UNITED STATES DEPARTMENT OF HOMELAND SECURITY
TRANSPORTATION SECURITY ADMINISTRATION

Statement of

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SUBCOMMITTEE ON TRANSPORTATION SECURITY
AND INFRASTRUCTURE PROTECTION
COMMITTEE ON HOMELAND SECURITY
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Good afternoon Chairwoman Jackson Lee, Ranking Member Dent, and distinguished Members of the Subcommittee. It is my pleasure to appear today to discuss the progress the Transportation Security Administration (TSA) is making toward fulfilling the air cargo security requirements of the Implementing Recommendations of the 9/11 Commission Act of 2007 (9/11 Act), P.L. 110-53. These requirements mandate the screening of 50 percent of cargo transported on passenger aircraft by February 2009 and 100 percent by August 2010.

I am happy to report that while much remains to be done to fulfill this requirement, we are confident that the industry is currently screening at least 50 percent of air cargo transported on passenger aircraft on flights originating in the United States and we anticipate that the 100 percent screening requirement will be met by August 2010 for domestic cargo through our Certified Cargo Screening Program (CCSP). The requirement in the 9/11 Act to screen 100 percent of inbound air cargo continues to present significant challenges. Although it is unlikely that we can meet the ambitious timetable set by Congress, we are working with our international partners to address the many challenges and expect to continue to see significant improvements in the level of security for inbound air cargo on passenger aircraft as we move forward.

Collaborative Development and Transparency of Process

As TSA has previously noted in testimony and reports, the only means of meeting the 100 percent cargo screening requirement without a significant negative impact on commerce is through creative and dedicated collaboration throughout the air cargo community. Our involvement of stakeholders has been broad and inclusive in the planning stages and will continue as we implement the program. Since September 2007, we have reached out to more

than 2,500 stakeholders in virtually all industry segments that are potentially affected by the screening mandate, including both individual entities and associations of air carriers, cargo forwarders, and shippers. Beyond meeting with stakeholders, we have brought into TSA a number of individuals with significant industry experience to provide key practical expertise to our program development and execution.

We have also reached out to other countries in an effort to draw on the lessons learned from air cargo security programs throughout the world, and to our Federal partners, particularly United States Customs and Border Protection (CBP), which also has responsibilities with respect to the security of inbound air cargo. As I will discuss below, this work will serve us well as we address the special issues of securing inbound international cargo.

Throughout the development and implementation of TSA's air cargo security program we have been, and remain, dedicated to providing transparency. We appreciate the important oversight responsibilities of Congress and its various committees—and notably this Subcommittee. We also continue to work closely with the Government Accountability Office so that they can fulfill their role to independently inform Congress on our air cargo security program. We will continue to brief you periodically and to facilitate field visits to key air cargo industry sectors to assure that you get both reports of our progress and an opportunity to see firsthand how the program is designed and implemented as it proceeds.

50 Percent Milestone Reached

As noted above, I am confident that the industry is currently screening 50 percent of air cargo transported by passenger aircraft. Our confidence is based on numerous discussions with regulated parties and industry associations, coupled with the historically solid record of compliance with TSA security programs industry-wide. We are currently receiving hard data from airlines for the month of February. We are aggressively working to summarize this data and report back to you in mid-April. We will keep the Subcommittee informed of our progress in that regard. We also understand that the 50 percent target is not a static figure, and we anticipate a continual increase as we move toward the August 2010 date for 100 percent screening.

A key component of achieving this milestone is the requirement, developed in coordination with air carriers and other stakeholders, that 100 percent of cargo transported on narrow-body (single-aisle) aircraft be screened. This requirement went into effect in October 2008.

The passenger security impact of this screening is significant: although these aircraft carry only 25 percent of domestic air cargo on passenger aircraft, they account for the majority— approximately 95 percent—of domestic passenger flights. More importantly, these flights carry more than 80 percent of all passengers on flights originating in the United States. Thus, even at

the statutory deadline for screening 50 percent of air cargo aboard passenger aircraft, we are effectively protecting the vast majority of the flying public.

Supply Chain Approach to Securing Air Cargo

The dramatic shift in the air cargo security legal requirement—the addition of a 100 percent physical screening requirement to our otherwise layered, risk-based security regimen—has required a creative re-thinking of the logistics of security. The practical problems with physically screening all cargo on site at airports throughout the Nation are formidable. Simply put, there is neither adequate space at airports to accommodate such an operation nor sufficient time at that point in the journey of cargo to accomplish 100 percent screening without crippling the flow of commerce. As we discussed in testimony before this Subcommittee on July 15, 2008, we have designed and are implementing a total supply chain approach to air cargo security, the Certified Cargo Screening Program (CCSP). Under this program, the responsibility for screening is distributed throughout the supply chain to improve security while minimizing the potential negative impact on the integrity and movement of commerce.

This supply chain approach allows cargo screening at the most efficient and effective point in the supply chain for optimal security and minimal economic disruption. For example, screening might be performed at a shipper's facility before packing or at the facility of an indirect air carrier (IAC), or a freight forwarder, before consolidation and transport to an airport. Furthermore, sensitive commodities—such as foodstuffs and other perishable items and fragile goods—can be screened by the shipper or manufacturer and not have to be reopened at the airport, thus minimizing the potential for damage.

The CCSP is a voluntary program—facilities that seek approval as certified cargo screening facilities (CCSF) will be required to meet a variety of rigorous security standards and will be regulated by TSA. For example, a CCSF would be required to submit to security threat assessments of personnel, adhere to specified physical security standards, and maintain a strict chain of custody for cargo they screen and forward to the air carrier as a condition of its acceptance as screened cargo by the air carrier. A key characteristic of the system will be rigorous tracking of the chain of custody, including the use of tamper-evident technology to assure that, once screened, cargo remains secured in transit to the aircraft. Under the CCSP the air carrier will continue to have ultimate responsibility for ensuring that cargo has been screened prior to flight; if the air carrier cannot verify that cargo has been screened, the carrier must screen it before allowing it to be transported.

CCSP shippers will benefit from participation in several ways. By screening their own shipments, shippers can significantly reduce the possibility that their cargo may be physically opened, and they can still tender full skids of cargo without having them taken apart to be screened. Additionally, they can bypass the expected delays that could occur if all screening is

performed only by carriers. Similarly, IACs benefit by these same measures, and may also continue to take advantage of typical airline reduced rates for cargo tendered in bulk configurations.

As discussed above, we have effectively addressed screening for narrow-body aircraft with a 100 percent screening requirement. To address the broader task, we have concentrated our efforts by piloting the CCSP at the 18 U.S. airports that originate 96 percent of cargo transported on wide-body passenger aircraft, or more than 65 percent of cargo transported on all passenger aircraft. By focusing outreach in the pilots on IACs and shippers using the airports with the highest volume of cargo transported on wide-body passenger aircraft, we have been able to maximize the impact of the pilots. To date we have validated over 200 facilities in the pilot program and plan to ultimately roll out the program nationwide.

Challenges of Cargo Technology

As we address the security of the entire air cargo supply chain, we are simultaneously turning our attention to the development of appropriate technology for the screening of air cargo. One of the challenges we face is the limitations of the currently available technology—specifically, the effectiveness of existing technology for detecting explosives in cargo, its operational feasibility, and its general availability for deployment to the industry to meet the mandate of the 9/11 Act. Until recently the focus of research and development of explosives detection technology has been on the development of screening technology for checked baggage, not cargo. This has been dictated in no small measure by the fact that Congress imposed comprehensive checked baggage screening requirements on an aggressive time-table when it created TSA in 2001, while the comprehensive screening requirement for air cargo is relatively new.

The characteristics of checked baggage are vastly different from those of cargo—in size, weight, variety of content, and configuration. Consequently the technology designed to screen one is not automatically suitable to screen the other. Because checked baggage screening technology (for example, Explosives Detection Systems (EDS), Explosives Trace Detection (ETD), and X-Ray) is available, however, TSA is working with the DHS Science and Technology Directorate (S&T) to explore ways in which checked baggage screening technology can be adapted to the cargo screening environment. To this end, TSA has created a list of approved technologies to screen cargo based on checked baggage screening technologies. To ascertain the effectiveness of baggage technologies on screening cargo, we are conducting a voluntary pilot program with certain IACs participating in the CCSP pilot. To participate in this technology pilot, an IAC must agree to purchase specified technologies to screen cargo and report to TSA on its effectiveness. TSA is partially funding this research and the IACs are responsible for the remainder of the costs.

On a parallel front, we are partnering with S&T to test technologies that have not been previously used to screen cargo for explosives. These include types of metal detectors, vapor trace detectors, radio wave devices, and hand-held ETD equipment. American Airlines has agreed to allow S&T to set up test sites at two of its cargo facilities (New York and Miami) in order to test the effectiveness of some of these technologies in a real environment.

TSA has also deployed its proprietary canine teams at the 18 high-volume airports participating in the CCSP pilot. All of the 85 teams funded through the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007, PL 110-28, will have graduated by the end of 2009. These teams dedicate 100 percent of their time to cargo screening functions. We foresee a greater use of these valuable assets in the air cargo screening environment as their experience base expands. In addition, we will continue to evaluate the appropriate number of proprietary canine teams devoted to air cargo screening.

Among other things, cost, effectiveness, and feasibility are all being weighed to determine the right mix of resources to accomplish this task, given the multitude of types and the configurations of commodities tendered as air cargo.

Inbound Air Cargo

Meeting the screening requirements with respect to air cargo inbound from foreign countries presents unique challenges. As noted earlier, collaboration with all involved stakeholders is critical to implementation of a mandate as ambitious as 100 percent cargo screening. Nowhere is collaboration more critical to success than in the international arena. As is true domestically, the physical space at foreign airports is often constrained; moreover, screening is regulated and often conducted by a variety of state authorities, each with its own requirements. Domestically, TSA is addressing this issue through the CCSP. As a practical matter, however, TSA cannot implement a security regimen such as CCSP in a foreign country absent extensive cooperative planning with and acceptance by our international partners.

TSA has the legal authority to require that a given percentage of inbound cargo be screened before it reaches the United States. Given the physical limitations of many airports, however, requiring U.S. and foreign air carriers to screen 100 percent of inbound cargo by a given date would significantly impede the flow of commerce into the United States. For example, a unilateral mandate of 100 percent screening would cause significant delays at origin airports because, as is the case in the United States, carriers are not equipped to perform this level of screening. Where all-cargo flights exist as an alternative, shippers would be forced to divert business away from passenger airlines, which rely on cargo as a major generator of revenue and profit. Such a reduction in volume would most likely be reflected in higher passenger ticket prices. Additionally, taking a unilateral approach would significantly undermine TSA's long-term efforts to develop common platforms and standards for air cargo security with our

international partners, including work toward the development of commensurate systems of security partners cooperatively to enhance the security of civil aviation globally; our efforts in this regard are discussed below.

Another major complexity of the international environment is the sheer number of entities across a broad geographic span that handle and ship cargo to the United States and the nearly infinite points of origin for each cargo supply chain. In 2006, more than 2.4 million unique shippers and manufacturers shipped cargo to the United States on passenger aircraft. Moreover, TSA's assessment of the risks associated with the international environment indicates that the risks vary by location and demography. These risks begin well beyond our borders and are compounded by the fact that security practices vary with the foreign location.

Given these challenges, at this time TSA does not expect that 100 percent screening will be attainable for inbound cargo on passenger aircraft by August 2010. This is a complex, long-term process. Nonetheless, significant efforts toward reaching the 100 percent mark are ongoing. First, TSA has revised its security programs to improve the screening of cargo imported into the United States and we believe we have accomplished system-wide screening at 50 percent for international inbound cargo. Countries such as the United Kingdom, Ireland, France, and Israel have programs similar to our CCSP. Through bilateral and quadrilateral arrangements, TSA is working with a number of countries to introduce the supply chain approach to securing air cargo into their programs and regulations. Our foreign partners involved in these arrangements are Canada, Australia, and the 27 Member States of the European Union.

In 2007, a total of 98 countries imported cargo to the United States on passenger flights. These countries all implement the Standards and Recommended Practices set by the International Civil Aviation Organization (ICAO) in Annex 17 to the Convention on International Civil Aviation and the associated air carriers are required to carry out the measures set forth in our security programs. TSA will be recommending an amendment to the Annex 17 standards on securing air cargo that would introduce the supply chain screening paradigm. A similar recommendation (called Secure Freight) is being submitted by the International Air Transport Association (IATA). This will undoubtedly be a long-term process, but if ICAO adopts this approach in Annex 17, all 190 Contracting States would be encouraged and obligated to implement a supply chain approach to screening.

CBP currently assesses the risk of the presence of illegal contraband, including explosives, in inbound international air cargo as part of its supply-chain security programs and advance cargo requirements, and TSA and CBP are actively working on better integrating those processes to ensure air travel safety and security. For example, an opportunity we are actively exploring is using CBP's Automated Targeting System (ATS) to assess risk on inbound freight. ATS is a proven system for evaluating certain risks associated with inbound cargo based on information provided by airlines. We are proposing an enhancement to the system to perform an evaluation

of risk for explosives in cargo shipments. If we find that this is an effective tool, we will work with CBP to have the information supplied early enough to assure that evaluations could be done prior to a flight's departure.

Compliance and Enforcement

TSA has a robust compliance and enforcement regimen to support the implementation of air cargo security requirements. Since 2008, TSA has been authorized a total of 450 cargo inspectors dedicated exclusively to the oversight of air cargo. Over 420 inspectors have been trained and deployed to date. Our air cargo inspectors receive specific instruction on the security requirements of the CCSP as well as cargo screening technology and improvised explosive device (IED) recognition.

Our inspectors regularly assess all air carriers, freight forwarders, and their authorized representatives; those entities that have had previous compliance issues are inspected more frequently and thoroughly. The TSA-led canine teams discussed earlier are an integral part of our inspection program.

Conclusion

With the cooperation of the entire air cargo community, we are well on our way to achieving the 100 percent air cargo screening mandate of the 9/11 Act. We are comfortable that the 50 percent screening requirement has been met overall and, when fully developed, our CCSP promises to provide the framework for timely achieving 100 percent screening domestically. We will continue to work with our international partners to find a path to overcoming the considerable challenges of achieving the same mark with respect to inbound international air cargo.

As always, TSA appreciates this Subcommittee's support of our efforts as we move ahead with this important aviation security program. We look forward to our continued work together in finding the optimal path to full implementation of this important security mandate.

I will be happy to answer any questions you may have.