of BIS's export control outreach program. BIS's export control outreach program is a means for transferring knowledge from the government to the private sector regarding export control requirements. The BIS outreach program to the domestic and international business communities is a form of preventive enforcement that encourages compliance with the EAR. Seminars also help to heighten business awareness of the Bush Administration's export control policy objectives and improve compliance with regulatory requirements. The first metric measures the overall value of information presented on a scale of 1 to 5 by calculating an average of all scores given to a set of questions. The second metric is an index that reflects the knowledge gained by exporters who attend BIS seminars. In FY 2003 BIS found the original methodology for calculating this measure to be

invalid. Therefore, beginning in FY 2004 BIS will calculate the second metric by comparing the actual improvement in knowledge to the maximum improvement possible for each event attendee.

Measure 1e: Number of Industry and Export Control Assessments

The Office of Technology Evaluation will be responsible for evaluating the efficiency and effectiveness of U.S. and multilateral export controls by conducting analyses of U.S. and foreign markets, the development of new technologies, and the impact of export controls on industries critical to U.S. national security and the economy as a whole. BIS typically conducts three industrial base assessments per year. In FY 2005, BIS plans to conduct an additional eight assessments, for a total of 11, to monitor and evaluate technology developments on a comprehensive and systematic basis as follows: two foreign availability assessments, two mass market determinations, five industrial base assessments, and two emergent technologies assessments.

Measure 1f: Number of Internal Control Programs That Contribute to Compliance With License Conditions

As part of BIS's License Condition Enforcement Program initiative, this measure will track the number of Internal Control Programs that contribute to compliance with license conditions. BIS will assist exporters and companies involved in forwarding, processing, and transporting goods through transshipment points in the development, revision and implementation of adequate export compliance programs. The effectiveness of this program will be evaluated through on-site compliance reviews. In FY 2005, BIS plans to review 100 Internal Control Programs.

Program Evaluations: In FY 2003, the General Accounting Office (GAO) and the Office of the Inspector General (OIG) continued their ongoing reviews of BIS's programs and activities. BIS's Office of Planning, Evaluation and Management (OPEM) conducted an annual review of the performance data to ensure that it was complete and accurate. In addition to the annual review, OPEM produces monthly performance reports for the performance measures tracked by ECASS and semiannual reports for other selected measures tracked by paper evidence. During this process, significant deviations from projected targets, if any, were discussed with the appropriate office so that program changes could be made to help meet BIS performance goals.

Cross Cutting Activities:

Intra-Department of Commerce

BIS works with the International Trade Administration's U.S. and Foreign Commercial Service (US&FCS) offices located around the world to coordinate activities associated with planning and conducting export control seminars, Pre-License Checks (PLCs), and Post-Shipment Verifications (PSVs).

BIS employs a full-time export administration specialist in the Department of Commerce's Public Information Office in the Reagan International Trade Center. The specialist operates as an export counselor providing information in response to walk-in or telephone inquiries.

Other Government Agencies

Departments of State, Defense, Energy, Treasury, and Justice and the Central Intelligence Agency (CIA) – BIS works with these Executive Branch agencies to develop and implement U.S. export control policy and programs, including reviewing license applications, developing encryption policy and high-performance computer control policy, implementing sanctions, and participating in multilateral regimes such as the Wassenaar Arrangement, Missile Technology Control Regime, the Nuclear Suppliers Group, and the Australia Group. BIS also coordinates intelligence and law enforcement operations with these agencies.

Government/Private Sector

Technical Advisory Committee – BIS consults with Committee members who are appointed by the Secretary of Commerce to advise the U.S. Government on matters and issues pertinent to implementation of the provisions of the EAA and the EAR, as amended and related statutes and regulations. These issues relate to U.S. export controls for national security, foreign policy, nonproliferation, and short supply reasons.

External Factors and Mitigation Strategies: Compliance with export control laws may be compromised if exporters are not aware of changes in requirements pertaining to them. BIS mitigates this situation by ensuring that exporters have ready access to regulatory and policy changes through seminars, individual counseling, and the Internet.

Performance Goal 2: Ensure U.S. Industry Compliance with the Chemical Weapons Convention (CWC) Agreement

Performance Goal 2: Resource Requirements								
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	Increase/ Decrease	FY 2005
	Actual	Actual	Actual	Actual	President's	Base		Request
Management and Policy Coordination	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Export Administration	4.2	6.5	4.5	5.9	7.3	7.3	0.0	7.3
Reimbursable	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Funding	4.2	6.5	4.5	5.9	7.3	7.3	0.0	7.3
IT Funding	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FTE	30	22	22	29	30	30	0.0	30

Note: Total obligations may differ from those reported in other exhibits due to inclusion of restorations of prior year funds in the amounts cited above.

Performance Goal 2: Targets and Performance Summary										
Measure	FY 2000	FY 2000	FY 2002	FY 2001	FY 2002	FY 2002	FY 2003	FY 2003	FY 2004	FY 2005
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Target
Number of Site Assistance Visits Conducted to Assist Companies Prepare for International Inspections	New	New	New	New	12	16	12	12	24	24

Corresponding Strategic Goal 1: Provide the Information and Tools to Maximize U.S. Competitiveness and Enable Economic Growth for American Industries, Workers, and Consumers

Corresponding General Goal/Objective 1.2: Advance Responsible Economic Growth and Trade While Protecting American Security

Rationale of Performance Goal 2: BIS is responsible for ensuring U.S. industries' compliance with the treaty requirements of the Chemical Weapons Convention (CWC). BIS collects, validates, and aggregates data from those U.S. companies that manufacture or use chemicals covered by the convention; educates those companies on their treaty rights and obligations; and serves as the lead U.S. Government agency for hosting international inspectors who are inspecting U.S. business facilities subject to convention requirements. BIS's primary host team role is to ensure that confidential business information is protected during inspections of U.S. firms. In addition, in the event that the U.S. Senate ratifies the International Atomic Energy Agency (IAEA) Protocol, BIS similarly will serve as lead U.S. Government agency in U.S. industry's compliance with the Protocol, and will be required to discharge responsibilities similar to those imposed under the CWC.

Program Increases That Apply to This Performance Goal: None

Explanation of Measure:**Measure 2a: Number of Site Assistance Visits Conducted to Assist Companies Prepare for International Inspections**

BIS is responsible for overseeing industry compliance with the CWC and under the IAEA Protocol (if enacted). This responsibility includes facilitating domestic visits of international inspection teams to determine compliance with the multilateral treaty obligations by covered U.S. facilities, and informing industry of its obligations under the treaty. Industry site assistance visits prepare covered facilities to receive a team of international inspectors. These visits are to ensure that the inspections run smoothly with no potential loss of proprietary business information. The FY 2004 and FY 2005 performance target increases are based on the number of site assistance visits that would result if the IAEA Protocol is enacted. If not enacted in FY 2004, the target will remain at 12 site assistance visits.

Program Evaluations: In FY 2003, the GAO and the OIG continued their ongoing reviews of BIS's programs and activities. BIS's OPEM conducted an annual review of the performance data to ensure that it was complete and accurate. In addition to the annual review, OPEM produces monthly performance reports for the performance measures tracked by ECASS and semiannual reports for other selected measures tracked by paper evidence. During this process, significant deviations from projected targets, if any, were discussed with the appropriate office so that program changes could be made to help meet BIS performance goals.

Cross Cutting Activities:**Other Government Agencies**

Governments of nations that conform to the CWC – BIS has negotiated bilateral and multilateral agreements that demonstrate compliance with the CWC.

Departments of State and Defense – BIS works with these Executive branch agencies to develop and implement U.S. policy and programs related to implementation of the CWC and to effectively coordinate industry site visits so that inspected companies comply with their statutory and regulatory obligations.

In the event that the IAEA Protocol is ratified, BIS will seek to enter into interagency agreements with the Departments of Defense and State to ensure compliance.

Government/Private Sector

American Chemistry Council and the Society of Chemical Manufacturers of America – BIS negotiates controls and policies that conform to the CWC while also protecting the valid concerns and interests of U.S. industry.

External Factors and Mitigation Strategies: BIS conducts both informational seminars and outreach visits that help companies prepare for CWC inspections. The Organization for the Prohibition of Chemical Weapons (OPCW) establishes the number of CWC inspections based on (1) a mandated minimum number and (2) risk assessments that the OPCW performs. BIS mitigates these potential problems by working closely with the OPCW to anticipate inspection requirements and properly address them in the budget planning process.

Performance Goal 3: Prevent Illegal Exports and Identify Violators of Export Prohibitions and Restrictions for Prosecution

Performance Goal 3: Resource Requirements

	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 President's	FY 2005 Base	Increase/ Decrease	FY 2005 Request
Management and Policy Coordination	1.3	1.1	2.4	0.0	0.0	0.0	0.0	0.0
Export Enforcement	24.6	25.9	27.3	40.7	34.4	34.7	6.1	40.8
Reimbursable ¹	0.1	0.1	0.3	0.3	0.3	0.3	0.0	0.3
Total Funding	26.0	27.1	30.0	41.0	34.7	35.0	2.8	41.1
IT Funding ²	1.0	1.0	2.0	2.1	3.8	3.8	0.0	3.8
FTE	175	178	171	226	216	216	27	243

¹ Reimbursable funding included in total funding.

² IT funding included in total funding.

Notes: Totals may differ slightly due to rounding.

Total obligations may differ from those reported in other exhibits due to inclusion of restorations of prior year funds in the amounts cited above.

Performance Goal 3: Targets and Performance Summary

Measure	FY 2000 Target	FY 2000 Actual	FY 2001 Target	FY 2001 Actual	FY 2002 Target	FY 2002 Actual	FY 2003 Target	FY 2003 Actual	FY 2004 Target	FY 2005 Target
Number of Cases Opened That Result in the Prevention of a Criminal Violation or the Prosecution of a Criminal or Administrative Case	80	93	70	81	75	82	85	250	250	275
Number of Post-Shipment Verifications Completed	New	New	New	New	300	415	375	397	375	395

Corresponding Strategic Goal 1: Provide the Information and Tools to Maximize U.S. Competitiveness and Enable Economic Growth for American Industries, Workers, and Consumers

Corresponding General Goal/Objective 1.2: Advance Responsible Economic Growth and Trade While Protecting American Security

Rationale of Performance Goal 3: To be effective, export controls must be enforced and violators punished. BIS enforces dual-use export controls for reasons of national security, foreign policy, nonproliferation, anti-terrorism, and short supply. The Bureau also enforces the antiboycott provisions of the EAR, the Chemical Weapons Convention Implementation Act (CWCIA), and the Fastener Quality Act. BIS special agents investigate potential violations of these laws, and build and present cases for criminal or administrative prosecution.

BIS enforcement personnel also conduct outreach and educational programs to train U.S. exporters to identify and avoid illegal transactions. A key element of BIS's preventive enforcement program is the on-site visits made to both current and potential foreign end-users of sensitive technology. In addition, BIS

works with its foreign counterpart agencies to encourage other governments to implement enforcement measures to complement the Bureau's export enforcement efforts.

Program Increases That Apply to This Performance Goal:

(Please see applicable Exhibit 13 for further details.)

License Condition Enforcement Program: (13 Positions; 10 FTEs; and \$2,279,000).

Ensuring and verifying that exporters adhere to the strategic conditions placed on export licenses is critical to the Bureau's mission. BIS has to date made best efforts to do so, however, as pointed out by the General Accounting Office and Commerce Department Inspector General, BIS has lacked a fully comprehensive system for reviewing, ensuring adherence to, and prosecuting exporter violations of license conditions. Under this program increase, BIS seeks resources to develop a comprehensive export license condition compliance and enforcement program. The program would enhance the enforcement of license conditions by (1) working with exporters to ensure that they have in place appropriate export management systems to track condition compliance, and (2) devoting dedicated resources to detecting and prosecuting violations of conditions.

Enhanced Export Enforcement (22 Positions; 17 FTE; and \$3,844,000).

Consistent with the President's mandate and broader federal law enforcement initiatives, BIS emphasizes the prevention and prosecution of any diversion of sensitive dual-use items to terrorist groups and countries of concern. These initiatives have placed - and will continue to place - an increased demand on BIS's resources. To meet the demand, BIS requests an increase to support: (1) additional staff for its computer evidence recovery program; (2) additional agents for its Intelligence and Field Support Division; (3) additional agents for its field offices in New York and Chicago; (4) an additional regional office in Seattle; (5) an enhanced Safeguards program; and (6) additional staff in selected field offices to investigate targeted priority cases.

Explanation of Each Measure:

Measure 3a: Number of Cases Opened That Result in the Prevention of a Criminal Violation or the Prosecution of a Criminal or Administrative Case

This performance measure is designed to emphasize a results-oriented approach to export enforcement - focusing on violations prevented or prosecuted, rather than simply investigations accepted. It will enable BIS to recapture such preventive enforcement information as the interdiction of suspicious shipments, warning letters, recommending denials on license applications, placing parties on the Unverified List, denials on visa requests, detecting violations of license conditions and other measures to prevent exposure to sensitive technology by foreign nationals. The implementation of this measure will allow BIS to gauge its overall effectiveness in terms of prosecutions and preventive enforcement. Beginning in FY 2005, BIS proposes a comprehensive export license condition enforcement program that should produce 275 cases. This program will seek to monitor and enhance compliance with license conditions, by detecting and prosecuting violations of license conditions. BIS anticipates that the establishment of such an initiative will result in additional

leads that will increase the number of enforcement cases opened that result in the prevention of a criminal violation or the prosecution of a criminal or administrative case by an additional 10 cases in FY 2006.

Measure 3b: Number of Post-Shipment Verifications Completed

BIS enforcement agents and US&FCS officers conduct post-shipment verifications (PSVs) to ensure that exported items are used in accordance with the terms of the export license. PSVs are conducted to ensure that the products are being used by the authorized end-users as approved. In FY 2003, BIS exceeded its target of 375 PSVs by completing an additional 22 PSVs (397 total). While we initially expected to complete 500 PSVs in FY 2004, we assumed that we would receive funding for seven attachés overseas, and that each attaché, with the exception of China, would conduct 40 PSVs per year. This estimate was too high for a couple reasons. First, the estimate of 40 PSVs per attaché failed to factor in the number of pre-license checks that attachés must also complete. Secondly, subsequent to our FY 2004 budget request, we received funding for five attachés rather than the seven requested, and did not receive the appropriated funds until mid-2003. At present, we have attachés posted in Beijing and Abu Dhabi, and will be posting attachés in Moscow, New Delhi, and Hong Kong. However, because of this delay in funding, we do not expect to have a full complement of attachés posted until the later part of FY 2004. Moreover, for every attaché we post, we gain a better understanding of their capacity in that location. Accordingly, the target will remain at 375 PSVs in FY 2004 and 395 in FY 2005.

**Measure 3c: Length of Time, Once a Licensing Determination is Obtained, for Case Presentation to an Assistant United States Attorney (Days) -----
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This measure sought to track the speed with which cases opened are presented for prosecution, based on an anticipated increase in the number of such cases with the growth in exports and new exporters entering the market. This measure was planned for FY 2004, however, it is being discontinued to concentrate on other areas of enforcement. While Export Enforcement (EE) will endeavor to expedite case processing, the emphasis in FY 2004 and beyond will be to focus on violations prevented or prosecuted. This focus is reflected in our increased targets beginning in FY 2004 for cases opened that result in the prevention of a criminal violation or prosecution of a criminal or administrative case.

Program Evaluations: In FY 2003, the GAO and the OIG continued their ongoing reviews of BIS's programs and activities. BIS's OPEM conducted an annual review of the performance data to ensure that it was complete and accurate. In addition to the annual review, OPEM produces monthly performance reports for the performance measures tracked by ECASS and semiannual reports for other selected measures tracked by paper evidence. During this process, significant deviations from projected targets, if any, were discussed with the appropriate office so that program changes could be made to help meet BIS performance goals.

Cross Cutting Activities:

Intra-Department of Commerce

BIS works with the Office of Chief Counsel for Industry and Security (OCC/IS) on administrative cases developed by BIS's enforcement agents.

BIS works with the Census Bureau on seminars and data sharing, including Shipper's Export Declarations (SED). BIS is also working with the Census Bureau on the Automated Export System, a joint venture with other U.S. Government agencies that seeks to implement electronic submission of SED data by the exporter.

BIS works with the ITA and the US&FCS offices located around the world to conduct PSVs.

Other Government Agencies

Departments of Justice (DOJ) and State, U.S. Customs Service, Federal Bureau of Investigation (FBI), U.S. Postal Service, and the intelligence community – BIS works with these agencies on law enforcement matters, including development of leads, intelligence coordination, implementation of export control policy, and coordination of export license and fastener quality investigations. BIS field offices participate in interagency working groups with the FBI and the U.S. Postal Service, and shares data with the U.S. Customs Service via the Treasury Enforcement Computer System.

External Factors and Mitigation Strategies: Priorities and resources of DOJ and OCC/IS directly influence the achievement of this goal. BIS mitigates this situation by targeting investigations effectively, conducting them in a professional manner, and presenting them persuasively to prosecutors.

BIS may also have to rely on other agencies to conduct certain investigative activities. BIS mitigates this by maintaining regular communication with those agencies. BIS also diligently seeks opportunities to work cases jointly with other law enforcement agencies.

The increasing volume and complexity of international commerce directly increases the difficulty of applying and enforcing export controls and, consequently, the difficulty of preventing proliferation. BIS mitigates this situation by conducting visits overseas to educate foreign consignees about U.S. export laws and by sharing information with foreign export control officials. BIS attempts to focus investigative resources on areas that pose the greatest risk to national security.

Performance Goal 4: Enhance the Export and Transit Control Systems of Nations that Lack Effective Control Arrangements

Performance Goal 4: Resource Requirements

	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 President's	FY 2005 Base	Increase/ Decrease	FY 2005 Request
Management and Policy Coordination	1.4	1.5	1.4	2.2	1.9	1.9	0.0	1.9
Reimbursable ¹	2.9	3.8	4.1	7.0	6.1	4.5	0.0	4.5
Total Funding	4.3	5.3	5.5	9.2	8.0	6.4	0.0	6.4
IT Funding ²	0.4	0.4	0.3	.5	.2	0.2	0.0	0.2
FTE	9	9	9	9	9	9	0	9

¹ Reimbursable funding included in total funding.

² IT funding included in total funding.

Notes: Totals may differ slightly due to rounding.

Total obligations may differ from those reported in other exhibits due to inclusion of restorations of prior year funds in the amounts cited above.

Performance Goal 4: Targets and Performance Summary

Measure	FY 2000 Target	FY 2000 Actual	FY 2001 Target	FY 2001 Actual	FY 2002 Target	FY 2002 Actual	FY 2003 Target	FY 2003 Actual	FY 2004 Target	FY 2005 Target
Number of Targeted Deficiencies Remedied in the Export Control Systems of Program Nations	New	New	New	New	20	25	25	39	30	30

Corresponding Strategic Goal 1: Provide the Information and Tools to Maximize U.S. Competitiveness and Enable Economic Growth for American Industries, Workers, and Consumers

Corresponding General Goal/ Objective 1.2: Advance Responsible Economic Growth and Trade While Protecting American Security

Rationale of Performance Goal:

Strong enforcement of U.S. export regulations is critical to protect U.S. security interests. However, U.S. national interests can also be jeopardized if sensitive materials and technologies from other nations reach countries of concern or terrorists. For this reason, BIS's strategy includes promoting the establishment of effective export control systems by other nations. BIS has been assisting the countries of the former Soviet Union and the former Warsaw Pact nations of Central Europe to strengthen their export control and enforcement regimes. BIS is also now extending technical assistance to other countries considered export or transit proliferation risks.

Through a series of bilateral and regional cooperative activities co-sponsored with the State Department, BIS helps the nations with which it works to (1) develop the procedures and requirements necessary to regulate the transfer of sensitive goods and technologies, (2) enforce compliance with these procedures and requirements, and (3) promote the industry-government partnerships necessary for an effective export control system to meet international standards.

Program Increases That Apply to This Performance Goal: None

Explanation of Each Measure:

Measure 4a: Number of Targeted Deficiencies Remedied in the Export Control Systems of Program Nations

This performance measure is intended to measure the achievement of BIS's international cooperation program in remedying deficiencies in the export control systems of key nations. The BIS program aims to enhance the export and transit control systems of nations that lack effective control arrangements. Each targeted deficiency represents a specific facet of an export or transit control system that BIS seeks to strengthen through its cooperative activities in participating countries. BIS's Model Country Program has identified fifty-nine possible targeted deficiencies and matching remedial activities that are used to assess each country's export control program. Each targeted deficiency remedied shows how BIS can document the influence of its extensive bilateral and regional cooperative activities.

BIS bases and establishes future targets on the pace and timing of activities and the availability of resources to conduct the exchanges that produce outcomes. Because they require action on the part of sovereign governments, outcomes from BIS activities are often not immediately achieved. As a result, for many outcomes, there is an inherent time delay of as much as six months to two years between the performance of an export control technical exchange that addresses a specific desired outcome and BIS's ability to obtain confirming evidence that the outcome has been achieved. Our estimates of future targets are based on historical experience related to the number of outcomes that have been addressed by past technical exchanges, but that have not yet been confirmed with evidence, and the number of new outcomes that will be addressed by technical exchanges during the current fiscal year. In FY 2003, BIS exceeded the target of 25 due to productivity improvements. BIS expects a slightly higher level of activity in this area and increased funding from the donor agency, therefore, the target for FY 2004 and FY 2005 was raised to 30.

Program Evaluations: In FY 2003, the GAO and the OIG continued their ongoing reviews of BIS's programs and activities. BIS's OPEM conducted an annual review of the performance data to ensure that it was complete and accurate. In addition to the annual review, OPEM produces monthly performance reports for the performance measures tracked by ECASS and semiannual reports for other selected measures tracked by paper evidence. During this process, significant deviations from projected targets, if any, were discussed with the appropriate office so that program changes could be made to help meet BIS performance goals.

Cross Cutting Activities:**Intra-Department of Commerce**

The ITA and OCC/IS make invaluable contributions of their expertise, knowledge, and abilities to BIS's program to assist key nations to establish strong, effective export controls.

Other Government Agencies

U.S. Customs Service and the CIA's Weapons Intelligence, Nonproliferation, and Arms Control Center—BIS coordinates with these agencies regarding export control cooperation technical exchanges and activities with other nations.

Departments of State, Defense, Energy and Justice; U.S. Customs Service, and the FBI—BIS works with these agencies to coordinate assessments of the international export control system and to prioritize, design, and fund programs in which interagency resources are focused on specific national and regional issues.

External Factors and Mitigation Strategies:

BIS works with other agencies on the technical exchange and other activities relating to international export control cooperation. Two factors that drive the scheduling of technical exchange activities are (1) the interagency coordination process that enables agency experts to participate in the exchanges, and (2) the priorities of the countries involved. BIS mitigates these factors by conducting close and frequent consultations with pertinent U.S. agencies and client nation officials.

Unforeseeable shifts in U.S. policy (for example, suspension of activity with a particular country) or in the policies of client nations occasionally may preclude execution of funded, scheduled events or participation of certain national invitees. BIS mitigates these situations by designing fewer events that appeal to a broader range of potential participants. BIS is also proactive in working with service providers to minimize cancellation costs.

Unit Cost Performance Measures:

Currently, BIS does not have performance measures that can be shown in unit cost terms. The National Oceanic and Atmospheric Administration (NOAA) currently provide accounting services to BIS. In FY 2003, NOAA implemented the Commerce Administrative Management System (CAMS) to provide BIS with more timely, useful, and reliable financial data. In FY 2004, BIS will work with NOAA to develop project codes to track expenditures associated with each of its performance measures, and to have the system fully implemented in FY 2005. At that time, BIS will be better positioned to develop unit cost performance measures.

Data Validation and Verification

BIS's Office of Planning, Evaluation and Management (OPEM) conducts an annual review of the performance data to ensure that it is complete and accurate. During this process, significant deviations from projected targets, if any, are discussed with the appropriate office so that program changes can be made to help meet BIS's performance goals.

The actual validation process is conducted following procedures similar to audit principles including sampling and verification of data. Case information is regularly downloaded from the management information systems and imported into databases and spreadsheets for analysis. In some cases, information is manually checked against actual paper files to ensure the accuracy of information in the management information systems. Additionally, documentation is reviewed and a determination is made on its adequacy and sufficiency to support claims that outcomes and outputs have been achieved.

Performance Measure	Data Source	Frequency	Data Storage	Internal Control Procedures	Data Limitations	Actions to be taken
Median Processing Time for Referrals of Export Licenses to Other Agencies (Days)	ECASS	Monthly	ECASS	BIS's OPEM will perform two types of checks to ensure data are entered where they should be (system integrity) and to ensure that the data are accurate and valid	None	None
Median Processing Time for Export Licenses Not Referred to Other Agencies (Days)	ECASS	Monthly	ECASS	BIS's OPEM will perform two types of checks to ensure data are entered where they should be (system integrity) and to ensure that the data are accurate and valid	None	None
Median Processing Time for Issuing Draft Regulations (Months)	Paper records such as official publications and draft regulations	Semi-annual	Office Files	BIS's OPEM will validate the performance measure against supporting documentation	None	None

Performance Measure		Data Source	Frequency	Data Storage	Internal Control Procedures	Data Limitations	Actions to be taken
Level of Exporter Understanding of BIS Export Control Requirements	Value of Information (Average Score on a scale of 1-5)	Export Seminar Surveys	Monthly	Survey Results Database	BIS's OPEM will validate the performance measure against supporting documentation	Data is dependent on the voluntary responses of seminar participants and in based on respondent opinion. Opinion may, or may not be a factual indicator of performance.	None
	Percent Knowledge Gained Index	Export Seminar Surveys	Monthly	Survey Results Database	BIS's OPEM will validate the performance measure against supporting documentation	None	None
Number of Industry and Export Control Assessments		Export Admin. Documentation Verifying the number of Assessments Completed	Semi-annual	Office Files	BIS's OPEM will validate the performance measure against supporting documentation	None	None
Number of Internal Control Programs that Contribute to Compliance with License Conditions		Export Admin. Documentation Verifying Internal Control Program Reviews	Annual	Office Files	BIS's OPEM will validate the performance measure against supporting documentation	None	None
Number of Site Assistance Visits Conducted to Assist Companies Prepare for International Inspections		Site Assistance and Inspection Reports	Semi-annual	Office Files	BIS's OPEM will validate the performance measure against supporting documentation	None	None

Performance Measure	Data Source	Frequency	Data Storage	Internal Control Procedures	Data Limitations	Actions to be taken
Number of Cases Opened That Result in the Prevention of a Criminal Violation or the Prosecution of a Criminal or Administrative Case	Export Enforcement IMS	Monthly	Export Enforcement IMS	BIS's OPEM will perform two types of checks to ensure data are entered where they should be (system integrity) and to ensure that the data are accurate and valid	None	None
Number of Post-Shipment Verifications Completed	Export Enforcement IMS	Monthly	Export Enforcement IMS	BIS's OPEM will perform two types of checks to ensure data are entered where they should be (system integrity) and to ensure that the data are accurate and valid	None	None
Number of Targeted Deficiencies Remedied in the Export Control Systems of Program Nations	Paper Records	Semi-annual	Office Files	BIS's OPEM will validate the performance measure against supporting documentation	None	None