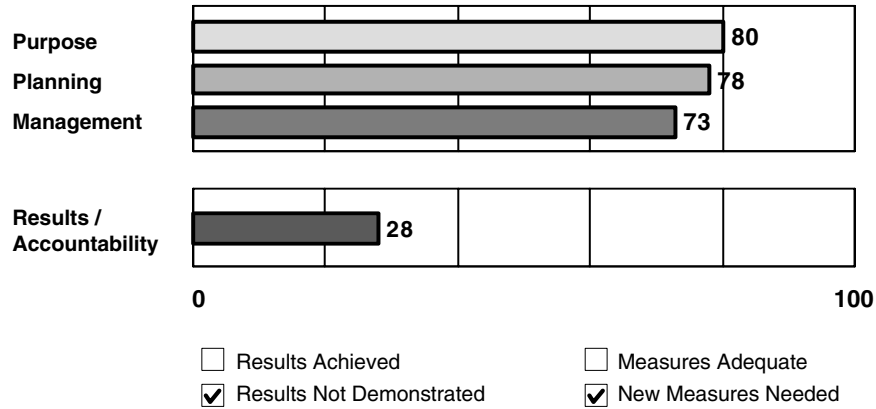


**Program:** *Inland Waterways Navigation*

**Agency:** *Army Corps of Engineers*

**Bureau:** *Civil Works*



**Key Performance Measures**

**Year Target Actual**

	Year	Target	Actual
Long- term Measure: Measures that reflect outcomes are under development.			
Annual Measure: Percent of the time the Inland Waterways segments (locks, dams and channels) with high commercial activity are available when customers want to use them	2000	90%	96%
	2001	90%	93.5%
Annual Measure: Additional annual measures are under development.			

**Rating:** *Results Not Demonstrated*

**Program Type:** *Capital Assets*

**Program Summary:**

The Corps Inland Waterways Navigation program operates, maintains, and upgrades the 11,000 mile Inland Waterway Navigation System in order to provide water transportation.

The assessment shows the following:

1. The purpose of the program is clear. The program deals with congestion at navigation locks by proposing expansions, but does not emphasize management tools such as traffic scheduling, congestion fees, and lockage fees that could help operate its system more efficiently.
2. While the Corps has considerable experience in benefit-cost analysis, the National Academy of Sciences concluded that it is not using an appropriate economic model to evaluate the benefits of potential navigation improvements on the Upper Mississippi and Illinois Rivers.
3. The Corps, for the most part, employs modern financial and managerial tools.
4. The Corps made investments to upgrade/rehabilitate its aging infrastructure and has kept the entire system in running order. However, congestion exists at key facilities since current projects are delayed. Construction delays occurred because the Corps has had to spread its construction budget over an ever-increasing number of projects.
5. In recent years, it has become difficult for the Corps to maintain both high commercial use segments that provide national benefits, and low-use segments that provide primarily local benefits.
6. The score for program results is low because congestion is increasing at key facilities and because the program needs new outcome measures to drive it forward. For example, the Corps has proposed as a new measure minimizing the ratio of breakdown maintenance to preventative maintenance expenditures. This is not an outcome measure.

As a result of these findings,

1. The Corps will develop a new economic model so that it will be able to estimate properly the benefits of a range of possible improvements on the Upper Mississippi and Illinois Rivers.
2. The Budget places priority on maintaining high-commercial use segments and proposes that the Inland Waterways Trust Fund be used to finance a portion of operation and maintenance expenditures.
3. Well develop additional performance measures.

**Program Funding Level (in millions of dollars)**

<u>2002 Actual</u>	<u>2003 Estimate</u>	<u>2004 Estimate</u>
639	617	637