



Highlights of [GAO-10-12](#), a report to Congressional Requesters

Why GAO Did This Study

U.S. Customs and Border Protection (CBP), within the Department of Homeland Security (DHS) is responsible for, among other things, the security of cargo containers shipped to the United States. In fiscal year 2008, 611 ports shipped a total of 9.8 million containers to the country. The 9/11 Commission Act (9/11 Act) requires 100 percent of U.S.-bound cargo containers to be scanned by 2012, and CBP has begun implementing the Secure Freight Initiative (SFI) to address this requirement. GAO was requested to assess CBP's efforts to implement the 9/11 Act requirement. This report addresses (1) CBP's progress at the initial ports participating in the SFI program, (2) CBP plans to implement SFI, (3) the extent to which CBP has estimated costs and conducted a cost-benefit analysis of 100 percent scanning, and (4) any challenges to integrating 100 percent scanning with existing container security programs. GAO reviewed operating procedures for the SFI ports and analyzed cost data. GAO also visited six of the seven original SFI ports and spoke to officials from CBP, foreign governments, and private industry.

What GAO Recommends

GAO recommends CBP complete a feasibility analysis, cost estimates, and a cost-benefit analysis, and provide these results to Congress. DHS partially agreed. It stated it has published reports addressing most of the recommendations, but GAO analysis revealed that these reports did not fully satisfy the recommendations' intent.

[View GAO-10-12 or key components.](#)
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SUPPLY CHAIN SECURITY

Feasibility and Cost-Benefit Analysis Would Assist DHS and Congress in Assessing and Implementing the Requirement to Scan 100 Percent of U.S.-Bound Containers

What GAO Found

CBP has made limited progress in scanning containers at the initial ports participating in the SFI program, leaving the feasibility of 100 percent scanning largely unproven. Since the inception of the SFI program, CBP has not been able to achieve 100 percent scanning at any participating port. While CBP has been able to scan a majority of the U.S.-bound cargo containers at the comparatively low volume ports, it has not achieved sustained scanning rates above five percent at the comparatively larger ports.

CBP has not developed a plan to scan 100 percent of U.S.-bound container cargo by 2012, but has a strategy to expand SFI to select ports where it will mitigate the greatest risk of WMD entering the United States. CBP does not have a plan to scan cargo containers at all ports because, according to agency officials, challenges encountered thus far in implementing SFI indicate that doing so worldwide will be difficult to achieve. However, CBP has not conducted a feasibility analysis of expanding 100 percent scanning, as required by the SAFE Port Act. Such an analysis could help both CBP and Congress determine the most effective way forward to enhance container security. Recognizing that its strategy will not meet the requirement to scan all U.S.-bound cargo containers, DHS plans to issue a blanket extension to all foreign ports by July 2012 to be in compliance with the 9/11 Act. DHS officials acknowledged that they may revisit this plan before the July 2012 deadline.

CBP, while identifying some SFI program costs, has not developed a complete estimate of U.S. program costs because of the lack of a decision on a clear path forward. CBP has also not conducted any cost-benefit analysis which would include other economic costs, including those borne outside the United States, which would be important to any analysis of alternatives to achieving the 100 percent scanning requirement. While uncertainties exist, a cost estimate and cost-benefit analysis, consistent with federal best practices, could assist DHS and CBP in better communicating the magnitude of the costs and benefits to Congress and in designing a clear path forward for enhancing cargo container security.

CPB faces a number of potential challenges in integrating the 100 percent scanning requirement into its existing container security programs. The 100 percent scanning requirement is a departure from existing container security programs in that it requires that all containers be scanned before CBP determines their potential risk level. Senior CBP officials and international trading partners say this change differs from CBP's current risk-based approach based on international supply chain security standards. Our work also indicates that the 100 percent scanning requirement could present challenges to the continued operation of existing container security programs—depending upon how the SFI program is implemented and 100 percent scanning is achieved. Some foreign governments have stated they may adopt a reciprocal requirement that all U.S. origin containers be scanned, which would present additional challenges at domestic U.S. ports.