



Strategic Goal 3: Homeland Security

Secure the Homeland by Strengthening Arrangements that Govern the Flows of People, Goods, and Services Between the United States and the Rest of the World

I. Public Benefit

The Department is committed to protecting America's homeland. The tragic events of 9/11 proved how susceptible the United States and its allies could be to those who would do us harm. The Department, together with our colleagues at the Department of Homeland Security (DHS) and other U.S. Government agencies, is addressing U.S. vulnerabilities to terrorist attacks and other transnational threats.

In early 2006, Secretary Rice and Secretary of Homeland Security Michael Chertoff announced their joint vision for Secure Borders, Open Doors in the Information Age. Since 9/11, State and DHS have implemented myriad changes to improve border security for the protection of the homeland, while still welcoming the many legitimate visitors that greatly contribute to America's social and economic well-being. Secretaries Rice and Chertoff have been working together to ensure these changes strike the most effective balance between stronger security and facilitating travel and exchange. Their shared vision includes renewing America's welcome to visitors with improved technology and efficiency at ports of entry and in visa processing; more secure travel documents for the 21st century; and smarter screening technology for government officials to use at home and abroad.

The Department seeks to strengthen the visa adjudication process as a tool to identify potential terrorists and others who should not receive visas and prevent those people from entering the United States. Along with our international allies, we are bolstering U.S. physical and cyber borders and the security of global networks of commerce, travel, and communications vital to the free flow of bona fide travelers and goods. With these programs, the Department is combating the ability of terrorists to travel, plan and finance their activities, conduct attacks and train new recruits.

II. Resource Summary (\$ in Thousands)

	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request	Change from FY 2006	
				Amount	%
Staff ¹	568	559	564	5	0.9%
Funds ²	\$261,517	\$168,241	\$164,153	\$(4,088)	-2.4%

Note (1): Department of State direct-funded positions.

Note (2): Funds include both Department of State Appropriations Act Resources and Foreign Operations Resources, where applicable.



III. Strategic Goal Context

Shown below are the performance goals, initiatives/programs, and the resources, bureaus and partners that contribute to accomplishment of the Homeland Security strategic goal. Acronyms are defined in the glossary at the back of this publication.

Strategic Goal	Performance Goal (Short Title)	Initiative/Program	Major Resources	Lead Bureau(s)	Partners
Homeland Security	Proper Visa Adjudication	Visa and Consular Services/Border Security	D&CP	CA	DHS, DOJ, DOL, FBI, CIA, NARA, DoD, SSA
	Border Agreements	Border Initiatives to Protect the Homeland	D&CP	WHA	DHS, DOJ, FBI
	Infrastructure Network Protection	Critical Infrastructure Protection	D&CP, CIO	EB, PM, DCHA	DHS, DOJ, DOC, DoD, DOE, APEC, OAS, OECD, G-8, UNGA



IV. Performance Summary

For each initiative/program that supports accomplishment of this strategic goal, the most critical FY 2007 performance indicators and targets are shown below.

Annual Performance Goal #1	
HS.01 DENIAL OF VISAS TO FOREIGN CITIZENS WHO WOULD ABUSE OR THREATEN THE US, WHILE FACILITATING ENTRY OF LEGITIMATE APPLICANTS.	

I/P #1: Visa and Consular Services/Border Security		
Improve ability to process visas and other services while maintaining the ability to detect when it is appropriate to deny a visa.		
 <p style="text-align: center; color: purple;">Output Indicator</p>		
Indicator #1: Deployment of a Biometrics Collection Program for U.S. Visas (PART)		
TARGETS	FY 2007	Complete 10 fingerprint pilot testing and procurement of 10-print scanners. Deploy 10-print collection capability to all visa issuing posts worldwide.
	FY 2006	Facial recognition checks for both fraud management and security purposes will be made more effective by expanding the number of entries in the photo watchlist and by technological and program improvements. Effectiveness is measured by an increase in the number of malafide applicants identified through the program and by a reduction in the number of false positives.
RESULTS	2005	All visa-issuing posts continued to collect fingerprints under the Biometric Visa Program and cleared fingerprints of over 8.1 million visa applicants against the DHS IDENT (Automated Biometric Identification System) fingerprint system, with over 11,000 matches on the IDENT watchlist, resulting in visa refusals in almost all cases.
	2004	Implementation of biometric collection program at all posts completed October 7, 2004, ahead of the statutory October 26, 2004 deadline.
	2003	<ol style="list-style-type: none"> 1. Developed recommendations on biometric standards for visas. 2. Used facial recognition technology to disqualify over 20,000 from the annual Diversity Visa lottery for filing duplicate entries. To evaluate facial recognition full potential for combating visa and passport fraud, launched a facial recognition pilot for nonimmigrant visas (NIV). Began worldwide deployment of biometric NIV software, with Brussels as the first pilot post, going live with fingerprint collection on September 22, 2003. Fingerprint capture equipment and new software for NIV production was also deployed at Frankfurt, Guatemala City, and San Salvador. 3. Began worldwide deployment of biometric NIV software, with four posts going live with fingerprint collection in September 2003.
	2002	<ol style="list-style-type: none"> 1. Biometric Border Crossing Card (BCC) program continued. 2. Production of BCCs at U.S. Embassy in Mexico supplemented BCC production by INS in periods of great demand. 3. Use of facial recognition (FR) technology expanded.
DATA QUALITY	Indicator Validation	Testing of the systems to determine whether they work as intended and successful use of the systems to capture and share biometric data and produce visas incorporating the agreed upon technology standards will indicate whether the program has been a success.
	Data Source	Bureau of Consular Affairs workload statistics and management reports.



Annual Performance Goal #2	
HS.02 IMPLEMENTED INTERNATIONAL AGREEMENTS STOP THE ENTRY OF GOODS THAT COULD HARM THE U.S., WHILE ENSURING THE TRANSFER OF BONA FIDE MATERIALS.	

I/P #2: Border Initiatives to Protect the Homeland	
Improve security in travel, communications and infrastructure while enhancing vital bilateral economic, cultural and personal relationships.	



Output Indicator

Indicator #1: Canadian Participation in Border Security and the Implementation of the U.S.-Canada Border Accord	
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TARGETS	FY 2007	75% of Strategic Partnership for Prosperity goals reached. Phase Two of Western Hemisphere Travel Initiative (for all air and sea travel to/from Canada) completed. No incidents of terrorist exploitation of Canadian territory to attack the U.S. or its interests.
	FY 2006	50% of program goals reached. Phase One of Western Hemisphere Travel Initiative completed. 25% reduction in border-crossing delays at Detroit Windsor. Continued expansion of Free and Secure Trade Program (FAST), NEXUS. U.S.-Canada policy convergence on visa waivers for targeted countries. No incidents of terrorist exploitation of Canadian territory to attack the U.S. or its interests.
RESULTS	2005	Border security program with Canada launched March 2005. Workplan approved at Ministerial in June 2005.
	2004	NEXUS lanes added at three border crossings; FAST lanes at one. SPP discussions continued but were not finalized by fiscal year-end.
	2003	Continued implementation of additional portions of the U.S.-Canada Border Accord in coordination with newly created Department of Homeland Security. Finalize a "safe third" asylee agreement (Point #5), a pre-clearance agreement (Point #7), and continued visa policy coordination (Point #6). U.S.-Canada joint committee on Critical Infrastructure Protection established (Point #21). No incidents of terrorist exploitation of Canadian territory to attack the U.S. or its interests.
	2002	<u>Baseline</u> : The 30-point Canadian plan for border security was launched.
DATA QUALITY	Indicator Validation	This indicator measures progress in implementing a key border security agreement with one of two countries bordering the continental United States.
	Data Source	Status reports from DHS and consultations with the Government of Canada.



 Output Indicator		
Indicator #2: Implementation of Action Items in U.S.-Mexico Border Partnership		
TARGETS	FY 2007	75% of Security and Prosperity Partnership (SPP) counterterrorism initiatives accomplished. GOM and USG directly share relevant data. No incident of terrorist exploitation of Mexican territory to attack U.S. or its interests.
	FY 2006	50% of SPP counterterrorism initiatives accomplished. Mechanism for sharing information on aliens of interest and visa lookout data sharing institutionalized through installation, training and establishment of guidelines. No incident of terrorist exploitation of Mexican territory to attack U.S. or its interests.
RESULTS	2005	Remaining items of Action Plan completed and institutionalized. SPP launched in 2005. Some short-term SPP objectives were unmet due to organizational delays. Completed MANPAD training; established secure cross-border commuter service at El Paso; organized law enforcement training at Mexico's southern border.
	2004	Consultant study underway; Secure Electronic Network of Travelers' Rapid Inspection (SENTRI) lanes under development; technology installation and public outreach underway; APIS installed; discussions continue for possible agreement/roll-out of NAI; protocols on sharing of information on aliens of interest near completion and technical review expected this fiscal year. SPP was not launched in FY 2004.
	2003	Border Partnership signed by both governments. Initial implementation meetings held in Mexico City and Washington. \$25 million obligated for law enforcement assistance projects under some of the 22 points.
	2002	<u>Baseline</u> : The 30-point Canadian plan and the 22-point Mexican plan were launched.
DATA QUALITY	Indicator Validation	The SPP sets 10 security goals with bilateral or trilateral implications for Mexico. The 22 action items of the Partnership, partially incorporated by the SPP, define areas where progress is needed. Visits to the border and reporting from various sources - some requiring Mexico's concurrence - provide for the opportunity to analyze the project's development from several points of view.
	Data Source	U.S.-Mexico annual reports on Partnership; NAS/INL reporting; status reports from DHS; consultations with the Government of Mexico. Complete FY 2005 data will not be available until CY 2006.



Annual Performance Goal #3
 HS.03 PROTECTION OF CRITICAL PHYSICAL AND CYBER INFRASTRUCTURE NETWORKS THROUGH AGREEMENTS AND ENHANCED COOPERATION.

I/P #3: Critical Infrastructure Protection		
Strengthen critical physical and cyber infrastructure upon which our national and homeland security depend.		
Output Indicator		
Indicator #1: Full Implementation and Expansion of Container Security Initiative		
TARGETS	FY 2007	Targeting mechanisms and risk management techniques developed as part of Container Security Initiative (CSI) are implemented throughout the supply chain. Implement best practices promulgated through multilateral fora such as the IMO, World Customs Organization (WCO), APEC, G-8 and other organizations. Improved security will further reduce opportunities for terrorist exploitation of container traffic. New Declarations of Principles: 3 New Operational Ports: 6
	FY 2006	Reduce opportunities for terrorist exploitation of container traffic by refining the targeting mechanisms and risk management techniques developed as part of CSI; 90% of U.S.-bound container traffic covered. Best practices are promulgated through multilateral fora such as the IMO, WCO, APEC, G-8 and other organizations. New Declarations of Principles: 6 New Operational Ports: 10
RESULTS	2005	1. Discussions were held with other countries interested in sending personnel to the National Targeting Center. World Customs Organization adopted the "Framework of Standards to Secure and Facilitate Global Trade" which is based on the principles underlying CSI. Four Customs Administrations agreed to participate. In addition, Customs and Border Protection and the Department of Energy are reviewing the probability of signing agreements with some countries that will include both CSI and the Megaports initiative. 2. CSI is now operational in 40 ports and screens more than two-thirds of U.S.-bound containerized cargo. 3. New Declarations of Principles: 4. 4. New Operational Ports: 14.
	2004	An agreement has been reached with the EU on CSI and related issues. Pilot project deployed to ports in Malaysia and South Africa. Working to facilitate with CBP expansion of CSI to Greece and other Customs Administrations as appropriate. Ten ports become operational with 20 of the world's largest ports participating. Taiwan signed DoP in August 2004.
	2003	Nineteen of the largest 20 ports agreed to participate in the CSI program. CSI was expanded to include additional ports worldwide. CSI "pilot phase" deployments underway at sixteen ports.
	2002	<u>Baseline</u> : Launch of the CSI. Nine countries included, encompassing fourteen of the twenty largest large ports.
	2001	CSI program initiated. Five countries included, encompassing seven of the twenty largest large ports.
DATA QUALITY	Indicator Validation	Security screening of containers at foreign ports before ships depart for the U.S. decreases both the appeal to terrorists and the vulnerability of the vital maritime transportation sector and, in the event of an incident, allows more expeditious resumption of maritime commerce.
	Data Source	Bureau of Customs and Border Protection, Department of Homeland Security.



 Output Indicator		
Indicator #2: Implementation of International Security Standards for Maritime Shipping and Ports		
TARGETS	FY 2007	Continue to monitor compliance with International Ship and Port Facility Security (ISPS) standards. U.S Coast Guard (USCG) conducts 30 international port assessments annually.
	FY 2006	Continue to monitor compliance with ISPS standards. USCG conducts 30 international port assessments annually.
RESULTS	2005	All major shipping registries serving the U.S. now conform to international standards. In port state control checks, since the beginning of FY 2005, the Coast Guard only detained 26 ships, denied entry to one, and expelled two for deficiencies in their security arrangements.
	2004	USCG began inspections July 2004. Interagency working group chaired by DHS/DOD in process of developing a National Strategy for Maritime Security to enhance maritime security.
	2003	International Maritime Organization (IMO) adopted standards for ISPS. United States passes the Maritime Transport Security Act.
	2002	IMO adopts standards for ship and port facility security. United States passes the Maritime Transport Security Act.
DATA QUALITY	Indicator Validation	Coast Guard audits of shipper compliance with ISPS standards are important to improve maritime security and prevent terrorist attacks.
	Data Source	IMO and USCG



 Output Indicator		
Indicator #3: Critical Infrastructure Protection (CIP) Principles Implemented by Bilateral Partners		
TARGETS	FY 2007	50
	FY 2006	45
RESULTS	2005	45 countries, including 19 from the Sao Paulo conference, 13 from the Berlin conference, and 12 from the Asia-Pacific Economic Cooperation group.
	2004	34
	2003	N/A
	2002	N/A
DATA QUALITY	Indicator Validation	This indicator is a measure of national awareness of and participation in CIP. Awareness of the problem is a critical first step to undertaking cooperative international activities. Target numbers are based on five CIP principles (appointment of a national CIP coordinator, establishment of a mechanism for information exchanges, adoption of appropriate CIP legislation, a campaign for CIP awareness, and creation of a culture of security.) The priority of effort is to move beyond awareness raising and identify specific initiatives for implementation. At present we have 11 bilateral partners.
	Data Source	PM compiles data on the adoption and implementation of CIP principles among bilateral partners.



 Output Indicator		
Indicator #4: International Organizations' Agreements to Strengthen Cyber Security		
TARGETS	FY 2007	APEC, OAS, and OECD continue implementation of cybersecurity plans. International Telecommunications Union (ITU-T) publishes cybersecurity recommendations.
	FY 2006	APEC, OAS and OECD continue implementation of cybersecurity plans. Participants in World Summit on Information Society's FY 2006 (calendar year 2005) session address cybersecurity measures. Member nations of multilateral organizations take necessary actions to secure their information systems against deliberate, malicious disruption and to foster increased resilience of the globally interconnected network.
RESULTS	2005	APEC, OAS, OECD and ITU-T have continued to identify issues relevant to securing networks and recognized that international cooperation and standards are key components to cybersecurity.
	2004	APEC, OAS, OECD, WSIS and ITU-T identified important issues for securing networks globally and locally. OECD members agreed on key issues and best practices for implementing guidelines for both public and private sectors. UN World Summit on the Information Society included cybersecurity as a major theme in its activities.
	2003	UN adopts "Culture of Cybersecurity" resolution based on OECD guidelines. APEC adopts cybersecurity strategy with target date of October 2003 for implementation. U.S. launches cybersecurity initiative in OAS in December 2002. OECD develops implementation plan for OECD cybersecurity guidelines. U.S. launches cybersecurity initiative in OAS in December 2002. OECD develops implementation plan for OECD cybersecurity guidelines.
	2002	OECD establishes cyber security guidelines.
DATA QUALITY	Indicator Validation	International cooperation is key to success because cyber networks are interconnected globally.
	Data Source	Bureau of Political-Military Affairs and Bureau of Economic and Business Affairs data on the adoption and implementation of cyber security initiatives in international organizations.



V. Illustrative Examples

Homeland Security	
Combating Visa Fraud	In November 2004, the Department established a fraud prevention unit at the Kentucky Consular Center to counter fraud in the Diversity Visa lottery program and with petition-based visas, such as temporary workers. The consular center provided background to support six formal fraud investigations that could lead to criminal charges and has returned 166 non-immigrant visa petitions to DHS for revocation based on fraud indicators. The consular center continues to employ facial recognition technology as a tool against visa fraud, especially in the lottery program. In 2005, more than 7.5% of winning entries were disqualified as duplicate entries using facial recognition. Another 100,000+ duplicate entries were eliminated using facial recognition and “matching technologies” before the winners were selected.
Critical Infrastructure Protection with Bilateral Partners	The Department, in conjunction with the Department of Homeland Security, formed a partnership with Australia, Canada, New Zealand, and the United Kingdom to identify and implement specific cyber security initiatives. Named the Usual Five, the nations began the exchange of cyber incident, threat, and watch and warning information. For FY 2006, these nations will participate in an extensive cyber security exercise (Cyber Storm) and promote global cyber security cooperation at an international conference hosted by the U.K. The Political-Military Bureau coordinated the meeting of 15 European and Asian nations for the purpose of establishing an International Watch and Warning Network of nations that possess cyber incident response capabilities, strong economies, and advanced technology bases. The Department's goal is that as this network develops over time, it will link to other nascent cyber incident and watch and warning networks to provide global coverage.
Container Security Initiative	The Department spearheaded global efforts to protect transportation networks through stronger shipping and aviation security rules. Nineteen of the twenty largest world ports committed to participate in the Container Security Initiative (CSI). In addition, the program expanded to other strategic ports including Malaysia and South Africa. CSI is now operational in twenty-six ports and at least two countries, Canada and Japan, have utilized the reciprocal aspects of the program to have their customs officials present at U.S. ports to observe cargo bound for their countries.



V. Resource Detail

Table 1: State Appropriations by Bureau (\$ Thousands)

Bureau (Ranked by Highest FY 2007 Request)	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
European and Eurasian Affairs	49,798	49,569	48,115
Western Hemisphere Affairs	30,794	32,055	31,902
East Asian and Pacific Affairs	34,521	31,132	26,575
Near Eastern Affairs	6,769	7,350	8,722
Other Bureaus	115,955	25,218	25,175
Total State Appropriations	\$237,837	\$145,324	\$140,489

Table 2: Foreign Operations by Account (\$ Thousands)

Title/Accounts	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
Title I - Export and Investment Assistance			
Export-Import Bank	-	-	-
Overseas Private Investment Corporation	-	-	-
Trade and Development Agency	3,065	3,023	3,018
Title II - Bilateral Economic Assistance			
USAID	-	-	-
Global HIV/AIDS Initiative	-	-	-
Other Bilateral Economic Assistance	7,151	6,039	7,605
Independent Agencies	-	-	-
Department of State	-	-	-
Department of Treasury	-	-	-
Conflict Response Fund	-	-	-
Millennium Challenge Account	-	-	-
Title III - Military Assistance			
International Military Education and Training	2,648	2,688	2,516
Foreign Military Financing	10,816	11,167	10,525
Peacekeeping Operations	-	-	-
Title IV - Multilateral Economic Assistance			
International Development Association	-	-	-
International Financial Institutions	-	-	-
International Organizations/Programs	-	-	-
Total Foreign Operations	\$23,680	\$22,917	\$23,664
Grand Total	\$261,517	\$168,241	\$164,153