Performance Section

This section contains the annual program performance information required by the Government Performance and Results Act of 1993 (GPRA) and together with the Appendices, includes all of the required elements of an annual program performance report as specified in OMB Guidance. The results are presented in twelve chapters, one for each strategic goal. A summary of resources supporting each strategic goal is included in a table at the end of the section. For more information, please contact the Office of Strategic and Performance Planning at PAR@state.gov or (202) 647-0300.

INTRODUCTION TO THE JOINT PERFORMANCE SECTION

HOW WE MANAGE AND REPORT ON PERFORMANCE

The Joint Performance Section reports on performance indicators ***owned and managed separately*** by the Department of State and the U.S. Agency for International Development (USAID). Each indicator table shows the logo of the agency responsible for gathering, reporting, and validating the performance data for that indicator:

Department of State USAID

In addition, State and USAID are reporting separately on agency-specific resources invested to achieve specific performance goals. Throughout the fiscal year, performance management analysts from the Department of State and USAID provide training, guidance and support to planning coordinators from regional and functional bureaus in both agencies. These bureau planning coordinators work directly with senior leadership, program managers and technical experts to review and evaluate performance measures to ensure they best capture the President's highest foreign policy and foreign assistance priorities and focus on high-level outcomes. Furthermore, senior leaders and program managers use relevant performance data, including data from program evaluations, budget reviews, PART assessments, and quarterly results reporting to inform budget and management decisions.

During FY 2006, the Department and USAID closely reviewed and significantly simplified the number of indicators used to track performance. A joint State-USAID team of performance analysts reviewed the indicator set published in the FY 2006 Joint Performance Plan and, in consultation with program managers, replaced weak indicators and imprecise targets with measures that better track progress toward our highest-level outcomes and strategic goals. As a result, the number of indicators against which the Department of State and USAID are reporting in the FY 2006 PAR was reduced from 286 to 129, of which 35 are managed by USAID and 94 are managed by the Department.

In accordance with OMB guidance and the Reports Consolidation Act of 2000, the performance data contained in the FY 2006 PAR are complete and reliable. Actual performance data are reported for every performance goal and explanations for changes to performance measures are listed in an appendix. For many of its indicators, USAID estimated performance results based on preliminary data, as final year data were unavailable as of November 15, 2006. If preliminary data have been used, this will be noted in the data source information for each indicator. Final USAID performance results will be reported after year-end data is received from field operating units later in the calendar year.

OUR PERFORMANCE RATING SYSTEM

The Department and USAID used a rigorous results rating methodology to assess FY 2006 performance on the initiatives and programs under each strategic goal. First, program managers assigned a single rating for each performance measure to characterize the status of agency performance in relation to targets set for FY 2006. Performance analysts from State and USAID then evaluated each self-assessed rating and raised follow-up questions with program managers as appropriate. On occasion, initial ratings were changed after review to more accurately reflect results.

The following table shows the criteria and parameters of the Performance Results Rating System.

PERFORMANCE RESULTS RATING SYSTEM					
Performance Rating	**Significantly Below Target**	**Below Target**	**On Target**	**Above Target**	**Significantly Above Target**
Criteria	**Parameters**				
Results Against Targets	Results missed FY 2006 target by a significant margin	Results missed FY 2006 target by a slight margin	Results met FY 2006 target	Results slightly exceeded FY 2006 target	Significantly exceeded FY 2006 target
Budget Status	Spent significantly over budget	Spent slightly over budget	Spent on budget	Spent slightly under budget	Spent significantly under budget
Timeliness	Missed most critical deadlines	Missed some critical deadlines	Met all critical deadlines	Met some critical deadlines early	Met most critical deadlines early
Impact on Outcomes	Results significantly compromise progress toward targeted outcomes	Results slightly compromise progress toward targeted outcomes	Results support progress toward targeted outcomes	Results slightly ahead of expected progress toward targeted outcomes	Results significantly ahead of expected progress toward targeted outcomes

VALIDATION AND VERIFICATION

Program managers are held accountable for performance results reported in the PAR. Credibility depends on the due diligence of program managers to validate and verify performance by choosing appropriate performance measures and ensuring the highest accuracy of reported results. The Department's Verification and Validation Reference Guide and USAID's Automated Directives System *(www.usaid.gov/policy/ads/200/203.pdf)* assist program managers to ascertain the quality, reliability and validity of performance data. The National Foreign Affairs Training Center also uses these reference materials in courses on strategic and performance planning.

Assessing the reliability and completeness of performance data is critical to managing for results. Tables in the Joint Performance Section include the following information to show validation and verification of performance data:

- **Validation:** At the top of each performance table under the indicator title, a short statement explains why this indicator is a useful and appropriate measure of program performance.
- **Verification:** Performance tables include a "Performance Data" subsection that provides data source and data quality information relevant to each indicator. Under these fields, program managers list the resources used to measure performance (data source) and provide an assessment of the reliability and completeness of performance data (data quality), including any issues that may compromise confidence in the accuracy, quality or reliability of performance data or data sources used to determine FY 2006 performance results.

Federal agencies' Inspectors General play a central role in the verification and validation of their agency's performance measures. To improve performance and implement the President's Management Agenda, the Office of the Inspector General (OIG) reviews performance measures in the course of its audits and evaluations. The OIG consults with program managers to identify key measures to be verified and validated as a complement to agency verification and validation efforts. The OIG gives priority to performance measures related to the President's Management Agenda initiatives, programs assessed by OMB's Program Assessment Rating Tool, and areas identified as serious management and performance challenges. In addition, independent external auditors perform tests to determine if internal controls exist and are followed to ensure that performance indicator results are accurate and complete, in compliance with the Government Performance and Results Act. ■

STRATEGIC OBJECTIVE #1: ACHIEVE PEACE AND SECURITY

The foremost responsibility of government is protecting the life, liberty, and property of its citizens. Since our struggle for independence, diplomacy and development assistance have become critical to our nation's security. The Department of State and USAID lead the effort to build and maintain relationships, coalitions, and alliances that promote economic, social and cultural cooperation, helping create the conditions for peace, and containing or eliminating potential dangers from abroad before they can harm our citizens.

Our security is best guaranteed when our friends and neighbors are secure, free, and prosperous, and when they respect human rights and the rule of law. As a result, the Department and USAID focus their efforts on resolving regional conflicts, countering global terror networks, combating international organized crime, and keeping weapons of mass destruction out of the hands of those who seek to harm the United States, our allies, and our friends.

STRATEGIC GOAL 1: REGIONAL STABILITY

Avert and Resolve Local and Regional Conflicts to Preserve Peace and Minimize Harm to the National Interests of the United States

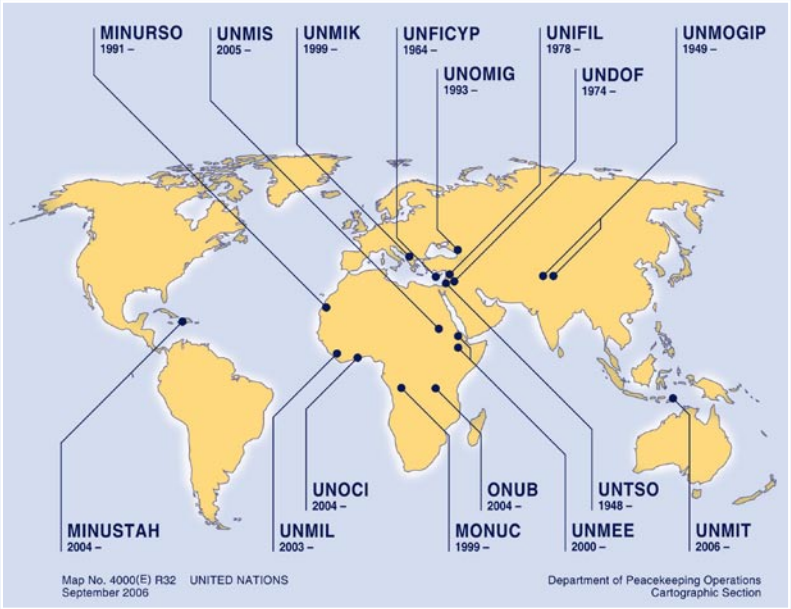
I. Public Benefit

The United States Government seeks to provide security for American citizens and interests at home and abroad through international treaties, alliances, and the active promotion of freedom, democracy, and prosperity around the world. Employing diplomacy and development assistance, the U.S. builds and strengthens relations with neighbors and allies worldwide to promote shared values and prevent, manage, and mitigate conflicts and human suffering. The Department of State and USAID work with international partners to alleviate regional instability by promoting good governance and sustainable civil institutions, and by developing professional, responsible, and accountable police and military forces. In company with U.S. allies and coalition partners, the U.S. Government (USG) helps failing, failed, and recovering states to nurture democracy, enhance stability, improve security, make key reforms and develop capable institutions. Department of State and USAID policies and programs enable partnerships to fight terrorism, the proliferation of dangerous weapons, trafficking in people and narcotics, and other criminal activities that undermine legitimate governments and threaten regional stability around the globe. The USG helps build the capacity of foreign partners through military and development assistance programs that enhance regional security and reduce demands on

Secretary Rice gestures while speaking during a media conference after a NATO foreign ministers meeting at the National Palace of Culture in Sofia, April 2006.
AP/Wide World

U.S. forces. Engagement of like-minded foreign partners contributes to and enhances the legitimacy of U.S. stabilization and reconstruction efforts. Success under the Regional Stability Strategic Goal can be seen in the expansion of NATO missions into Afghanistan, strong and growing security relationships with Japan, South Korea, India and Australia, and steady improvements in the capability of the African Union to respond to crises on the African continent. These and related efforts reduce threats created by regional instability and thereby protect the security of Americans and our interests at home and abroad.

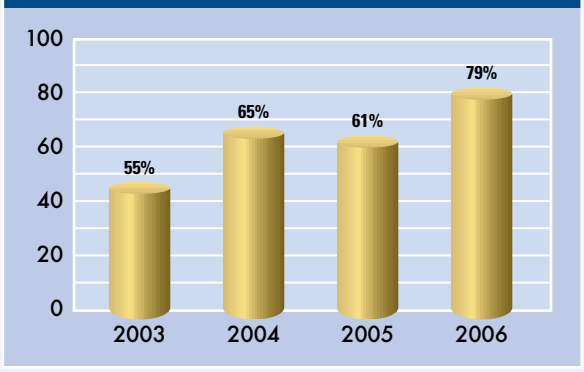
Ongoing Peacekeeping Missions



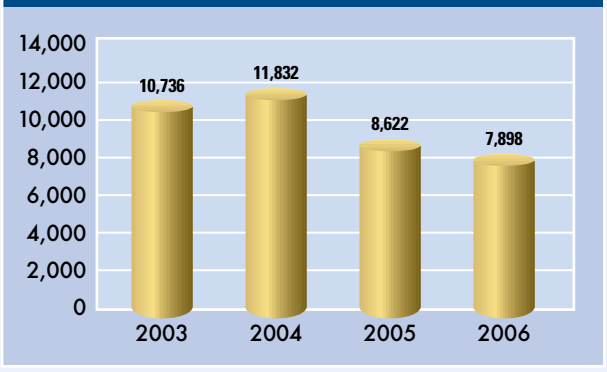
UNTSO	United Nations Truce Supervision Organization
UNMIS	United Nations Mission in the Sudan
UNMOGIP	United Nations Military Observer Group in India and Pakistan
MONUC	United Nations Organization Mission in the Dem. Rep. of the Congo
UNFICYP	United Nations Peacekeeping Force in Cyprus
UNMEE	United Nations Mission in Ethiopia and Eritrea
UNDOF	United Nations Disengagement Observer Force
UNMIL	United Nations Mission in Liberia
UNIFIL	United Nations Interim Force in Lebanon
UNOCI	United Nations Operation in Côte d'Ivoire
MINURSO	United Nations Mission for the Referendum in Western Sahara
MINUSTAH	United Nations Stabilization Mission in Haiti
UNOMIG	United Nations Observer Mission in Georgia
ONUB	United Nations Operation in Burundi
UNMIK	United Nations Interim Administration Mission in Kosovo
UNMIT	United Nations Integrated Mission in Timor-Leste

II. Selected Performance Trends

Percentage of U.S. Trained African Units Deployed to Peace Support/Humanitarian Response Operations



Number of Individuals Trained under IMET Programs (International Military Education and Training)



III. Strategic Context

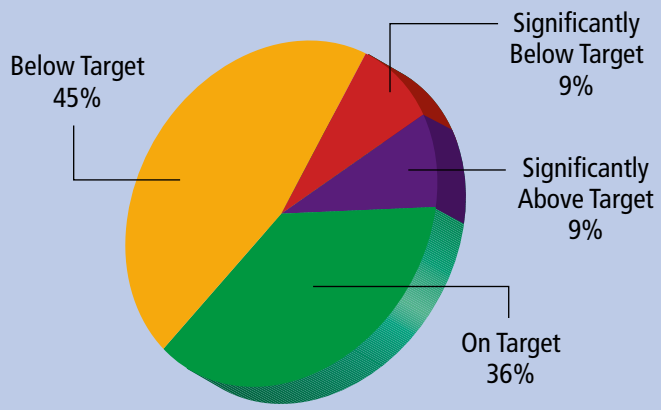
Shown below are the performance goals, initiatives/programs, and the major resources, bureaus and partners that contribute to accomplishment of the Regional Stability strategic goal. Acronyms are defined in the glossary at the back of this publication.

Strategic Goal	Performance Goal (Short Title)	Initiative/ Program	Major Resources	Lead Bureau(s)	External Partners
Regional Stability	Close Ties with Allies and Friends	Transatlantic Relationship	D&CP, FMF, IMET, ESF	EUR, PM	NATO member and aspirant countries
		International Military Education and Training (IMET)	D&CP, IMET, FMF	PM	Office of the Secretary of Defense/ Defense Security Cooperation Agency (OSD/DSCA), Joint Staff
		Military Assistance for New NATO and NATO Aspirant Nations	D&CP, FMF, IMET	EUR, PM	DoD, Joint Staff
	Resolution of Regional Conflicts	Prevent/Resolve Regional and Local Conflicts	D&CP	EAP	DoD, ASEAN, Japan, China, Russia, Republic of Korea
		Conflict Management and Mitigation	D&CP, PKO, IMET, FMF, DA, ESF, TI	AF, AFR, DCHA	AU, DoD, EU, UNDPKO, France, UK, Belgium, ECOWAS, Nigeria, Senegal, Ghana, Kenya, Benin, Mali
		Regional Security Cooperation and Arms Control	D&CP	ISN, EUR, VCI	DoD, NATO, OSCE
		Implementation of the Road Map	D&CP, ESF	EB, NEA, PPC	NSC, CIA
		Iraq and Gulf Security	D&CP, FMF, IMET, ESF, INCLE, HRDF, IRRF	NEA, PM, ANE	NSC, DoD, Treasury, Commerce, Agriculture, FAA, Education, HHS, International Broadcasting Bureau, DOJ, Energy, UN
		Security Assistance to Sub-Saharan Africa	D&CP, PKO, ESF, IMET, FMF	AF, PM	AU, DoD, EU, ECOWAS, UNDPKO, Netherlands, Belgium, France, UK, Nigeria, Senegal, Ghana, Kenya, South Africa, Benin, Mali, Ethiopia, Djibouti

IV. Performance Summary

The chart below summarizes Department of State and USAID performance ratings for the Regional Stability strategic goal.

STRATEGIC GOAL RESULTS ACHIEVED FOR FY 2006



RATINGS DISTRIBUTION

Significantly Above Target	1
Above Target	0
On Target	4
Below Target	5
Significantly Below Target	1
Total Number of Ratings	**11**

V. Performance Analysis

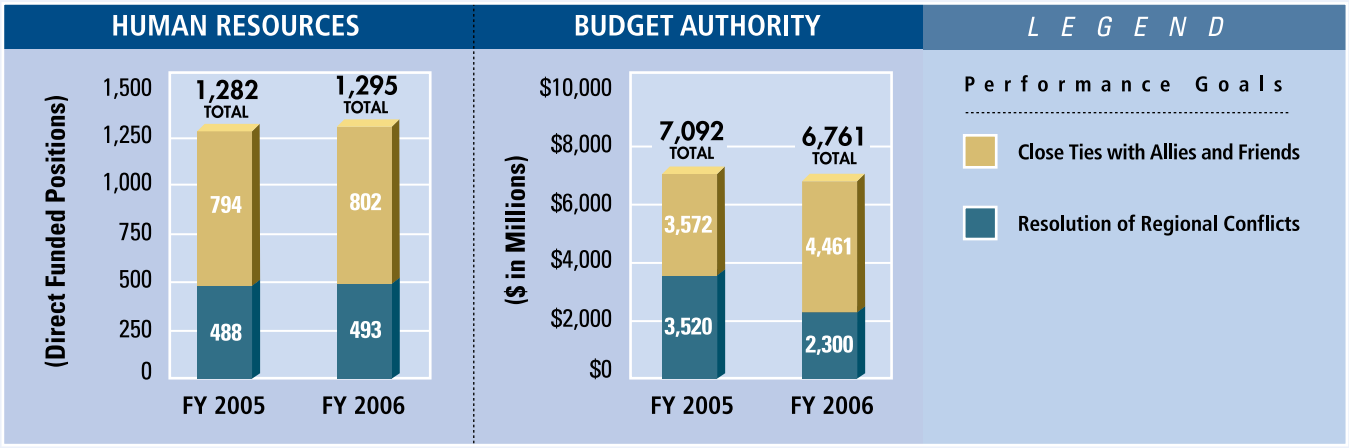
PERFORMANCE TRENDS. There have been a number of significant trends under the Regional Stability goal. One trend is the steady increase since FY 2003 in the percentage of U.S. trained African units deployed to peace support/humanitarian response operations. Another trend is the decrease in the number of foreign military officers participating in International Military Education and Training (IMET) programs from FY 2003 to FY 2006, attributable in part to fewer training opportunities available for foreign military officers due to military operations in Iraq and Afghanistan. A final notable trend is USAID's positive results in supporting local peace-building initiatives, conflict sensitivity training and conflict mitigation-focused media campaigns. USAID's grassroots approach has advanced USG efforts toward peace and regional stability.

HIGH-LEVEL RESULTS. The Department and USAID made demonstrable progress toward desired regional stability outcomes, including promoting strong and effective ties with transatlantic allies, augmenting interoperability with NATO forces, obtaining Chinese cooperation on regional stability matters, and building the capacity of African forces deployed to peace support and humanitarian response operations. USAID results on conflict management and mitigation programs showed progress is being made on local levels to advance peace processes around the world.

RESULTS SIGNIFICANTLY ABOVE OR SIGNIFICANTLY BELOW TARGET. USAID significantly exceeded targets for peacebuilding and conflict resolution activities worldwide. However, the indicator that tracks the implementation of the Adapted Conventional Forces in Europe (CFE) treaty was rated significantly below target. Implementation of the CFE remains stalled as the standoff between Russia and NATO states continues over Russia's failure to withdraw military forces from Moldova and Georgia.

KEY INITIATIVES AND PROGRAMS. For FY 2006, Congress appropriated $86.7 million to the Department of State for international military education and training, $4.5 billion for foreign military financing, and more than $1.2 billion to fund international peacekeeping operations.

VI. Resources Invested



VII. Performance Results

For each initiative/program that supports accomplishment of this strategic goal, the most critical FY 2006 performance indicators and targets are shown below.

ANNUAL PERFORMANCE GOAL 1

CLOSE, STRONG, AND EFFECTIVE U.S. TIES WITH ALLIES, FRIENDS, PARTNERS, AND REGIONAL ORGANIZATIONS.

Meeting the Challenges of the 21st Century

NATO's role in building security in Afghanistan, far outside the traditional NATO area of operations, is a clear indication of NATO's commitment to combat increasingly global threats in the 21st century. NATO has over 19,000 soldiers from 36 countries under its command in Afghanistan, demonstrating the enhanced security posture and international commitment to continue fighting the war on terrorism. Since 2005, NATO has trained over 2,000 Iraqi officers and has provided airlift and other logistical and training support to the African Union's Darfur mission. NATO has also played a key role in maintaining peace and stability in the Balkans.

A German ISAF patrols in northern Afghanistan, October 2005. AP/Wide World

I/P: TRANSATLANTIC RELATIONSHIP

INDICATOR: Status of Transatlantic Security Relationships

Outcome

JUSTIFICATION: The North Atlantic Treaty Organization (NATO) is the United States' most effective and durable multilateral security relationship. Strong and effective ties with European allies within NATO are essential to promote stability and protect U.S. interests in Europe and around the world.

FY 2006 PERFORMANCE	**Target**	• NATO increases the size and scope of its training mission in Iraq. • NATO-led International Security Assistance Force (ISAF) completes Stage IV transfer and assumes security responsibility throughout Afghanistan. • NATO stages large-scale military exercise in the Middle East and Central Asia and the Caucasus; four more Gulf states join NATO's security cooperation initiative for the Middle East; three more Central Asian and Caucasus states conclude Individualized Partnership Action Plans. • NATO Response Force reaches full operational capability following certification. • Ukraine further intensifies relationship with NATO, depending upon reform progress. • Russia launches peacekeeping brigade fully interoperable with NATO. • European countries contribute to NATO operations.
	Results	• NATO increased the size and scope of its training mission in Iraq. • NATO-led International Security Assistance Force (ISAF) assumed responsibility for security throughout Afghanistan and completed expansion of Provincial Reconstruction Teams. • NATO completed Kosovo Force transition from a Multinational Brigade Force to a Multinational Task Force structure. • NATO Response Force improved but is not yet at full operating capability. • Ukraine committed to strengthening cooperation with NATO. • Russia and NATO work together to improve military interoperability, but Russia has not yet established a fully interoperable peacekeeping unit.
	Rating	On Target
	Impact	Advanced military goals in Iraq and Afghanistan. KFOR transition created leaner administration and support with more flexible maneuver elements.
PERFORMANCE DATA	**Data Source**	Reports from NATO.
	Data Quality (Verification)	The data, gathered through primary data collection from NATO Allies, are considered reliable.
PAST PERFORMANCE	**2005**	European military capabilities increased through engagement in the ISAF and NATO's Training Mission in Iraq. NATO's Stabilization Force completed its mission in Bosnia & Herzegovina. The NATO-EU handover took place smoothly. A NATO headquarters in Sarajevo was established on schedule. NATO began Kosovo Force transition to a Multinational Task Force structure to eliminate redundant administrative and support forces while enhancing overall effectiveness of maneuver forces.
	2004	European and Eurasian partners contributed troops to the Multinational Force-Iraq and Operation Enduring Freedom. NATO-ISAF operation expanded beyond Kabul. NATO expanded operations in Iraq. Minimal NATO presence in Bosnia & Herzegovina; deterrent presence in Kosovo.
	2003	Berlin Plus, which would have allowed the EU to borrow NATO assets and capabilities for European-led operations, was not agreed upon. Allied Heads of State and Government committed to enhance military capabilities through the New Capabilities Initiative. U.S. export controls with key European allies were streamlined to promote transatlantic defense industrial integration. NATO-Russia Council established.

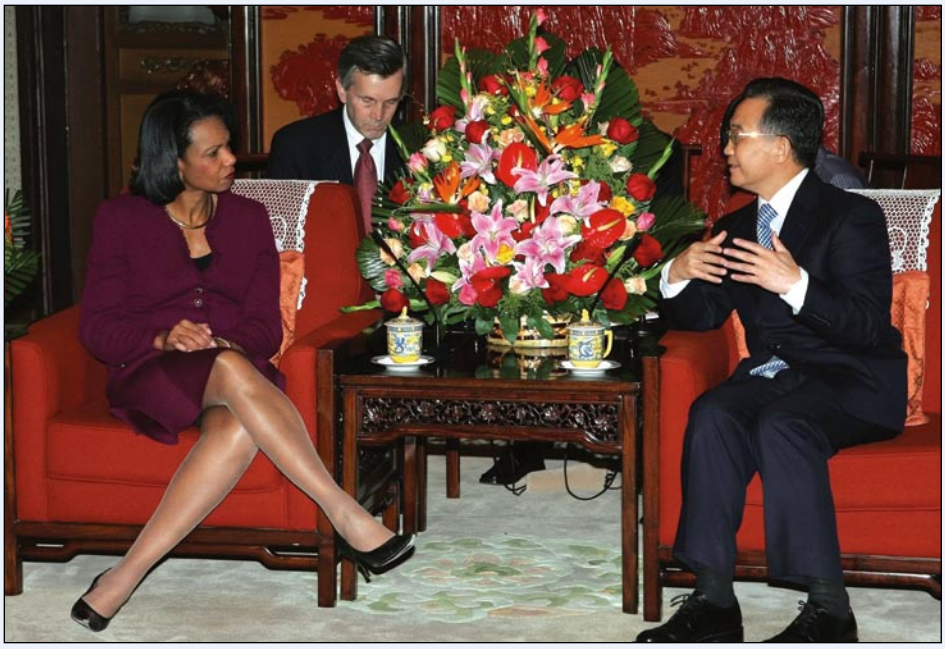
I/P: INTERNATIONAL MILITARY EDUCATION AND TRAINING (IMET)

INDICATOR: Number of Individuals Receiving Training Under IMET

Output

JUSTIFICATION: The number of foreign military personnel participating in IMET programs helps gauge increased foreign receptivity to the U.S. strategic approach and likely success in gaining foreign support on specific policy issues. The greater the number of IMET students, the greater the likelihood that future leaders will be drawn from a cadre of individuals who possess an understanding of and appreciation for U.S. interests.

FY 2006 PERFORMANCE	Target	12,800 individuals.
	Results	7,898 individuals.
	Rating	Below Target
	Impact	Fewer foreign students trained through IMET programs could mean fewer future leaders who possess familiarity with and appreciation of U.S. strategic and policy interests.
	Reason for Shortfall	Reduction of students is due in large part to military operations in Iraq and Afghanistan, which resulted in fewer training opportunities at U.S. military schools and facilities, as well as a reduced number of trainers available to participate in Mobile Training Teams.
	Steps to Improve	Improvement in numbers of students receiving IMET-funded training is contingent upon increases in funding, decreases in military operational tempo, and on removing legislative restrictions on military assistance. However, data may be deceiving in that numbers of individuals trained may not directly reflect the potential foreign policy impact of training. Sending many junior military personnel to short training courses does not necessarily equate to the strategic impact of sending fewer but more senior officers to longer senior educational courses. The Department continues to search for better methodologies by which to measure the meaningful impact of IMET training.
PERFORMANCE DATA	Data Source	Data and records concerning IMET students and expenditures are maintained by the U.S. Department of Defense. Department of State Political-Military Affairs Bureau and regional bureau assessments of participation by foreign countries.
	Data Quality (Verification)	Data are regarded as reliable and authoritative.
PAST PERFORMANCE	2005	8,622 individuals.
	2004	11,832 individuals.
	2003	10,736 individuals.



Secretary Rice meets with Chinese Premier Wen Jiabao in Beijing in October 2006. AP/Wide World

I/P: MILITARY ASSISTANCE FOR NEW NATO AND NATO ASPIRANT NATIONS

INDICATOR: Aspirants Making Progress Achieving NATO-Defined and Measured, Country-Specific Membership Action Plans

PART Outcome

JUSTIFICATION: Progress shown by NATO aspirant nations to achieve membership action plans indicates political will to integrate defense with NATO as a whole.

FY 2006 PERFORMANCE	**Target**	• New members fully integrated into revised command structure and making measurable progress toward meeting force goals. • Remaining aspirants (Albania, Croatia, and Macedonia) accelerate military reform and increase number of deployment-ready niche units through Adriatic Charter.
	Results	• With mentoring from Allies, Albania, Macedonia and Croatia made progress implementing their Membership Action Plans, including progress on defense reforms, force restructuring, and improved interoperability. • All new allies have contributed to this consultation process. • New members are fully integrated into command structure and making measurable progress toward meeting force goals. • All aspirants have deployed units to NATO operations.
	Rating	On Target
	Impact	Aspirant progress is on schedule. NATO has agreed to evaluate aspirants' progress and make decisions on possible membership invitations at its 2008 Summit. President Bush publicly pledged to support Croatia's bid for a 2008 invitation.
PERFORMANCE DATA	**Data Source**	NATO International Staff Consolidated and Individual Membership Action Plan, Annual National Plan submissions.
	Data Quality (Verification)	These data are official, objective and accurate. Reporting from the various sources is crosschecked to ensure reliability and completeness.
PAST PERFORMANCE	**2005**	Albania, Macedonia and Croatia made progress with Membership Action Plans with mentoring from new ally nations. All new allies have contributed to this consultation process.
	2004	One hundred percent of NATO aspirants made progress toward NATO-defined and measured, country-specific Membership Action Plans. Formal entry of New Allies, who complete full integration into NATO, and assist mentoring of Aspirants. Membership Action Plan cycle continued for aspirants; Adriatic Charter cooperation took shape.
	2003	Accession Protocols signed by 19 Allies; U.S. Senate ratification in May 2003. Invitees' reforms took place in line with NATO requirements for membership. Aspirants continue Membership Action Plan process and, along with the U.S., signed the Adriatic Charter, where all parties pledged to work together to move reform efforts toward NATO and EU membership.

Afghan President Hamid Karzai reviews the guard-of-honor during a ceremony in Islamabad, Pakistan, February 2006.
AP/Wide World

ANNUAL PERFORMANCE GOAL 2

EXISTING AND EMERGENT REGIONAL CONFLICTS ARE CONTAINED OR RESOLVED.

I/P: PREVENT/RESOLVE REGIONAL AND LOCAL CONFLICTS		
	INDICATOR: Status of Chinese Cooperation on Regional Stability	
	Outcome	
JUSTIFICATION: China is capable of playing a significant role in reducing tension in the East Asia and Pacific region.		
FY 2006 PERFORMANCE	Target	China continues to host and participate in Six-Party settlement of the North Korea nuclear issue.
	Results	China continues to prioritize the Six-Party Talks as the best venue to resolve the North Korea nuclear issue, and urges further participation in the talks by all parties. A fifth round of the talks took place in Beijing in November, but North Korea has refused to participate in subsequent sessions.
	Rating	On Target
	Impact	Chinese assistance in limiting North Korea's WMD proliferation is critical to our greater nonproliferation objectives.
PERFORMANCE DATA	Data Source	Reports and memoranda of communication from U.S. overseas posts, intelligence reporting, regional allies, and NGOs.
	Data Quality (Verification)	The quality of the data is largely dependent on the number and types of observations. Widespread interest in this area ensures a significant source of information is available to verify results and conclusions. Steady diplomatic reporting has provided a solid basis for policy makers to make informed decisions.
PAST PERFORMANCE	2005	China's active diplomacy continued to result in forward progress in Six-Party talks. China-Association of Southeast Asian Nations (ASEAN) enhanced confidence-building measures on trade and maritime ties. China, ASEAN and UN promoted Burma political opening.
	2004	China played a constructive role in, and hosted, the Six-Party talks with North Korea, and has continued to improve ties and play a constructive role in South Asia. China generally was supportive of U.S. Middle East policies and provided modest assistance with reconstruction in Afghanistan and Iraq.
	2003	China discussed its bilateral border disputes with Indian officials and played a crucial role in facilitating multilateral talks with North Korea on maintaining a nuclear weapons-free Korean Peninsula.

U.S. Assistance to Liberia

The United States has taken the lead in helping Liberia make the transition from conflict to stability. Our diplomatic and military intervention in 2003 helped end the civil war, usher in a transitional government, and pave the way for democratic elections in 2006. In collaboration with other donors and multilateral organizations, the U.S. is helping Liberia rebuild its government and security functions, build infrastructure and roads, create employment and training opportunities, and provide vital health and education services for the Liberian people.

Liberian Chief Justice of the Supreme Court Henry Reed Cooper, right, administers the oath of office to Liberian President elect Ellen Johnson Sirleaf in Monrovia, Liberia, January 2006. AP/Wide World

I/P: CONFLICT MANAGEMENT AND MITIGATION

INDICATOR: Number of Peacebuilding and Conflict Resolution Activities Conducted Worldwide

Output

JUSTIFICATION: This is a measure of progress toward world peace that incorporates a balanced mix of coordinated outputs.

FY 2006 PERFORMANCE	**Target**	• 5% increase over FY 2005 in number and types of events in support of peace processes (i.e., peace conferences, dialogues, training course, workshops, and seminars). • 5% increase over FY 2005 in number of officials and key decision-makers trained in peacebuilding/conflict resolution/mitigation skills. • 5% increase over FY 2005 in number of people reached by conflict prevention/mitigation media campaigns.
	Results	• 44% increase in the number and types of events in support of peace processes (total number of events in FY 2006: 1,952). • 124% increase in the number of officials and key decision-makers trained in peacebuilding/conflict resolution/mitigation skills (total number of officials/decision-makers trained in FY 2006: 13,155). • 42% increase in the number of people reached by conflict prevention/mitigation media campaigns (total number of people reached by conflict prevention/mitigation media campaigns in FY 2006: 10,810,750).
	Rating	**Significantly Above Target**
	Impact	Working toward its mandate of mainstreaming conflict sensitivity within USAID's traditional disaster, transitional, and development assistance portfolios, conflict management and mitigation has achieved positive results by supporting peace-building initiatives, conflict sensitivity training, and conflict mitigation-focused media campaigns. These contributions continue to improve USAID's ability to more skillfully support local efforts toward peace and regional stability.
PERFORMANCE DATA	**Data Source**	Preliminary result data from USAID operating units.
	Data Quality (Verification)	Verification and validation of the Agency's performance data is accomplished by periodic reviews, certifications and audits, including Data Quality Assessments and PART assessments, as well as annual certification of operating units' strategic objectives and their relationship to the Agency's strategic goals. Data validation and verification are also supported by extensive automated systems and external expert analyses.
PAST PERFORMANCE	**2005**	• The number and types of events in support of peace processes (peace conferences, dialogues, training course, workshops, seminars) increased by 20% over FY 2004 (Total number of events in FY 2005: 1,355). • The number of officials and key decision-makers trained in peacebuilding/conflict resolution/mitigation skills increased by 78%. (Total number of officials/decision-makers trained in FY 2005: 5,858). • The number of people reached by conflict prevention/mitigation media campaigns increased by 4% (The number of people reached in FY 2005: 7,587,694).
	2004	**Baselines:** • Number and types of events in support of peace processes (peace conferences, dialogues, training course, workshops, seminars): 1,126. • Number of officials and key decision-makers trained in peacebuilding/conflict resolution/mitigation skills: 3,301. • Number of people reached by conflict prevention/mitigation media campaigns: 7,295,860.
	2003	N/A.

I/P: CONFLICT MANAGEMENT AND MITIGATION *(continued)*

INDICATOR: Progress of Implementation of Sudan Peace Process

Outcome

JUSTIFICATION: A peaceful Sudan with an inclusive government based on the rule of law could be a hedge against regional instability and an important partner in the global war on terrorism. Ending the conflict would also alleviate one of the world's worst humanitarian situations and stimulate regional economic prospects.

FY 2006 PERFORMANCE	**Target**	• Regional democratic elections are planned; non-violent transitions to appropriate new government in Sudan or at minimum, preparation activities toward a program of democratic elections are put in place. • Military reform continues with additional assistance provided to the southern Army. • Disarmament, Demobilization, and Reintegration (DDR) on both sides results in force reduction of 40% globally. • 40% of refugees and internally displaced persons (IDPs) return home. Darfur IDPs and refugees return home. • UN authorizes extension of UN Mission in Sudan (UNMIS) in Darfur.
	Results	• Comprehensive Peace Agreement (CPA) implementation showed progress in security arrangements; less progress on power- and wealth-sharing protocols. • Darfur Peace Agreement signed in Abuja, Nigeria and Eastern Sudan Peace Agreement completed. Both agreements complement framework of CPA. • Planning for elections barely in preliminary phase; however, technical preparations for a national census, a precursor to elections, are on schedule. • Military transformation and U.S. support for Security Sector Transformation have slowly begun in the South. • UNMIS verified redeployment on schedule with 63% Sudanese Armed Forces redeployed and 65% Sudan People's Liberation Army (SPLA) forces redeployed. • The National Disarmament, Demobilization, Reintegration (DDR) Commission has not met since it was established in February 2006. The Northern Sudan DDR Commission started preliminary assessment work in Darfur. • Internally Displaced Persons (IDP) are returning in the South, but displacements are increasing in Darfur. • UNSCR 1706 authorizes the extension of UNMIS to Darfur and expansion by up to 17,300 troops, 3,300 UN Police, and 16 Formed Police Units.
	Rating	**Below Target**
	Impact	The crisis in Darfur and Sudanese military offensive in Darfur have hindered progress on the implementation of the Comprehensive Peace Agreement. Implementation of the Darfur Peace Agreement and Comprehensive Peace Agreements are closely linked, and resolving the Darfur crisis is key not only to those affected by the crisis directly, but for all Sudanese whose future depends on the full and sustainable implementation of the Comprehensive Peace Agreement.
	Reason for Shortfall	Non-signatories to the Darfur Peace Agreement as well as the Sudanese Government continue to escalate violence and further embroil the Darfur region in conflict. Additionally, both the Sudan People's Liberation Movement (SPLM) and particularly the National Congress Party have been slow to act on key aspects of the CPA which require direct cooperation among members of the Government of National Unity.
	Steps to Improve	Resolving the Darfur crisis through a two-tracked diplomatic and security strategy will be crucial to progress on CPA implementation. This includes broadening support for the Darfur Peace Agreement among non-signatories, full and expeditious implementation of the agreement, and deployment of a UN peacekeeping force to Darfur respectively.
PERFORMANCE DATA	**Data Source**	Embassy, USAID, UN, and NGO reporting.
	Data Quality (Verification)	UN and embassy reporting is generally detailed and accurate (e.g. monthly CPA Monitor). NGO reporting varies by location, event, and source.

Continued on next page

I/P: CONFLICT MANAGEMENT AND MITIGATION *(continued)*

INDICATOR: Progress of Implementation of Sudan Peace Process *(continued)*

PAST PERFORMANCE	2005	• In accordance with the CPA, the Government of National Unity and Presidency was formed and the Government of Southern Sudan was established. The donors conference in April succeeded in obtaining pledges to support the Comprehensive Peace Agreement above request. • The UN Mission in Sudan deployed. • Following the untimely death of former Vice President John Garang in late July, Salva Kiir was announced as the new First Vice President of Sudan in an orderly succession process, signaling the resilience of the CPA. • Violence in Darfur and disruption of humanitarian assistance continued. In spite of some difficulty, Darfur peace talks in Abuja continued.
	2004	• Power and wealth sharing agreements signed. • Comprehensive agreement being negotiated. • Crisis in Darfur eclipses Government of Sudan (GOS) - Sudan People's Liberation Movement (SPLM) peacemaking efforts. • GOS not yet able to rein in Jingaweit militia as humanitarian crisis worsens. • African Union deployed ceasefire monitors with U.S. assistance.
	2003	• U.S. Government continued playing a strong role in the Inter-governmental Authority for Development peace process. Talks continued moving toward conclusion. • Wide-ranging USG planning in the event of peace undertaken; most planning targets were identified. • Ceasefire monitoring continued; DDR planning underway.

INDICATOR: Status of Regional Security in the Mano River Countries of Liberia, Guinea, and Sierra Leone

Outcome

JUSTIFICATION: Liberia, Guinea and Sierra Leone have been the site of war and other instabilities for at least the past 15 years, at untold humanitarian and economic cost to the countries and the region. Realizing a just peace will ensure that human resources and markets can better prosper and thereby decrease the region's potential as a site for terrorist or other illicit activities, including environmental degradation.

FY 2006 PERFORMANCE	Target	• Liberia holds acceptable elections with nonviolent aftermath. • Security sector reform continues in Liberia with newly trained police and military units deployed. • The countries remain at peace, posting Gross Domestic Product growth twice that of population growth and boosting rankings on the Freedom House index of "free" nations by at least ten percentage points. • Seventy-five percent or more of internally displaced persons (IDPs) and refugees return home. • All international/regional forces withdraw.
	Results	• Administration of Ellen Johnson Sirleaf was inaugurated January 16, 2006, with no significant violence or unrest. • Security sector reform programs are underway for the army; training of units begun in July 2006. UN is making progress on police training and reform with U.S. assistance. • All three countries remain at peace although there is some concern about the post-Conte transition in Guinea. The most recent World Bank data indicate the following ratios of GDP growth to population growth: Guinea -- pop 2.2%, GDP 2.7%; Liberia -- pop 0.7%; GDP 2.6%; Sierra Leone -- pop 4.2%, GDP 7.4%. • 2006 Freedom House rankings are as follows: Guinea -- "Not Free"; Liberia -- "Partly Free"; Sierra Leone -- "Partly Free". • All IDP camps closed in 2006. Approximately 100,000 refugees voluntarily returned to Liberia in 2006, some through UN facilitation. • UN Mission in Sierra Leone (UNAMSIL) withdrew from Sierra Leone in December 2005, replaced by UN Integrated Office for Sierra Leone (UNIOSIL) political mission.
	Rating	Below Target
	Impact	Security and living conditions in Liberian returnee communities are slowly improving and more refugees are voluntarily returning. Lack of support for and focus on returnee communities could perpetuate security problems.
	Reason for Shortfall	Since many refugees have suffered multiple displacements during the long conflict, they have been slow to trust the peace. UN High Commissioner for Refugees (UNHCR's) official repatriation program is scheduled to be completed in mid-2007. UN Mission in Liberia (UNMIL) remains at some 16,000 personnel; drawdown is not expected until 2009.
	Steps to Improve	There is a need for a mix of diplomacy and post conflict reconstruction, disarmament, demobilization, and reintegration (DDR), and recovery activities funded through U.S. foreign assistance. The Department will continue to work with UN partners to provide resources to encourage and support Liberian returnees and anchor refugee returns.

Continued on next page

I/P: CONFLICT MANAGEMENT AND MITIGATION *(continued)*

INDICATOR: Status of Regional Security in the Mano River Countries of Liberia, Guinea, and Sierra Leone *(continued)*

PERFORMANCE DATA	**Data Source**	Embassy, UN, NGO and press reporting.
	Data Quality (Verification)	UN and embassy reporting is generally detailed and accurate. NGO reporting varies by location, event, and source.
PAST PERFORMANCE	**2005**	• Liberia's transitional government held elections in October 2005, and Sierra Leone continued post-conflict recovery. • UNAMSIL withdrew at the end of the year. • DDR and security sector reform activities were incomplete and greatly delayed, respectively. • As of the end of 2004, Sierra Leone had an estimated 48,000 Liberian refugees, Liberia 350,000 IDPs and thousands of Sierra Leonean refugees, while Guinea was hosting 6,000 Sierra Leoneans and 89,000 Liberians.
	2004	• The Liberian peace agreement was holding and DDR proceeding smoothly. • Sierra Leone remained calm as UN Mission in Sierra Leone (UNAMSIL) continued its phased withdrawal. • IDPs and refugees were returning home.
	2003	• The Liberian civil war deteriorated starting in May 2003. Peace talks began in Ghana in June 2003 and a comprehensive peace agreement was signed on August 18, 2003. • The U.S. provided nearly $26 million in logistics support to enable the deployment of Economic Community of West African States peacekeeping forces. • The peace in Sierra Leone was still somewhat fragile, and Guinea's stability was questionable. • 259,000 refugees and 425,000 IDPs in the region. • UNAMSIL began phased withdrawal, UNMIL was fully deployed and the DDR process began, along with planning for security sector reform.

The African Contingency Operations Training and Assistance Program

Under the African Contingency Operations Training and Assistance program, the Department trains and equips African militaries to carry out peace support and humanitarian relief operations in the region. ACOTA's comprehensive strategy and flexible approach to training and capacity building prepares African countries and security institutions to take primary responsibility for peacekeeping operations in the region. To date, ACOTA has trained 62,000 soldiers from eighteen partner nations. Enhanced African peace support capacity serves U.S. interests in promoting regional stability, democracy and economic growth in Africa.

A National Guardsman shows equipment to military leaders from Ghana, June 2006. AP/Wide World

I/P: REGIONAL SECURITY COOPERATION AND ARMS CONTROL

INDICATOR: Progress of Implementation of the Adapted Conventional Forces in Europe (CFE) Treaty

Output

JUSTIFICATION: The 1990 CFE Treaty has long been considered a cornerstone of European security. Entry into force of the adapted CFE Treaty and its smooth implementation will contribute to a stable and secure Europe. The U.S. works closely with NATO Allies in coordinating positions regarding CFE issues, reinforcing the U.S. role in European security.

FY 2006 PERFORMANCE	**Target**	Entry into force of the Adapted CFE Treaty and accession discussions with additional Organization for Security and Cooperation in Europe (OSCE) states that wish to join.
	Results	Russia still has not fulfilled all Istanbul commitments. This is the long-standing prerequisite to permit most States Parties to pursue ratification of the Agreement on Adaptation. Russia reached an implementing agreement with Georgia on the status and future duration of its bases at Batumi and Akhalkalaki and began withdrawal on the agreed timetable, but no agreement was reached on the base at Gudauta. There was no further progress on Russian commitments regarding Moldova. The U.S. and other States Parties continued to press Russia in the JCG and elsewhere for further progress on these commitments.
	Rating	Significantly Below Target
	Impact	Until the adapted CFE Treaty enters into force, CFE states parties will be denied the benefit of its significant additional flexibilities concerning flank limits and accession provisions. The standoff between Russia and NATO states, which refuse to ratify the adapted Treaty unless Russia implements its political commitments to withdraw its forces from Moldova and Georgia, perpetuates an atmosphere in which the Joint Consultative Group (JCG) is often stymied in its efforts to make even routine and non-controversial improvements in the implementation of the existing Treaty and provides Russia with a basis to publicly criticize NATO states and the U.S. for their continued inaction.
	Reason for Shortfall	Resolution of outstanding Treaty implementation issues, as well as application of the adapted Treaty, has now been stalled for several years. Accession and other new flexibilities provided under adaptation are not available. Successful Treaty operation continues, but with occasional lapses Russia attributes to the "obsolete" character of the current Treaty.
	Steps to Improve	The U.S. and its NATO Allies continually urge Russia in the JCG and in high-level bilateral and NATO meetings to take the steps necessary to fulfill its Istanbul Commitments and create the conditions that would allow the adapted Treaty to enter into force.
PERFORMANCE DATA	**Data Source**	U.S. representatives' and Embassies' reporting; reports of meetings; information released by states involved.
	Data Quality (Verification)	U.S. Mission and Embassy reporting is generally detailed and accurate. Information from other states is generally accurate, but in occasional instances is subject to clarification in the JCG.
PAST PERFORMANCE	**2005**	Russia did not fulfill all Istanbul commitments. Russia reached a political agreement with Georgia on the status and future duration of its bases at Batumi and Akhalkalaki, but no agreement was reached on the base at Gudauta. There was no further progress on Russian commitments regarding Moldova.
	2004	Russia did not fulfill all Istanbul commitments. Russia still needed to reach agreement with Georgia on remaining issues regarding the status of the Russian presence at the Gudauta base and its future use, and the duration of Russian presence in Batumi and Akhalkalaki. Russia also needed to complete the withdrawal of its forces from Moldova, which virtually stalled in 2004. The U.S. and NATO continued to press Russia to fulfill these commitments, but there was no progress on key issues to report in FY 2004. Russia and the Georgian government continued to meet, but progress on Russian withdrawal from remaining bases fell victim to broader Russian-Georgian problems.
	2003	Major progress was made in calendar year 2003 on withdrawal of Russian forces from Moldova; some 20,000 tons of Russian munitions stored in depots in the Transdniestrian region had been withdrawn by the end of the year. Russia did not meet the OSCE's extended December 31, 2003 deadline to withdraw forces from Moldova. Progress on withdrawal of Russian bases from Georgia stalled for most of 2003, despite limited progress on technical issues. Russian equipment levels in the CFE Flank region remain below Adapted CFE Treaty Flank Limits.

I/P: IMPLEMENTATION OF THE ROAD MAP

INDICATOR: Progress of Implementation of the Road Map Leading to an Independent, Democratic Palestinian State Existing Side-by-Side with Israel in Peace and Security

Outcome

JUSTIFICATION: The indicator corresponds to the vision articulated by the President in his June 24, 2006, speech of two states, Israel and Palestine, existing side by side in peace and security, with targets geared to roadmap obligations.

FY 2006 PERFORMANCE	**Target**	• As comprehensive security performance moves forward, Israeli Defense Forces withdraw progressively from areas occupied since September 28, 2000, and the two sides revert to pre-September 28, 2000, status quo. • Immediate dismantlement of settlement outposts erected since March 2001, and freezing of all settlement activity. • Steps taken to improve the humanitarian situation. • Quartet convenes international conference. With Quartet, U.S. establishes a roadmap monitoring mechanism, including appointment of U.S. coordinator. Israeli, Palestinian, and regional Arab nonofficial experts resume dialogue on political, security, arms control, and other regional issues.
	Results	Pursuant to Israel's successful disengagement from Gaza, the U.S. brokered an Agreement on Movement and Access (AMA) in November 2005 which allowed for the opening of the Rafah crossing with Egypt and outlined a number of steps to promote greater movement of both people and goods. Free and fair legislative council elections in January, the first in a decade, brought to power a Hamas government elected on a platform of ending corruption and improving the lives of the Palestinian people. That government, however, rejected calls for it to be a partner for peace by accepting the principles outlined by the Quartet (US, EU, UN and Russia), leading most members of the international community, including the U.S. to break contact with those elements of the PA controlled by Hamas, a designated Foreign Terrorist Organization. PA President Mahmoud Abbas remained in office, providing a vehicle for continued limited U.S. engagement with the Palestinian leadership. The Hamas victory led to increased violence and lawlessness in Gaza, including frequent rocket attacks against Israel, resulting in increased Israeli security operations and closure of crossings. In June 2006 Hamas conducted an attack inside green-line Israel, killing two IDF soldiers and abducting a third. Israel responded with an extended air and ground operation. The USG has concentrated on the direct provision of humanitarian assistance to the Palestinian people, while seeking to create the conditions that would allow the parties to return to the roadmap. Israeli settlement activity continued during the year and the GOI failed to make significant progress dismantling outposts. The U.S. Security Coordinator mission continued under LTG Keith Dayton, focusing on implementation of the AMA and supporting the office of President Abbas. In a September 19, 2006, speech at the UNGA, President Bush reaffirmed U.S. commitment to a two-state solution, indicating U.S. efforts would focus on strengthening and reforming the Palestinian security sector, supporting dialogue between the parties, and engaging moderate Arab leaders to help create an environment conducive to progress towards a two-state solution. A July attack by Hizballah provoked a month-long war between Israel and Hizballah, preventing progress on the Syria and Lebanon tracks.
	Rating	Below Target
	Impact	The purpose of this indicator is to fulfill the vision set forth by the President of two states, Israel and Palestine, existing side by side in peace and security, with goals geared to roadmap obligations.
	Reason for Shortfall	Hamas-led PA government refused to make itself a legitimate partner and govern responsibly by renouncing terror, recognizing Israel, and accepting previous agreements. Hizballah's unprovoked attacks against Israel precipitated a war and prevented movement forward on the Israel-Lebanon/Israel-Syria tracks.
	Steps to Improve	Per the President's September 19 speech to the UN General Assembly, the U.S. is focusing on strengthening and reforming the Palestinian security sector, taking steps to support Israeli and Palestinian leaders in their efforts to engage to resolve their differences, engaging with moderate leaders in the region, and welcomes European efforts to build and strengthen Palestinian governing institutions.
PERFORMANCE DATA	**Data Source**	Post reporting and the Bureau of Near Eastern Affairs reporting, Quartet announcements, site visits, other governments and institutions (World Bank, IMF, NGOs), media reports, intelligence reports.
	Data Quality (Verification)	Post reporting is reliable and well researched – utilizing many different resources: meetings with Israeli and Palestinian government officials, political figures, community leaders, as well as respected institutions working in the region.

Continued on next page

I/P: IMPLEMENTATION OF THE ROAD MAP (CONTINUED)		
INDICATOR: Progress of Implementation of the Road Map Leading to an Independent, Democratic Palestinian State Existing Side-by-Side with Israel in Peace and Security *(continued)*		
PAST PERFORMANCE	**2005**	Israel's Government has concluded its withdrawal from Gaza, and the focus has now shifted to Palestinian efforts to establish order. Disengagement produced coordination on a number of levels between the two sides. The Palestinian Authority has begun to take steps to restructure and reform its security forces throughout the West Bank and Gaza, with the support of U.S. Security Coordinator General William Ward and assistance from the international community. Quartet Special Envoy James Wolfensohn worked on his agenda of issues which intends to restore the viability of the Palestinian economy. Restoration of pre-Intifada Arab links with Israel continues, as indicated by the return of the Egyptian and Jordanian ambassadors to Tel Aviv.
	2004	Roadmap process is relaunched. Security cooperation renewed. Both sides progress through provisions in Phase I of the roadmap, including, but not limited to, on the GOI side: a) as comprehensive security performance moves forward, IDF withdraws progressively from areas occupied since September 28, 2000 and the two sides revert to the pre-September 28, 2000 status quo; b) immediate dismantlement of settlement outposts erected since March 2001 and freezing of all settlement activity; and c) steps to improve the humanitarian situation in the West Bank/Gaza.
	2003	Roadmap is publicly released and used effectively as diplomatic tool to relaunch Israeli-Palestinian peace negotiations. Both sides progress through provisions in Phase I of the roadmap, including, but not limited to: a) as comprehensive security performance moves forward, IDF withdraws progressively from areas occupied since September 28, 2000 and the two sides revert to pre-September 28, 2000 status quo; b) immediate dismantlement of settlement outposts erected since March 2001 and freezing of all settlement activity; and c) steps to improve the humanitarian situation in the West Bank/Gaza. Israel's border with Lebanon remains quiet.

A Look to History: Regional Stability

In 1954, the United States, Britain, France, Australia, New Zealand, Pakistan, the Philippines, and Thailand created the Southeast Asia Treaty Organization (SEATO). Intended as a mutual defense pact to contain the spread of communism and to achieve regional stability in Southeast Asia, the United States perceived SEATO as the Asian equivalent of the North Atlantic Treaty Organization. However, the Asian defense agreement proved to be less effective than its North Atlantic counterpart. Despite treaty commitments only three members sent troops to fight in the Vietnam War. President Richard Nixon's rapprochement with the communist People's Republic of China also reduced SEATO's significance. In 1977, SEATO members agreed to dissolve the treaty, though bilateral defense agreements between various members continued.

French President Charles De Gaulle, center, gives a reception at Elysée Palace for foreign ministers attending the Southeast Asia Treaty Organization meeting in Paris, on April 9, 1963. U.S. Secretary of State, Dean Rusk, is the fifth from right, to his right is U.S. Ambassador to France, Charles Bohlen. AP/Wide World

I/P: IRAQ AND GULF SECURITY

INDICATOR: Free, Democratic, and Whole Iraq at Peace with Itself and Its Neighbors

Outcome

JUSTIFICATION: A free and democratic Iraq would contribute to economic and political stability in the region.

FY 2006 PERFORMANCE	**Target**	• Draft permanent constitution successfully adopted in October 2005 referendum. • Law enforcement institutions begin to enforce and the judiciary begins to uphold civil liberties protections in the new constitution. • Political parties announce coalitions and register for December elections, offering voters real choices. Parties and coalitions campaign peacefully. December 2005 elections successfully held. Results of elections receive broad public support. • Newly elected government takes power peacefully in early 2006 with broad domestic and international legitimacy and support. • Iraq assumes primary responsibility for its own security, able to defend itself without being a threat to its neighbors.
	Results	Recognizing progress in establishing a democratic society, international donors have increased assistance for Iraq, announcing $900 million in new pledges since the Madrid conferences. International recognition of and exchanges with Iraq have increased, including through opening of Embassies.
	Rating	Below Target
	Impact	Success will contribute to security, economic and social development, and political reform in the region.
	Reason for Shortfall	• Governance capacity shortfalls have resulted from inadequate training resources, and the Iraqi failure to obligate and spend a large majority of ministerial budgets. • Development of civil society institutions has been inhibited due to a perilous security environment, and a lack of devoted Iraqi resources and attention. • Security forces are failing to achieve levels of quality and quantity required to allow Government of Iraq to assume primary responsibility in the current security environment. • High attrition retards the rate of Iraqi Security Forces growth while corruption and infiltration by militias and others loyal to parties instead of the Government of Iraq is resulting in the Iraqi Security Forces, especially police, being part of the problem in many areas instead of a solution; the Minister of Interior recently stated that 2/3 of MOI forces should be fired.
	Steps to Improve	• Accelerate National Capacity Development Program across central ministries, and focus enhanced Mission field resources to develop provincial ministry capacity. • Put in place defined processes and requirements to obligate and execute 2007 Iraqi budget. • Support programs to promote Iraqi national reconciliation efforts, which will reduce politically driven violence and intimidation. • Significantly enhanced focus is required on present-for-duty strength of Iraqi Security Forces units, versus numbers initially trained and equipped, and upon developing true capability and readiness.
PERFORMANCE DATA	**Data Source**	U.S. Mission post reports.
	Data Quality (Verification)	Post reporting is reliable and well researched - utilizing many different resources: meeting with Iraqi government officials, political figures, community leaders, as well as respected institutions working in the region.
PAST PERFORMANCE	**2005**	Credible elections for Transitional National Assembly and local governments were held on time; the change of government occurred in an orderly fashion and ahead of schedule; preparations are on track for constitutional referendum and December election; the rule of law and civil society are being established more firmly as time goes on; free media has been a responsible watchdog on governmental power; Iraq has progressively assumed increasing responsibility for own security.
	2004	• Transitional Administrative Law drafted and approved. • Iraqi Interim government assumes full sovereignty; continued political, legal and economic reform. National Conference held. • Iraqi Interim National Council selected and begins operating. • Democratic institutions, rule of law, civil society, and free media started. • Accountability and anti-corruption efforts began to take hold. • Independent Electoral Commission of Iraq established and begins preparations for January 2005 elections, assisted by the UN.
	2003	Saddam Hussein's regime overthrown. The Department worked closely with DoD and Coalition Provisional Authority to stabilize and rebuild Iraq. The Department continues to support the development of strategies to move Iraq toward democracy, rule of law, build free market economy, including non-oil sector; build Iraqi security forces, subordinate to constitutional authority, capable of relieving U.S. and Coalition forces. UN agencies made critical contributions in humanitarian assistance and economic reform in Iraq.

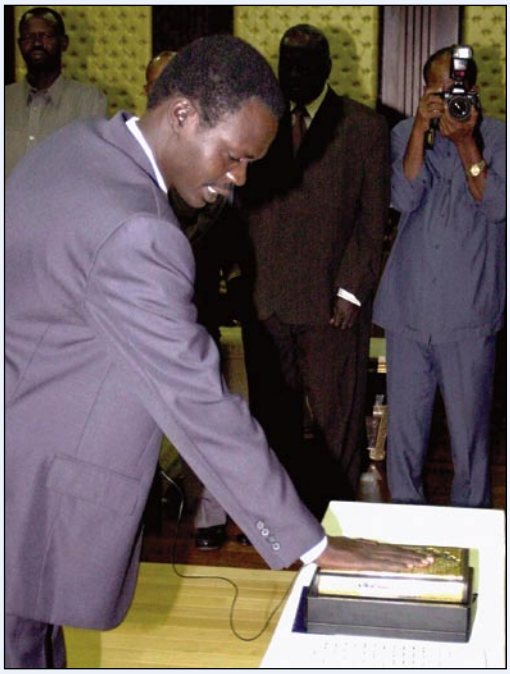
I/P: SECURITY ASSISTANCE TO SUB-SAHARAN AFRICA

INDICATOR: Percentage of U.S.-Trained African Units Deployed to Peace Support/Humanitarian Response Operations

PART Output

JUSTIFICATION: A U.S.-trained African unit or one trained by U.S.-trained trainers will perform better than one not provided such training or its equivalent. African peacekeeping requirements are expected to remain high and therefore improved African capability will lessen calls for the use of U.S. forces.

FY 2006 PERFORMANCE	**Target**	Of all African battalions (or their equivalent) deployed in Peace Keeping Operations globally, approximately 75% will have significant staff and unit training experience under U.S. or U.S.-trained trainers.
	Results	Approximately 79% of all African battalions (or other military contingents) deployed on peacekeeping missions globally have significant staff and/or unit training experience through the African Contingency Operations Training and Assistance (ACOTA) Program.
	Rating	On Target
	Impact	ACOTA partners populate all peace support missions in Africa and represent over 75% of the African contingents deployed on these missions.
PERFORMANCE DATA	**Data Source**	United Nations Department for Peacekeeping Operations (UNDPKO), Embassy and NGO reporting.
	Data Quality (Verification)	UNDPKO reporting is detailed and accurate. The African Union's African Mission in Sudan reporting varies, backed up by U.S. Embassy reporting from troop contributing country locations. NGO reporting varies by location, event, and source.
PAST PERFORMANCE	**2005**	ACOTA trained and/or equipped 11,442 African partner military personnel with $28 million. Fifteen ACOTA-trained contingents routinely deployed on UN or African Union peace support missions. African units trained by U.S. trainers came from Ghana, Senegal, Mali, Benin, Ethiopia, Mozambique, South Africa, and Kenya in significant numbers.
	2004	Of all African battalions (or their equivalent) deployed in peacekeeping operations globally, approximately 65% had significant staff and unit training experience under U.S. or U.S.-trained trainers.
	2003	Seven African contingents trained by the U.S. or U.S.-trained trainers engaged in peace support missions. An additional five contingents planned for Peace Support Operations participation in Liberia and Burundi. The Economic Community of West African State forces, with significant U.S. support and training, deployed to Liberia.



The leader of Darfur's Sudan Liberation Army, Minni Minawi, who signed the Darfur Peace Agreement, is sworn-in on August 7, 2006 in Khartoum, Sudan. AP/Wide World

STRATEGIC OBJECTIVE #1: ACHIEVE PEACE AND SECURITY

STRATEGIC GOAL 2: COUNTERTERRORISM

Prevent Attacks Against the United States, our Allies, and our Friends, and Strengthen Alliances and International Arrangements to Defeat Global Terrorism

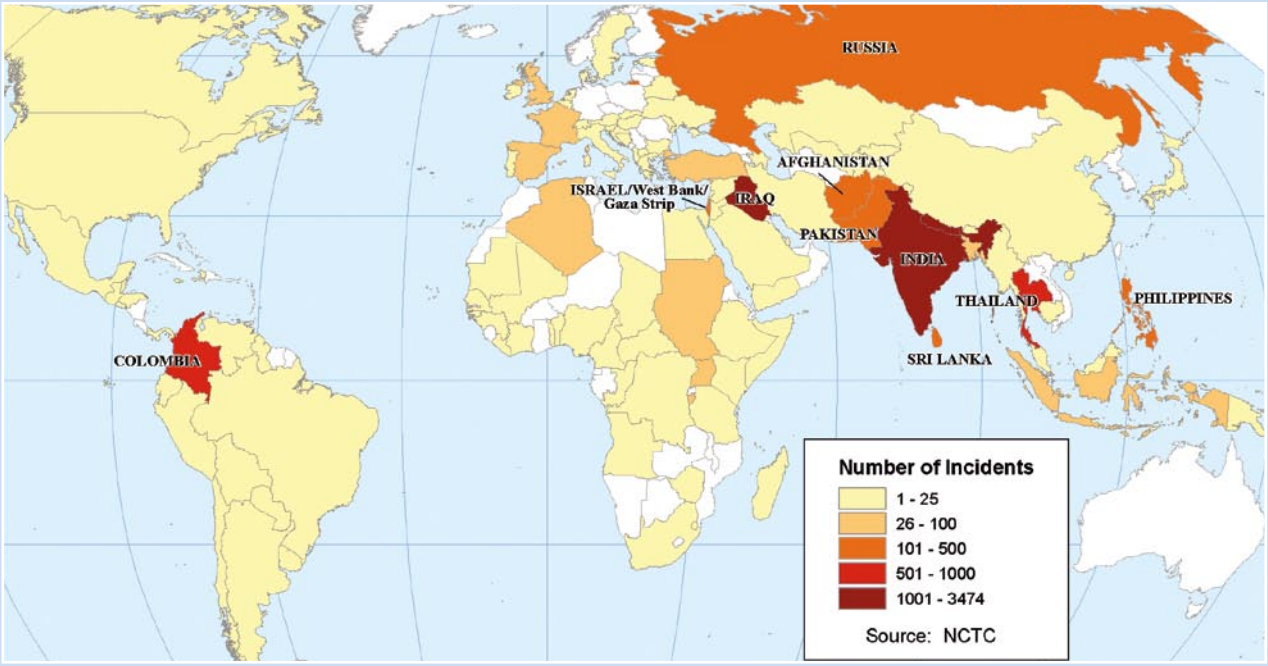
I. Public Benefit

The tragic events of September 11, 2001, demonstrated the gravity of the threat international terrorists pose to the United States and its citizens, at home and abroad. The Global War on Terrorism remains the U.S. Government's top priority. The Department of State and USAID, in partnership with other U.S. Government agencies, international organizations, and countries around the world, work to combat terrorist networks wherever they exist and prevent attacks against Americans and our friends. In every corner of the globe, the Secretary of State and other senior officials, Ambassadors, and country team members, including USAID Mission Directors, use all instruments of statecraft to help host nations understand the threat of global terrorism and strengthen political will and capacity to counter it. This includes support for extending protection of the homeland beyond America's borders, through programs such as the Container Security Initiative, Immigration Security Initiative, Proliferation Security Initiative, Customs-Trade Partnership Against Terrorism, inspections of foreign ports, and sharing of terrorist watch list information. Through effective bilateral and multilateral diplomacy, the U.S. leads a worldwide coalition that acts to suppress terrorism on all fronts: military, intelligence, law enforcement, public diplomacy and financial. To date, the Department has mobilized some 180 countries and territories in the war on terrorism to identify, disrupt and destroy international terrorist organizations. Thousands of terrorist suspects have been arrested, and tens of millions of dollars in terrorists' assets have been blocked. In an effort to deny weapons to terrorists, more than 5,000 Man-Portable Air Defense Systems (MANPADS) have been destroyed. Key to the ability to mobilize effective action by our foreign partners is the provision of training to those who want to help but lack the means. Since 9/11, programs such as anti-terrorist assistance, terrorist interdiction, anti-terrorist finance, combined with long-term efforts to increase stability, have significantly improved U.S. global partners' counterterrorism capabilities.

A theater troupe member reads stories of 9/11 victims in front of ground zero in New York to commemorate the anniversary of the attacks.

AP/Wide World

Terrorist Incidents by Country, 2005



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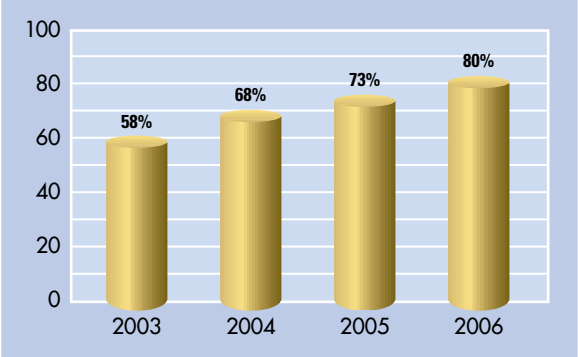
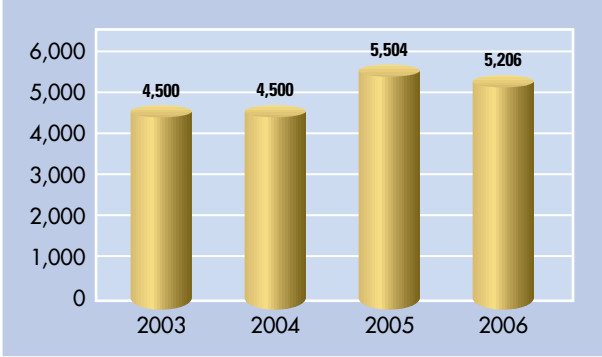
II. Selected Performance Trends

Percentage of Travelers Screened by Participating Nation Governments with the Terrorist Interdiction Program's Watchlisting System Across All Sites at which the System Is Installed



Number of Foreign Man-Portable Air Defense Systems (MANPADS) Reduced as a Result of Implementation of International Commitments



III. Strategic Context

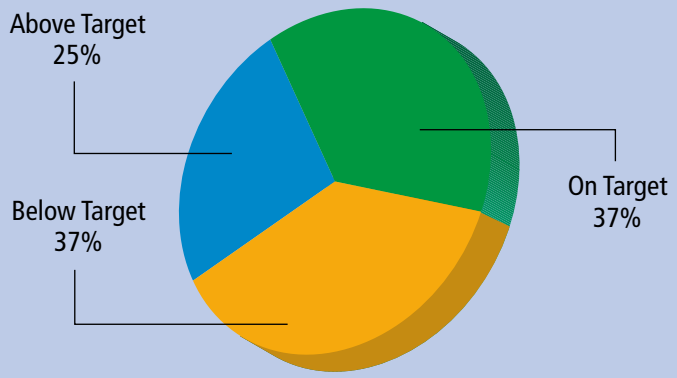
Shown below are the performance goals, initiatives/programs, and the major resources, bureaus and partners that contribute to accomplishment of the Counterterrorism strategic goal. Acronyms are defined in the glossary at the back of this publication.

Strategic Goal	Performance Goal (Short Title)	Initiative/ Program	Major Resources	Lead Bureau(s)	External Partners
Counterterrorism	Active Anti-Terrorist Coalitions	Anti-Terrorism Assistance	D&CP, NADR	S/CT, DS	N/A
		Terrorist Interdiction Program	NADR	S/CT	N/A
		Meeting International Standards	CIO, D&CP	S/CT, IO	UN
	Freezing Terrorist Financing	Combating Terrorist Financing	D&CP	EB, S/CT, INL, INR	Treasury, DOJ
	Prevention and Response to Terrorism	Frontline States in the Global War on Terrorism	D&CP, NADR	SCA, S/CT	NSC, DoD, FBI, CIA, Treasury and DOJ
		Bioterrorism Response	ESF	OES	DHS, HHS, WHO
		Reduction and Security of MANPADS	D&CP, NADR	PM	NSC, OSD, DTRA, JCS, DoD, intelligence community
	Diminished Terrorism Conditions	Diminish Potential Underlying Conditions of Terrorism in Afghanistan	DA, ESF	SCA, S/CT, INL, ANE, PPC	NSC, DoD, NGOs, Treasury, Justice, IFI

IV. Performance Summary

The chart below summarizes the performance ratings for Department of State and USAID results for the Counterterrorism strategic goal.

STRATEGIC GOAL RESULTS ACHIEVED FOR FY 2006



RATINGS DISTRIBUTION

Significantly Above Target	0
Above Target	2
On Target	3
Below Target	3
Significantly Below Target	0
Total Number of Ratings	**8**

V. Performance Analysis

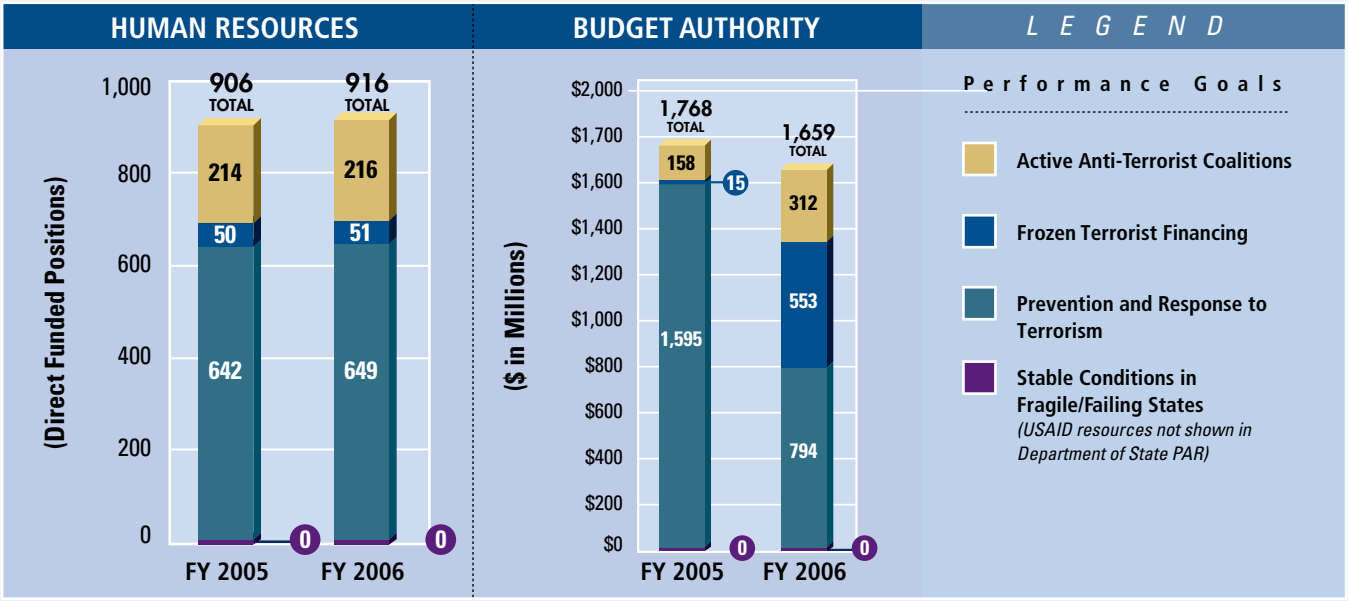
PERFORMANCE TRENDS. One noteworthy trend under the Counterterrorism Strategic Goal is the steady increase in the percentage of travelers screened around the world using the Terrorist Interdiction Program's watch listing system. The number of sites at which the system is installed has increased from 58% in FY 2003 to 80% in FY 2006. The number of foreign man portable air defense systems (MANPADS) destroyed or secured by foreign governments trended downward in FY 2006. The Department continues to press implementing partners to honor commitments and schedules to destroy MANPADS.

HIGH-LEVEL RESULTS. The Department made demonstrable progress toward achieving high-level outcomes in such areas as increasing the number of countries capable of effectively countering terrorist organizations and threats, bolstering border security to guard against terrorist transit, strengthening the capacity of the Afghan National Army to defend its government, and building medical reserves to respond to bioterrorism threats. Additionally, the Department has made strides on efforts to encourage parties to comply with United Nations Security Council Resolution 1373, which requires UN members to take specific actions to combat global terrorism. USAID has made considerable advances in its efforts to rehabilitate Afghanistan's educational system, a potential underlying condition of terrorism.

RESULTS SIGNIFICANTLY ABOVE OR SIGNIFICANTLY BELOW TARGET. No indicator under the Counterterrorism Strategic Goal was rated significantly above or significantly below target.

KEY INITIATIVES AND PROGRAMS. In FY 2006, of the $410 million appropriated for nonproliferation, anti-terrorism, demining and related programs, $136 million was allocated to anti-terrorism assistance, the terrorist interdiction program, counterterrorism financing, and engagement with allies.

VI. Resources Invested



VII. Performance Results

For each initiative/program that supports accomplishment of this strategic goal, the most critical FY 2006 performance indicators and targets are shown below.

ANNUAL PERFORMANCE GOAL 1

COALITION PARTNERS IDENTIFY, DETER, APPREHEND AND PROSECUTE TERRORISTS.

I/P: ANTI-TERRORISM ASSISTANCE		
	INDICATOR: Number of Participant Countries That Achieve and Sustain a Capability to Effectively Deter, Detect, and Counter Terrorist Organizations and Threats	
	PART Output	
JUSTIFICATION: Anti-Terrorism Assistance (ATA) not only provides quality training to priority counterterrorism countries but enables each country to achieve sustainment by providing them with the capability to incorporate anti-terrorism curriculum into their own training methods over a set course of time, thereby optimizing USG cost efficiency of each nation's participation in the ATA program.		
FY 2006 PERFORMANCE	**Target**	Two new countries (6 total) ascend from basic through advanced training and have attained competence in countering terrorist activities.
	Results	The Department conducted counterterrorism training for 77 partner nations and performed 269 training events. Two new countries ascended from basic through advanced training and attained competence in countering terrorist activities.
	Rating	On Target
	Impact	The ATA program continues to serve as the U.S. Government's primary provider of anti-terrorism training to partner nations by delivering a wide range of courses to strengthen critical counterterrorism capacities. ATA alumni have served as the lead investigators of a number of recent terrorist attacks and have utilized their training in tracking down and arresting perpetrators.
PERFORMANCE DATA	**Data Source**	Embassy reporting, intelligence/law enforcement reporting, after-action reports by the Bureau of Diplomatic Security and Department regional bureau area offices and individual country assessments.
	Data Quality (Verification)	All partner nations receive a needs assessment describing and recommending training to address critical counter terrorism needs. The Country Assistance Plan documents the direction ATA training will be processed to conduct the identified training need.
PAST PERFORMANCE	**2005**	ATA proceeded with antiterrorism training and assistance efforts to help partner nations in the global war on terrorism, sponsoring 217 training events to 78 countries.
	2004	Two additional countries (Israel and South Africa) ascended from basic through advanced training and attained competence in countering terrorist activities and threats.
	2003	Two countries ascended from basic through advanced training and attained competence in countering terrorist activities and threats.

I/P: TERRORIST INTERDICTION PROGRAM

INDICATOR: Percentage of Travelers Screened by Participating Foreign Governments with the Terrorist Interdiction Program's Watchlisting System

PART Outcome

JUSTIFICATION: A key element of the Terrorist Interdiction Program (TIP) is maximizing the usage of the terrorist watchlisting system to screen travelers passing through ports of entry. U.S. counterterrorism strategic objectives are best served when participating nations maximize their use of the watchlisting system provided under TIP.

FY 2006 PERFORMANCE	**Target**	79%.
	Results	80%.
	Rating	On Target
	Impact	The level of host nation use of the screening system indicates that partner countries share and support our strategic goal of constraining terrorist mobility.
PERFORMANCE DATA	**Data Source**	Percentages were derived from informal feedback from U.S. personnel charged with program oversight in each country, as well as reporting from program personnel during the course of visits to perform system maintenance, software upgrades, or follow-on operator training.
	Data Quality (Verification)	Although the data is based on periodic and not constant observation, it is considered a reliable representation of host nation usage.
PAST PERFORMANCE	**2005**	73%.
	2004	68%.
	2003	58%.

U.S. Anti-Terrorism Assistance to Indonesia

The Department provided assistance in FY 2006 to train and equip a special Indonesian counterterrorism police unit called Special Detachment 88. SD-88 was launched in 2003 in response to the October 2005 bombings in Bali. In November 2005, SD 88 located Indonesia's most wanted terrorist, Azahari bin Husin, who was linked to the Bali bombings and to bombings in Jakarta. SD 88 planned and executed a successful assault on Azahari's stronghold, killing him and securing valuable intelligence to help prevent other attacks.

A bomb squad member removes a mock explosive device from a hijacked passenger plane during a September 2006 anti-terror drill at Juanda airport in Surabaya, East Java, Indonesia. AP/Wide World

I/P: MEETING INTERNATIONAL STANDARDS

INDICATOR: Compliance with United Nations Security Council Resolution (UNSCR) 1373

Output

JUSTIFICATION: Repeated reporting by UN member countries and UN Counterterrorism Executive Directorate (CTED) analysis indicate continued progress in meeting UNSCR 1373 requirements.

FY 2006 PERFORMANCE	**Target**	The Counterterrorism Committee (CTC) develops best practices in all areas related to UNSCR 1373 implementation. CTC uses the best practices to develop standards for measuring Member State compliance with UNSCR 1373. Regular CTC field missions conducted to ensure compliance and facilitate technical assistance to "willing but unable" countries. CTC identifies those "unwilling" countries. Tangible sanctions developed to be applied by the UN Security Council to recalcitrant countries that decline to meet obligations under UNSCR 1373 even with technical assistance.
	Results	A directory of best practices has been developed. A total of nine state visits and two other field missions were conducted, and the Counterterrorism Executive Directorate (CTED) has planned seven more state visits during 2006. One of CTED missions in 2006 was a high-level mission to press a state, which had fallen out of compliance with UNSCR 1373, to pass necessary legislation promptly. The CTC also is beginning to consider how to develop standards for measuring states' compliance. CTED is enhancing its outreach to donor states and organizations, including through regular contact with the G-8 Counter-Terrorism Action Group (CTAG), the UNDP, and the EU.
	Rating	■ **Above Target**
	Impact	Through the efforts of the CTC and CTED, Member States and regional organizations have become more aware of the requirements of UNSCR 1373 and have been given assistance to meet those requirements. CTED field missions have helped Member States identify legal and policy gaps in their counterterrorism apparatus. The United Nations' Office on Drugs and Crime, Terrorism Prevention Branch has provided assistance to states in drafting legislation to implement 1373 obligations and to implement the requirements of the 13 universal conventions and protocols on CT. Other donors, such as the EU and UNDP are pursuing assistance projects to close gaps CTED has identified in States CTED has visited.
PERFORMANCE DATA	**Data Source**	UNCTC reports; reporting from U.S. Embassies and the U.S. Mission to the United Nations.
	Data Quality (Verification)	The UNCTC receives and reviews all reports submitted by UN Member States detailing efforts to implement UNSCR 1373. The U.S. Government conducts interagency reviews of these reports. The Department obtains copies of CTC letters to Member States.
PAST PERFORMANCE	**2005**	One hundred sixty nine of 191 UN members submitted follow-up reports as requested by the CTC. CTED did not become fully staffed until September 2005. CTC and CTED did not achieve the level of results expected, but staged one international conference on counterterrorism standards and best practices and conducted field missions to Morocco, Albania, Kenya, Thailand, and Algeria.
	2004	All 191 countries completed their second and third reports and 100 countries have in place executive machinery needed to implement counter-terrorism legislation required under UNSCR 1373. CTC initiated limited number of field missions to States to monitor compliance with 1373 and to assess needs for technical assistance and training. CTC implemented restructuring of its expert staff to meet increased responsibilities.
	2003	All UN Member States submitted at least one report. Assistance began to reach states having difficulty complying. CTC began to identify States seriously out of compliance with UNSCR 1373 and provide notification that corrective action must be taken to avoid repercussions.

ANNUAL PERFORMANCE GOAL 2

U.S. AND FOREIGN GOVERNMENTS ACTIVELY COMBAT TERRORIST FINANCING.

I/P: COMBATING TERRORIST FINANCING

INDICATOR: Number and Effectiveness of U.S. Training and Assistance Programs and Assessments Delivered to Priority States to Help Combat the Financing of Terrorists

Output

JUSTIFICATION: Counterterrorism finance capacity building is one mechanism for the U.S. to engage its allies to provide early warning, detection and interdiction of terrorist financing.

FY 2006 PERFORMANCE	**Target**	• Three countries assessed by financial systems assessment teams and three training and technical assistance plans developed. • Six countries at least partially implement technical assistance and training plans (training received in at least three of the five functional areas). • Eight countries fully implement technical assistance and training plans (training received in at least all five of the functional areas). • At least five countries undergo comprehensive review of the effectiveness of technical assistance and training.
	Results	• One country assessed by financial systems assessment teams and one training and technical assistance plans developed. • Five countries at least partially implemented technical assistance and training plans (training received in at least three of the five functional areas). • Three countries fully implemented technical assistance and training plans (training received in at least all five of the functional areas). • No countries have undergone comprehensive review of the effectiveness of technical assistance and training.
	Rating	**Below Target**
	Impact	Even though the results for the indicator are below target, continued yet slow progress has been made in the establishment and improvement of counterterrorist financing regimes, particularly with respect to the passage of new laws, regulations and reporting requirements.
	Reason for Shortfall	• Two countries were not assessed due to serious security considerations. • Three countries that received training were unable to partially implement technical assistance and training plans. • Five countries did not fully implement technical assistance and training plans. • The interagency task force is in the process of developing criteria and a database to conduct comprehensive reviews for effectiveness of training.
	Steps to Improve	• The Department will reinforce the necessity for countries to demonstrate political will and live up to their international commitments. • On a tactical level, depending on host nation sensitivity, the Department will encourage Resident Legal Advisors to engage with legislative drafting committees and experts and other stakeholders to explain international legal obligations and legal strategies for compliance with UN Security Council Resolutions, conventions, treaties, Financial Action Task Force (FATF) recommendations and other obligations.
PERFORMANCE DATA	**Data Source**	Interagency assessments, embassy reporting, international (FATF) evaluations. Money laundering section of the International Narcotics Control Strategy Report and other sensitive reporting sources.
	Data Quality (Verification)	Interagency assessments are conducted by expert practitioners and verified by the parent agency, the interagency working group, and the embassy. Embassy reporting is reviewed (verified) and cleared by country team and ambassador. International (FATF) mutual evaluations are on-site expert peer reviews. These evaluation reports are reviewed and verified by a special experts group. Other sensitive reporting may include sensitive law enforcement information, intelligence and other such reporting.

Continued on next page

I/P: COMBATING TERRORIST FINANCING *(continued)*		
INDICATOR: Number and Effectiveness of U.S. Training and Assistance Programs and Assessments Delivered to Priority States to Help Combat the Financing of Terrorists *(continued)*		
PAST PERFORMANCE	**2005**	• One country assessed and one training and technical assistance plan developed. • 10 countries have at least partially implemented technical assistance and training plans (training received in at least three of the give functional areas). • One country has fully implemented technical assistance and training plans (training received in at least all five of the function areas).
	2004	• Four countries assessed and six training and technical assistance plans developed. • Four countries fully implemented technical assistance and training plans (training received in at least all five of the functional areas). • Six countries at least partially implemented technical assistance and training plans (training received in at least three of the five functional areas). • Six new countries were added to the priority assistance list.
	2003	15 assessments completed. 15 of the targeted 19 states received training and technical assistance.

A Look to History: Counterterrorism

Following a number of overseas terrorist attacks against American diplomats and military personnel in the 1970s and early 1980s, the Department of State created the Anti-Terrorism Assistance Program to assist foreign governments in combating terrorism and protecting American installations abroad. Under the program, foreign security and law enforcement personnel came to the United States to receive training. Courses have ranged from kidnap intervention and hostage negotiation to crisis management and response to incidents involving weapons of mass destruction. American evaluation teams also visited participating foreign countries to develop training programs best suited to their needs. Costa Rica, Turkey, Portugal, Italy, Liberia, Ecuador, Cameroon, Thailand, Tunisia, and a number of Caribbean states were among the first countries to participate in the program, which has since grown to include over 52,000 students from over 140 countries.

Filipino soldiers form a circle during anti-terrorism training conducted by U.S. Army soldiers (standing in the center) at the remote village of San Roque in the port city of Zamboanga in southern Philippines. The U.S. military is training Filipino soldiers on counter-terrorism warfare in different parts of Mindanao island in the southern Philippines as part of the security assistance program of the U.S. Government.
AP/Wide World

ANNUAL PERFORMANCE GOAL 3

COORDINATED INTERNATIONAL PREVENTION AND RESPONSE TO TERRORISM, INCLUDING BIOTERRORISM.

I/P: FRONTLINE STATES IN THE GLOBAL WAR ON TERRORISM

INDICATOR: Capacity of the Afghan National Army to Defend the Afghan Government and Its Territory from External and Internal Threats

Outcome

JUSTIFICATION: The training and deployment of, and expansion of influence by, the Afghan National Army (ANA) indicates progress toward establishing sustainable security in Afghanistan, without which the war on terrorism will not succeed.

FY 2006 PERFORMANCE	**Target**	• Afghan National Army (ANA) units conduct routine operational deployments throughout Afghanistan as needed; continued fielding of regional corps with at least one brigade at each location. • Ministry of Defense and General Staff assumes, with limited international community support, policy, planning, budget and operational responsibilities; institutional training base completed; functional commands provide increasing support for regional commands. Ministry of defense personnel reform process complete; includes ethnically balanced and increasingly professional staff. • Afghan National Police, Highway Patrol and Border Police are increasingly capable of enforcing law and securing transportation routes and borders. All Border Police brigades have undergone training and been provided with individual and basic unit equipment.
	Results	• 30,400 Afghan National Army forces trained and equipped and partially capable of conducting counterinsurgency operations in conjunction with Coalition units. • Minor improvements to Ministry of Defense and General Staff action process are being initiated despite the delay in assigning personnel to key leadership positions. Assistant Minister for Defense for Personnel and Education office beginning to take on a more active role in policy development. Operational Planning Guidance complete; staff beginning to develop the seven operational plans based on this guidance. • 48,100 Afghan National Police trained and equipped.
	Rating	**Below Target**
	Impact	The training and deployment of the ANA to defend the credibly elected Afghan government from internal and external threats contributes to the fight against the global war on terror.
	Reason for Shortfall	• The international community has had to remain engaged in developing the capacity of the Afghan National Police more than expected and the reconstituted enemy is more lethal than expected.
	Steps to Improve	• The Department will continue to develop and expand the capacity of the Afghan National Army and Afghan National Police, with a focus on strengthening the policy, planning, and budget operations of those institutions.
PERFORMANCE DATA	**Data Source**	Embassy reporting, intelligence/law enforcement reporting, Department of Defense Combatant Command after-action reports and country assessments.
	Data Quality (Verification)	Reliability and completeness of performance data is ensured through primary data collection and extensive cross-referencing among numerous sources (Department of Defense, Law Enforcement, State/Embassy Reports).
PAST PERFORMANCE	**2005**	• ANA influence fully established in Kabul and throughout the country. Forty (25 combat, 15 support / logistics) battalions are operational and approximately three and a half battalions are trained. Force strength is over 26,000. • More than 62,000 militia were disarmed and demobilized, ending the formal disarmament and demobilization process in June 2005. The reintegration phase is scheduled for completion in 2006. • Four ANA regional centers are operational.
	2004	• Three brigades of "Kabul Corps" fully fielded to a minimum of 90% manning and equipment. At least 6 Central Corps battalions conduct operational deployments. • 100% of heavy weapons collected and cantoned by June 2004 and 60% combatants disarmed and demobilized by September 2004.
	2003	U.S.-led Operation Enduring Freedom drove the Taliban from power and began to destroy the country's terrorist networks. Three battalions completed basic training at the Kabul Military Training Center and one began training. However, none were fully equipped nor completed the full training due to lack of weapons, munitions and demined training sites. Other challenges included lack of warlord support, recruiting difficulties, and insufficient funding. No Border Guard battalions were trained.

I/P: BIOTERRORISM RESPONSE

INDICATOR: Status of National and Global Reserves of Medical Countermeasures for International Use in Responding to Bioterrorism

Outcome

JUSTIFICATION: National and international stockpiles of medical countermeasures will help mitigate the consequences of an international bioterrorism attack.

FY 2006 PERFORMANCE	**Target**	• Private industry and international community support creation of global reserves of medical countermeasures. • Multilateral organizations advocate both national and international stockpiles. • Continue bilateral discussions for mutual assistance to share medical countermeasures in response to bioterrorism. • U.S. mechanism(s) identified for creation and management of a U.S. international stockpile of medical countermeasures for responding to emergency foreign requests.
	Results	• Global Health Security Action Group continues to advocate support for international stockpiles. • U.S. and Switzerland develop Black ICE (Bioterrorism International Coordination Exercise) which outlines information about national stockpile and raises awareness among international organizations about the limited global supplies and the need for a system to gather and distribute medical countermeasures in the event of a bioterrorist attack. • In U.S., Project BioShield establishes first contracts for development and procurement of additional medical countermeasures.
	Rating	**On Target**
	Impact	Enhanced stockpiles and cooperation on medical countermeasures strengthen U.S. and international abilities to quickly and effectively respond to bioterrorism and mitigate potential effects to human, animal, and plant health – as part of the broader strategy to strengthen global counterterrorism cooperation.
PERFORMANCE DATA	**Data Source**	World Health Organization (WHO); open source and intelligence channels.
	Data Quality (Verification)	Information provided by the WHO on national stockpiles is verified by U.S. Government personnel and verified against open source and intelligence channels.
PAST PERFORMANCE	**2005**	WHO continued to seek additional nations to contribute to the Global Smallpox Vaccine Reserve. U.S. continued to promote (through GHSAG and in other venues) its contribution and encourage other nations to support the stockpile.
	2004	The U.S. announced a contribution of 20 million doses of smallpox vaccine to the WHO Global Smallpox Vaccine Reserve. WHO developed a framework for the Global Smallpox Vaccine Reserve which marked an important milestone in facilitating country support for the reserve. France announced a contribution of 5,000,000 doses of smallpox vaccine for the reserve.
	2003	WHO had very limited reserve of smallpox vaccine. Few countries had sufficient stockpiles to respond to bioterrorism attack. No countries had reserves to respond to international requests.

I/P: REDUCTION AND SECURITY OF MANPADS

INDICATOR: Number of Foreign Man-Portable Air Defense Systems (MANPADS) Reduced as a Result of Implementation of International Commitments

Outcome

JUSTIFICATION: This indicator measures the number of MANPADS destroyed or secured as a result of commitments by foreign nations.

FY 2006 PERFORMANCE	**Target**	7,000.
	Results	Total MANPADS missiles destroyed (as of August 11, 2006): 5206.
	Rating	Below Target
	Impact	Reduction of the number of excess, loosely secured and obsolete MANPADs worldwide.
	Reason for Shortfall	Some destruction events projected for FY 2006 are now scheduled for FY 2007.
	Steps to Improve	The Department will continue to press implementing partners to proceed with destruction events as scheduled.
PERFORMANCE DATA	**Data Source**	Implementing partners, embassies, and the Department's Bureau of Political-Military Affairs and Office of Weapons Removal and Abatement staff who witness the destructions.
	Data Quality (Verification)	Confirmed by direct observation and reports by implementing partners.
PAST PERFORMANCE	**2005**	5,504.
	2004	5,500.
	2003	3,400.

Secretary Rice shakes hands with Pakistan President Pervez Musharraf before a portrait of Pakistan's founder Mohammad Ali Jinnah, June 2006. AP/Wide World

ANNUAL PERFORMANCE GOAL 4

STABLE POLITICAL AND ECONOMIC CONDITIONS THAT PREVENT TERRORISM FROM FLOURISHING IN FRAGILE OR FAILING STATES.

I/P: DIMINISH POTENTIAL UNDERLYING CONDITIONS OF TERRORISM IN AFGHANISTAN

INDICATOR: Rehabilitation Status of Afghan Educational Infrastructure

Output

JUSTIFICATION: This indicator measures efforts to rehabilitate Afghanistan's education system and related infrastructure, with a focus on: 1) providing support to secular schools and education, and 2) promoting democratic values through education.

FY 2006 PERFORMANCE	**Target**	• 10% increase over FY 2005 in the number of institutions (homes, schools, clinics, markets, etc.) rehabilitated/built through USAID assistance. • 10% increase over FY 2005 in the number students enrolled/ trained through USAID assistance. • 10% increase over FY 2005 in number of teachers trained through USAID assistance. • 10% increase over FY 2004 in the number of textbooks printed/ distributed. • 10% increase over FY 2005 in the number of students enrolled in basic education programs receiving a secular curriculum supported through USAID.
	Results	• 90% increase over FY 2005 in the number of institutions (homes, schools, clinics, markets, etc.) rehabilitated/built through USAID assistance (number of institutions rehabilitated/built in FY 2006 was 506). • 2,012% increase over FY 2005 in the number students enrolled/ trained through USAID assistance (number of students enrolled/ trained through USAID assistance in FY 2006 was 3,601,687. The results for FY 2006 report on the entire USAID Afghan education program, not only the accelerated education program as reported in FY 2005.) • 166% increase over FY 2005 in number of teachers trained through USAID assistance (number of trained through USAID assistance in FY 2006 was 26,390). • FY 2006 preliminary data for the number of textbooks printed/ distributed are not yet available. • FY 2006 preliminary data for the number of students enrolled in basic education programs receiving a secular curriculum supported through USAID are not yet available.
	Rating	■ **Above Target**
	Impact	Rebuilding Afghanistan's education system is vital to long-term economic and social development and growth.
PERFORMANCE DATA	**Data Source**	USAID annual reports from operating units; other USAID reports; the USAID Afghanistan Database.
	Data Quality (Verification)	Verification and validation of the Agency's performance data is accomplished by periodic reviews, certifications and audits, including Data Quality Assessments (DQAs) and PART assessments, as well as annual certification of operating units' strategic objectives and their relationship to the Agency's strategic goals. Data validation and verification are also supported by extensive automated systems and external expert analyses.
PAST PERFORMANCE	**2005**	• 267 institutions (homes, schools, clinics, markets, etc.) rehabilitated/built through USAID assistance, a 230% increase over FY 2004. • 165,761 students enrolled/ trained through USAID assistance, a 2% decrease over FY 2004 (the FY 2005 results reported on the number of students enrolled in the accelerated education program, not the entire education program). • 9,910 teachers trained through USAID assistance, a 72% decrease from FY 2004. • Information for the number of textbooks printed/ distributed is not available for FY 2005. • Baseline: 4.8 million students enrolled in basic education programs receiving a secular curriculum supported through USAID.
	2004	• 81 institutions (homes, schools, clinics, markets, etc.) built or rehabilitated in 2004 through USAID assistance, a 57% decrease from the FY 2003 baseline. • 169,716 students enrolled/ trained (in 3 provinces) through USAID assistance, a 1010% increase over the FY 2003 baseline. • 35,819 teachers trained in 2004 through USAID assistance, a 353% increase over the FY 2003 baseline. • 8.7 million textbooks printed/ distributed through USAID assistance, a 16% decrease from the FY 2003 baseline.
	2003	**Baselines:** • 188 institutions (homes, schools, clinics, markets, etc.) rehabilitated/built through USAID assistance. • 15,282 students enrolled/trained (in 3 provinces) through USAID assistance. • 7,900 teachers trained through USAID assistance. • 10.3 million textbooks printed/ distributed through USAID assistance.

STRATEGIC OBJECTIVE #1: ACHIEVE PEACE AND SECURITY

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 September 11, 2001, proved how susceptible the United States and its allies could be to those who would do us harm. The Department, together with 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 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: 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.

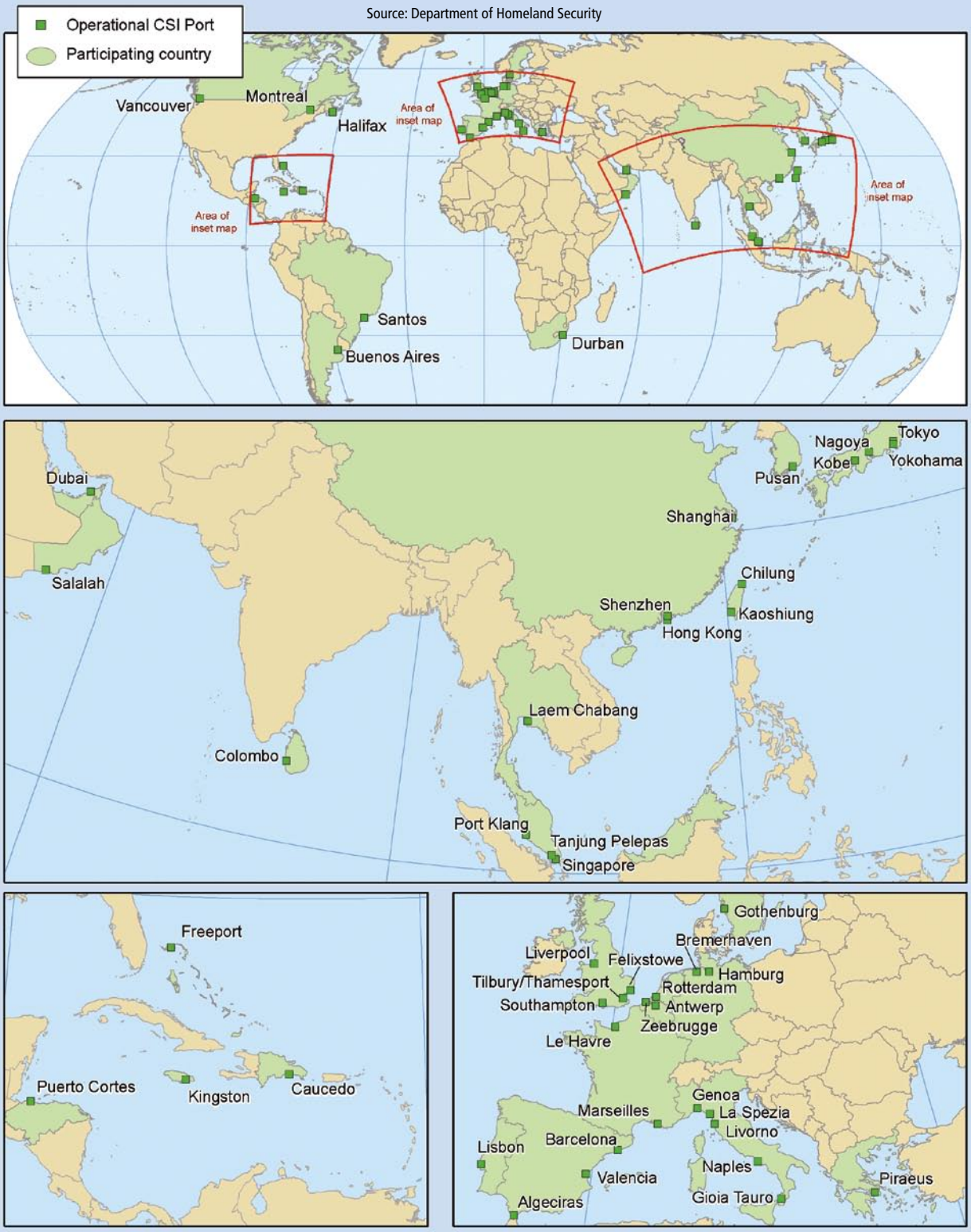
Secretary Rice and Homeland Security Secretary Michael Chertoff announce the Secure Borders and Open Doors in the Information Age Initiative, January 2006. Department of State photograph

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, the U.S. Government is bolstering the security of U.S. physical and cyber infrastructures, which are critical to the reliable functioning of global networks of commerce, travel, and communications upon which the free flow of travelers, goods, and information depends. With these programs, the Department is reducing risk to U.S. national security by combating the ability of terrorists to travel, plan and finance their activities, conduct attacks and train new recruits.

Container Security Initiative Ports

Source: Department of Homeland Security



Boundary representation are not necessarily authoritative

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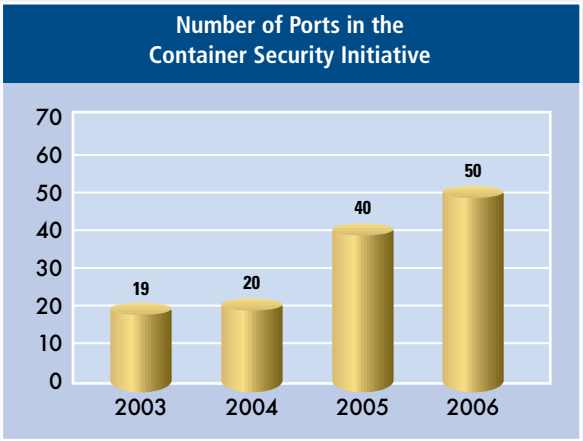
II. Selected Performance Trends



III. Strategic Context

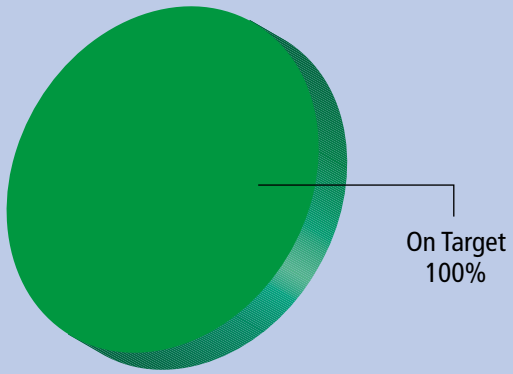
Shown below are the performance goals, initiatives/programs, and the major resources, bureaus and partners that contribute to accomplishment of the Homeland Security strategic goal. Acronyms are defined in the glossary at the back of this publication.

Strategic Goal	Performance Goal (Short Title)	Initiative/ Program	Major Resources	Lead Bureau(s)	External 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	Forge Strategic Partnerships	D&CP	WHA	DHS, DOJ, FBI
	Infrastructure Network Protection	Protect Transportation and Cyber Infrastructure	D&CP	EB, PM, IO	DHS, ICAO, IMO, ILO

IV. Performance Summary

The chart below summarizes Department performance ratings for the Homeland Security strategic goal.

STRATEGIC GOAL RESULTS ACHIEVED FOR FY 2006



RATINGS DISTRIBUTION

Significantly Above Target	0
Above Target	0
On Target	4
Below Target	0
Significantly Below Target	0
Total Number of Ratings	**4**

V. Performance Analysis

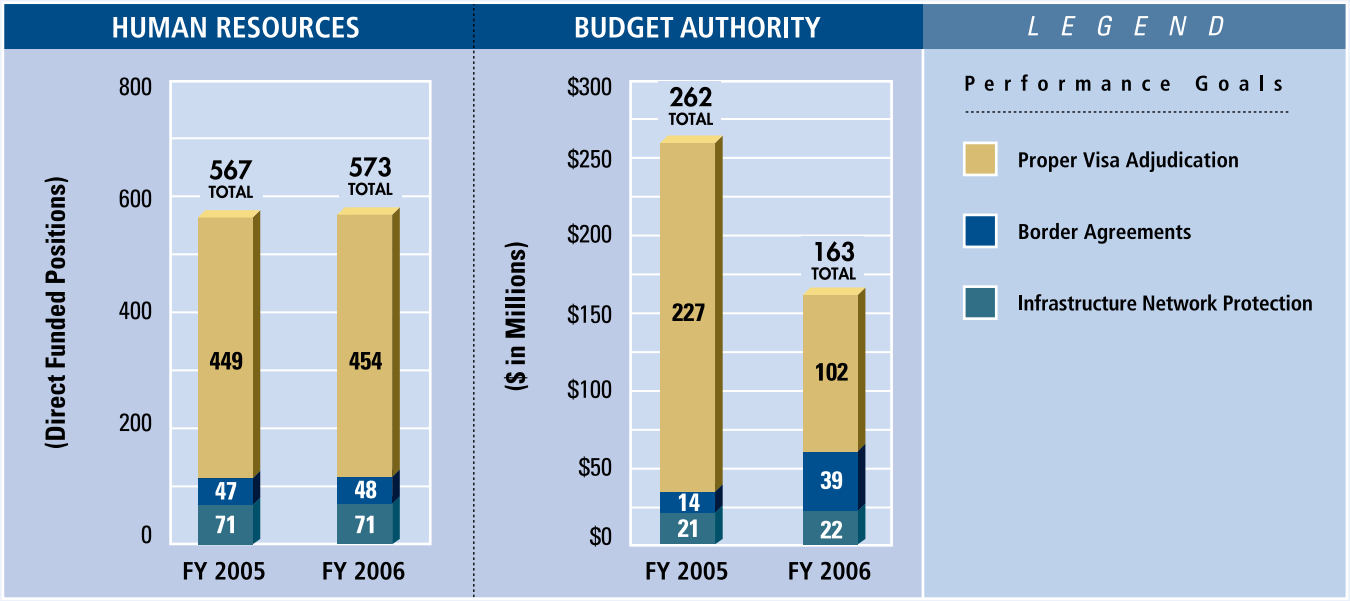
PERFORMANCE TRENDS. There have been a number of significant trends under the Department's Homeland Security goal. One trend has been the significant increase of 19 ports under the Container Security Initiative in FY 2003 to 50 under the program in FY 2006. Additionally, the Department has made great strides since FY 2003 in the development of systems to capture and share biometric data for U.S. visas. The program has added in FY 2006 a facial recognition component for high-fraud and high risk applicants.

HIGH-LEVEL RESULTS. There have been a number of significant trends under the Department's Homeland Security goal. For example, with the support of the Department of Homeland Security, 19 ports have been added to the Container Security Initiative since FY 2003, bringing the total number of participating ports to 50 as of the end of FY 2006. Additionally, the Department has made great strides since FY 2003 in the development of systems to capture and share biometric data for U.S. visas, adding a facial recognition component for high-fraud and high risk applicants in FY 2006.

RESULTS SIGNIFICANTLY ABOVE OR SIGNIFICANTLY BELOW TARGET. No indicator under the Homeland Security Strategic goal was rated significantly above or significantly below target.

KEY INITIATIVES AND PROGRAMS. The Department of State's key programs in this strategic goal include the biometrics collection program for U.S. visas, the Security and Prosperity Partnership with Canada and Mexico, and the Container Security Initiative, implemented jointly with the Department of Homeland Security.

VI. Resources Invested



A Look to History: Homeland Security

Prior to 1856, states, cities, and even notaries public in the U.S. could issue passports. However, an Act of Congress of August 18, 1856 gave the Secretary of State the exclusive authority to issue passports to U.S. citizens. Many countries, including the United States and those in Europe, did not require passports of all foreign travelers until the outbreak of World War I in 1914 when European governments began requiring U.S. nationals to bear passports. The spike in demands for passports during World War I compelled the U.S. government to tighten the rules governing passport applications. In December 1914, Secretary of State William Jennings Bryan circulated new regulations that explicitly required U.S. passport applicants to present birth certificates or documentation of naturalization as proof of citizenship. In order to enforce security during wartime, the United States also began demanding proof of citizenship and documentation of entry privileges from all foreign visitors.

AP/Wide World Photo

VII. Performance Results

For each initiative/program that supports accomplishment of this strategic goal, the most critical FY 2006 performance indicators and targets are shown below.

ANNUAL PERFORMANCE GOAL 1

DENIAL OF VISAS TO FOREIGN CITIZENS WHO WOULD ABUSE OR THREATEN THE US, WHILE FACILITATING ENTRY OF LEGITIMATE APPLICANTS.

I/P: VISA AND CONSULAR SERVICES/BORDER SECURITY		
	INDICATOR: Development of a Biometrics Collection Program for U.S. Visas	
	PART Outcome	
JUSTIFICATION: This indicator tracks whether systems related to the biometrics collection program work as intended and are successfully incorporating biometric data into visas using agreed upon technology standards.		
FY 2006 PERFORMANCE	Target	Facial recognition checks expanded to include all visa applicants, including applicants who have had a fingerprint biometric collected. Effectiveness will be measured by an increase in the number of mala fide applicants identified through the program and by a reduction in the number of false positives.
	Results	Phase II of facial recognition program launched in October 2005, expanding the program to high-fraud and high-risk applicants. Ad-hoc facial recognition checks deployed to posts. Photo quality and photo comparison training for posts developed in 2006. Facial recognition collaboration expanded to DHS and DoD.
	Rating	On Target
	Impact	The Biometric Visa Program is helping to prevent ineligible applicants from obtaining visas and ensure the integrity of the U.S. visa by verifying visa bearers at U.S. ports of entry through use of biometric data.
PERFORMANCE DATA	Data Source	Bureau of Consular Affairs records. Implementation confirmed through Consular Consolidated Database (CCD); all check responses under the automated biometric identification system (IDENT) are stored in the CCD.
	Data Quality (Verification)	Data exchanged from the Consular Consolidated Database to IDENT over a direct line to ensure quality of transmission is maintained. IDENT fingerprint matching achieves higher than 99% accuracy.
PAST PERFORMANCE	2005	Biometric collection from visa applicants continued at all posts. Facial recognition was conducted on a selective basis, while plans were developed for expanding the program. Upgrades in technology were deployed with new releases of NIV and IV systems.
	2004	Deployment of biometric collection capability to consular posts worldwide.
	2003	Biometric program and practical application of facial recognition technology continued. Working with DHS and National Institutes of Standards of Technology, the Department set a biometrics-based standard for the documentation of the visa process. Development work began on worldwide biometrics collection.

ANNUAL PERFORMANCE GOAL 2

IMPLEMENTED INTERNATIONAL AGREEMENTS TO STOP THE ENTRY OF GOODS THAT COULD HARM THE U.S., WHILE ENSURING THE TRANSFER OF BONA FIDE MATERIALS.

I/P: FORGE STRATEGIC PARTNERSHIPS

INDICATOR: Implementation of the Security and Prosperity Partnership with Canada and Mexico

Output

JUSTIFICATION: This indicator measures progress in implementing a key border security agreement with countries bordering the continental United States.

FY 2006 PERFORMANCE	**Target**	• Complete pilot project of visa lookout information sharing with Canada by December 30, 2006. • Complete operational testing of visa lookout information sharing with Mexico by March 30, 2006.
	Results	**Canada:** Targets largely achieved, with Phase One of the Western Hemisphere Travel Initiative on track, announcement of Rice-Chertoff initiative and movement toward development of a border crossing card. Transit time for Detroit-Windsor reduced by more than 25%. No terrorist incidents or exploitation; counterterrorism cooperation continues at a high level. To increase security, USG and the Government of Canada (GOC) completed joint exercises on St. Clair and Detroit Rivers during Super Bowl in February. Completed Cyber storm exercise in February to prepare for potential incidents affecting critical infrastructure. Meeting and discussion are preparing Mutual Assistance Agreements to prepare for cross-border public health emergencies. **Mexico:** USG and the Government of Mexico (GOM) aligned regulations to require manifest data be reported 24-hours in advance of loading ship. USG and GOM signed an Action Plan to Combat Violence and Improve Public Safety. **Canada and Mexico (trilateral):** Representatives of three governments completed training related to the protection of aircraft from terrorist threats, basic and advanced marksmanship skills, and emergency aircraft procedures. The USG, GOC and GOM cooperated to tighten and verify the security of key nuclear and radiological facilities. The governments established the Avian and Human Pandemic Influenza Coordinating Body to ensure governments act in a coordinated manner to meet a pandemic threat. Representatives of the three countries inaugurated the North American Aviation Trilateral to promote civil aviation security.
	Rating	On Target
	Impact	Results as of the end of FY 2006 have furthered Strategic Partnerships Program (SPP) implementation with Canada and Mexico and advanced border security initiatives.
PERFORMANCE DATA	**Data Source**	DHS, Commerce and State, prepare annually a document which reviews previously agreed Security and Prosperity Partnership work plans and notes if key milestones were met as scheduled.
	Data Quality (Verification)	Complete FY 2006 data will be not be available until FY 2007 but is considered reliable.
PAST PERFORMANCE	**2005**	**Canada:** SPP launched and leaders and Ministers meetings held; working groups formed. Cooperative aspects of Border Accord continue being implemented and expanded initiatives under the SPP umbrella launched. No terrorist incidents associated with Canada; counterterrorism cooperation continues at a high level. **Mexico:** USG and GOM agreed to establish a standardized Alien Smuggler Prosecutions Program; approved construction of expanded infrastructure at Nogales border crossing. Completed MANPADS training event to improve preparedness against this aviation/security threat. Agreed to programs to enhance detection and dismantling of criminal organizations engaged in sexual or labor exploitation of women and children.
	2004	**Canada:** NEXUS lanes added at three border crossings. FAST lanes at one. SPP discussions continued but were not finalized by fiscal year-end. **Mexico:** Consultant study initiated; secure electronic network for travelers rapid inspection (SENTRI) lanes under development; technology installation and public outreach underway; Advance Passenger Information System installed; 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	**Canada:** 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, a pre-clearance agreement, and continued visa policy coordination . U.S.-Canada joint committee on Critical Infrastructure Protection established. No incidents of terrorist exploitation of Canadian territory to attack the U.S. or its interests. **Mexico:** 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.

ANNUAL PERFORMANCE GOAL 3

PROTECTION OF CRITICAL PHYSICAL AND CYBER INFRASTRUCTURE NETWORKS THROUGH AGREEMENTS AND ENHANCED COOPERATION.

I/P: PROTECT TRANSPORTATION INFRASTRUCTURE

INDICATOR: Full Implementation and Expansion of Container Security Initiative (CSI)

Outcome

JUSTIFICATION: 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.

FY 2006 PERFORMANCE	Target	• Reduce opportunities for terrorist exploitation of containers 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 and other organizations.
	Results	• Eleven ports in nine countries joined the CSI in FY 2006. CSI is now operational at 50 ports, accounting for approximately 82% of all containerized merchandise imported into the United States. • Upon the initiative of the United States, the World Customs Organization has established a Framework of Standards to Secure and Facilitate Global Trade that establishes tested U.S. procedures as international standards, including advanced electronic cargo information, common risk management criteria, inspection of high-risk containers at the outgoing port and business incentives for secure supply chains. The U.S. Government is providing technical assistance through the WCO for developing countries to implement the framework. As the next step in the Container Security Initiative, DHS is working with selected foreign ports to set up pilot integrated scanning systems combining radiation detection, non-intrusive inspection and optical imaging of the container exterior, to test for general use.
	Rating	On Target
	Impact	Broader coverage of CSI has enhanced global port security and boosted industry and public confidence in the security of maritime container traffic.
PERFORMANCE DATA	Data Source	Bureau of Customs and Border Protection, Department of Homeland Security.
	Data Quality (Verification)	Security screening of containers at foreign ports by CBP officers 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.
PAST PERFORMANCE	2005	Four countries (UAE, Argentina, Brazil and Portugal) signed Declarations of Principles. 14 additional ports comply with CSI, including Kaohsiung and Dubai, for a total of 40 CSI ports overall.
	2004	Signed Declarations of Principles with 19 countries to participate in CSI. Placed permanent personnel at five operational CSI ports.
	2003	Launched the CSI. Nine countries signed on, encompassing fourteen of the initial 20 large ports. CSI "pilot phase" deployment began in two countries.

I/P: PROTECT TRANSPORTATION INFRASTRUCTURE *(continued)*

INDICATOR: Status of International Civil Aviation Organization (ICAO) Security Audit Program

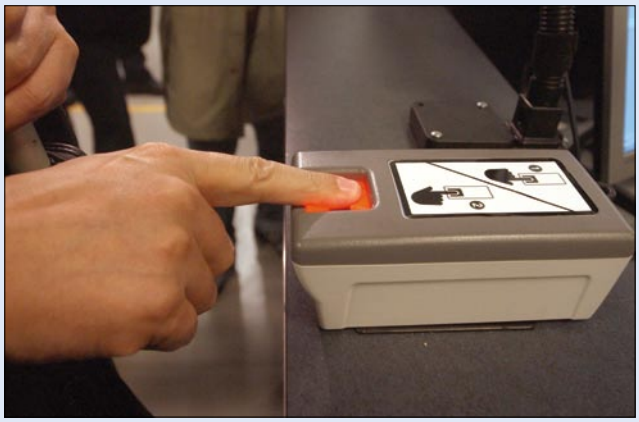
Output

JUSTIFICATION: These reports are the baselines for agency accountability in ensuring that airports around the world comply with the international security standards established by ICAO, a critical defense against terrorist attacks on civil aviation.

FY 2006 PERFORMANCE	**Target**	• Airports in an additional 40 countries to be scheduled for security audit. • Countries with poor security audits have received remedial assistance. Countries receiving remedial assistance as a result of poor security audits are re-audited.
	Results	• 35 audits were completed in FY 2006; nine audits are scheduled for the remaining calendar year. • As of September 30, 2006, 44 follow-up audits have been conducted to monitor progress in addressing deficiencies raised. Six more are scheduled for a total of 50 for CY 2006.
	Rating	On Target
	Impact	International aviation is more secure because airports and governments know they are going to be audited in advance and make improvements in the run-up to the audit so that the audit results will be favorable. Those whose audits reveal deficiencies benefit from ICAO follow-up visits. From November 2002 to 2006, a total of 140 security audits have been conducted.
PERFORMANCE DATA	**Data Source**	International Civil Aviation Organization.
	Data Quality (Verification)	Although the security audit results are confidential, the reliability of the data is accepted due to the quality of the audit teams, their training and the ICAO history of technical expertise and reliability.
PAST PERFORMANCE	**2005**	• ICAO conducted 96 audits in FY 2005; 107 countries slated for the end of CY 2005. • Remedial assistance was offered to countries with compliance issues.
	2004	ICAO completed 40 audits.
	2003	ICAO completed 60 audits.

Biometric Visa Program

Under the Biometric Visa Program, fingerprints are collected from visa applicants at U.S. Embassies and Consulates abroad. The fingerprints are then cleared against a watchlist containing fingerprints of known or suspected terrorists and criminals, and the biometric data is stored in the Department of Homeland Security's IDENT fingerprint system. Upon arrival at a port of entry in the United States, travelers have their fingerprints matched with those stored in the IDENT database to prevent terrorists or other inadmissible aliens from entering the United States using false identities. In FY 2006, State developed and tested new software to capture all ten fingerprints from visa applicants.



A passenger arriving at John F. Kennedy International Airport uses a machine that takes inkless fingerprints, which will be checked instantly against the national digital database for criminal backgrounds and any terrorist lists. AP/Wide World

STRATEGIC OBJECTIVE #1: ACHIEVE PEACE AND SECURITY

STRATEGIC GOAL 4: WEAPONS OF MASS DESTRUCTION

Reduce the Threat of Weapons of Mass Destruction to the United States, Our Allies, and Our Friends

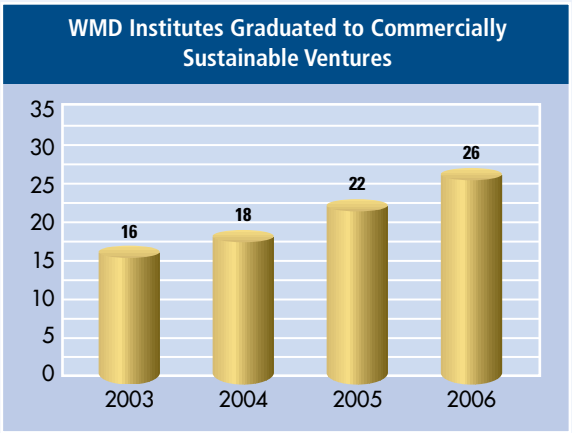
I. Public Benefit

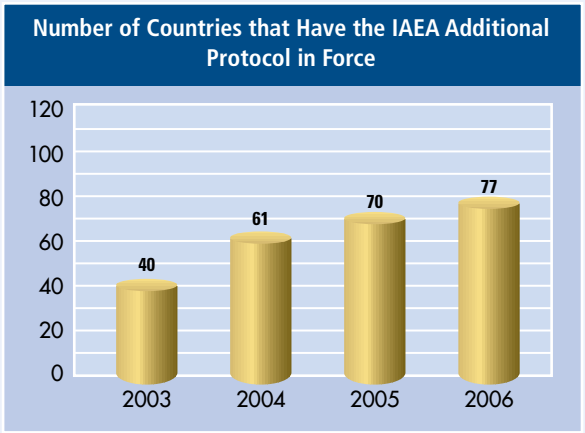
The proliferation of weapons of mass destruction, their means of delivery, and related materials, technologies, and expertise, is the preeminent challenge to American national security. Combating this threat is one of the highest priorities of the Department of State. Department efforts to reduce the threat of weapons of mass destruction include:

U.S Ambassador to the United Nations John Bolton votes on a UN Security Council resolution on the North Korea missile crisis, July 2006 in New York. AP/Wide World

- Preventing proliferators from gaining access to sensitive technologies, materials, and expertise that could provide a short cut to producing nuclear, biological, chemical, or radiological weapons;
- Disrupting and ending the proliferation trade by rogue states, individuals, and groups as well as the financial underpinnings of proliferation trade;
- Undertaking efforts, in cooperation with the International Atomic Energy Agency and other organizations and arrangements to eliminate in a transparent, permanent, and verifiable manner WMD and missile programs in North Korea and Iran, which pose a threat to international security and the global nuclear nonproliferation regime;
- Enhancing the ability of the U.S. Government and international partners to detect, disrupt and respond to terrorist use of nuclear, radiological, chemical or biological weapons;
- Strengthening existing multilateral frameworks such as the Nuclear Non-Proliferation Treaty and the Chemical Weapons Convention, the Nuclear Suppliers Group, and Missile Technology Control Regime;
- Reducing U.S. and Russian nuclear weapons stockpiles, and engaging in international cooperative efforts to develop missile defenses as appropriate; and
- Ensuring state-of-the-art verification technologies and practices are available to the U.S. Government and work with partner international organizations to ensure that compliance is rigorous and enforced.

II. Selected Performance Trends





III. Strategic Context

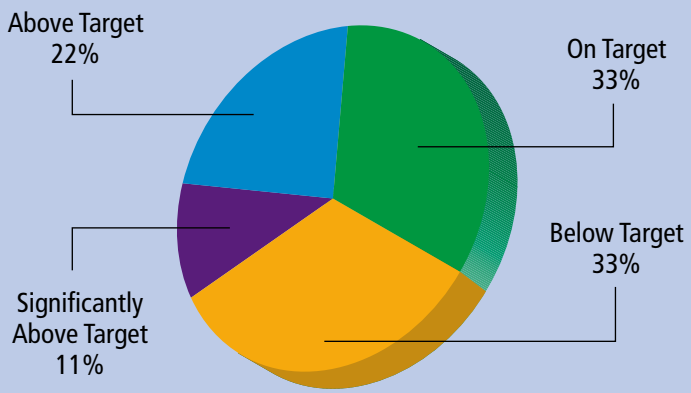
Shown below are the performance goals, initiatives/programs, and the major resources, bureaus and partners that contribute to accomplishment of the Weapons of Mass Destruction strategic goal. Acronyms are defined in the glossary at the back of this publication.

Strategic Goal	Performance Goal (Short Title)	Initiative/ Program	Major Resources	Lead Bureau(s)	External Partners
Weapons of Mass Destruction	Bilateral Measures	Counter the Proliferation of Weapons of Mass Destruction	D&CP, Sanctions	ISN	DOE, DoD, intelligence community, UN, IAEA
		Reduce Vulnerability and Availability of Existing WMD Materials, Equipment, and Expertise	D&CP, NADR, Science Center, Bio-Chem Redirect, Iraq Redirection Program, CIO	ISN	DOE, NRC, DoD, DoT, EPA, IAEA, U.S. nuclear industry, relevant non-governmental organizations.
		Export Controls	D&CP, NADR, Export licensing	ISN	DoD, DoC, DHS, intelligence community
	Multilateral Agreements and Nuclear Safety	Strengthen the Global Nuclear Nonproliferation Regime	D&CP, NADR, CIO, Voluntary Contributions, CPPNM	ISN	DOE, NRC, DoD, IAEA; UN; U.S. nuclear industry
		Multilateral WMD Agreements	D&CP, CIO	ISN, VCI	DoD, DOE, DOC, DoJ, DHS, DHHS, intelligence community, relevant international organizations
	Verification and Compliance	Verification	D&CP, CIO	VCI	Other Federal agencies, including the IC, DOE, NRC, DoD; Commerce; Adherents to the NPT; IAEA; UN; Relevant non-governmental organizations; U.S. nuclear industry. OVP, NSC, Treasury and the EPA
		Compliance Enforcement and Diplomacy	D&CP, CIO	VCI	Other Federal agencies, including the IC, DOE, NRC, DoD, Commerce; Adherents to the NPT; IAEA; UN; relevant non-governmental organizations; U.S. nuclear industry. OVP, NSC, Treasury

IV. Performance Summary

The chart below summarizes Department performance ratings for the Weapons of Mass Destruction strategic goal.

STRATEGIC GOAL RESULTS ACHIEVED FOR FY 2006



RATINGS DISTRIBUTION

Significantly Above Target	1
Above Target	2
On Target	3
Below Target	3
Significantly Below Target	0
Total Number of Ratings	**9**

V. Performance Analysis

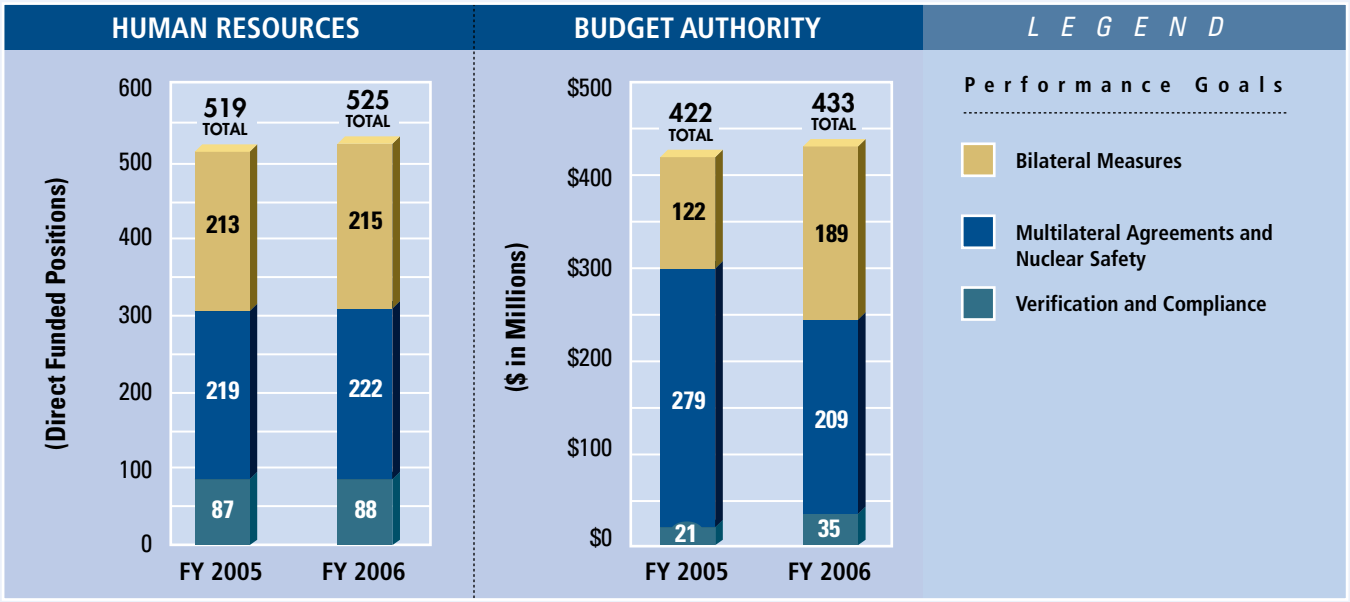
PERFORMANCE TRENDS. For the past several years, the Department of State has demonstrated greater multilateral cooperation in the area of non-proliferation standards and treaties, and in addressing specific proliferation challenges. However, the continued development of nuclear weapons programs in Iran and North Korea provided a counterpoint to these positive multilateral developments.

HIGH-LEVEL RESULTS. Significant progress was made strengthening nonproliferation regimes through expansion of the Export Control and Related Border Security Program, inclusion of U.S. supported proposals in biological weapons control programs, and international enforcement of weapons protocols.

RESULTS SIGNIFICANTLY ABOVE OR SIGNIFICANTLY BELOW TARGET. The number of states that developed and implemented export control systems that conform to international standards exceeded expectations for FY 2006, a positive, welcome development. No performance measures under this strategic goal were rated significantly below target.

KEY INITIATIVES AND PROGRAMS. The Department invested $196 million in FY 2006 in the Nonproliferation and Disarmament Fund, export controls and border security assistance programs, the nonproliferation of WMD expertise, the U.S. voluntary contribution to the International Atomic Energy Agency, and an international monitoring system for the Comprehensive Nuclear Test Ban Treaty.

VI. Resources Invested



A Look to History: Weapons of Mass Destruction

Negotiations between the United States and the Soviet Union in the 1970s resulted in agreements to limit strategic nuclear weapons. The Strategic Arms Limitation Talks, known as SALT I & II, took place in Helsinki, Vienna and Geneva. A delegation of officials from the Departments of State and Defense, the Intelligence Community, the Joint Chiefs of Staff, and the Arms Control and Disarmament Agency represented the United States. The 1972 Interim Agreement limited the number of offensive intercontinental missiles allowed in each super power's arsenal. The 1972 Anti-Ballistic Missile Treaty sharply limited missile defense systems in each country. President Jimmy Carter signed the SALT II agreement in 1979, but Congress never ratified SALT II. The arms negotiations continued in President Ronald Reagan's administration with the Strategic Arms Reduction Talks.

President Richard Nixon and Soviet Communist Party leader Leonid Brezhnev sign the Strategic Arms Limitation agreement at the Kremlin in May 1972. AP/Wide World

VII. Performance Results

For each initiative/program that supports accomplishment of this strategic goal, the most critical FY 2006 performance indicators and targets are shown below.

ANNUAL PERFORMANCE GOAL 1

BILATERAL MEASURES, INCLUDING THE PROMOTION OF NEW TECHNOLOGIES, COMBAT THE PROLIFERATION OF WMD AND REDUCE STOCKPILES.

I/P: COUNTER THE PROLIFERATION OF WEAPONS OF MASS DESTRUCTION		
	INDICATOR: Extent to Which Iran, Syria, DPRK and Other Countries of Concern Are Denied WMD/Missiles and Related Technology, Materials, Equipment and Expertise From Other Countries	
	Input	
JUSTIFICATION: The inability of target countries to acquire WMD is a direct measure of how well U.S nonproliferation policies and programs are working.		
FY 2006 PERFORMANCE	**Target**	• International Atomic Energy Agency (IAEA) takes effective steps to redress Iranian safeguards concerns. Iran adopts and implements an Additional Protocol. No countries cooperate with Iran's nuclear program. International consensus that Iran should not possess enrichment or reprocessing facilities. • Iraq completely and verifiably disarms. • China fully implements and effectively enforces its nuclear and missile commitments, and effectively enforces WMD/missile-related export controls. • DPRK agrees to verifiably dismantle its nuclear weapons programs. • DPRK missile-related exports decrease. • 10% increase in interdictions of specific shipments involving programs of concern. • Libya continues to cooperate in promoting international nonproliferation norms.
	Results	• IAEA reported Iran's nuclear program to the UN Security Council (UNSC) February 2006. IAEA reported in August 2006 that Iran failed to comply with UNSCR 1696, which mandated Iranian suspension of enrichment-related and reprocessing activities. • All concerns related to Iraq's past possession of WMD have been resolved. • China's nonproliferation record has shown improvement over the past several years, but some Chinese entities continue to assist programs of proliferation concern, including in Iran and the DPRK. • Since November 2005, the DPRK has refused to return to the Six-Party Talks to find peaceful resolution to security concerns raised by North Korea's nuclear weapons program. In October 2006, the DPRK conducted nuclear tests. With U.S. leadership, the UN Security Council adopted UNSCR 1718 mandating sanctions on the DPRK in response. • DPRK continued to test ballistic missiles and export missile-related items. • U.S. worked successfully with Proliferation Security Initiative partners on two dozen separate occasions to prevent transfers of equipment and material to WMD and missile programs in countries of concern. • Libya continued its cooperation to promote nonproliferation norms.

Continued on next page

I/P: COUNTER THE PROLIFERATION OF WEAPONS OF MASS DESTRUCTION *(continued)*

INDICATOR: Extent to Which Iran, Syria, DPRK and Other Countries of Concern Are Denied WMD/Missiles and Related Technology, Materials, Equipment and Expertise From Other Countries *(continued)*

FY 2005 PERFORMANCE *(continued)*	**Rating**	Below Target
	Impact	Failing to meet our targets increases the possibility that countries or terrorists could acquire WMD. Failing to end Iranian and North Korean nuclear weapons programs threatens global stability and security. U.S policies and programs have shown success in expanding the Proliferation Security Initiative, and on Iraq and Libya.
	Reason for Shortfall	Iran and North Korea continue to refuse to be constructive partners in multilateral negotiations about ending their nuclear weapons programs. China did not take adequate action to implement fully its nuclear and mission nonproliferation commitments.
	Steps to Improve	The Department will continue to work with the international community to get Iran to suspend all enrichment- and reprocessing-related activity, and is working on a UN Security Council resolution imposing sanctions on Iran. The U.S. will work with international partners to ensure UNSCR 1718 is effectively implemented and continue to encourage the DPRK to return to the Six-Party Talks. The U.S. continues to urge China to strengthen its export control enforcement.
PERFORMANCE DATA	**Data Source**	Reporting from embassies, consultations with relevant states, intelligence reporting, and UN and IAEA reporting.
	Data Quality (Verification)	Some of the information is based on intelligence, which may be limited in quantity and quality. Other information is generally accurate.
PAST PERFORMANCE	**2005**	• IAEA adopted a resolution finding Iran in noncompliance with its safeguards obligations. IAEA investigations in Iran continued. • The Iraqi Transitional Government requested assistance in removing remaining nuclear materials. • China made some progress in the enforcement of its missile commitments, as well as the enforcement of its export controls, but many significant shortcomings remained. • In March 2005, North Korea said it was no longer bound by the missile testing moratorium. • The U.S. and 10 Proliferation Security Initiative partners quietly cooperated on 11 successful interdiction efforts. • U.S. began export control cooperation with Libya.
	2004	• DPRK reiterated a proposal to halt its nuclear weapons program (plutonium) in exchange for assistance and acknowledged this as one step toward the dismantlement. • DPRK continued to export significant ballistic missile related equipment. • Although China took steps to educate firms and individuals on the new missile-related export regulations, some Chinese entities continued to engage in transfer activities. • Continued IAEA investigation and reporting of Iran's nuclear program; international pressure against Iran increased, and Russia, EU and others continued to slowdown trade and cooperation with Iran. • Verification and dismantlement of Libya's nuclear/chemical weapons program continued and provided information about the A.Q. Khan proliferation network.
	2003	• Unexpected growth in Iranian nuclear program revealed. Iran was pressured through an IAEA board resolution, and the U.S. secured an EU slowdown on Iran trade and cooperation talks pending resolution of Iranian nuclear issues. Iran's noncompliance caused Russia and other potential nuclear suppliers to reconsider cooperation with Iran's program. Shipments of missile-related items to Iran were stopped. • The Sadaam Hussein regime in Iraq was toppled and disarmed. • North Korea met with the U.S. in Beijing in late April, and Six Party talks initiated in August. Shipments of chemical weapons precursor elements bound for DPRK were interdicted.

I/P: REDUCE VULNERABILITY AND AVAILABILITY OF EXISTING WMD MATERIALS, EQUIPMENT, AND EXPERTISE

INDICATOR: Progress Toward Implementing Fissile Material Projects

Outcome

JUSTIFICATION: This indicator measures the most important elements of U.S. nuclear and radioactive material disposal programs, which aim to reduce the availability and vulnerability of these materials and thereby prevent misuse.

FY 2006 PERFORMANCE	**Target**	• Implement U.S.-Russian Plutonium Disposition (PuD) and multilateral financing agreements. • Proceed with PuD monitoring and inspections and with G-7 and Russian contributions exceeding U.S. support for the program. • Continue implementing Plutonium Production Reactor Agreement (PPRA); obtain additional international participation commitments. • Implement transparency arrangements for Mayak Fissile Material Storage Facility (FMSF). • 90% of Global Partnership (GP) target pledged, actual spending commitments of 50% of target. • Track and coordinate increasingly effective responses to and follow up on nuclear and radiological smuggling incidents.
	Results	• The Liability Protocol for plutonium disposition was signed in September 2005 and discussions on a new paradigm for cooperation were initiated; however Russia has not yet taken concrete steps to define a plutonium disposition program to which it would commit financially and politically, and will not be prepared to engage on U.S. monitoring and inspection proposals until early 2007. • PPRA implementation continued smoothly, with replacement fossil fuel plant construction on schedule and monitoring successful. • Mayak transparency arrangements were de-linked from the successful extension (signed June 2006) of the Cooperative Threat Reduction Umbrella Agreement and the two sides have been engaged in constructive talks since May on a new legal framework for this transparency. • 86% of the targeted $20 billion for the Global Partnership has been pledged. Actual spending commitments for all donors are over 28%. • All significant cases of nuclear smuggling incidents identified by the USG have been closely followed, and prosecution of smugglers has been encouraged and facilitated when possible and as appropriate.
	Rating	Below Target
	Impact	Agreement on the Liability Protocol was a necessary, though not sufficient, step for U.S.-Russian PuD cooperation to proceed. The USG has been relatively successful in coordinating effective responses to nuclear or radiological smuggling incidents and is meeting targets related to the Global Partnership Initiative and the PPRA.
	Reason for Shortfall	Russia still needs to define and commit to a program for PuD that would garner international support. USG expects improved results by 2007 for Mayak transparency negotiations based on constructive talks in 2006.
	Steps to Improve	USG continues to work with Russia at senior and expert levels to develop a feasible plan for PuD in which Russia will substantially invest and that U.S. and international donors can support.
PERFORMANCE DATA	**Data Source**	Reports of negotiating sessions, embassy reporting, consultations with governments. For PPRA, construction progress reports and reports of monitoring visits. For nuclear smuggling, IAEA reports, intelligence reporting, embassy reporting. For the Global Partnership, figures from U.S. programs contributing to the U.S. GP contribution and reports from other donors.
	Data Quality (Verification)	Intelligence reporting might be limited in terms of the quality or quantity of intelligence. The other information used to measure performance is generally accurate.
PAST PERFORMANCE	**2005**	• Plutonium disposition: Major progress made in resolving the liability issue and positive movement on multilateral financing. • Major progress made on Monitoring and Inspection, but two significant issues remain to be resolved in order to conclude agreements. • Ukraine becomes Global Partnership recipient country.
	2004	• PuD multilateral negotiations and bilateral consultations continued; efforts to resolve liability issues continued. • PPRA implementation fully underway. • Mayak transparency negotiations continued. • For GP: Total pledges remain about 85%, U.S. spending commitment of at least 10%. More donor countries involved. • Tracked and coordinated responses to, and followed up on known nuclear and radiological smuggling incidents.
	2003	• Negotiations of a multilateral framework to support Russian plutonium disposition launched. • PPRA Amendment and implementing agreement signed. PPRA monitoring of shutdown reactors and weapon-grade plutonium in storage continued smoothly. • Negotiations continued on transparency protocol for Mayak FMSF.

I/P: REDUCE VULNERABILITY AND AVAILABILITY OF EXISTING WMD MATERIALS, EQUIPMENT, AND EXPERTISE *(continued)*

INDICATOR: Redirection of Former WMD Experts to Self-Sustaining Civilian Employment

PART Outcome

JUSTIFICATION: Redirecting former WMD researchers and institutes into peaceful work has provided a proven incentive against the diversion of WMD know-how to rogue states or terrorists.

FY 2006 PERFORMANCE	**Target**	• Sustain engagement of critical WMD/missile experts/institutes and continue efforts to gain access to remaining previously inaccessible high-priority biological and chemical weapons institutes in Russia/Eurasia. Engage at least four new WMD institutes in new member states. • Industrial partner funding of science center projects increased to level between 15-20% of total Science Center project funding. • Graduate 2-3 institutes or groups of scientists from Science Center funding, and graduate one institute or group of scientists from BW/CW engagement program. • Begin two new Bio-Industry Initiative conversion and commercialization projects at priority biological weapons production facilities. • Continue and expand redirection effort in Iraq, with initial emphasis on providing opportunities for greatly increased interaction between Iraqi scientists/engineers and their western peers and colleagues. Identify long-term projects to employ Iraqi WMD personnel. • Sustain engagement of WMD and missile scientists/engineers in civilian activities that enhance Libya's scientific and economic development.
	Results	• USG engaged 4 new institutes with former WMD personnel in Azerbaijan, Ukraine, and Armenia through the BioIndustry Initiative. The Bio-Chem Redirect program expanded its work in Ukraine, Kyrgyzstan, and Tajikistan. • In FY 2006, the percentage of non-governmental funding for the Moscow Science Center was 9%, while the Kiev Science Center maintains non-governmental funding at 14%. However, DoS and Moscow Science Center commercialization efforts suggest that private sector funding for institutes engaged through the Center often comes directly from private partners, rather than through the Center. • USG graduated four institutes from Science Center funding. Of these, three are former BW/CW institutes. • Three institutes in Russia and Ukraine are in negotiations with U.S. companies, which should enhance their sustainability. USG funded 5 new projects to accelerate drug and vaccine research. • USG expanded redirection efforts in Iraq. Twenty former WMD personnel gained employment within Iraq's Ministry of Environment. • USG-funded projects enabled more rapid integration of WMD scientists into existing civilian research organizations and partnerships in the civilian sector.
	Rating	■ **Above Target**
	Impact	USG scientist redirection program has engaged more than 60,000 former weapons experts and over 700 institutes since its inception. Continued success in FY 2006 reduces the chances that rogue states or terrorists will gain access to WMD expertise.
PERFORMANCE DATA	**Data Source**	Consultations with and reports from personnel of Science Centers.
	Data Quality (Verification)	The information for measuring this Indicator is generally accurate.

Continued on next page

I/P: REDUCE VULNERABILITY AND AVAILABILITY OF EXISTING WMD MATERIALS, EQUIPMENT, AND EXPERTISE *(continued)*		
INDICATOR: Redirection of Former WMD Experts to Self-Sustaining Civilian Employment *(continued)*		
PAST PERFORMANCE	**2005**	• Access obtained to formerly closed Pavlodar Chemical Plant in Kazakhstan. USG access to an additional 8 bio-chem institutes in Azerbaijan. Engagement of five high-priority institutes in Kyrgyzstan. • In Iraq, engaged former WMD experts in the pursuit of technology solutions in forensics and law enforcement. • Three bio institutes and one chemical institute graduated, bringing total of WMD institutes graduated to commercially sustainable ventures to 22. • Funded over $2 million in new research in 6 countries through the Iraqi Center; nearly $3 million in 4 countries through the Ukraine Center. • The Iraqi Center currently provides monthly stipends to about 120 Iraqi scientists and senior technicians with WMD expertise.
	2004	• Focus for engagement was on approximately 165 institutes of proliferation concern of the 430 involved as lead or supporting institutes in U.S. funded research and on several hundred Iraqi and Libyan scientists and technicians. • Established Kirov Environmental Monitoring Lab – first mechanism focused on engaging former BW scientists from the top priority Kirov-200 site, which remains closed. • Identified two new priority bio institutes in Tajikistan. • BII program developed business, marketing and core competency assessments on 12 biological research institutes. Increased access and transparency with seven biologic production facilities.
	2003	• U.S. private sector industry partners total over sixty. • Five new projects funded at three newly engaged BW and CW institutes. • The BioIndustry Initiative has funded long-term commercialization and sustainability programs at large-scale biologic production facilities in Russia and Kazakhstan; developed Russian Bioconsortium of former BW research and production facilities; and developed relationships with Dow Chemical and Eli Lilly.

Bioterror Prepreparedness

The Department leads the U.S. Government's engagement with the G-8 Bioterrorism Experts Group to protect against deliberate releases of infectious disease and enhance surveillance and response capabilities in the event of natural disease outbreaks. In the spring of 2006, the Department facilitated the participation of G-8 experts in a workshop led by the U.S. Environmental Protection Agency on decontamination issues, leading to the dissemination of U.S. expertise on the matter. The Department is also facilitating a workshop for G-8 experts on forensic epidemiology – an emerging field that includes the coordination of public health and law enforcement expertise in responding to a real or potential threat of bioterrorism.

VaxGen lab technicians demonstrate the development of an anthrax vaccine, September 2006. AP/Wide World

I/P: EXPORT CONTROLS

INDICATOR: Number of Countries That Have Developed and Instituted Valid Export Control Systems Meeting International Standards.

PART Output

JUSTIFICATION: A country's export, border, and strategic trade controls are the first line of defense in preventing proliferation of WMD materials, yet many countries do not have controls that meet international standards. The U.S. assists priority countries to control proliferation and meet international standards.

FY 2006 PERFORMANCE	**Target**	Cumulatively, seven countries develop and institute export control system and practices that meet international standards.
	Results	The Export Control and Related Border Security (EXBS) program graduated from U.S. assistance six more countries (Malta, Cyprus, Estonia, Latvia, Lithuania, and Slovenia) for a total of 11 countries.
	Rating	**Significantly Above Target**
	Impact	Continued success in 'graduating' states from U.S. assistance means that the global nonproliferation effort is strengthened and resources are made available to assist other countries.
PERFORMANCE DATA	**Data Source**	University of Georgia Center for International Trade and Security (CITS), reports of EXBS Advisors, intelligence reports, consultations with governments.
	Data Quality (Verification)	Information about the status of countries' strategic trade controls is generally accurate. In some cases, information may depend on intelligence reporting, which may be limited in quality or quantity.
PAST PERFORMANCE	**2005**	Five countries graduated from EXBS program (Bulgaria, Romania, Czech Republic, Poland and Hungary). EXBS program initiated cooperation with Libya and increased cooperation with transshipment countries including Thailand, Taiwan, Singapore, Oman, Jordan, and the UAE. USG continued helping Iraqi Transitional Government in developing an export control system.
	2004	• EXBS program countries strengthened export control systems, and some significantly strengthened implementation. Poland, Hungary and the Czech Republic graduated from the program. • Through the Next Steps in Strategic Partnership (NSSP) initiative, India and Pakistan committed to improving export controls and regulations.
	2003	• India implemented some amendments to its export control laws and regulations. • Pakistan began technical export control cooperation with the U.S.

A mobile radiation detector screens cargo for dirty bombs or terrorist weapons at Port Newark in New Jersey, July 2006. AP/Wide World

ANNUAL PERFORMANCE GOAL 2

STRENGTHENED MULTILATERAL WMD AGREEMENTS AND NUCLEAR ENERGY COOPERATION UNDER APPROPRIATE CONDITIONS.

I/P: STRENGTHEN THE GLOBAL NUCLEAR NONPROLIFERATION REGIME

INDICATOR: Status of NPT Regime and IAEA Safeguards

Outcome

JUSTIFICATION: This indicator tracks the extent to which the global community is prepared to actively support measures to increase the effectiveness of the Nuclear Non-Proliferation Treaty (NPT) and its verification arm, the International Atomic Energy Agency (IAEA).

FY 2006 PERFORMANCE	**Target**	• 2005 NPT Review Conference leads to national policies and to multilateral cooperation on specific steps to strengthen the Treaty. • Ten additional states negotiate, sign and/or implement the Additional Protocol including all NPT parties with nuclear power reactors. Additional Protocol adopted by supplier states as a condition of nuclear supply. • Increase in safeguards funding continues and IAEA applies resources in an efficient manner; Special Committee of the Board makes recommendations on safeguards verification and enforcement. • IAEA reports increase in number of countries that it has assisted in establishing a program to strengthen security of nuclear and other radioactive material.
	Results	• NPT Parties responded strongly to Iranian non-compliance, which the IAEA reported to the UN Security Council. UNSC passed Resolution 1696 requiring Iranian action under Chapter VII. G-8 Summit endorsed multilateral approaches to the nuclear fuel cycle to reduce incentives for countries to develop enrichment and reprocessing. • Three additional countries signed Additional Protocols and six additional countries brought Protocols into force, bringing the total to 77 countries with Protocols in force. Nuclear Suppliers Group did not yet adopt Additional Protocol as a condition of supply. • IAEA continued to approve funding increases for safeguards in accordance with the 2003 budget package. Special Committee began discussions, but has not yet made any recommendations. • 14 of the 16 IAEA missions to help member states strengthen control and security for nuclear and other radioactive material were to new countries.
	Rating	On Target
	Impact	Iran has exposed a major weakness in the global nuclear nonproliferation regime - the ability of states to seek nuclear weapons under the cover of peaceful nuclear energy programs. The USG remains disappointed that the international community has not been more active, including on steps to gain universal adherence to the Additional Protocol and activate the IAEA's Special Committee.
PERFORMANCE DATA	**Data Source**	IAEA reports, reports of NPT meetings, consultations with other governments and IAEA officials.
	Data Quality (Verification)	Information is generally accurate. Information about Additional Protocols is available on the IAEA web site.

Continued on next page

I/P: STRENGTHEN THE GLOBAL NUCLEAR NONPROLIFERATION REGIME *(continued)*

INDICATOR: Status of NPT Regime and IAEA Safeguards *(continued)*

PAST PERFORMANCE	2005	• The 2005 NPT Review Conference demonstrated continued support for the Treaty and focused on DPRK and Iran NPT violations, but there was no negotiated outcome document. • Fifteen more Additional Protocols approved, for total of 112 with 70 in force. All NPT parties with nuclear power reactors concluded an Additional Protocol except for Argentina and Brazil. IAEA approved an Additional Protocol for Malaysia, which represented an important step toward broader acceptance of the Additional Protocol by members of the Non-Aligned Movement. • A Committee on Safeguards and Verification was approved by the IAEA Board, a USG initiative designed to further strengthen safeguards. • IAEA safeguards budget increased by further $4 million, enabling U.S. to reduce the voluntary contribution for safeguards equipment and redirect funds to nuclear security and safeguards technical support. • IAEA's nuclear security program continued to assist states in improving their preparedness to deal with malicious acts involving nuclear or radiological material, enhance radiation monitoring at borders, improve physical security of nuclear materials, and secure vulnerable radioactive sources.
	2004	• PrepCom III for the 2005 NPT Review Conference concluded satisfactorily. • Six more states signed an Additional Protocol bringing the number to 84; twenty-two more states brought the Protocol into force bringing the total to 61. • U.S. Senate unanimously approved the U.S.-IAEA Additional Protocol. • IAEA exposed Iranian violations of its NPT safeguards obligations. • Libya renounced nuclear weapons and agreed to return to compliance with the NPT.
	2003	• PrepCom II for the 2005 NPT Review Conference concluded successfully. The international community urged Iran to comply with the NPT and North Korea to reverse its position on NPT withdrawal. • Eleven more states signed an Additional Protocol, bringing the total to seventy-eight. • Voluntary contributions to the IAEA anti-nuclear terrorism program funding doubled in FY 2003.

Assistant Secretary of State Christopher Hill looks towards the North Korean delegation during the opening session of the fifth round of six party talks in Beijing, November 2005.
AP/Wide World

I/P: MULTILATERAL WMD AGREEMENTS

INDICATOR: Status of the Chemical Weapons Convention (CWC)

Outcome

JUSTIFICATION: This indicator measures the strength and viability of the CWC, which ensures through inspections that existing chemical weapons stockpiles are destroyed and that civilian chemical industrial facilities do not use chemicals for purposes that are prohibited.

FY 2006 PERFORMANCE	**Target**	• 169 States Parties. • Continuation of destruction of Albanian chemical weapons, with U.S. assistance. • OPCW inspection program expands to 235 sites inspected in 61 countries. • Second Russian destruction facility completed, and construction continues on the third facility. • All Article VII requirements met by 75% of States Parties.
	Results	• 179 States Parties. • All equipment for destruction of Albanian chemical weapons in place; destruction scheduled to begin in October 2006. • OPCW inspection program expands to 235 sites inspected in 61 countries. • Second Russian destruction facility completed; third facility also operating although construction not yet complete. • All Article VII requirements met by 75% of States Parties.
	Rating	On Target
	Impact	The increasing number of States Parties demonstrates the CWC's growing influence and universality, and enhances the CWC's effectiveness in reducing the WMD threat. While a great majority of the countries of the world have signed the CWC, many have lagged in implementing it nationally. Progress has been made on destroying Russia's chemical weapons stockpile, the largest in the world.
PERFORMANCE DATA	**Data Source**	CWC States Parties, OPCW reports, and bilateral consultations.
	Data Quality (Verification)	Most data are readily available. Data for measuring the number of inspections in the number of countries is not available in a timely fashion and therefore have dropped this measurement.
PAST PERFORMANCE	**2005**	• 174 States Parties. • Destruction of Libya's stockpile not completed as targeted due in part to U.S. statutory requirements that limited assistance by U.S. companies. • OPCW completed 162 inspections worldwide, up from 132 in 2004. • 79% of all States Parties designated a National Authority, and 65% have implementing legislation enacted or in the review process.
	2004	• A total of 166 Parties to the CWC. • After the sudden Libyan announcement in December 2003 to forgo WMD, USG assisted Libya ensure rapid submission of an accurate declaration of its chemical weapons stockpile and civilian chemical industry and to begin destruction of CW stockpiles. • The Department led international support for Albania to accelerate implementation of the CWC. • Active USG and OPCW efforts to promote effective domestic implementation by CWC member states began, in accordance with an agreed action plan. • OPCW implemented a tenure policy to promote a steady flow of qualified personnel for inspections and staff functions. • OPCW ended 2004 executing its full program of inspections, despite U.S. deferred payment of about one-third of the 2004 U.S. assessment until FY 2005.
	2003	• A total of 156 States Parties. • The first Russian destruction facility started operations in December 2002, and Russia met its revised deadline of destroying 400 agent tons by April 24, 2003. Construction of a second destruction facility began. • OPCW significantly recovered from the financial and administrative crisis it faced a year ago. Inspections increased by over 15%, while the budget increase was held to less than 10 percent, indicating an increase in efficiency. Inspections were retargeted to focus better on potential chemical weapons (CW) threats.

I/P: MULTILATERAL WMD AGREEMENTS *(continued)*

INDICATOR: Number of States Parties Who Incorporate U.S. Proposals in Their National Approaches to Controlling the Biological Weapons Threat.

Output

JUSTIFICATION: This indicator measures the success of U.S. diplomacy in persuading other BWC States Parties to follow the U.S. approach for strengthening implementation of the BWC. If all States Parties undertake the desired national actions, it will be much more difficult for terrorists or rogue states to acquire biological weapons.

FY 2006 PERFORMANCE	**Target**	U.S. alternative proposals incorporated by 40-45 BWC States Parties in their national approaches to controlling the BW threat.
	Results	• Detailed Codes of Conduct have been endorsed by the 60 preeminent scientific academies that make up the Inter-Academy Panel (IAP). States Parties, universities, scientific institutions, and industry in 60 countries are following suit based in large part in IAP guidelines. • USG responded to 12 requests for bilateral technical assistance on BWC implementation measures, including penal legislation. • USG providing on-the-ground training in pathogen security and biosafety to six States Parties in the former Soviet Union, Southeast Asia, and the Middle East. • The UN Secretary General's Mechanism for Investigations of Alleged Use has been strengthened; experts and laboratories have been provided by 40 States Parties for use should an unusual outbreak or alleged use occur. • All EU member states and even many in the non-aligned movement are calling for a return to the topics and objectives of the U.S.-inspired 2003-2005 Work Program.
	Rating	■ **Above Target**
	Impact	The U.S.-inspired Work Program has contributed to focusing international attention on the urgent need to improve national actions and international coordination to control the biological weapons threat, especially bioterrorism. USG works with Interpol to create a database of states' current regulations and identify key gaps, to ensure that all states have the necessary legislation to prevent and punish biological weapons-related activity, including efforts by non-state actors to obtain dangerous pathogens.
PERFORMANCE DATA	**Data Source**	States Parties' public announcements and reports, embassy reporting and reports from international organizations.
	Data Quality (Verification)	The Department is in the process of developing basic databases to collect information on countries' national legislation and control, which should improve data quality. Information provided by data sources is generally accurate.
PAST PERFORMANCE	**2005**	The 2003-2005 Work Program, derived from U.S. proposals, has been remarkably successful in raising awareness of States Parties to the urgency of establishing and/or strengthening national measures to combat the growing biological weapons threat. 40 countries incorporated U.S. proposals into their national efforts.
	2004	At the November 2003 meeting of BWC State Parties, all 78 states participating pledged to implement and enforce appropriate pathogen security and national implementation measures, which was the first subject of the U.S.-proposed multi-year work program. States Parties responded positively to U.S. strategy for implementing the U.S.-proposed work program for 2005, which focuses on disease surveillance, suspicious outbreaks, and alleged use. The July 2004 Experts Meeting on this subject was very successful in reviewing the issues and identifying problems and needs; eighty states participated and seventy substantive expert briefings were given.
	2003	At the August 2003 experts meeting, at least 25 states reported that national legislation, mirroring U.S. laws to control the BW threat, was already in place. 20 States Parties acknowledged the validity of the U.S. approach and indicated that they had at least begun an awareness-raising program in their countries. At the November 2003 meeting of States Parties, all Parties pledged to implement and enforce appropriate safeguards.

ANNUAL PERFORMANCE GOAL 3

VERIFICATION INTEGRATED THROUGHOUT THE NEGOTIATION AND IMPLEMENTATION OF ARMS CONTROL, NONPROLIFERATION, AND DISARMAMENT TREATIES, AGREEMENTS AND COMMITMENTS, AND RIGOROUS ENFORCEMENT OF COMPLIANCE WITH IMPLEMENTATION AND INSPECTION REGIMES.

I/P: VERIFICATION

INDICATOR: Status of Verified Elimination of All Elements of North Korea's Nuclear Program and Develop Plan for Verifiable Chemical, Biological, and Missile Compliance Regime

Outcome

JUSTIFICATION: U.S. policy is structured around the dismantlement of DPRK nuclear program.

FY 2006 PERFORMANCE	**Target**	• Complete internal development of the framework for verifiably and irreversibly dismantling North Korea's nuclear program and press for its acceptance in the Six-Party Talks. Identify all relevant North Korean facilities, equipment and materials, to include any disclosures by North Korea regarding its nuclear program. Continue nuclear-related dismantlement negotiations with North Korea. • Use multilateral contacts to encourage DPRK to accede to Chemical Weapons and Biological Weapons Conventions and halt proliferation. Plan for possible negotiations with North Korea on missile export ban and limits on indigenous missile programs.
	Results	Since November 2005, DPRK has refused to return to the Six Party Talks. The U.S. and its partners remain ready to attend a Six-Party session without preconditions, but there is no immediate plan for a meeting or to reconvene a fifth round.
	Rating	Below Target
	Impact	Absence of genuine and complete DPRK commitment to denuclearization hampers multilateral coordination and planning of operational requirement of dismantlement and verification activities. Meanwhile, various USG agencies are working together to define and develop actions in which we anticipate significant development so we are fully prepared to support multilateral denuclearization and verification effort.
	Reason for Shortfall	DPRK has refused to return to the Six Party Talks to compete negotiations, putting accomplishment of the FY 2006 Target out of reach.
	Steps to Improve	The Department will continue to work with the international community to pressure North Korea to implement its denuclearization pledge. U.S. interagency process to develop policy options vis-a-vis the North Korean nuclear issue is ongoing, and it also continues to define the process and plan steps for the verifiable dismantlement of the DPRK's nuclear program.
PERFORMANCE DATA	**Data Source**	Bi- and multilateral discussions/negotiations.
	Data Quality (Verification)	This data are official, objective, and accurate. Assessment of progress in negotiations and consultations are based on embassy and delegation reporting.
PAST PERFORMANCE	**2005**	On September 19, 2005, the DPRK committed to abandoning all nuclear weapons and existing nuclear programs and returning, at an early date, to the NPT and to IAEA safeguards. Steps to implement the complete, verifiable, irreversible dismantlement are yet to be initiated.
	2004	• Developed framework to verifiably dismantle North Korea's nuclear program. • Began draft of the regime to dismantle North Korea's nuclear program. • Full member of the U.S. delegation.
	2003	Developed Department concept paper outlining objectives, strategy, and tactics to achieve the denuclearization of North Korea (agreed). Preliminary exploration with interagency regarding appropriate technical means to denuclearize North Korea and to verify complete and irreversible dismantlement.

I/P: COMPLIANCE ENFORCEMENT AND DIPLOMACY

INDICATOR: Extent of Implementation and Enforcement of Compliance with Arms Control, Nonproliferation, and Disarmament Multilateral Treaties, Agreements, and Commitments.

Input

JUSTIFICATION: This measure tracks USG efforts, in partnership with the international community, to identify noncompliance and implement corrective measures to increase the cost of noncompliance and persuade nations to adopt compliant behavior.

FY 2006 PERFORMANCE	**Target**	• NPT – Compliance remains a central issue among Nuclear Non-Proliferation Treaty (NPT) parties and at NPT meetings. • CWC – Multiple bilateral and multilateral discussions and site visits with other States Parties regarding Chemical Weapons Convention (CWC) noncompliance issues. • CFE – Continue to emphasize importance of compliance at Conventional Armed Forces in Europe (CFE) Treaty consultations. • Open Skies – Continue to press importance of compliance at Open Skies consultations. • BWC – Increase compliance focus at Sixth Biological Weapons Convention (BWC) Review Conference; publicly identify States Parties that continue to cause compliance concerns; increase international pressure to comply with BWC commitments. • Missile Technology Control Regime (MTCR) – Participation in rigorous review of missile and missile proliferation activities and behavior facilitates robust noncompliance reporting, more complete noncompliance determinations, and appropriate and timely enforcement.
	Results	• NPT – Compliance remained a central issue among Nuclear Non-Proliferation Treaty (NPT) parties and at NPT meetings. • CWC – Conducted multiple bilateral and multilateral discussions and site visits with other States Parties regarding CWC noncompliance, including working with Libya and Albania on chemical weapons destruction. • CFE – Conducted regular bilateral and multilateral consultations on CFE Treaty implementation in the weekly Joint Consultative Group meetings, and monthly with Allies at NATO. Obtained Allied support for compliance objectives. • Open Skies – Conducted regular multilateral consultations on Treaty implementation in the Open Skies Consultative Commission, and bilaterally with Russia. Substantial progress was made on a key compliance issue with Russia. • BWC – Conducted multiple bilateral and multilateral discussions with other States Parties regarding BWC compliance, including strategic planning leading up to the Sixth BWC Review Conference. • MTCR – Engaged adherents in bilateral and multilateral consultations to prevent the proliferation of missile-related equipment and know-how to countries of proliferation concern.
	Rating	■ **On Target**
	Impact	This effort has contributed to focusing international attention on the urgent need to improve national actions and international coordination to encourage compliance with arms control, nonproliferation, and disarmament agreements and commitments. The USG works with other States Parties to identify key gaps in compliance enforcement, induce compliance and deny proliferators the benefit of their noncompliance, and deter others from such activities.
PERFORMANCE DATA	**Data Source**	NPT, CWC, CFE, Open Skies, BWC, and MTCR-related reporting (and BWC annual submission of confidence and security-building data and reports from international health-related organizations). Bilateral consultations with Allies.
	Data Quality (Verification)	Data for assessing compliance is derived from multiple sources. Consequently, the assessment is only as good as the information available to address noncompliance concerns.

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I/P: COMPLIANCE ENFORCEMENT AND DIPLOMACY *(continued)*

INDICATOR: Extent of Implementation and Enforcement of Compliance with Arms Control, Nonproliferation, and Disarmament Multilateral Treaties, Agreements, and Commitments. *(continued)*

PAST PERFORMANCE	2005	Libya - Destruction of its category two chemical weapons precursors continued. U.S. agreed in principle to assist Libya in the destruction of its CW agent and remaining precursors, provided three requirements are met. Conversion of production facilities to non-WMD use continued. Dismantlement of its declared weapons-related nuclear program concluded. Throughout 2005, Department officials focused international attention on instances of noncompliance with arms control and nonproliferation agreements and commitments, remedial steps necessary to bring the offending party back into compliance, and the impact of failure by parties to take corrective action on international norms of compliance.
	2004	• NPT – Compliance remained a central issue among Nuclear Nonproliferation Treaty (NPT) parties and at NPT meetings. • CWC – Multiple site visits conducted within Libya. Site visit to Albania to resolve noncompliance concerns. Bilateral consultations on noncompliance issues conducted with several CWC States parties. • CFE – Compliance issues pressed in bilateral and multilateral meetings in Vienna. Ensured that verification equities were preserved at NATO consultations on CFE implementation. • Open Skies – Efforts to resolve compliance issues during early implementation were successful. • BWC – Three-year working program continued. Public diplomacy highlighted noncompliant States. • MTCR – Participated in rigorous review of missile and missile proliferation activities that facilitated robust noncompliance reporting, noncompliance determinations, and timely enforcement. Sanctions applied to foreign entities that transferred MTCR-controlled items.
	2003	• CWC – Sought clarification and resolution of U.S. compliance concerns related to the CWC through visits conducted under Article IX of the CWC. • BWC – Three-year program continued, with focus on strengthening national compliance legislation within States Parties, and increasing Bio-security measures to prevent non-compliance. Public diplomacy efforts highlight non-compliant States. • MTCR – Participated in rigorous review of missile and missile proliferation activities to determine responses to noncompliance.

Indian Prime Minister Manmohan Singh, right, talks to Undersecretary of State for Political Affairs, R. Nicholas Burns, in New Delhi, India, February 2006. AP/Wide World