

**DEPARTMENT OF HOMELAND SECURITY**  
**Office of Inspector General**

**A Review of the Use of Stolen Passports  
from Visa Waiver Countries  
to Enter the United States**



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**Homeland  
Security**

## Preface

The Department of Homeland Security (DHS) Office of Inspector General (OIG) was established by the Homeland Security Act of 2002 (*Public Law 107-296*) by amendment to the Inspector General Act of 1978. This is one of a series of audit, inspection, investigative, and special reports prepared by the OIG as part of its DHS oversight responsibility to identify and prevent fraud, waste, abuse, and mismanagement.

This report assesses the strengths and weaknesses of the program or operation under review. It is based on interviews with employees and officials of relevant agencies and institutions, direct observations, and a review of applicable documents.

The recommendations herein have been developed to the best knowledge available to the OIG, and have been discussed in draft with those responsible for implementation. It is my hope that this report will result in more effective, efficient, and economical operations. I express my appreciation to all of those who contributed to the preparation of this report.

A handwritten signature in cursive script that reads "Richard L. Skinner".

Richard L. Skinner  
Acting Inspector General



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## Abbreviations

APIS	Advance Passenger Information System
CBP	Customs and Border Protection - a BTS component
DHS	Department of Homeland Security
DOB	Date of Birth
DOJ	Department of Justice
DOS	Department of State
EPIC	El Paso Intelligence Center - a federal, interagency law enforcement support operation
FDL	Forensic Document Laboratory - an ICE component
FY	Fiscal Year
GAO	General Accounting Office (now the Government Accountability Office)

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ICAO	International Civil Aviation Organization - a United Nations organization
ICE	Immigration and Customs Enforcement - a BTS component
ICN	Inventory Control Number
IFM	Inspectors Field Manual
INA	Immigration and Nationality Act
INTERPOL	International Criminal Police Organization
NCIC	National Crime Information Center
NIIS	Non-Immigrant Information System
NTC	National Targeting Center - a CBP component
OIG	Office of Inspector General
PAU	Passenger Analysis Unit
POE	Port of Entry
TECS	Treasury Enforcement Communications System
US-VISIT	United States Visitor and Immigrant Status Indicator Technology
VWP	Visa Waiver Program

## **Introduction**

Our review encompassed the actions taken by Customs and Border Protection (CBP) inspectors when aliens seeking admission into the United States attempt to use stolen passports. Previously, we reported on the national security implications of the lost and stolen passport problem in our review of the Visa Waiver Program (VWP).<sup>1</sup> This review examines information that we obtained during our VWP review relating to non-VWP matters of sufficient independent importance to warrant the initiation of a separate review.

## **Results in Brief**

Aliens applying for admission to the United States using stolen passports have little reason to fear being caught and are usually admitted. Our analysis showed that it made only a small difference whether the stolen passports were posted in the lookout system.<sup>2</sup> We reviewed two groups of aliens who used stolen passports to attempt to enter the United States. One group did not have lookouts posted for their stolen passports prior to their attempted entries. From this group, 79 out of 98 aliens attempting entry were admitted. The second group had lookouts posted for their stolen passports prior to their attempted entries. From the second group, 57 out of 78 aliens attempting entry were admitted - 33 of these admissions occurred after September 11, 2001. Even though 39 aliens from the second group were referred to secondary inspections for more intensive interviews, 18 were subsequently admitted.

Further, we could not determine from the secondary inspections records the inspectors' rationale for admitting the aliens with lookouts for the stolen

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<sup>1</sup> *An Evaluation of the Security Implications of the Visa Waiver Program*, Report Number OIG-04-26, April 2004.

<sup>2</sup> A lookout system contains information about an alien who is or may be inadmissible into the United States, or may be of interest to a law enforcement agency. Reasons for posting a lookout include immigration or visa violations, alien smuggling, suspected criminal activity or actual convictions, and suspected terrorist affiliations.

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passports. The records of the secondary inspections often were nonexistent or so sketchy that they were not useful.

Finally, we determined that when CBP receives new reports of stolen passports, it does not routinely review existing admission records to determine whether any of the stolen passports have already been used. Even if there was such a procedure, there is no formal protocol for providing information concerning the use of stolen passports to Immigration and Customs Enforcement (ICE).

While the 136 successful entries using stolen passports is a relatively small number, it is significant for several reasons. First, the passports were obtained by criminal acts. Second, though small, the number could and should be zero, at least for those admissions that occurred after lookouts were posted. Actionable information was reported and logged into the lookout systems, yet entry was accomplished, defeating a costly apparatus established precisely to prevent such an occurrence. Third, there was no law enforcement pursuit once it was recognized that an illegal entry had occurred.

We are recommending that CBP develop procedures that:

- Require primary inspectors to refer aliens to secondary inspections when the aliens' passports are the subjects of lookouts;
- Require inspectors to record in detail the results of the secondary inspections and justifications for any subsequent admissions;
- Require supervisory review and approval of an inspector's decision to admit an alien who was the subject of a lookout, and ensure that the review is recorded as part of the secondary inspections record;
- Require inspectors to timely enter name-based lookouts for aliens found inadmissible.
- Initiate routine reviews of admission records to identify prior uses of stolen passports; and
- Report information on the successful use of stolen passports to enter the United States to ICE for investigation.



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In addition, we are recommending that ICE develop procedures to investigate, locate, and remove from the United States aliens who have used stolen passports to gain entry to the country and to report the outcomes of its investigations to CBP. For the aliens who used certain stolen passports that have terrorist links, ICE should investigate their activities while in the United States and determine their current whereabouts.

## **Background**

CBP inspects all aliens arriving at ports of entry (POEs) to determine their eligibility for admission into the United States. The inspection process consists of primary inspections for all arriving aliens, and when required, more detailed secondary inspections for certain aliens. Inspectors use the Treasury Enforcement Communications System (TECS) to conduct queries of lookout databases concerning aliens applying for admission.<sup>3</sup>

### **Pre-arrival Passenger Screening**

Airlines submit Advance Passenger Information System (APIS) data to CBP prior to the arrival of the aircraft at a U.S. POE. APIS data contains the names, passport numbers, and other biographical information about the passengers on the aircraft. The data is provided simultaneously to analysts at CBP's National Targeting Center (NTC), and the POE's Passenger Analysis Unit (PAU). NTC and PAU analysts review the APIS data and conduct database queries using TECS. If the NTC or PAU analysts discover potentially derogatory information about certain passengers or otherwise believe particular passengers require more intensive scrutiny by the POE inspectors, the analysts will enter lookouts for the passengers into TECS. These lookouts notify the primary POE inspectors that certain passengers are to be referred to secondary inspections.

### **Lookouts**

CBP inspectors have several database systems available for their use during primary and secondary inspections. Some of these database systems contain lookouts. A lookout is an entry into a database system when a determination has been made that an alien is or may be inadmissible into the United States, or may be of interest to a law enforcement agency. Reasons for posting a lookout include immigration or visa violations, alien smuggling, suspected criminal

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<sup>3</sup> TECS is an interagency lookout and inspections support system that was designed to facilitate and control more effectively the entry of persons into the United States. Nine cabinet level departments and additional independent agencies participate in TECS. TECS is used in CBP primary inspection processing and collects the results of CBP secondary inspections.

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activity or actual convictions, and suspected terrorist affiliations. Inspectors access the database systems using TECS. When an inspector conducting primary inspections enters the alien's name, date of birth (DOB), passport number, or other information into TECS that matches a lookout, a message automatically is sent to the inspector advising that a match or "hit" has occurred. The message warns the inspector that the alien may be ineligible for admission.

The Department of Justice (DOJ) Office of Inspector General (OIG) reported in February 2003 that many inspectors were not knowledgeable about lookout query requirements and procedures and did not always perform the required lookout queries.<sup>4</sup> DOJ OIG concluded that POE management or local training staffs needed to reiterate the policies to ensure complete understanding of and compliance with requirements.

Additionally, DOJ OIG also reported that the inspection disposition data in TECS for fiscal year (FY) 2002 was inaccurate and incomplete. TECS reflected more than 41,000 unknown inspection dispositions for aliens referred to secondary inspections in FY 2002. Of these 41,000 unknown dispositions, primary inspectors identified more than 2,800 as lookout matches. DOJ OIG determined that management needed to ensure that inspectors accurately report the results of secondary inspections in TECS.

### **Primary Inspections**

The goal of primary inspections is to admit legitimate aliens into the United States quickly while identifying and referring high-risk or possibly inadmissible aliens for more detailed secondary inspections. When an alien goes through primary inspections, the inspector scans the machine readable portion of the passport into TECS. If the passport is not machine readable, the inspector manually enters the passport number.<sup>5</sup> The inspector establishes the identity of the alien and inspects the documents for validity and authenticity.

If the inspectors identify inconsistencies between the TECS records and the documents presented, they attempt to resolve or clarify them immediately. They usually do this by asking aliens some additional questions. If the inspectors

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<sup>4</sup> *The Immigration and Naturalization Service's Primary Inspections at Air Ports of Entry*, Report Number 03-15, February 2003.

<sup>5</sup> Beginning September 30, 2004, all travelers entering the United States under the VWP must present a machine readable passport.

This should reduce the number of times that an inspector will have to manually enter passport numbers, thus reducing data entry errors. However, inventory control numbers (ICN) on the passports will not be read with the machine readable passport number. The ICN is the number used to post stolen blank passport lookouts. We will address this issue later in our report.

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cannot quickly resolve the issues, the aliens are sent to secondary inspections for more thorough examinations.

If there is a lookout “hit” indicating that the passport is stolen, the alien is sent immediately to secondary inspections. The inspector creates an inspections referral report in TECS in which the inspector specifies the grounds for potential inadmissibility and any other comments regarding the alien. The inspections referral report is transmitted to an inspector in secondary inspections.

### **Secondary Inspections**

Secondary inspections, unlike the few seconds or minutes for primary inspections, may last hours while inspectors verify the aliens’ identities and travel documents.

During secondary inspections, the inspectors verify that the lookout for the passport is valid often by contacting the NTC by telephone. If the inspectors determine that the passport is stolen, the alien is inadmissible. The inspection referral report is annotated with the final disposition of the case, and the alien is returned to his or her home country, referred for prosecution, or may apply for asylum.

### **Reporting Lost and Stolen Passports**

During our recent review of the VWP, we reported on the lack of a centralized mechanism for foreign governments to report lost and stolen travel document data to the U.S. government. In May 2004, the U.S. National Central Bureau of the International Criminal Police Organization (INTERPOL) announced that the United States was joining 40 other countries in providing current information on lost or stolen travel documents to the INTERPOL database. The INTERPOL lost and stolen passport database has been operational since July 2002 and is available to law enforcement and immigration authorities worldwide. The United States agreed to transfer 320,000 records of lost or stolen U.S. passports reported since 2002. INTERPOL’s database presently contains approximately 1.6 million records reported by 41 INTERPOL member countries. Of the 1.6 million records, approximately 60% are passports, predominantly lost or stolen from the bearer, while 40% are national identification documents.<sup>6</sup> Although the passport is the only document required of aliens under the VWP, just 7 of the 27 VWP countries currently participate in the stolen travel document database.

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<sup>6</sup> Testimony of James Sullivan, Director of the U.S. National Central Bureau of INTERPOL, before the House International Relations Committee, June 23, 2004.

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Because of weak reporting procedures, the exact number of lost and stolen travel documents potentially available to *male fide* aliens is unknown. The Department of State (DOS) receives most of the stolen passport reports from foreign governments. Based on DOS reports from January 2002 to June 2004, 28 foreign governments reported 56,943 stolen blank foreign passports. In June 2004, the Director of the U.S. National Central Bureau of INTERPOL said that for 55 of the 181 INTERPOL countries, there probably were over 10 million lost and stolen passports that might be in circulation. In August 2004, according to CBP data, there were records of 1.2 million stolen passports in TECS.

### **National Security Concerns**

The vast numbers of stolen passports available present significant challenges for controlling entry across U.S. borders. While most persons using stolen passports to enter illegally into the United States may be simply violating immigration laws, some could have more sinister intentions. Persons seeking to enter the United States can obtain stolen blank passports from criminals, have their biographical information and pictures attached to the blank passport, and present themselves at POEs for admission to the United States.<sup>7</sup>

High quality biographical and photographic forgeries make detecting *male fide* aliens difficult. However, if a foreign government has reported the stolen passport data and that information is entered into the lookout system, the POE inspectors have an invaluable tool to assist them in detecting stolen passports.

The table below depicts the number of aliens that CBP inspected between 1998 and 2003. It also shows that about one third of inspections involved aliens traveling from VWP countries. Finally, the table depicts the total number of fraudulent passports intercepted by inspectors at the POEs.

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<sup>7</sup> Aliens may also obtain passports that were stolen from individuals. The stolen passports are often modified by replacing the existing photographs and biographical data with that of the intended users of the stolen passports. These “substitutions” are usually easier for an inspector to detect. However, unlike substitutions, stolen blank passports modified with high quality photographs and biographic data are very difficult to detect.

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## Inspections at U.S. POEs

Year	Total Aliens Inspected	Total VWP Travelers Inspected	Total Fraudulent Foreign Passports Intercepted
1998	40,400,012	15,307,084	7,088
1999	42,184,510	16,035,297	8,123
2000	44,596,364	16,944,988	8,288
2001	43,069,684	15,839,057	11,399
2002	36,678,082	12,804,891	8,588
2003	35,828,356	12,708,910	4,368

Source: CBP Performance Analysis System

## Purpose, Scope, and Methodology

During our fieldwork for the VWP review, Department of Homeland Security (DHS) analysts told us about stolen blank passports that were used by aliens to enter the United States illegally. This information was developed initially in support of the VWP country assessment process.<sup>8</sup> After the initial discovery of the use of stolen passports, the DHS analysts conducted further queries to identify uses of other stolen passports. This review examines information that we obtained from DHS analysts during our VWP review. Our review assesses the efficacy of CBP's efforts to identify users of stolen passports and prevent them from entering the United States.

During the period February 10, 1998, to February 12, 2003, several foreign governments reported 3,987 stolen blank passports to the U.S. government.<sup>9</sup> Using the reported stolen passport information, DHS analysts conducted extensive database queries on all 3,987 stolen passports and identified 176 uses of the stolen passports to attempt entry into the United States. Some of these entries were made before the stolen passports were reported to the U.S. government, while

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<sup>8</sup> The VWP enabling legislation required that the Attorney General periodically evaluate the effect of each country's continued VWP participation from a law enforcement and security perspective. The purpose of these reviews is to make in-depth assessments of relevant conditions and practices in VWP countries from the perspective of U.S. law enforcement and national security interests. One factor that is examined is the country's passport security, especially the frequency and volume of thefts of blank, unissued passports.

<sup>9</sup> The 3,987 stolen passports are a subset of all stolen passports reported during this time. The subset is not a random or statistically based sample. These passports were selected by DHS analysts for closer examination because stolen passports from these countries posed the highest potential risk, in part because these countries were also VWP countries. Certain travelers from VWP countries are permitted to enter the United States without first applying for visas; this makes VWP passports more vulnerable to fraudulent use by *male fide* travelers.

some of the entries were made after lookouts were posted for the stolen passports. DHS provided us with the results of these queries, including the aliens' names, DOBs, POEs, passport numbers, and dates of entry associated with the uses of these stolen passports. The table below summarizes the attempted entries using stolen passports.

### Attempted Entries Using Stolen Blank Passports

Issuing Country	Number of Stolen Blanks Reported	Number of Entries Attempted Before Lookouts Posted	Number of Entries Attempted After Lookouts Posted
France	1,300	0	11
Spain	1,102	26	15
Germany	500	19	15
Portugal	500	9	10
Belgium	450	44	25
Italy	135	0	6
<b>TOTAL</b>	<b>3,987</b>	<b>98</b>	<b>78<sup>10</sup></b>

The following table shows in which years the 176 uses of the stolen passports occurred between 1998 and 2003.

### Number of Attempted Entries by Year Using Stolen Blank Passports

Issuing Country	1998	1999	2000	2001	2002	2003
France	0	0	0	1	7	2
Spain	0	14	12	1	1	11
Germany	0	0	5	19	10	0
Portugal	0	0	9	9	0	0
Belgium	1	10	17	31	3	7
Italy	0	0	0	0	3	3
<b>TOTAL</b>	<b>1</b>	<b>24</b>	<b>43</b>	<b>61</b>	<b>24</b>	<b>23<sup>11</sup></b>

<sup>10</sup> Four additional aliens using stolen passports who were sent to secondary inspections requested asylum hearings. They were temporarily paroled into the United States for the purposes of attending their credible fear hearings. We did not include their "admissions" in our analysis.

<sup>11</sup> Four additional aliens using stolen passports who were sent to secondary inspections requested asylum hearings. They were temporarily paroled into the United States for the purposes of attending their credible fear hearings. We did not include their "admissions" in our analysis.

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Using this information, we reviewed electronic admissions records in TECS to confirm the dates of the posting of the lookouts, the dates the stolen passports were presented at the POEs, the dates of admission of the aliens, and the dates of departure. More importantly, we sought to determine the rationale used by the inspectors to “resolve” the stolen passport lookout “hits” and admit the aliens. Using TECS, we accessed and reviewed the reports of both primary and secondary inspections associated with the use of the stolen passports. Finally, we reviewed the actions taken by CBP and ICE to identify entries into the United States using stolen passports and the subsequent follow-up investigations to locate and remove the aliens.

We reviewed the Inspectors Field Manual (IFM) and other documents provided by CBP that governed procedures that inspectors must follow during the primary and secondary inspections processes, as well as actions that they must take when intercepting aliens with stolen passports. We interviewed analysts at DHS, NTC, and the Forensic Document Laboratory (FDL). We also interviewed senior managers at CBP and ICE.

This inspection was conducted under the authority of the Inspector General Act of 1978, as amended, and according to the “Quality Standards for Inspections” issued by the President’s Council on Integrity and Efficiency.

## **Findings**

### **Use of Stolen Passports to Enter the United States**

Aliens applying for admission into the United States using stolen passports were usually admitted. It made little difference whether lookouts for the stolen passports existed because the aliens were often admitted even after the lookouts were posted.

We verified the stolen passport data that DHS provided to us by performing the same actions required of the POE inspectors and using the same computer systems available to POE inspectors. Using TECS, we entered the passport numbers provided by DHS. The results of our queries confirmed that entries were made, the dates of the entries, and the dates the lookouts were posted for the stolen passports. Then, again using TECS, we entered the aliens’ names and DOBs provided by DHS that were associated with the stolen passports to review

the electronic inspection records for all aliens attempting to use stolen passports. The inspection records provided us with information concerning the inspectors' actions during primary and secondary inspections and the final admission decisions. From these records we were able to determine whether the aliens were successful in entering the United States. Again, using TECS and the names of the aliens who were admitted, we queried the Non-Immigrant Information System (NIIS) to reconfirm the dates of entry, the reasons for admission, and the dates of departure, if available. Finally, we queried the lookout systems using the names of the aliens to determine whether there were any additional lookouts for the aliens.

We examined two groups of aliens using stolen passports. The first group attempted to enter the United States prior to lookouts being posted for the stolen passports. The second group attempted their entries after the lookouts for the stolen passports were posted. The table below depicts the results of our analysis of reported incidents of stolen blank passports used to attempt entry into the United States.

#### **Attempted Entries Using Stolen Blank Passports**

<b>Issuing Country</b>	<b>Entry Attempted Before Lookouts Posted</b>		<b>Entry Attempted After Lookouts Posted</b>	
	<b>Attempted Entries</b>	<b>Successful Entries</b>	<b>Attempted Entries<sup>12</sup></b>	<b>Successful Entries</b>
France	0	0	11	7
Spain	26	24	15	3
Germany	19	7	15	14
Portugal	9	6	10	5
Belgium	44	42	25	22
Italy	0	0	6	6
<b>TOTAL</b>	<b>98</b>	<b>79</b>	<b>78<sup>13</sup></b>	<b>57</b>

From the first group of aliens who applied for admission before the lookouts were posted, 98 presented stolen passports and inspectors subsequently admitted 79. This represented an 81% success rate.

<sup>12</sup> Two aliens made nine subsequent successful entries using passports other than the stolen passports first used to enter the United States. We included these attempts in our analysis because they occurred even after name based lookouts had been posted following the first entries using the stolen passports.

<sup>13</sup> Four additional aliens using stolen passports who were sent to secondary inspections requested asylum hearings. They were temporarily paroled into the United States for the purposes of attending their credible fear hearings. We did not include their "admissions" in our analysis.



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We focused our examination on the second group of aliens who attempted entry after the stolen passport lookouts were posted. For all records of entry, we verified that lookouts had been posted for the stolen passports prior to the date of entry.<sup>14</sup> Starting with the names of the aliens provided to us by DHS, we ran checks using TECS. In all cases, there was an admission record for the alien showing the attempted entry into the United States using a passport that had been reported stolen. To verify that a lookout had been posted prior to the date of entry, we entered the passport number in TECS. In every case, a lookout had been entered for the stolen passport prior to the entry date of the alien.

For the group with the posted lookouts, 57 of 78 aliens were admitted - 73% success rate. Of the 78 aliens attempting entry, 39 were admitted directly from primary inspections, while the other 39 were referred to secondary inspections. Of those referred to secondary inspections, 18 were admitted. Of the 57 aliens who were admitted, 33 were admitted after September 11, 2001.

Some aliens entered the United States multiple times using stolen passports:

- An alien using a Belgian passport reported stolen entered the United States four times after the lookout was posted. The alien was referred to secondary inspections once. According to the entry in the TECS records of the alien's secondary inspections, "subject never had problems before; never had PP stolen or lost; subject has many prior entries [sic] and secondary evidence." After the fourth entry, the alien obtained a different passport and entered the United States seven more times despite a name based<sup>15</sup> lookout.
- An alien using a stolen Belgian passport for which a lookout was posted entered the United States twice using the stolen passport. The alien was not referred to secondary inspections either time. Again, the stolen passport was never detected or the inspectors failed to take appropriate actions. After the second entry using the stolen passport was discovered

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<sup>14</sup> For some entries, an alien entered using a passport number slightly different from that in the lookout. For example, the lookout in TECS may have been for passport number 123456, but the passport number recorded in TECS that was used by the alien for this entry was 123465. However, there was also an admission record in TECS that, either previous or subsequent to this entry, the same alien used passport number 123456, which was the subject of the lookout. Therefore, we concluded that the inspector made a data entry error and entered the passport number as 123465 into TECS when it should have been 123456. We counted the entry using passport number 123465 as an entry after a lookout was posted.

<sup>15</sup> A name based lookout will match or "hit" an alien applying for admission using the same name and date of birth. The lookouts may describe potential reasons for inadmissibility such as suspected terrorist, possible alien smuggler, suspected of narcotics smuggling, etc. Therefore, if the alien again attempts to enter the United States, two "hits" will occur. One hit will occur for the stolen passport number and the other for the name.

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by a DHS analyst, three separate name based lookouts were posted. The lookouts were very specific about referring the individual to secondary inspections if encountered because he had used a stolen passport.<sup>16</sup> However, the individual successfully entered the United States two more times. During one attempt, he was referred to secondary inspections because, according to the secondary inspections report, “he [the alien] did not know where or how long he would be staying and was a possible immigrant without visa” and “pax [the alien] traveled to the U.S. before; systems check neg [negative]; was able to obtain address; has return tickets.”

- An alien using a stolen Belgian passport was admitted three times after the passport number lookout was posted. He was referred to secondary inspections three times and admitted. On his second visit, the secondary inspections record indicated that DHS records showed that he had overstayed his first visit to the United States by four months.<sup>17</sup> The secondary inspections records stated: “subject had numerous valid IDs to also back-up story.” Despite the lookout for the stolen passport and the fact that he was a previous visa overstay, the inspector admitted the alien to the United States.

Once we had specific information about aliens who had been admitted to the United States bearing stolen passports, we attempted to review the actions taken by the inspectors to determine what occurred at primary and secondary inspections.

### **Actions During Primary Inspections**

Thirty-nine aliens were admitted directly from primary despite a lookout posted for their stolen passports. We concluded that aliens were admitted directly from primary inspections because the inspectors either did not heed the lookouts or did not detect the forged information on the stolen passports, or both.

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<sup>16</sup> This is an excerpt from the lookout entry: "Refer immigration SRI [senior inspector] on site for search & to make +I.D. [positive identification], search for additional passports or I.D., call HQS [headquarters]...there is a Headquarters order that exists mandating all [country name omitted] passport#s will be run in TECS, insure that this is accomplished, “zero-tolerance”, do not be mis-lead by the person’s having traveled to the U.S. multiple times in the past, this is not a reason or excuse for admission !! A person could be a [country name omitted] citizen and still be in possession of stolen property, e.g., stolen Belgian passports! ...”

<sup>17</sup> Overstaying less than one year is normally not a legal ground for denying admission to an alien with a visa. But the VWP has several specific criteria for ineligibility, and one of these is a previous overstay of any length, no matter how brief. As a legal matter, no alien who has previously overstayed should ever be admitted under the VWP.

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The IFM requires that inspectors conduct TECS queries for all aliens during primary inspections using the aliens' last name, first name, DOB, and passport number. We confirmed that entering these data into TECS resulted in lookout "hits" for all 78 attempted entries, including the 39 admitted directly from primary inspections.

We could not determine why the primary inspectors admitted the aliens with the stolen passports. While some CBP officials insisted that all stolen passport "hits" are automatically sent to secondary inspection, our research did not confirm this.

CBP officials discussed a number of reasons why an inspector at primary inspections might miss a lookout for a stolen passport. One reason is human error, such as the inspector entering the wrong passport number into TECS. Another reason may be that the inspector did not detect the forged information on the passport. However, CBP officials asserted that inspectors are "so well trained and vigilant" that they would catch even the very best forgeries.

Some countries issue passports with two numbers. One number, the inventory control number (ICN), is placed on the blank passport at the time of production. When the passport is issued to an individual, a second number, the passport issuance number, is added to the passport. CBP officials said that blank stolen passports are reported to the U.S. government by their ICNs. The lookouts posted for the stolen blank passports are based on the blank passports' ICNs. If inspectors do not detect the forgery, they will enter the forged passport issuance numbers rather than the ICNs, and the lookouts will not be detected. The ICN issue has been identified in previous DOJ OIG reports.<sup>18</sup>

Immigration officials have attempted to correct this problem by issuing new guidance. However, the new guidance, issued in 1999, requires that inspectors enter the perforated passport issuance number and enter the ICN number only if the passport does not have a perforated passport issuance number. This guidance does not address the problem. If the inspector does not detect the fraud, the falsified perforated number on the stolen passport will be entered into TECS, not the ICN. Therefore, the lookout will not be discovered, the stolen passport will go undetected, and the alien will likely be admitted.

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<sup>18</sup> *The Potential for Fraud and INS's Efforts to Reduce the Risks of the Visa Waiver Pilot Program*, Report Number I-99-10, March 1999, and *Follow-up Report on the Visa Waiver Program*, Report Number I-2002-002, December 2001.

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### Actions During Secondary Inspections

We attempted to determine what actions the POE inspectors took when aliens using suspected stolen passports were referred to secondary inspections. The IFM offers little guidance to inspectors as to what information collected during the secondary inspections process must be recorded in TECS. The inspection records were often non-existent or were so incomplete and sketchy as to be of little value. We could not ascertain why one alien was referred to secondary inspections while another was not, even though both used passports that had been reported stolen. Nor was it always ascertainable from the TECS records what factors led the secondary inspector to deny or grant admission in each case.

The inspection records for 39 referrals to secondary inspections indicated that 31 were for reasons other than the stolen passports, while only 8 appear related to stolen passport number lookout matches. Examples of inspection records that relate to other issues include:

- An alien using a stolen passport was referred to secondary inspections because he was born in Morocco, but carried a Portuguese passport. The alien was subsequently admitted; however, there were no secondary inspections record in TECS explaining the admission.
- An alien was referred to secondary inspections because he “also answered yes on back of I-94W.” His secondary inspections record showed “[the alien] stated was arrested for DUI [driving under the influence]; NCIC [National Crime Information Center] ck [check] negative; ... admit WT. Suspect.” The code “WT” indicates he was admitted as a tourist under the VWP. We cannot conclude what the inspector meant by “suspect.”
- An alien presenting a stolen Belgian passport was referred to secondary inspections because “poss[ible] direct prim[ary] lookout; fraud/misrep[resentation].” His secondary inspections record indicated that he was a “confirmed overstay; ...admit WB...” The code “WB” indicates he was admitted as a business traveler under the VWP, even though his passport was suspect and the inspection records indicated he had previously violated the terms of his admission.

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Of the eight referrals to secondary inspections for reasons related to the stolen passport, six were ultimately refused admission into the United States. Examples of those aliens who were refused admission include:

- An alien using a stolen Spanish passport attempted entry, applied for admission under the VWP, and was referred to secondary inspections for a One-Day Lookout match<sup>19</sup>. According to the secondary inspections notes, “subject had Customs 1 day lookout for a 100% inspection and also had a lookout on the Spanish PP# reported as stolen.” The subject admitted under oath that he was a citizen of Peru and that he purchased the passport at the Spanish embassy in Lima. The alien was refused admission.
- An alien using a stolen Belgian passport attempted entry and was referred to secondary inspections for a stolen passport number lookout match. On his I-94, the subject listed Syria as his country of citizenship and residency. He was refused admission.
- An alien using a stolen French passport attempted entry and was referred to secondary inspections for a TECS match. During secondary inspections, the subject admitted that his country of citizenship was Algeria. The alien was placed in expedited removal and removed to Algeria.

However, two aliens with secondary inspections referral records that indicated stolen passports were admitted:

- An alien using a stolen Belgian passport was referred to secondary inspections because of a TECS lookout match. According to the entry in the secondary inspections records, “subject never had problems before; never had PP stolen or lost; subject has many prior entries [sic] and secondary evidence.”
- An alien using a stolen German passport was referred to secondary inspections to “verify genuinity [sic] of PP and holder of PP.” According to the secondary inspections notes, the passport was determined to be genuine, and the alien was admitted.

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<sup>19</sup> A One-Day Lookout identifies certain travelers who should be referred to secondary inspections upon their arrival at a U.S. POE. The lookout is usually the result of analysis conducted on passenger information submitted by the airline prior to the aircraft’s arrival in the United States. The POE PAU and the NTC conduct the analysis and either may issue the One-Day Lookout.

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The IFM provides limited guidance for inspectors on how to respond to a “hit” on a lookout in general and no specific guidance for responding to a “hit” for a stolen passport. It provided no guidance on how the inspector in secondary inspections should resolve the “hit” and does not include possible scenarios under which the “hit” could be favorably resolved and the alien permitted to enter the United States.

CBP officials said that the burden of proof is on the aliens to provide evidence of their admissibility. They also said that the inspectors must have no doubt about the authenticity of the passports in order to admit the aliens, and that decisions to admit aliens with suspected stolen passports will almost always involve independent verification by some other source. These other sources may include ICE’s FDL, DOS, or officials from the alien’s home country. From the inspection referral reports, we found two cases where there were apparent attempts for independent verification:

- According to the secondary inspections record for an alien presenting a suspected stolen passport, “. . .attempted to contact State Dept. . .no success.” The alien was admitted “WB,” indicating a VWP admission for business purposes.
- According to the secondary inspections record for an alien presenting a suspected stolen passport, “. . .subject presented stolen passport. UK authorities confirmed same. FDL unavailable. . .” The alien was determined to be inadmissible and was removed from the United States.

CBP officials said that a supervisor’s review is required for all adverse actions taken against aliens or when discretionary decisions are made regarding admissibility. They said that it is normal practice to have a supervisor review any decision to admit an alien from secondary inspections, although there is no formal or written guidance requiring this action. Our research did not validate these assertions. We found evidence of non-compliance with procedures even though CBP officials said that supervisors monitor the inspectors’ actions to ensure that all secondary inspection referrals are closed out and that all lookout queries were conducted.

CBP officials said that a name based lookout should be created for aliens detected attempting to use a stolen passport to enter the United States. While the IFM stipulates that lookouts must be entered within three days of the encounter, it does not specify situations when the lookouts must be created. We found name based

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lookouts posted by the POEs for 15 of the 21 aliens who were found inadmissible. The lookouts were posted anywhere from one day to 20 weeks from the date when the aliens were found inadmissible.

One CBP official said that while “errors [improper admissions] do occur” they are not systemic, but rather the result of performance or training deficiencies associated with the individual inspectors. CBP officials acknowledged that the inspection referral records provide an inadequate accounting of some actions taken in secondary inspections. They also said that previous immigration policy required that a paper-based log be kept of all secondary inspections actions. According to the officials, while the logs contained more details of the inspection, their use has been discontinued. They said that new policies are being developed that will require more details in the inspection referral reports.

### **Departure Verification**

We attempted to determine whether the aliens who were improperly admitted had later departed the United States. CBP provided us with records that indicated 22 of the 57 admitted aliens departed the United States. However, we could not confirm this because, at the time of our review, the United States does not have an adequate exit system. Previous reporting on this subject has detailed problems with the entry-exit system and the associated record keeping.<sup>20</sup> Because exit records are unreliable, we do not know whether any of the aliens who entered the United States using stolen passports departed or remain in the country.<sup>21</sup>

We recommend that the Commissioner of Customs and Border Protection:

- **Recommendation 1:** Require primary inspectors to refer aliens to secondary inspections when the aliens’ passports are the subjects of lookouts.
- **Recommendation 2:** Require inspectors to record in detail the results of the secondary inspections and justifications for subsequent admissions.

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<sup>20</sup>Refer to the following reports: General Accounting Office report, *Overstay Tracking: A Key Component of Homeland Security and a Layered Defense*, GAO-04-82, May 2004; and DOJ OIG report, *Follow-up Report on INS Efforts to Improve the Control of Nonimmigrant Overstays*, Report Number I-2002-006, April 2002.

<sup>21</sup> The United States Visitor and Immigrant Status Indicator Technology (US-VISIT) is the DHS program that will electronically record the entry and exits of certain foreign travelers. US-VISIT is currently recording the entries of air passengers. DHS is piloting the exit component at selected airports.

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- **Recommendation 3:** Require supervisory review and approval of an inspector’s decision to admit an alien who was the subject of a lookout; and ensure that the review is recorded as part of the secondary inspections record.
  - **Recommendation 4:** Require inspectors to timely enter name-based lookouts for aliens found inadmissible.

## **Monitoring and Investigating the Use of Stolen Passports**

CBP does not have routine procedures to review admission records to determine whether stolen passports have been used to gain entry into the United States. Further, when entries using stolen passports are discovered, CBP does not have formal procedures to convey this information to ICE for further investigation.

### **Monitoring Admission Records**

According to CBP officials, there is no procedure to screen the numbers of newly reported stolen passports against admission records to determine whether the stolen passports were used to enter the United States. CBP officials said that there was some analysis on reports of stolen passports; however, CBP officials characterized this activity as “ad hoc” rather than routine. They said that this activity would be a labor intensive effort because several databases would have to be individually searched to determine whether stolen passports were used. CBP has considered making software modifications that would permit simultaneous multiple database searches. However, there is no near-term solution.

CBP officials said that there is no procedure to analyze the use of stolen passports to identify trends or patterns associated with their use, such as users’ countries of origin, linkages between users, and linkages between users and POEs and carriers. However, they said that NTC is now doing some of this work and that new guidance is under development to require the screening of stolen passport numbers against admission records.

We recommend that the Commissioner of Customs and Border Protection:

**Recommendation 5:** Require routine reviews of admission records to identify uses of stolen passports.



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**Recommendation 6:** Disseminate information on the use of stolen passports to ICE for further investigation.

### **Investigating the Use of Stolen Passports**

The DHS analysts who originally discovered the uses of stolen passports generated at least four intelligence reports detailing these incidents. The intelligence reports were disseminated to intelligence units within DHS, ICE, and CBP; the El Paso Intelligence Center (EPIC);<sup>22</sup> DOS; and NTC.

ICE officials said that there is informal sharing of stolen passport information between CBP analysts and ICE’s liaison at NTC. However, they acknowledged that the processes have not been formalized into specific procedures or protocols. Further, they had no knowledge of having received any previous information concerning the incidents identified by DHS analysts.

ICE officials said that its National Security Threat Protection Unit would be responsible for investigating any information concerning the use of stolen passports by persons with a “national security interest.” However, the officials said they had never received any information of this type from CBP.

### **National Security Concerns**

The lack of routine reviews to determine whether stolen passports have been used successfully and the lack of subsequent follow-up investigative actions were particularly alarming to us when we examined two groups of stolen VWP passports that may have a connection to known terrorist activity.

#### **Assassination in Afghanistan**

In June 1999, 46 blank passports were stolen from a VWP country. Lookouts were posted for the stolen passports in March 2000.<sup>23</sup> Between October 1999 and May 2000, six aliens using some of these passports attempted to enter the United

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<sup>22</sup>The El Paso Intelligence Center (EPIC) was established in 1974 in El Paso, Texas. The Drug Enforcement Administration is the lead federal agency at EPIC. Representatives from 15 other federal agencies, including ICE and CBP, as well as other organizations staff EPIC. EPIC conducts analysis of information and intelligence pertaining to drug movement and immigration violations in the Western hemisphere to provide intelligence support to law enforcement agencies.

<sup>23</sup> Although the lookouts were posted as soon as the stolen passport report was received from DOS, we were unable to determine the reason for the delay in reporting the theft.

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States. Five were subsequently admitted. One admission occurred after the lookout was posted.

What is disturbing about this incident is that one of this group of 46 stolen passports was found in the possession of a terrorist with links to Al Qaeda. On September 9, 2001, two days before the September 11<sup>th</sup> attacks, Commander Ahmad Shah Massoud, military chief of the Northern Alliance in Afghanistan, was assassinated in a suicide bombing carried out by two Moroccan terrorists posing as journalists. Al Qaeda later claimed responsibility for the assassination. Both terrorists were killed. Both terrorists were in possession of stolen passports, and DHS analysts later determined that one of those was from the block of 46 stolen passports.

Given the association of one passport from a relatively small block of stolen passports with Al Qaeda, we would expect that for national security reasons ICE and CBP would want to know more about the whereabouts and activities of the five aliens who entered the country using the other stolen passports from that same block.

#### Al Qaeda Operations

On June 6, 2001, thieves stole 708 blank passports from a VWP country.<sup>24</sup> The theft was not reported to the U. S. government until April 2004. On April 23, 2004, CBP posted stolen passport lookouts for the stolen blank passports.

The potential significance of the stolen passports is that they were stolen in the city that was also the location of the Al Qaeda cell that played a significant role in providing financial and logistical support for the September 11th terrorists. Between December 2001 and March 2004, 21 of these stolen passports were used by aliens attempting to enter the United States. In all cases, the attempted entries occurred before the stolen passports were reported to the U.S. government and before the lookouts were posted.

Twenty of the aliens successfully entered the United States using the stolen passports. Only one alien was denied admission because the inspector concluded that the alien intended to violate the VWP requirement to leave the United States after 90 days.

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<sup>24</sup> This group of stolen passports was not part of those described previously.

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CBP had departure records for only two of the aliens. We could not confirm, however, that any of the aliens actually left the country, nor can we confirm that any are still here. Because of the geographic association of where the theft of the passports occurred and the Al Qaeda terrorist cell, we believe that the activities of these 20 aliens while they were in the United States and their current locations warrant further investigation.

After CBP develops information that newly reported stolen passports were used to enter the United States and passes this information to ICE, ICE should appropriately prioritize this actionable information and add the leads to its caseload for further investigation.

We recommend that the Assistant Secretary for Immigration and Customs Enforcement:

**Recommendation 7:** Investigate, locate, and remove from the United States, persons who have used stolen passports to gain entry to the country and to report the outcomes of its investigations to CBP.

**Recommendation 8:** Investigate the activities of aliens who used the stolen passports with the Al Qaeda links while in the United States and determine their current whereabouts.

## **Efforts to Improve Detection of Stolen Passports**

CBP has made some progress addressing the problem of stolen passports. For example, NTC is now the designated lead organization responsible for collecting reports of stolen passports received from foreign governments (through DOS) and is responsible for posting the stolen passport lookouts in TECS. This consolidation of responsibilities within CBP has reduced the lag time from the receipt of a stolen passport report to entering the lookout to less than 24 hours. CBP is undertaking other initiatives to improve its capability to detect or prevent the uses of stolen passports, including additional training, developing new policies and procedures, and an initiative with the International Civil Aviation Organization (ICAO)<sup>25</sup> to limit passports to one number.

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<sup>25</sup> ICAO is a United Nations organization that promulgates international aviation law.

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## **Training**

CBP officials said that a training program was conducted in April 2002 to enhance inspectors' skills in identifying suspected stolen passports. They commented that some of the data that we analyzed for our report predated this training and that improvement in the inspectors' skills would have prevented some of the successful entries using stolen passports.

While some of our data preceded the training, new information that we obtained as late as August 2004 indicated that the problems persist. For example, three aliens successfully used passports stolen from the Spanish embassy in Damascus, Syria, to enter the United States in June 2003. While lookouts had not been posted for these passports prior to the entries, the inspectors failed to detect the forgeries. Further, Spanish passports stolen from the Spanish consulate in Rio de Janeiro, Brazil, in September 2003 had lookouts posted in TECS in October 2003. However, nine aliens used these stolen passports to enter the United States successfully between December 2003 and August 2004. Again, using French passports stolen in July 2003, 32 aliens entered the United States between August 2003 and February 2004.

## **New Policies and Procedures**

CBP recognizes the problem associated with multiple passport numbers. However, they said that the time it takes to query both the passport issuance number and the ICN would cause significant delays at the POEs. In order to address the ICN problem and to mitigate negative impacts on POE processing times, CBP is considering a risk management approach as an interim solution. The concept is that CBP would identify certain passports, POEs, flights, etc. where there is a high probability that stolen passports will be encountered. In these situations, inspectors would be required to conduct the multiple passport queries as part of the inspection process. CBP officials expected a draft policy to be developed in the fall of 2004.

## **ICAO Initiative**

The long-term solution to this problem is to require that all passports have a single passport number. CBP is working with ICAO to develop such a rule. Shortly, CBP expects to have an agreement signed that requires all signatories of the ICAO standards to begin producing passports with a single number. After the

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agreement is signed, however, it will take years before passports with multiple numbers are completely replaced by those with single numbers.

U.S. Department of Homeland Security  
Washington, DC 20528



**Homeland  
Security**

November 29, 2004

MEMORANDUM FOR: Clark Kent Ervin  
Inspector General  
Department of Homeland Security

FROM: Asa Hutchinson  
Under Secretary  
Border and Transportation Security

SUBJECT: Response to the Office of Inspector General Draft Report, *A Review of the Use of Stolen Foreign Passports to Enter the United States*

Thank you for the opportunity to review and comment on the Office of Inspector General (OIG) Inspection draft report related to the use of stolen foreign passports. The Border and Transportation Security Directorate (BTS) appreciates the work done in this review to identify areas where we may further enhance security measures in place to help us accomplish our mission.

On October 26, 2004, DHS began enforcing requirements that travelers applying for admission under the Visa Waiver program (VWP) must be in possession of a machine readable passport. Starting on October 26, 2005, passports issued on or after that date will be required to be biometrically enabled to be valid for use in VWP travel. These measures are aimed at improving document security as well as the facilitation of travel.

Additionally, as you note in your report, efforts are underway to address the issue brought up in the report of Inventory Control Numbers (ICN). CBP plans on developing a proposal through the International Civil Aviation Organization (ICAO) to persuade nations to issue passports using the ICN number rather than a separate passport number. We believe this would be an important measure in addressing a vulnerability you identified in your report and BTS, in conjunction with CBP, will take the appropriate steps to work with our international partners in moving this proposal forward.

BTS concurs with the recommendations made in this report although we believe that overly broad and generalized conclusions were drawn based on a small and nonstatistical sample. The accompanying attachments describe how the U.S. Customs and Border Protection (CBP) and U.S. Immigration and Customs Enforcement (ICE) will address these recommendations. It is important to note that since your review, CBP and ICE have already taken steps towards implementing meaningful corrective actions to address any deficiencies identified.

Attachments

[www.dhs.gov](http://www.dhs.gov)

U.S. Department of Homeland Security  
Washington, DC 20229



U.S. Customs and  
Border Protection

Commissioner

November 18, 2004

MEMORANDUM FOR: CLARK KENT ERVIN  
INSPECTOR GENERAL  
DEPARTMENT OF HOMELAND SECURITY

THROUGH: ASA HUTCHINSON  
UNDER SECRETARY  
BORDER AND TRANSPORTATION SECURITY

FROM: Commissioner *Michael C. Bowes*

SUBJECT: Response to the Office of Inspector General Draft Report on  
Stolen Passports

Thank you for providing us with a copy of the draft report entitled "A Review of the Use of Stolen Passports to Enter the United States," and the opportunity to discuss the issues in this report.

U.S. Customs and Border Protection (CBP) commends the Department of Homeland Security (DHS), Office of Inspector General (OIG), for focusing on the stolen passport issue as it related to the Visa Waiver Program and its relative importance to national security interests. However, CBP believes that no general conclusions can be drawn from the report due to the limited size of the studied sample. The narrow scope of the sample used would only support conclusions pertaining to the sample data. The OIG did not employ a statistically valid methodology and therefore any conclusions do not reflect a comprehensive study of all relevant data.

CBP does concur with the six recommendations and has taken prudent steps to address these factors. Attached are comments specific to the recommendations, as well as technical comments that relate to statements that need to be clarified prior to the finalization of this report.

Please consider CBP's concerns when drafting your response. Thank you for your assistance. If you have any questions, please have a member of your staff contact Ms. Cecelia Neglia, Audit Liaison, Office of Policy and Planning, at (202) 344-2968.

Attachment

**Response to OIG Draft Report  
A Review of the Use of Stolen Foreign Passports to Enter the United States**

**Response to Recommendations**

**Recommendation 1:** Require primary inspectors to refer aliens to secondary inspections when the aliens' passports are the subjects of lookouts.

**Response:** The Inspector's Field Manual (IFM or M-450), Chapter 22.3 provides guidance regarding the referral of aliens to secondary inspection when an alien's passport is the subject of a lookout. This guidance provides that: when Treasury Enforcement Communications System (TECS) records for LOST/STOLEN BLANK PASSPORTS, where the COUNTRY noted on the lookout matches the issuing COUNTRY of the passport being presented, regardless of the passport number noted in the TECS record, the primary inspector MUST refer the applicant to secondary. On April 9, 2004, Office of Field Operations (OFO) issued guidance to the field via a policy memorandum entitled "Supervisory Review and Approval of Final Disposition of Lookouts." This memorandum directed all CBP ports to ensure that CBP supervisors review and approve the final disposition regarding the admissibility and/or release of persons who are the subject of lookouts, whether for terrorism or other reasons. A policy memorandum will be written and distributed to CBP Ports of Entry which reemphasizes the policies above and further mandates that all persons encountered with passports which are the subject of TECS/Interagency Border Information System (IBIS) lookout hits **must** be referred to passport control secondary for processing. CBP will also explore the feasibility of using the automated TECS/IBIS to require the referral of lost and stolen passport lookout hits to secondary as a mandatory field.

**Due Date:** December 3, 2004

**Recommendation 2:** Require inspectors to record in detail the results of the secondary inspections and justifications for subsequent admissions.

**Response:** CBP officers are expected to post secondary results in TECS/IBIS (IO-25/IO-95) upon completion of their secondary processes. At present, there are no procedures in place, which identify minimum data requirements for posting secondary inspection results. CBP will take steps to ensure procedures are in place to identify required/minimum information standards for posting results in TECS/IBIS.

**Due Date:** December 3, 2004

**Recommendation 3:** Require supervisory review and approval of an inspector's decision to admit an alien who was the subject of a lookout; and ensure that the review is recorded as part of the secondary inspections record.

**Response:** On April 9, 2004, OFO issued guidance to the field via a policy memorandum entitled "Supervisory Review and Approval of Final Disposition of



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Lookouts." This memorandum directed all CBP ports to ensure that CBP supervisors review and approve the final disposition regarding the admissibility and/or release of persons who are the subject of lookouts, whether for terrorism or other reasons. CBP will take steps to reemphasize this guidance and ensure that the supervisory review is recorded as part of the secondary record. CBP will also explore the feasibility of deploying a new requirement in TECS/IBIS to allow documenting the supervisory review.

**Due Date:** December 3, 2004

**Recommendation 4:** Require inspectors to timely enter name-based lookouts for aliens found inadmissible.

**Response:** The Inspector's Field Manual (IFM or M-450), Chapter 31.5 provides guidance regarding the Posting, Maintaining and Cancellation of Lookouts. The "timely" standard has not been specifically defined or addressed as yet. CBP will take steps to implement standard lookout creation guidelines which clearly define the "timely" standard to ensure lookouts will be entered concurrently with case processing. CBP will also explore the feasibility of creating systems links, which would allow for the automated creation of lookouts when adverse actions are completed.

**Due Date:** December 3, 2004

**Recommendation 5:** Require routine reviews of admission records to identify uses of stolen passports.

**Response:** CBP will develop an automated mechanism to query the appropriate databases to determine if newly reported lost/stolen passport data has already been used to effect entry into the United States and if so, will contact the National Targeting Center (NTC) U.S. Immigration and Customs Enforcement (ICE) liaison (as with recommendation #6) for investigation. CBP/NTC will also track 'hits' on reported lost/stolen passports to ensure that ports of entry have all relevant information to determine if the document is being used by other than the true bearer.

**Due Date:** January 20, 2005

**Recommendation 6:** Disseminate information on the use of stolen passports to Immigration & Customs Enforcement (ICE) for further inspection.

**Response:** CBP already has ICE staff on-site at NTC on a 24/7/365 basis for coordination on various port of entry issues; this recommendation shall be added to the existing liaison responsibilities to ensure that all cases requiring investigative action are immediately shared with ICE.

**Due Date:** December 3, 2004

Office of the Assistant Secretary

U.S. Department of Homeland Security  
425 I Street, NW  
Washington, DC 20536



U.S. Immigration  
and Customs  
Enforcement

NOV 18 2004

MEMORANDUM FOR: Clark Kent Irvin  
Inspector General  
Department of Homeland Security

THRU: Asa Hutchinson  
Under Secretary  
Border and Transportation Security

FROM: Michael J. Garcia  
Assistant Secretary

SUBJECT: OIG Draft Report: A Review of the Use of Stolen Foreign  
Passports to Enter the United States

The following is in response to the recommendations made specific to U.S. Immigration and Customs Enforcement (ICE) in the draft report, "A Review of the Use of Stolen Foreign Passports to Enter the United States." The report's recommendations and our response to them are described below.

**Recommendation 7:** Investigate, locate and remove from the United States, persons who have used stolen passports to gain entry to the country and to report the outcomes of its investigations to U.S. Customs and Border Protection (CBP).

**ICE Response: Concur.** ICE will investigate and attempt to locate and remove from the United States persons that have used stolen passports to gain entry into the country. We have had discussions with CBP and will continue working with them to ensure ICE receives information on every individual present in the United States who entered on a stolen passport. The leads developed from this information will be prioritized for investigation based on current intelligence and national security criteria.

CBP already has access to information regarding the outcome of ICE investigations into the use of a stolen passport. CBP staff at the National Targeting Center can enter a TECS/ENFORCE query that can provide information to CBP on a specific case.

**Recommendation 8:** Investigate the activities of aliens who used the stolen Belgian and German passports while in the United States and determine their current whereabouts.

OIG Draft Report: A Review of the Use of Stolen Foreign Passports to Enter the United States  
Page 2

**ICE Response: Concur.** The National Security Investigations Division has a program in place to identify, prioritize and assign for field investigation the leads associated with the stolen Belgian and German passports. Leads will be forwarded to the field on two individuals who used a stolen Belgium passport and eighteen individuals who used a stolen German passport to gain entry into the United States.

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We evaluated CBP's and ICE's written comments and have made changes to the report where we deemed appropriate. Below is a summary of CBP's and ICE's written responses to the report's recommendations and our analysis of the responses.

BTS is concerned about our conclusions that were based on "a small and nonstatistical sample." Further, CBP "believes that no general conclusions can be drawn from the report due to the limited size of the studied sample" and that "any conclusions do not reflect a comprehensive study of all relevant data." We agree that the number of stolen passports that we studied in our review was small in comparison to the total number of passports presented to inspectors at POEs. Further, we recognize that our sample did not represent the total universe of all stolen passports. We were very careful to describe the stolen passports that we reviewed in our discussion of methodology and scope. However, the stolen passports we studied were not a sample. We reviewed the entire universe of reported stolen passports from the selected VWP countries during the stated period. Because it was not a sample, statistical methodologies would not apply nor would they have been useful.

Our conclusions are based on our analysis of the stolen VWP passports in our study. We do not attempt to extrapolate our conclusions to the entire universe of stolen passports. However, we do not believe it would be unreasonable to assume that we would find similar problems if we studied other groups of stolen VWP passports.

**Recommendation 1:** Require primary inspectors to refer aliens to secondary inspections when the aliens' passports are the subjects of lookouts.

**CBP Response:** CBP concurs with our recommendation that additional instruction needs to be given to inspectors regarding procedures when they encounter persons bearing suspected stolen passports. The Inspectors Field Manual (IFM) requires inspectors to refer persons with stolen passport lookout hits to secondary inspections. Further, a policy memorandum issued in April 2004 requires supervisory review regarding the admissibility of persons who are subjects of lookouts. CBP plans to issue another memorandum reemphasizing the requirement to refer all persons with passports that are subjects of lookouts to secondary inspections. Further, CBP will explore the possibility of making a secondary inspection referral that is the result of stolen passport lookout hit a mandatory field in TECS.

**OIG Evaluation:** CBP's plan to issue a new memorandum to reemphasize the requirement to refer all persons to secondary inspection using suspected stolen passports is responsive to this recommendation. CBP's intention to make secondary inspection referrals resulting from stolen passport lookout hits a mandatory field in TECS should provide CBP managers with a tool to assist them in monitoring inspector compliance with this policy. Please provide us with a copy of the memorandum when it is issued. Recommendation 1 is resolved – open.

**Recommendation 2:** Require inspectors to record in detail the results of the secondary inspections and justifications for subsequent admissions.

**CBP Response:** CBP agrees that inspectors should have more guidance in providing minimum required information when recording the results of secondary inspections. BTS plans to develop procedures to ensure that the secondary inspections records are complete.

**OIG Evaluation:** CBP's development of new standards to ensure more complete and useful secondary inspection records is responsive to this recommendation. Please provide us with a copy of the new standards when they are issued. Recommendation 2 is resolved – open.

**Recommendation 3:** Require supervisory review and approval of an inspector's decision to admit an alien who was the subject of a lookout; and ensure that the review is recorded as part of the secondary inspections record.

**CBP Response:** CBP concurs with our recommendation. A policy memorandum issued in April 2004 requires supervisory review regarding the admissibility of persons who are subjects of lookouts. CBP plans to issue a new memorandum reemphasizing the requirement for supervisory review of admissions after referral to secondary inspections and to record this review in the secondary inspections records. Further, CBP will explore the possibility of making supervisory review a requirement in TECS.

**OIG Evaluation:** CBP's plan to issue a memorandum reemphasizing the requirement for supervisory review of admissions after referral to secondary inspections and to record this review in the secondary inspections records is responsive to this recommendation. CBP's intention to make the supervisory review a requirement in TECS should provide CBP managers with a tool to help them ensure inspector compliance with these procedures. Please provide us with a copy of the new memorandum when it is issued. Recommendation 3 is resolved – open.

**Recommendation 4:** Require inspectors to timely enter name-based lookouts for aliens found inadmissible.

**CBP Response:** CBP agrees that more timely posting of name-based lookouts is required. While the IFM requires the posting of lookouts, it does not define "timely." CBP will issue guidance that will require the posting of lookouts concurrent with case processing. CBP will also explore the possibility of modifying its computer systems to automatically post lookouts when adverse actions are completed.

**OIG Evaluation:** CBP's new procedures to ensure more timely posting of lookouts is responsive to this recommendation. In addition, CBP's plan to make lookout posting an automatic process will ensure that

lookouts are always posted timely. Please provide us with a copy of the new procedures when they are issued. Recommendation 4 is resolved – open.

**Recommendation 5:** Require routine reviews of admission records to identify uses of stolen passports.

**CBP Response:** CBP concurs with our recommendation to develop processes to review admission records to identify uses of stolen passports. It plans to develop an automated mechanism to query databases to identify uses of stolen passports. In addition, CBP will track “hits” on reported stolen passports to assist the inspectors at the POEs in identifying the bearer of the suspected stolen passport.

**OIG Evaluation:** CBP’s development of a process to conduct regular reviews of admission records to detect possible uses of stolen passports to enter the United States is responsive to this recommendation. Please provide us with status reports on the progress made in developing the process. Recommendation 5 is resolved – open.

**Recommendation 6:** Disseminate information on the use of stolen passports to ICE for further investigation.

**CBP Response:** CBP agrees that the process to pass information on the uses of stolen passports to ICE for investigation should be formalized. It will add this responsibility to that of the ICE liaison at NTC.

**OIG Evaluation:** CBP’s intention to add the management of stolen passport information to the duties of the ICE liaison at NTC is responsive to this recommendation. Please provide us with a copy of the modified ICE liaison duty description when it is issued. Recommendation 6 is resolved – open.

**Recommendation 7:** Investigate, locate, and remove from the United States, persons who have used stolen passports to gain entry to the country and to report the outcomes of its investigations to CBP.

**ICE Response:** ICE concurs with our recommendation to ensure that leads are reviewed and prioritized for subsequent investigation and removal of the persons that used of stolen passports to enter the United States.

**OIG Evaluation:** ICE’s intention to include leads developed by CBP of those persons suspected of having used stolen passports to enter the United States is responsive to this recommendation. We also want to ensure that a continuous dialogue exists between CBP analysts at NTC and ICE investigators. This dialogue would help ensure that the information provided by CBP to ICE investigators is actionable. In addition, we want to ensure that appropriate information gained as a result of the

investigation is passed on to CBP inspectors to assist them in their border security enforcement responsibilities. Please provide us with a status report on ICE's utilization of such leads in its investigations. Recommendation 7 is resolved – open.

**Recommendation 8:** Investigate the activities of aliens who used the stolen passports with the Al Qaeda links while in the United States and determine their current whereabouts.

**ICE Response:** ICE agrees with our recommendation and has initiated investigations concerning the individuals that used stolen passports from the two countries to enter the United States.

**OIG Evaluation:** ICE is opening investigations of the persons who used certain passports with terrorist links, which is responsive to this recommendation. Please provide us with a general status report on the investigations. Recommendation 8 is resolved – open.



## Recommendations

We recommend that the Commissioner of Customs and Border Protection:

**Recommendation 1:** Require primary inspectors to refer aliens to secondary inspections when the aliens' passports are the subjects of lookouts.

**Recommendation 2:** Require inspectors to record in detail the results of the secondary inspections and justifications for subsequent admissions.

**Recommendation 3:** Require supervisory review and approval of an inspector's decision to admit an alien who was the subject of a lookout; and ensure that the review is recorded as part of the secondary inspections record.

**Recommendation 4:** Require inspectors to timely enter name-based lookouts for aliens found inadmissible.

**Recommendation 5:** Require routine reviews of admission records to identify uses of stolen passports.

**Recommendation 6:** Disseminate information on the use of stolen passports to ICE for further investigation.

We recommend that the Assistant Secretary for Immigration and Customs Enforcement:

**Recommendation 7:** Investigate, locate, and remove from the United States, persons who have used stolen passports to gain entry to the country and to report the outcomes of its investigations to CBP.

**Recommendation 8:** Investigate the activities of aliens who used the stolen passports with the Al Qaeda links while in the United States and determine their current whereabouts.

Appendix D  
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