U.S. Customs Service

Strategic Plan

We are the guardians of our nation's borders— America's frontline. We serve and protect the American public with integrity, innovation and pride. We enforce the laws of the United States, safeguard the revenue and foster lawful international trade and travel.

FISCAL YEARS 2000-2005

Tradition
★
Service
★
Honor

U.S. CUSTOMS SERVICE
1789

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U.S. Customs:

Tradition ★ Service ★ Honor

Cover Photos:

Tradition

    Placed in service in 1860, a view of the New Orleans Customs House Marble Hall in the 1980's; looking from the business counters toward the main entrance.

Service

    Customer Service, facilitation of trade and passengers, and compliance with laws and regulations are all primary goals of the Customs Service.

Honor

    Honoring those Customs employees who gave their lives safeguarding America's borders, a six year old Customs family member is lifted by her mother so she can see the names inscribed on the newly dedicated Valor Memorial.

Customs Tradition

For nearly 125 years, Customs funded virtually the entire government, and paid for the nation's early growth and infrastructure. Today, Customs is still a sizeable source of revenue for the Federal government, but along with the growth of our nation, its responsibilities and mission have significantly expanded and become more complex. Over the next five years, Customs seeks to enhance its efforts to build a Customs Service that takes action, holds people accountable, and achieves business results building on the tradition on which the agency was founded: to serve and protect the American public.

Legislative History

After declaring its independence in 1776, the United States found itself on the brink of bankruptcy. Responding to the urgent need for revenue, the First Congress passed, and President George Washington signed, the Tariff Act of July 4, 1789 which authorized the collection of duties on imported goods. Four weeks later, on July 31, the fifth act of Congress established Customs and its ports of entry. Today, the presence of Customs at more than 300 ports of entry is combined with the expansion of laws to protect citizens from drugs, terrorism, hazardous materials, unsafe foods and products, environmental degradation, and unfair trade. The dramatic increase in global trade and travel has greatly expanded Customs responsibilities.

Statutory authority contained in Title 19, Customs Duties, and Title 18, Crimes and Criminal Procedures, of the United States Code, are the basis of the Customs mission, but Customs also enforces hundreds of other provisions of federal law. Examples of laws enforced by Customs include the Controlled Substances Act, the Arms Export Control Act, the Endangered Species Act, the North American Free Trade Act, the Poison Prevention Packaging Act of 1970, the Honeybee Act, the Bank Secrecy Act, the Money Laundering Control Act, and the Wool Product Labeling Act of 1939.

Customs legislative mandates exemplify the diversity on which this agency is founded. Because of its diverse mission, it is a constant challenge for Customs to continue to address its multifaceted responsibilities in order to ensure that it is meeting one of its greatest challenges: stopping the inflow of drugs as well as the inflow and outflow of other illegal contraband.

Customs Mission

Customs performs dual missions, one of law enforcement and one of regulating commercial activities. Within its mission, Customs has significant responsibilities for ensuring that all goods and persons entering and exiting the United States do so legally. The Customs mission statement is as follows:

We are the guardians of our nation's borders — America's frontline.
We serve and protect the American public with integrity, innovation and pride. We enforce the laws of the United States, safeguard the revenue and foster lawful international trade and travel.

Core Values for the U.S. Customs Service

The Customs Service is based on tradition, service, and honor and its core values reflect the dedication and professionalism of its diverse workforce.

Integrity: Knowing right from wrong and acting in a way that brings honor upon Customs.

Accountability: Assess our actions and take responsibility for those actions.

Fairness: Act with civility and impartiality to all with actions and decisions which are balanced, bias-free, and sensible.

Service: Perform our duties in a competent, professional, courteous manner.

Pride: Believe in our mission, proud of our tradition of service, exert the extra effort.

Customs Challenges

As Customs enters the 21st century, the following significant challenges face the organization and its workforce:

- Focusing on integrity, accountability, discipline, training, automation, trade growth, border security, integrated air and marine interdiction, and high impact investigations;

- Continuing to facilitate the flow of legitimate commerce and travelers while at the same time identifying, disrupting and dismantling entities that threaten the legitimate flow of commerce;

- Continuing Customs efforts to identify, disrupt and dismantle narcotics and related money laundering organizations;

- Maintaining a forward-thinking and creative approach to the deployment of technology and automation;

- Hiring, training and retaining qualified employees in a highly competitive marketplace; and

- Meeting the demands of the external stakeholders while achieving our mission and performance goals.

Strategic Intent

To address these challenges and carry out its mission, the following are Customs Strategic goals for Fiscal Years 2000-2005:

Trade and economic growth: Stimulate and protect the economic interests of the United States by maintaining a sound trade management system that maximizes compliance with import and export laws and moves legitimate cargo efficiently.

Border Security: Secure our borders while facilitating the expeditious movement of international travel and commerce.

Narcotics Trafficking: Dramatically reduce the availability and flow of drugs into the United States.

Criminal Finance: Strengthen domestic and international efforts to disrupt the flow of illegal money derived from global criminal activity.

Public Protection: Contribute to a safer America by reducing civil and criminal violations associated with the enforcement of Customs laws.

Management Accountability: Build a strong and effective management support structure that assures the achievement of business results.

Customs Strategic Planning Process

Customs strategic planning process is driven by the need to address the global challenges within which Customs functions daily. The FY 2000-2005 Strategic Plan is based on the priorities that were established and articulated by the Commissioner of Customs. Plans are prepared by Customs senior managers to reflect these priorities and are formatted in a Servicewide Plan. The planning methodology format used for this Strategic plan is as follows:

- strategic goal (high level statement of what needs to be achieved),
- objectives (specific statements of what is to be accomplished),
- strategies (specific actions that are to be taken to reach an objective),
- performance targets (what and by when), and
- performance indicators (quantitative measurement of how to assess the target is met).

Each of the strategic goals listed above are presented within this format, and each strategic goal was determined based on future assumptions, previous accomplishments and the need to integrate Customs diverse missions effectively. The strategic plan establishes the framework for action and operational plans at the operational and

tactical level and the agency's performance plan, both of which are required by the Government Performance and Results Act. The overall process will include not only a written Strategic Plan, but additional annual planning documents that include action items to accomplish and carry out the priorities, plans and targets established by Customs overall strategic planning process.

In developing the FY 2000-FY 2005 Strategic Plan, input was requested from the Department of the Treasury, the Office of Management and Budget, and members of Congress. Input was also requested of the trade community using various trade notification mechanisms and the Customs Service website. Contrary views of the plan were encouraged throughout the process. Comments and feedback from our stakeholders have been incorporated.

Coordination with Other Agencies and Governments and the Private Sector

By nature of the mission and focus of the organization, the Customs Service enforces hundreds of laws and regulations in partnership with dozens of Federal agencies. Customs also maintains a presence at over 300 ports of entry.

The broad range and myriad of tasks and responsibilities of Customs creates the need to coordinate with other federal agencies, state, local and foreign governments, and many trade and travel groups. A very basic foundation of Customs Strategic Plan is the need to promote outreach and encourage coordination, integration, and cooperation; each of which is a critical component to trade and travel facilitation and successful law enforcement. Throughout the Customs Strategic Plan, strategies that require a heightened level of cooperation and coordination have been included.

A few key coordination initiatives include:

- continued outreach to the trade and traveling public;
- further implementation of the Border Coordination Initiative;
- implementation of the National Money Laundering Strategy with the Department of Justice and other federal agencies;

- multi-agency task force coordination to target organizations involved in illegal shipments that pose a threat to the American consumer;
- exchange of intelligence and information and participation in technical training with foreign governments;
- increasing our presence in key host nation counterdrug agencies;
- appropriate overseas co-location with Drug Enforcement Agency counterparts; developing a strong working relationship with INTERPOL;
- initiating contacts with the weapons industry; and
- informing the public and travel industry of the threat of International Child Sex Tourism.

Although this list is by no means all inclusive, these efforts represent Customs strategic commitment to fostering external cooperation and coordination with entities that can assist in improving Customs overall program effectiveness.

Most importantly, these efforts along with the focus of this Strategic Plan will move the organization toward the attainment of broader goals set forth by the Department of Treasury. Where they apply to the Customs mission and improving results, the goals, objectives, and strategies of the Customs Service Strategic Plan fully support the goals of the Department of Treasury.

Department of Treasury goals that are supported in the Customs Service Strategic Plan:
- Promoting Domestic Economic Growth,
- Maintaining United States Leadership on Global Economic Issues,
- Collecting Revenue Due to the Federal Government,
- Combatting Money Laundering and Other Financial Crimes,
- Protecting our Nation's Borders and Major International Terminals from Traffickers and Smugglers of Illicit Drugs,
- Reducing Violent Crimes and the Threat of Terrorism,
- Improving Management Operations,
- Improving Customer Satisfaction, and
- Supporting the Achievement of Business Results.

External Threats, External Factors, Looking to the Future

The impact on Customs core workload by many factors beyond Customs control is often tremendous. Indications for the future appear to hold similar challenges. The agency will continue to be dramatically influenced by external factors associated with trade growth, constantly changing smuggling patterns, growing global threats of terrorism and crime, and technological change. To anticipate these factors and to prepare to address the factors strategically will be a formidable challenge. How will the global environment of the future look to Customs?

It is expected that import tariffs will decline worldwide as trade agreements are implemented and the explosive growth of the Internet and E-commerce generates new and challenging international trade issues. New trade programs such as preferential tariff rules will complicate classification, value, and country of origin issues and with the expected size and capacity of container ships and aircraft increasing, Customs will have to look to new technologies to assist in processing workload. It is projected that imports will reach $1.965 trillion by 2005. And, to balance the trade scale, exports will increase by 6 percent each year through 2005 and total $1.2 trillion by 2003. Shifts in market growth and the expansion of free enterprise to former Eastern Bloc, Pacific Rim and South Asian countries as well as Iran and Cuba will have a greater impact on the global economy than in the past. Similar growth in commercial travel is also anticipated.

By the year 2009, passenger enplanements are expected to double with an ultimate goal of nothing less than Global Open Skies. The Southern tier will continue to be the focus of illegal immigration and drug smuggling, and external factors such as terrorism, immigration reform, legislative initiatives, international agreements, and traveler expectations will impact Customs challenge of securing the nation's borders, while at the same time assuring trade compliance and facilitation.

Sadly though, drug use and trafficking will continue to plague the United States and drug smuggling organizations will continue to probe entry points for weaknesses in interdiction capabilities. A trend toward smugglers air dropping their goods to waiting go-fast vessels will continue. Sophisticated technology and deeper concealment techniques will be used more frequently by drug smugglers for hiding contraband. The borderless environment created by e-Commerce via the Internet will lead to the proliferation of international crime groups. And, it is expected that the use of internal

conspiracies and counter surveillance spotters will become more prevalent. To respond and anticipate, Customs will be at the forefront of protecting the American public in many ways and adapting to the future environment to carry out its mission.

As Customs will rely on automation in the future, so will the criminals. The use of the Internet and electronic commerce mechanisms will dramatically increase, and notably the volume and speed on international cash flow will rise with the increased use of electronic transfers posing a particular challenge. The global banking environment will become more complex and the methods of laundering money will become more sophisticated as crime groups attempt to profit from the borderless environment created by electronic commerce. The use of technology to facilitate non-intrusive examinations will become more important as the world's geopolitical environment necessitates a greater reliance on intelligence to combat illegal import and export issues. The threat of terrorist attacks and the threat of weapons of mass destruction to national and world security will continue to require Customs focus. With Cyberspace being used increasingly to commit or facilitate the commission of international criminal activity and with child pornography and other human exploitation via the Internet continuing to expand, Customs must be proactive and lead efforts to protect the American public from disdain criminal activities.

Much of the success of this plan is dependent upon available resources. Customs will continue to look at new, innovative, and creative approaches to meet its mission. To meet the future demands of the agency, acquiring, training, and retaining a quality, accountable, professional, and diverse workforce in a highly competitive market will continue to be a challenge. And, increasingly rapid changes to Customs business and to the underlying technology of the IT industry will present a challenge to Customs as well. It is expected that business partners will demand quality customer service and responsive solutions to support their business needs, requiring Customs to continue to place an emphasis on performance measurement and resource allocation methodologies to justify base and enhanced level programs to address the future.

Steeped in tradition and service to the public, Customs is prepared to meet these challenges and the Strategic Plan that is set out will serve as the framework to assure that Customs is prepared.

U.S. Customs Service Strategic Plan: Timeline to the Future

FY 2000 ───────────────▶ FY 2005

	FY 2000	FY 2005
Trade and Economic Growth	Modern automated commercial processing	■ Maximum compliance
	Integrated Risk management	■ Minimal revenue gap
	Undercover operations and source development	■ Full electronic data exchange
	Public-private cooperation and coordination	■ Fair trade practices
	Non intrusive inspection and examination	■ Move cargo efficiently
Border Security	Advance information	■ Move travelers expeditiously
	Automated selectivity	■ Maximize targeting efficiency
	Informed compliance	■ Improve positive search ratio
	Pre-approval and pre-enrollment programs	
	Airport security	
Narcotics Trafficking	Intelligence, analysis, problem solving	■ Reduce drug availability
	Intelligence, Investigation, Interdiction	■ Three "I" cycle
	Undercover, controlled deliveries	■ Integrated law enforcement
	International drug control support	
	Institutionalize enforcement unpredictability	
Criminal Finance	Integrate interdiction with investigations	■ Disrupt money movement
	Seek foreign country coordination	■ Reduce illicit proceeds
	Balance narcotic and non-narcotic laundering	■ Strengthen global efforts
	Exploit intelligence and analytical capabilities	
	Develop detection tools and technology	
Public Protection	Cultivate sources and distribute intelligence	■ Protect our citizens
	Maximum use of automation	■ Neutralize threat to the U.S.
	Interagency task force participation	■ Stop Internet abuse
	International and industry group cooperation	
	Outreach programs	
Management Accountability	National quality recruitment program	■ Skilled, diverse workforce
	Use of e-Commerce	■ Well Managed Assets
	Maximum return on IT investments	■ Modern IT infrastructure
	Financial and performance data for decision making	
	Quality Training Programs	

Trade and Economic Growth....

Flexible, adaptive, focus on compliance, competitive

In Fiscal Year 1999, Customs....

- Processed 21.4 million commercial formal/informal entries.
- Collected $22.1 billion in gross revenue from tariff duties, user fees, IRS excise taxes, and other assessments on imports valued at $977 billion.
- Continued aggressive implementation of its informed compliance program.

Performance results....

- Achieved a trade compliance level of 82% for all imported goods and 85% for Primary Focus Industries.
- Increased the Revenue collection compliance rate to 98.78% over the 1998 rate of 98.35%.
- Increased the number of AES participants by more than 300 percent.
- Achieved an export targeting effectiveness rate of 7%.
- Worked 2,669 fraud program cases resulting in 149 arrests, 154 indictments, 170 convictions, and 1,592 seizures.
- Conducted 3,691 IPR seizures with a domestic value of $98.5 million.

Looking to the future....

- Import tariffs will decline worldwide as trade agreements are implemented.
- Explosive growth of the Internet and e-commerce will generate international trade issues.
- Preferential tariff programs will complicate classification, value and country of origin issues.
- Tariff simplification will impact cost and ease of achieving compliance.
- The number of Anti Dumping and Countervailing Duty cases, suspension agreements and tariff rate quotas will increase.
- Size and capacity of container ships will increase.
- Imports will reach $1.965 trillion by 2005 and exports will total $1.2 trillion by 2003.
- Export documentation will be more standardized producing more accurate trade statistics.
- Expansion of free enterprise to former Eastern Bloc, Pacific Rim and South Asian countries plus Iran, and Cuba, will increase.

Strategic Goal:

Stimulate and protect the economic interests of the United States by maintaining a sound trade management system which maximizes compliance with import and export laws and moves legitimate cargo efficiently.

…safeguarding the revenue…
fostering lawful international trade and travel…

Customs Trade and Economic Growth Strategy for the future…

- Quality data driven analysis
- Balancing enforcement with facilitation
- Risk Management Compliance Process
- Enhanced automation and technology

Objectives

- Ensure the efficient use of resources to move legitimate trade across our borders.
- Increase compliance levels through the implementation of innovative national programs.
- Modernize Customs automated import and export processing systems to assure seamless, electronic processing and accurate data collection.
- Improve the administration and enforcement of International Trade agreements.
- Stop predatory and unfair trade practices that threaten the United States economic stability, market competitiveness and public safety.
- Improve fiscal management associated with revenue collection.

Strategies

Moving Legitimate Trade

- Working side by side with the trade community in order to achieve a common goal, continue to develop new efficiencies in the trade processes that will ensure that we meet the growth of business needs.
- Assess Customs existing infrastructure and its ability to support the efficient flow of legitimate cargo.
- Evaluate the use of existing resources to be more efficient at moving goods across our borders.
- Develop customer satisfaction baseline data and modify processes based on feedback.
- Test and implement new non-intrusive inspection and examination technologies and other automated tools.
- Redirect workload processing as a result of remote location filing technology.

Compliance and risk management

- Implement a fully integrated four-step risk management process that utilizes a variety of measurement techniques.
- Collect data and information, analyze and assess risk, prescribe corrective actions and track and evaluate results in support of a fully integrated risk management process.
- Improve automated data integrity through enhanced quality standards for data input.
- Optimize the use of audit techniques.
- Expand Internet use for publicizing informed compliance efforts.
- Establish, expand, and evaluate an Account Management approach to maintain compliance goals for both imports and exports.
- Develop, expand, implement, and institutionalize the use of performance measures and compliance levels for sea, vessel, air, rail, and commercial carriers of exports.
- Conduct a statistically valid compliance survey in the rail and express courier environments and establish a statistically valid baseline in the air environment for exports.
- Develop a methodology to measure compliance in Foreign Trade Zones.

Automation to Support Facilitation

- Ensure the development of automated systems that support newly designed trade processes and efficiencies which meet future business needs of Customs and the trade community.
- Pursue aggressive funding to support automated systems development efforts for both imports and exports, including Foreign Trade Zones.
- Modernize Customs import and export automated commercial processing environments to support the Customs Enterprise Architecture.
- Achieve full electronic interface and data collection for imports and exports.

International Trade Agreements Administration and Enforcement

- Support and implement all aspects of the Free Trade Agreement of the Americas.
- Implement and evaluate standards relative to the World Customs Organization Origin Agreement.
- Facilitate the U.S. accession to the International Convention on the simplification and harmonization of Customs procedures (revised Kyoto convention) and implement the standards and recommended practices of its specific annexes consistent with applicable law.
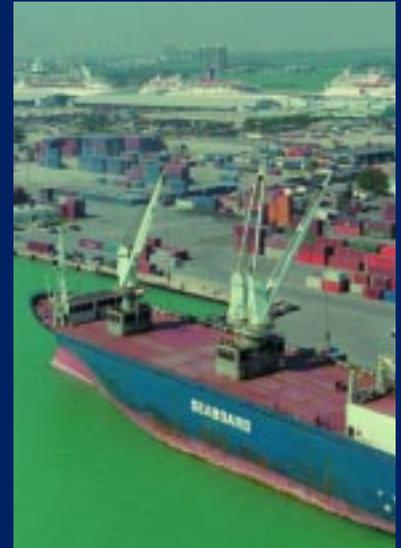
- Pursue the standardization and simplification of Customs import processes for major trading nations so that trade can be accomplished more efficiently.

Unfair and predatory trade

- Address IPR related crime by enhancing cooperation and exchange of information through the Customs National Intellectual Property Coordination Center and the Custom Cybersmuggling Center.
- Enhance international cooperation, concentrate investigative efforts on high risk countries and work with foreign authorities to encourage self-policing and identify and address instances of illegal textile transshipment or circumvention of quota.
- Enhance cooperation, utilize NAFTA provisions and exchange information with international and domestic law enforcement counterparts to identify smuggling schemes.
- Utilize multi-agency task forces and special operations to target and identify individuals and organizations involved in illegal importation or transborder shipment of restricted or prohibited merchandise that impact public health and safety.
- Enhance undercover operations and source development to identify and target restrictive merchandise for possible diversion into U.S. commerce.
- Enhance international cooperation and exchange of information through the development of the Customs Forced Child Labor Center, deployment of investigative teams to suspect manufacturing facilities, and the Outreach Program.

Improve fiscal management

- Focus efforts on reducing the revenue gap through improved data accuracy, availability and reliability.
- Implement Customs financial remediation plan to resolve issues and correct automated system weaknesses associated with revenue collections.
- Review oversight procedures associated with drawback payments.
- Develop and establish a viable in-bond plan and control system.
- Refine seized property and penalties interface.

Performance Targets by the Year 2005…

- Maintain an overall 90 percent major transactional (significant) compliance rate.
- Achieve and maintain a 95 percent major transactional (significant) compliance rate for Primary Focus Industries.
- Achieve and maintain a 90 percent compliance rate for key statistics accuracy.
- Achieve a 95 percent compliance rate for NAFTA transactions.
- Collect at least 99 percent of duties, taxes and fees.
- Increase number of nationally managed importer accounts to 800.
- Improve customer satisfaction.
- Improve trade compliance processing efficiency.
- Improve Outbound Targeting effectiveness.
- Increase the number of AES participants.
- Increase the number of reported lines in AES to 16.6 million by FY 2004.
- Increase the percentage of exports utilizing AES to 95 percent by FY 2004.
- Increase the number of fraud investigative case hours dedicated to high impact investigations.
- Increase the number of Internet based IPR investigations, initiated by or supported by the CyberSmuggling Center over established baselines.
- Increase IPR referrals internally and to other law enforcement agencies by 20 percent each year over the baseline established in 2000.
- Increase the number of textile investigations initiated as a result of a Production Verification Team Visits by 15 percent.
- Conduct Forced Labor Outreach Programs in 100 percent of key foreign countries.
- Increase Class I investigations resulting from interdisciplinary coordination by 10 percent.

Performance Indicators

- Percent of compliance for all trade transactions.
- Percent of compliance for PFI transactions.
- Percent of NAFTA claims qualified for preferential treatment.
- Percent of entry lines without trade statistics discrepancies.
- Revenue collection compliance rate.
- Number of importer accounts.
- Number and percent of AES participants.
- Number of total reported lines in AES.
- Number and percent of electronically filed exports utilizing AES.
- Outbound targeting effectiveness as a ratio of targeted outbound examinations to positive examination results.
- Ratio of Special Agent hours assigned to high impact fraud cases to the total number of Special Agent hours dedicated to fraud cases.
- Number of IPR cases initiated or supported by the Cyber Smuggling Center.
- Number of textile investigations initiated by Production Verification Team Visits in FY 1999 compared to FY 2005.
- Number of forced labor outreach programs conducted in foreign countries in FY 2000 compared to FY 2005.
- Number of interdisciplinary Class I Investigations in FY 2000 compared to FY 2005.
- Disruption of fraudulent trade activities and organizations.

Border Security….

Vital to our nation, on the frontline, diverse, quick to respond

In Fiscal Year 1999, Customs….

- Processed 75.7 million air passengers, 786,000 commercial carriers, and 140,000 General aviation aircraft.
- Processed 9.2 million sea passengers and 220,000 vessels.
- Processed 394.9 million land passengers, 123.2 million vehicles, 1,900 trains, and 501,000 buses.

Performance results….

- Achieved a 97.4 % passenger compliance rate.
- Achieved an 8.8 % target efficiency rate for air travel, up 1.7 percent over FY 1998.
- Achieved all customer service standards for Customs pre-established performance goals.
- Customs passenger processing inspectors seized approximately 29,000 pounds of cocaine, 18.6 % of the total seized by Customs; 1,500 pounds of heroin, 77 % of the total seized by Customs; and over 547,000 pounds of marijuana, 44.9 % of the total seized by Customs.
- Seized approximately $16.7 million in undeclared currency, or 3.7 % of the total seized by Customs.
- Seized a total of 2,158 stolen vehicles with a total value of $27,017,943.
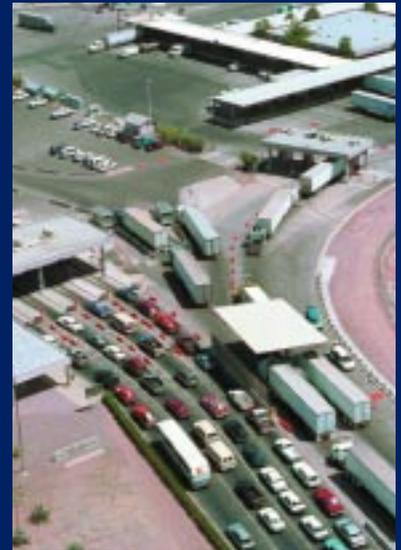
Looking to the future…..

- By the year 2009, passenger enplanements are expected to double with an ultimate goal of nothing less than Global Open Skies.
- Illegal immigration and drug smuggling will continue to require a major focus.
- External factors such as terrorism, immigration reform, legislative initiatives, international agreements, and traveler expectations will impact Customs challenge of securing the nation's borders.
- "Selectivity" will continue to be relied on as an effective method for controlling illegal entry into the United States.

...guardians of our Nation's borders...

Strategic Goal:

Secure our borders while facilitating the expeditious movement of lawful international travel and commerce.

Customs Border Security Strategy for the future...

- Protecting the public
- Pre-selecting violators
- Caring, efficient and accessible
- Fair, professional, civil, and impartial
- Examining high risk and moving low risk travelers expeditiously

Objectives

- Increase travelers' awareness of Customs requirements and mission in order to achieve voluntary compliance.
- Select high risk travelers in advance of arrival.
- Intercept high risk travelers while expediting low risk travelers.
- Deploy selectivity techniques, technology and tools for the physical inspection of travelers, baggage, and vehicles in order to mitigate potentially high risk and destructive situations.

Strategies

Compliance

- Assess traveler compliance at all airports processing one million or more passengers and all land border ports.
- Establish baseline for Customer Service measurement at 10 major airports.
- Refocus and expand Passenger Service Representative Program and expand to land border.
- Inform travelers of Customs requirements by analyzing and measuring complaints, installing signage, distributing brochures, and developing new technologies to inform the public.

High risk passengers in advance of arrival

- Increase Advance Passenger Information (API) participation rate and improve API data transmission.
- Train Customs workforce in Advanced Air Passenger analysis.
- Enhance and expand the Automated Targeting System and begin to develop next generation selectivity tools.
- Implement traffic segmentation and pre-approval programs.

**Intercept high risk, while expediting low risk, passengers**

- Pre-select targets for inspection and interception.
- Enhance airport security to reduce conspiracies.
- Train the workforce in Passenger Enforcement Rover, Passenger Enforcement Selectivity and Cultural Awareness training.
- Expand pre-enrollment programs.

Physical Inspection

- Improve the targeting efficiency ratio of passengers and vehicles.
- Identify and implement methods for efficiently processing compliant secondary passengers and vehicles while at the same time appropriately detaining non-compliant passengers.
- Implement a Port Personal Search Certification Program to ensure compliance with Customs Personal Search Policy.
- Develop technology to reduce intrusiveness of examinations.
- Evaluate technology that will assist in identifying potential violators who could bring harm to the American public.

Performance Targets by the Year 2005...

- Achieve a voluntary compliance rate of 99 percent for all arriving travelers.
- Increase the Advanced Passenger Information System rate to 87 percent.
- Attain a 90 percent data sufficiency rate for API data.
- Achieve 50 percent of high risk travelers selected for intensive review by selectivity methods.
- Facilitate 10 percent of the land border arrivals through pre-approval program.
- Improve the ratio of enforcement actions for secondary referrals by 20 percent.
- Process 95 percent of air travelers within 5 minutes.
- Process low risk land travelers within 20 minutes on the Northern and Southern borders, except on weekends and during peak traffic times.
- Intercept 98 percent of pre-selected targets.
- Achieve a 15-minute processing rate for 95 percent of all compliant secondary air and sea travelers and 20 minutes for all compliant secondaried vehicles.
- Achieve a targeting efficiency ratio of 10 to 1 for targeted travelers and 20 to 1 for targeted vehicles.
- Improve the ratio of positive personal searches to referrals by 25 percent.
- Achieve a positive personal search rate of 75 percent of all personal searches conducted.
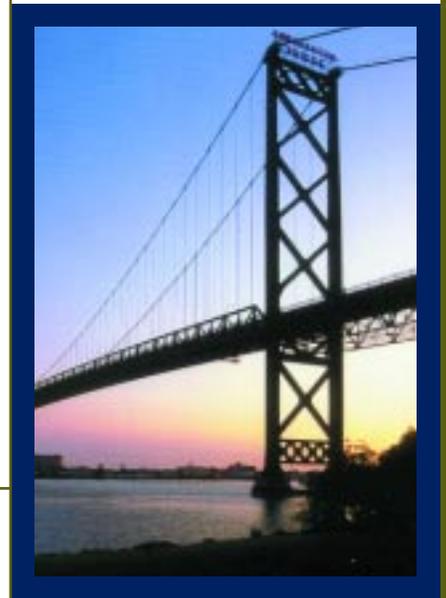
- Increase the number of training courses offered and officers trained in Advanced Air Passenger Analysis, Passenger Interview and Vehicle Inspection Techniques, Passenger Enforcement Rover Techniques and Passenger Enforcement Selectivity.

Performance Indicators

- Compliance rate for Air and Land Category I and Category II violations.
- Targeted examinations versus random examinations for land and air travelers.
- Examination ratio of Category I violations (estimated apprehension rate) for land and air travelers.
- Cycle times for compliant travelers that are equal to or less than national baselines.
- Percent of arriving travelers with electronic advance information (APIS rate).
- Number and types of seizures of illegal contraband.
- Number of passengers processed for land, air and sea.

Narcotics Trafficking....

Demanding, problematic, relentless, devastating

In Fiscal Year 1999, Customs...

- Conducted many successful special operations, investigations and operational interdiction efforts resulting in numerous arrests and significant seizures.
- Initiated the integration of air and marine interdiction resources.

Performance results....

- Achieved a record number of narcotics seizures totaling more than 41,000 seizures for all types of narcotics including 2,509 cocaine seizures; 15,699 marijuana seizures; 911 heroin seizures; and 3,939 seizures of hashish, opiates, khat, and methamphetamine.
- Seized a significant quantity of narcotics including 160,353 pounds of cocaine; 1,147,591 pounds of marijuana; 1,919 pounds of heroin; and 82,986 pounds of hashish, opiates, khat, and methamphetamine for a total weight of 1,392,849 pounds, up 207,554 pounds, or 17.5 percent, from FY 1998.
- BCI's first year was a success. Joint seizures increased in every drug category on the Southwest border: cocaine is up 19 percent, marijuana is up 21 percent and heroin is up 12 percent.
- Over 100 Strategic Problem Solving projects were initiated covering all major areas of law enforcement.
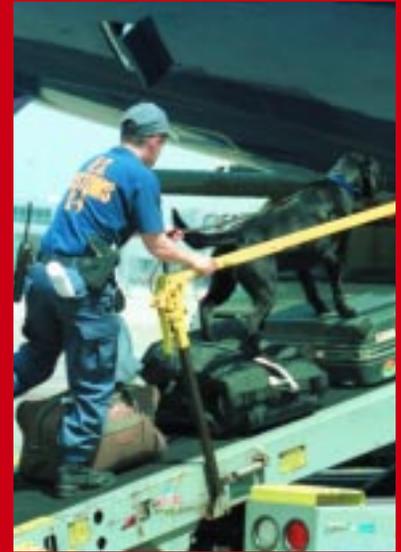
Looking to the future.....

- Drug use and trafficking will continue to plague the United States.
- Drug smuggling organizations will continue to probe entry points for weaknesses in interdiction capabilities.
- The borderless environment created by e-Commerce will be increasingly exploited by the proliferation of international crime groups.
- Smugglers will continue to air drop their goods to waiting go-fast vessels.
- Sophisticated technology will be used more frequently by drug smugglers.
- Deeper concealment techniques will be used by drug smugglers for hiding contraband.
- Use of internal conspiracies and counter surveillance spotters will become a more significant threat to Customs.

...America's frontline...

Customs narcotics trafficking strategy for the future...

- Playing a significant leadership role
- Being proactive, not reactive
- Cooperative and coordinated
- Targeting and intelligence driven to develop high impact investigations
- Focusing on reducing the supply

Strategic Goal:

Dramatically reduce the amount of illegal drugs entering the United States.

Objectives:

- Identify, disrupt and dismantle drug smuggling organizations by increasing the number of high impact investigations and increasing interdiction.
- Shield America's borders by maximizing the efficient and effective utilization of air and marine interdiction resources, reducing the number of aircraft and the amount of transported drugs in the source, transit and arrival zones, and contributing towards the breaking down of foreign narcotics supply sources.
- Deploy automation, targeting techniques, tools, and other technology to assist in identifying drug smugglers and interdicting drugs.
- Increase coordination and cooperation with other federal, non-federal, and foreign law enforcement agencies.
- Capitalize on the use of intelligence to support the identification of drug trafficking schemes, trends and violators.

Strategies

High Impact Investigations

- Focus resources on maximizing the impact of Customs investigative activities rather than their output (i.e. quantity of arrests).
- Increase emphasis on undercover investigations to identify and infiltrate drug smuggling organizations.
- Utilize controlled deliveries and cold convoys at the border to assist in identifying drug smuggling organizations at inland drug distribution centers.
- Actively recruit confidential informants and cooperating defendants.
- Aggressively identify, seize and forfeit the proceeds of drug smuggling using all administrative and judicial means available.

Shielding the borders

- Reduce drug smuggling via commercial cargo and conveyances through the Carrier Initiative Program, Business Anti-Smuggling Coalition and the Americas Counter Smuggling Initiative.

- Increase the interdiction of drug shipments in the transit and arrival zones to create a significant deterrence forcing drug smugglers to use riskier methods, modes and routes of transportation.
- Augment host nation air and marine interdiction capability to support source country drug control efforts.
- Utilize canine resources effectively to assist in the interdiction of drugs.
- Institutionalize the element of unpredictability as part of day to day operations.
- Vigorously pursue the Three "I" Cycle consisting of intelligence, investigations and interdiction as a means for enhancing narcotics activities.
- Apply analytical techniques to conduct post investigative analyses to future investigations and resource deployment.
- Conduct timely post seizure analyses to develop new intelligence leads to disseminate to the field.
- Utilize Strategic Problem Solving to address unexpected enforcement problems.
- Pursue aggressively all echelons of those criminal enterprises involved in internal conspiracies at the ports of entry.

Automation and technology

- Expand and enhance the development and use of automated targeting systems.
- Complete implementation of the Five Year Technology Plan to deploy non-intrusive inspection equipment to field locations.
- Maximize the use of operational high tech equipment by improving operational training and the quality of maintenance.
- Maximize the use of tools, develop emerging technologies and expand knowledge to improve interdiction operations.
- Expand the applied technology and research and development function to identify, develop and deploy systems to support all areas of Customs Narcotics Trafficking Strategic goal.

Coordination and cooperation

- Maximize integrated law enforcement, eliminate barriers, and enhance coordination, by expanding the Border Coordination Initiative and implementing efforts in support of arrival zone interdiction and general counterintelligence.
- Increase participation in interagency planning processes and presence in key host nation counterdrug agencies.
- Augment the air and marine capability of Federal and non-Federal agencies to accomplish their law enforcement missions.
- Utilize Customs resources to support the Border Coordination Initiative to increase seizures at and between land ports of entry.
- Provide both short term and long term technical assistance and drug control training to foreign Customs law enforcement agencies to increase their ability to
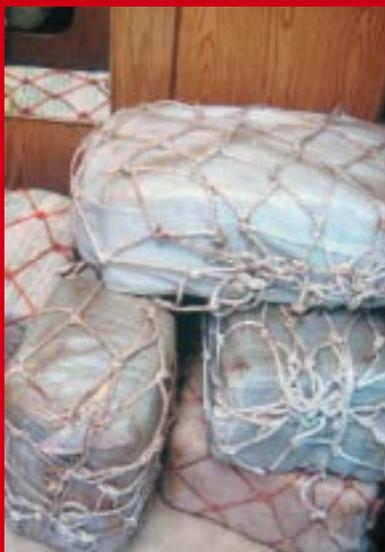
cooperate in the international anti-narcotics effort and interdict illegal drugs before entering the U.S.

Intelligence

- Examine Customs overall intelligence gathering capabilities and modify the process in order to improve the quality and impact of tactical intelligence.
- Collect and disseminate more tactical intelligence to field offices.
- Gather, analyze and distribute intelligence regarding drug trafficking organizations.
- Exploit opportunities to obtain foreign drug smuggling intelligence via a foreign intelligence collection initiative program and the co-location of Customs personnel with DEA counterparts.

Performance Targets by the Year 2005...

- Increase the number of drug investigative case hours dedicated to high impact cases.
- Increase drug transportation costs.
- Decrease the percentage of all no launches by 50 %.
- Effectively use combined air and marine resources so as to increase the number of apprehensions of suspect aircraft 10% annually by FY 2005.
- Decrease the number of air drops in the arrival zone by 10 %.
- Reduce by 50 % the "suspect" illegal landings south of and in close proximity to the U.S. border.
- Achieve a 95 % response rate to BCI air and marine requests by 2005.
- Increase the number of cargo enforcement examinations utilizing Non-Intrusive Inspection (NII) technology.

Performance Indicators

- Quantity of narcotics seized.
- The ratio of Special Agent hours assigned to high impact drug cases to the total number of Special Agent hours dedicated to drug cases.
- Average price paid to smuggle a kilogram of cocaine across the border.
- Number of no launches.
- Cross-border air smuggling apprehensions resulting from combined Air and Marine resources.
- Number of air drops.
- Number of short landings.
- Response rate to BCI air and marine requests.
- Number of NII cargo inspections.
- Smuggling windows of opportunity.

Criminal Finance....

Global, sophisticated, challenging, technological....

In Fiscal Year 1999, Customs....

- Continued efforts resulting from the largest and most comprehensive narcotics money laundering investigation in the history of U.S. law enforcement.
- Began building the investigative infrastructure to combat sophisticated payment and laundering systems with a majority of undercover money laundering operations targeting the Black Market Peso Exchange (BMPE).
- Began tracking money laundering investigative efforts through a secure intranet database system located at the Money Laundering Coordination Center (MLCC).
- Developed the Treasury/Justice National Money Laundering Strategy.
- Conducted approximately 29,000 money laundering cases between fiscal year 1997 and fiscal year 1999.

Performance results....

- Seized more than $329.7 million in total monetary instruments.
- Seized or assisted in the domestic seizure of $30.4 million in real property in association with financial crime investigations.

Looking to the future.....

- The use of the Internet and electronic commerce mechanisms will dramatically increase.
- The volume and speed of international cash flow will rise and the increased use of electronic transfers will pose new challenges.
- The global banking environment will become more complex and the methods of laundering money will become more sophisticated.
- Crime groups will attempt to profit from the borderless environment created by electronic commerce.

Customs Criminal Finance Strategy for the future...

- Coordinated efforts through partnerships and cooperation
- High risk areas, high impact results
- Artificial intelligence and targeting capabilities

…enforcing the laws of the United States…

Objectives:

- Reduce the operating capital and illicit proceeds of criminal organizations.
- Disrupt the financial infrastructure of criminal organizations.
- Disrupt the payment systems used to convert illegal proceeds into legitimate commerce.
- Maximize the use of technology to assist in detecting illegal outbound currency.

Strategic Goal:

Strengthen domestic and international efforts to disrupt the flow of illegal money derived from global criminal activity.

Strategies

- Implement the National Money Laundering Strategy and support the designated High Risk Money Laundering and Related Financial Crime Areas (HIFCA's).
- Develop and refine undercover tactics to be used against identified threats.
- Expand the Money Laundering Coordination Center (MLCC) to include additional federal agencies.
- Target non-narcotic money laundering systems through the establishment of task forces.
- Reconcile U.S. and Mexican Currency and Monetary Instrument Reporting (CMIR) information to disrupt cross border movement of all monetary instruments across the Southwest Border.
- Integrate outbound interdiction efforts with investigative efforts to prosecute willful violators of outbound currency laws.
- Exploit monetary seizures and increase the forfeiture of funds by utilizing Asset Identification and Removal Groups (AIRGs) in post seizure investigation.
- Exploit artificial intelligence and targeting capabilities and track performance results.
- Apply the Strategic Problem Solving (SPS) approach to performance measurement to identify and exploit the most effective enforcement tactics associated with the program effectiveness of undercover operations; seizures and arrests; criminal and civil forfeitures; impact on deterrence; and the disruptive influence of enforcement/regulatory techniques on money laundering systems.
- Gain increased support from foreign countries by leading or participating in training sessions to foreign counterparts.
- Conduct training sessions on non-narcotic money laundering investigations.
- Exploit the capabilities of the Customs CyberSmuggling Center to identify and disrupt criminal organizations utilizing the Internet to engage in financial crimes.
- Extend the utilization of innovative intervention, analyses, and applications (i.e. Geographical Targeting Orders) to non-bank financial institutions.

- Develop and evaluate new detection technology such as hand held currency vapor detectors for use with passengers and cargo.
- Pursue the implementation of legislation for outbound examination of mail.
- Utilize legislative tools to enhance money laundering investigations.

Performance Targets by the Year 2005...

- Increase the amount of monetary instruments seized each year.
- Increase the number of money laundering investigative case hours dedicated to high impact cases.
- Increase money laundering fees.
- Increase the number of non-narcotic money laundering cases.
- Increase the number of cases supported by the Money Laundering Coordination Center.
- Increase the number of Special Agents trained in non-narcotic money laundering investigations techniques.
- Increase the number of cases referred to the Asset Identification and Removal Groups (AIRG's).
- Increase the number of money laundering cases initiated or supported by the CyberSmuggling Center.
- Increase the number of inspectors trained in unreported currency smuggling detection.

Performance Indicators....

- Number and dollar value of monetary instruments seized.
- The ratio of Special Agent hours assigned to money laundering cases to the total number of Special Agent hours dedicated to these types of cases.
- Average fee paid to launder illicit proceeds.
- Number of cases supported by the Money Laundering Coordination Center.
- Number of money laundering cases initiated or supported by the CyberSmuggling Center.
- Number of non-narcotic money laundering cases.
- Ratio of Special Agents on board who have completed training in non-narcotic money laundering investigations to the total number of Special Agents.
- Number of cases referred to the Asset Identification and Removal Groups (AIRG's).
- Number of inspectors trained in unreported currency smuggling detection.

Public Protection….

Caring, high impact, proactive

Strategic Goal:

Contribute to a safer America by reducing civil and criminal activities associated with the enforcement of Customs laws.

In Fiscal Year 1999, Customs….

- Continued its heightened focus on the interdiction of undeclared currency, stolen vehicles, munitions, dual-use materials with military applications, and precursor chemicals.
- Conducted classes focusing on antiterrorism/aviation safety and security.
- Deployed the Automated Targeting System/Antiterrorism (ATS/AT) to 12 major airports and trained inspectors on how to use the system.
- Deployed 12 mobile x-ray vans to major airports to assist in the identification and interdiction of illegal commodities.

Performance results….

- Seized 816 stolen vehicles being shipped out of the country valued at $11,800,333.
- Detected 1,067 Outbound licensing violations.
- Made 327 seizures/detentions of hazardous materials using the Automated Targeting System and the joint use x-ray vans.
- Arrested 204 individuals on child pornography charges and trained over 1,000 foreign officials in Internet child pornography investigations.

Looking to the future….

- The use of technology to facilitate non-intrusive examinations will become more important.
- The world's geopolitical environment will necessitate a greater reliance on intelligence to combat illegal import and export issues.
- The threat of domestic terrorist attacks will continue to be a major focus with weapons of mass destruction continuing to be a threat to national and world security.
- Child pornography and other human exploitation will continue to increase with the expansion of the Internet.
- Cyberspace will increasingly be used to commit or facilitate the commission of international criminal activity.

…*serving and protecting the American public…*

Customs Public Protection Strategy for the future…

- Serving and protecting the public
- Infiltrating criminal organizations
- Forming alliances and partnerships
- Gathering intelligence and targeting violators

Objectives:

- Reduce potentially hazardous, harmful, and/or life threatening situations caused by the importation of forbidden or illegal commodities.
- Protect the United States and its citizens from acts of terrorism.
- Enforce embargoes and sanctions imposed by the United States government against foreign countries.
- Prevent the exportation of stolen property.
- Disrupt illegal activity being facilitated across the United States borders via the Internet.
- Safeguard children and other vulnerable persons from human exploitation.

Strategies

Hazardous, Harmful, Life Threatening

- Develop and maintain a working relationship with INTERPOL for training and disseminating information with countries regarding intelligence and law enforcement initiatives throughout the world.
- Expand and improve the development and gathering of intelligence for distribution to field personnel.
- Cultivate sources of information relating to the smuggling of illicit shipments.
- Utilize undercover operations and expand controlled deliveries to identify and infiltrate criminal organizations.
- Expand international cooperation with foreign governments and agencies to exchange information, facilitate international interdictions and coordinate joint investigations of international trafficking organizations and violations.
- Provide technical assistance and training to foreign customs and law enforcement agencies that will assist in carrying out the strategic goal of the Customs Service to contribute to a safer America.
- Pursue the use of technologies and automated tools to assist in interdicting and investigating violators.

Terrorism

- Target terrorist transnational procurement networks to place an increased emphasis on high impact investigations.
- Identify and neutralize terrorist threats before the act of violence occurs through enhanced participation in Joint Terrorism Task Forces (JTTF's).
- Conduct continuous assessments to determine the necessary allocation of resources and deploy the appropriate level of resources to address any threats of terrorism.
- Establish bilateral agreements with key developing countries to allow for the coordination of enforcement activities.
- Continue the implementation of automated targeting tools.
- Initiate more contacts with weapons of mass destruction/weapons industry and professional groups.
- Continue the collection and rapid dissemination of all source reporting of anti-terrorism information to identify suspects and/or national security threats to ensure that border enforcement activity can be implemented.
- Expand deployment of radiation pagers, isotope identifiers, mobile x-ray vans and explosive detection devices to airports and land border ports.

Embargoes and sanctions

- Improve the exchange of information with private industry regarding exports of sensitive or controlled commodities.
- Continue the expansion of the AES to assist in tracking illegal exports.
- Utilize confidential informants, undercover operations, and controlled deliveries to identify and infiltrate international trafficking violators.
- Maintain a formal liaison with key agencies to distribute intelligence and law enforcement information to the field.
- Establish the International Firearms Trafficking Center (IFTC) to coordinate United States Government action on international firearms policy and operational issues.

Exportation of stolen property

- Utilize proven technologies such as License Plate Readers (LPR's) and non-intrusive examination technology.
- Evaluate emerging technologies through research and development efforts and utilizing Customs five year technology plan.
- Utilize interagency task forces to target organizations and networks involved in the trafficking of stolen property.
- Conduct national training in high threat areas.

Illegal activity via the Internet

- Identify and target areas of the Internet such as Web pages, news groups, and chat areas that are being used to commit Internet violations.

- Employ cooperative enforcement with other Federal agencies and countries to develop investigations to target illicit Internet activities.

- Develop and cultivate informants and undercover identities to infiltrate and provide information on organizations and networks involved in Internet related crimes.

- Identify changes in technology and the impact of these changes on the violator's ability to circumvent the law.

- Establish a comprehensive computer training program for Customs agents to enhance and support Internet and forensic computer investigations.

- Expand legislation to obtain administrative subpoena authority for information from Internet Service Providers.

Safeguard children and other vulnerable persons

- Identify and target subsets of the Internet, with a focus on Internet relay chat (channels), Web pages and news groups, being used to transmit child pornography into or out of the United States.

- Enhance efforts to combat child pornography and child sex tourism by employing cooperative enforcement efforts with other federal agencies and countries.

- Target tour companies that facilitate tourism to foreign countries for sex with children.

- Develop and cultivate informants and undercover identities to infiltrate organizations and networks involved in child pornography.

- Develop and implement an outreach program to inform the public and travel agents and individuals involved in the travel industry of the threat of International Child Sex Tourism and measures that can be taken to help prevent these crimes.

- Expand Customs authority to conduct Title III intercepts against coordinators or participants of international child sex tours.

- Develop relations with our foreign counterparts in order to increase the number of actionable leads exchanged in matters regarding child exploitation.

Performance Targets by the Year 2005...

- Dedicate 80 percent of Special Agents' case hours to operational investigative activity.
- Increase the production of intelligence reports disseminated to Headquarters and field offices by 5 percent.
- Increase the number of counter-terrorism/export enforcement investigative case hours dedicated to high impact cases.
- Increase the number of reported lines in AES to 16.6 million by FY 2004.
- Improve the methodology of the Outbound Targeting Effectiveness measure.
- Increase the percentage of exporters utilizing AES to 95 percent by FY 2004.
- Develop measures and baseline compliance for sea, air, land, rail, and express couriers by FY 2005.
- Increase the number of seized exported stolen vehicles.
- Increase the number of investigative case hours dedicated to child sexual exploitation cases.
- Increase cyber crime referrals by the CyberSmuggling Center.
- Have 20 percent of our investigative workforce proficient in advanced computer investigative techniques.

Performance Indicators...

- The ratio of Special Agent hours assigned to high impact counter-terrorism/export enforcement cases to the total number of Special Agent hours dedicated to these types of cases.
- Total number of Special Agent hours dedicated to child pornography/sex tourism cases.
- Number of cyber crime referrals by the CyberSmuggling Center in FY 2000 compared to FY 2005.
- Number of investigative workforce proficient in advanced computer investigative techniques.
- Number of outbound licensing violations
- Number of stolen vehicle seizures.
- Disruption of International Trafficking Activities.
- Disruption of Cybersmuggling activities and organizations.

Management Accountability…

Progressive, diverse, critical, robust

In Fiscal Year 1999, Customs….

- Obtained an unqualified opinion on Customs financial statements for three consecutive years.

- Expanded use of e-Commerce to streamline the acquisition and payment processes for Customs.

- Completed all Year 2000 renovations on time and within budget and assured that Business Contingency and Continuity of Operations Plans were in place to address problems.

- Enhanced the Customs IT Investment Management process to include Select, Control and Evaluation Phases for all IT capital planning.

- Completed the development of an Enterprise Architecture fully compliant with both the Treasury Department and Federal Government Architecture Models.

- Processed 50,562 personnel actions; hired 783 new employees; and processed 448 retirements.

- Implemented quality recruitment program for entry level Customs Inspectors and Canine Enforcement Officers and processed 48,000 applicants from which 482 selections were made.

- Increased overall workforce presentation over three years, specifically black males by 8 percent, black females by 4 percent, Hispanic males by 27 percent, Hispanic females by 22 percent, other minority males by 21 percent and other minority females by 28 percent.

- Established a new organization and created a new senior executive to centralize and manage the training function, including the collection of training data and information to serve as a baseline for enhancing Customs overall training and development programs.

…integrity, innovation, and pride…

Strategic Goal:

Build a strong and effective

management support

structure that assures

the achievement of

business results.

Looking to the future.....

- An austere budget environment will impact the acquisition of information technology and management support staff.
- Acquiring, training, and retaining a quality, accountable, professional, and diverse workforce in a highly competitive market will continue to be a challenge.
- The use of e-commerce, the internet and web based technology to improve efficiency will expand.
- Emphasis will continue to be placed on performance measurement and resource allocation methodologies to justify base and enhanced level programs.
- Increasingly rapid changes to Customs business and to the underlying technology of the IT industry will present a challenge to Customs.
- Business partners will demand quality customer service and responsive solutions to support their business needs.

Customs Management Accountability strategy for the future...

- Innovative solutions that anticipate customers' needs
- Flexible and dynamic
- Recognized as a leader

Objectives:

- Promote accountability through the implementation of an integrated, internal process for evaluating management and program effectiveness.
- Develop and promote more effective and efficient methods to obtain and manage financial data, resources and assets that are consistent with customers' and stakeholders' needs.
- Maximize Customs return on IT investments through the development, maintenance and insertion of new systems and technologies to support achieving business results.
- Define and deploy a modern, secure information technology infrastructure to meet future business demands.
- Fill Customs positions with the right person in the right job at the right time assuring a diverse and productive workforce.
- Strengthen the professional caliber, readiness, and integrity of Customs workforce for all Customs functions and activities.

Management and Program Effectiveness

Strategies

- Continue implementation of an independent verification and validation program.
- Track and monitor progress of implementing all Inspector General and General Accounting Office report recommendations.
- Conduct comprehensive office inspections, compliance assessments, and quality assurance reviews.
- Identify material weaknesses and instances of non-conformance and monitor corrective actions for addressing and resolving management and internal control issues.
- Improve the integration of strategic planning, program evaluation and management information processes to support Customs overall performance measurement and program effectiveness initiatives.

Performance Targets by the Year 2005

- Timely completion of Annual Accountability Report
- Completion of On-site management Inspection Schedule
- Timely completion of annual Internal Controls Reports
- Completion of planned self-inspection cycles
- Increase the ratio of IG and GAO recommendations reported to those completed.

Performance Indicators

- Ratio of the number of on-site inspections completed to the number planned
- Number of Self Inspections completed
- Annual Accountability report
- Performance Report
- Ratio of total IG and GAO audit recommendations reported to those completed.
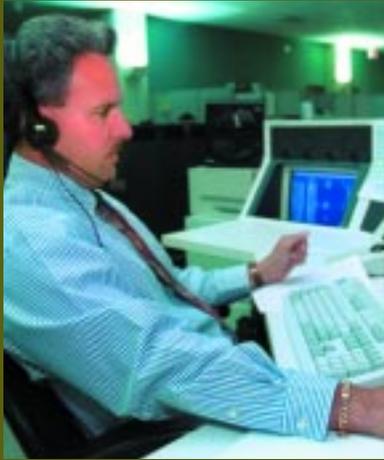
Financial Management

Strategies

- Continue active participation in the CFO Council and other financial policy level forums.
- Work with customers to identify areas of success on which to build on for the future.
- Ensure that financial data for managerial decision making and controlling operations is available, timely and readily accessible.
- Complete implementation of a new financial software system to take full advantage of all its modules.
- Interface the commercial revenue processing system with the financial software implementation.
- Develop a comprehensive set of performance measures.
- Implement the Customs remediation plan to resolve financial system weaknesses.
- Evaluate methods to improve the collection of accurate data to minimize the revenue gap and enhance revenue collections.
- Implement end to end e-Commerce to support enhanced processing of transactions from requisition, through acceptance of goods and services, and payment of invoices.

Performance Targets by the Year 2005

- Maintain an unqualified opinion for all financial statements.
- Develop customer satisfaction baseline measures and improve overall customer satisfaction.
- Develop cycle time and cost efficiency baseline measures and improve performance.

Performance Indicators

- Unqualified opinion.
- Customer perceptions.
- Improvement in establishing and meeting processing standards including processing cycle times.

Information Technology

Strategies

- Complete the development of an Enterprisewide Data Warehouse capability to provide repository information to support analytical processing of information.
- Expand and enhance systems development initiatives that provide targeting, selectivity and trend analysis capabilities.
- Integrate all efforts in order to design, develop and deploy a re-engineered commercial processing system.
- Install and continually refresh a secure Enterprise architecture that will support business needs.
- Maximize the use of Internet, Intranet and Web-based technology to support business objectives.
- Continue to utilize the Investment Management Process and update the Enterprise Architecture in order to reduce risk, achieve alignment with business needs and integrate data, technology and systems.
- Replace systems that do not align with the business processes or Enterprise Architecture.
- Engineer, define, and provide enterprise security solutions and standards and define backup and recovery solutions for disaster and intrusion.
- Maximize the use of commercial off-the-shelf software technologies.

Performance Targets by the Year 2005

- Provide uninterrupted system availability to users.
- Meet target system response times.
- Meet or exceed cost, schedule and performance targets for infrastructure deployment strategy and application development and deployment milestones.
- Develop baseline metrics and targets for Customer Service Level Agreements.

Performance Indicators

- Automated system response times.
- Project Management cost schedules.
- Project Management milestone tracking.

Human Resources Management

Strategies

- Expand Quality Recruitment to additional core occupations.
- Promote a diverse workforce through national recruitment strategies or targeted recruitment.
- Develop and implement discipline programs that are fair, objective and supportive of the Customs mission.
- Evaluate and apply discipline review board results to improve HRM functions and activities.
- Maximize the use of automated tools and technologies to transition to an integrated state of the art, browser based human resource information system to meet strategic workforce information needs.
- Support the development and implementation of customer hiring plans.
- Facilitate the renegotiation of the national agreement with NTEU.
- Provide comprehensive counseling and benefits for employees and their families.
- Assure that a safe and healthy environment is provided for all Customs employees.
- Develop a long range strategic plan for the Customs equal opportunity program to assure workforce diversity in the future.
- Obtain approval, following a notice of proposed rulemaking, to track data on individuals whose acts give rise to EEO complaints.
- Complete the reprisal study undertaken to ascertain the factors resulting in the filing of complaints of discrimination based on reprisal.

Performance Targets by the Year 2005

- Develop and establish baseline targets and/or measures for quality recruitment actions, personnel action processing times, disciplinary actions, and hiring plans.

Performance Indicators

- Percent of positions covered by quality recruitment.
- Percent of positions filled as requested in hiring plans.
- Percent of employees who separate from Customs within the first two years of appointment.
- Percent of personnel actions processed timely.
- Number of disciplinary actions.
- Workforce profile statistics.

Training and development

Strategies

- Integrate professionalism training throughout occupational curricula and institute an annual continuing professional education requirement, as appropriate.
- Provide essential leadership and supervisory training to all managers and supervisors.
- Revise Customs in-service firearms and tactical training programs to improve the effectiveness and safety of all employees in core law enforcement occupations.
- Increase availability of essential training to employees at all Customs Service locations through an advanced distance learning infrastructure.
- Develop an annual National Training Plan that ensures training and development investments are aligned with agency strategic business objectives.
- Institute an on-going program of evaluation and validation of centrally managed Customs training programs.
- Acquire and implement a new automated tracking and analysis system to better manage and plan employee training and professional development agency-wide.

Performance Targets by the Year 2005

- Establish a of training effectiveness baseline for all centrally managed training programs and improve the quality of these training programs.
- Provide half of U.S. Customs Service training contacts via distributed and distance learning methods.

Performance Indicators

- Percent of occupations that fully integrate professionalism training into curricula.
- Percent of supervisors and managers who receive all leadership training within mandated timeframes.
- Percent of training instances and hours delivered through media incorporating advanced technology.
- Number of employees trained by skill, type and category.
- Training effectiveness and quality scores.

Linking the Strategic Plan to Business Results

Through the Strategic Plan, Customs strives to maintain the focus created by the Government Performance and Results Act; improving program efficiency and effectiveness, maintaining a results-oriented focus, clearly describing the goals and objectives of programs, and developing a means of measuring progress. Developing an integrated planning methodology that is supported by meaningful performance measures has become a primary focus toward demonstrating business results.

Customs is continuously refining and improving its performance measures and the data integrity and confidence of these measures. For most of the data elements used in measuring performance, Customs has designated a data owner who is accountable for that element. The owner of the data element is responsible for ensuring the quality and validity of the data and for assigning a "quality rating" for their respective element. The accountable data owner is responsible for defining the element, the source(s) of the data, the reporting cycles for each element, the specific verification and validation method(s) for each data element, and, where possible, the confidence level for each data element.

In general, Customs verifies and validates its data via an array of internal and externally assessed methods. These include management inspections, Headquarters and field reviews, automated edits, program reviews, other agency validation, private sector feedback, independent audits and review, and Inspector General and General Accounting Office audits.

It is often difficult to measure quantitatively how well law enforcement is meeting its challenges. Customs is no exception. The direct impact being made on unlawful activity is often unknown, and as is the case with narcotics trafficking, the total amount of illicit drugs coming into the country is difficult to estimate. Because of these and other unknown variables, the traditional economics and methodologies of measuring performance for law enforcement can be particularly challenging. Where possible, measures that show the impact of Customs efforts have been developed. Customs, in cooperation with supporting agencies, continues to address and explore these issues in an effort to improve the scope and breadth of its measurement tools.

Baseline performance metrics are not included in the Strategic Plan. These are addressed through periodic revisions to the Customs annual Performance Plan and Report. The Strategic Plan and the Performance Plan both cross-reference to one another and also serve as the framework for other planning documents.

The following charts summarize the linkage of proposed performance indicators to Customs strategic goals. For purposes of performance planning and measurement, the Strategic Plan includes a number of performance targets and indicators that are not tracked as agencywide indicators as part of the Government and Performance Results Act Reporting Requirement, but are used by programs to measure incrementally how well the overall performance of the programs are achieving success. The following definitions are used for Customs performance measurement methodology:

- **Performance target:** Standard against which performance is measured.
- **Performance indicators:** Measures or indicators of progress toward an outcome.
- **Outcome measure:** Measures the agencywide effect or results of the programs or services provided.
- **Output and Output/Workload measure:** Measures the quantity of a service or good produced and/or pertains to external drivers that require a task or activity to be performed.
- **Efficiency measure:** Inputs used per unit of output.
- **Program effectiveness measure:** Degree to which program/service outcomes are consistent with established program objectives.
- **Input measure:** Units of resources expended to produce services (i.e. cost of operations).

Measure	Purpose

Strategic Goal: Trade and Economic Growth

Stimulate and protect the economic interests of the United States by maintaining a sound trade management system which maximizes compliance with import and export laws and moves legitimate cargo efficiently.

Outcome Measures

Measure	Purpose
Percent of compliance for all trade transactions	GPRA agencywide
Percent of compliance for PFI transactions	GPRA agencywide
Percent of NAFTA claims qualified for preferential treatment	GPRA agencywide (proposed)
Percent of entry lines without trade statistics discrepancies	GPRA agencywide (proposed)
Revenue collection compliance rate	GPRA agencywide

Output and Output/Workload Measures

Measure	Purpose
Total entry summaries	GPRA agencywide
Value of Imports	GPRA agencywide
Duties on Imports	GPRA agencywide
Outbound targeting effectiveness	GPRA agencywide
Number of IPR cases initiated or supported by the Cyber Smuggling Center	Internal
Number of textile investigations initiated by Production Verification Team Visits	Internal
Number of forced labor outreach programs conducted in foreign countries	Internal
Number of Class I interdisciplinary investigations	Internal

Program Effectiveness Measures

Measure	Purpose
Number of Importer Accounts	Internal
Number of total reported lines in AES	Internal
Number and percent of electronically filed exports utilizing AES	Internal
Number and percent of AES participants	GPRA agencywide
Disruption of Fraudulent trade activities and organizations	GPRA agencywide
Ratio of Special Agent hours assigned to high impact fraud cases to the total number of Special Agent hours dedicated to fraud cases	Internal

Strategic Goal: Border Security

Secure our borders while facilitating the expeditious movement of international travel and commerce.

Outcome Measures

Measure	Purpose
Compliance rate for Air and Land Category I and Category II violations	GPRA agencywide
Targeted examinations versus random examinations for land and air travelers	GPRA agencywide
Examination ratio of Category I violations (estimated apprehension rate) for land and air travelers	Internal

Output and Output/Workload Measures

Measure	Purpose
Number of passengers processed for land, air and sea	GPRA agencywide
Number and types of seizures of illegal contraband (passengers)	Internal

Program Effectiveness Measures

Measure	Purpose
Percent of arriving travelers with electronic advance information (APIS rate)	GPRA agencywide

Efficiency Measures

Measure	Purpose
Cycle times for compliant travelers that are equal to or less than national baselines	GPRA agencywide

Strategic Goal: Narcotics Trafficking

Dramatically reduce the amount of illegal drugs entering the United States.

Measure	Purpose
Outcome Measures	
Average price paid to smuggle a kilogram of cocaine across the border	GPRA agencywide (proposed)
Output and Output/Workload Measures	
Smuggling windows of opportunity for passengers, vehicles, private aircraft, vessels, commercial aircraft, trucks, vessel cargo containers, rail cars	GPRA agencywide
Number and amount of seizures of narcotics	GPRA agencywide
Program Effectiveness Measures	
The ratio of Special Agent hours assigned to high impact drug cases to the total number of Special Agent hours dedicated to drug cases	Internal
Number of non-intrusive cargo inspections	Internal
Number of air drops	GPRA agencywide (proposed)
Number of short landings	GPRA agencywide (proposed)
Response rate to BCI air and marine requests.	GPRA agencywide (proposed)
Cross-border air smuggling apprehensions resulting from combined air and marine resources	GPRA agencywide (proposed)
Input Measures	
No launches	GPRA agencywide (proposed)

Strategic Goal: Criminal Finance

Strengthen domestic and international efforts to disrupt the flow of illegal money derived from global criminal activity.

Measure	Purpose
Outcome Measures	
The average fee paid to launder illicit proceeds	GPRA agencywide (proposed)
Output and Output/Workload Measures	
Number of money laundering cases initiated or supported by the CyberSmuggling Center	Internal
Value of property seized	GPRA agencywide
Number and dollar value of monetary instruments seized	GPRA agencywide
Number of cases supported by the Money Laundering Coordination Center	Internal
Number of non-narcotic money laundering cases	Internal
Program Effectiveness Measures	
Ratio of Special Agent hours assigned to money laundering cases to the total number of Special Agent hours dedicated to these types of cases	Internal
Ratio of Special Agents on board who have completed training in non-narcotic money laundering investigations to the total number of Special Agents	Internal
Number of cases referred to the Asset Identification and Removal Groups (AIRG's)	Internal
Number of inspectors trained in unreported currency smuggling detection	Internal

Measure	Purpose

Strategic Goal: Public Protection

Contribute to a safer America by reducing civil and criminal activities associated with the enforcement of Customs laws.

Output and Output/Workload Measures

Measure	Purpose
Number of cyber crime referrals by the CyberSmuggling Center in FY 2000 compared to FY 2005.	Internal
Number of outbound licensing violations	GPRA agencywide
Number of investigative workforce proficient in advanced computer investigative techniques	Internal

Program Effectiveness Measures

Measure	Purpose
Number of Stolen Vehicle Seizures	GPRA agencywide
Disruption of International Trafficking Activities	GPRA agencywide
Disruption of Cybersmuggling activities and organizations	GPRA agencywide
The ratio of Special Agent hours assigned to high impact counter-terrorism/export enforcement cases to the total number of Special Agent hours dedicated to these types of cases	Internal
Total number of Special Agent hours dedicated to high child pornography/sex tourism cases	Internal

Strategic Goal: Management Accountability

Build a strong and effective management support structure that assures the achievement of business results.

Outcome Measures

Measure	Purpose
Unqualified opinion	Internal
Workforce profile statistics	Internal
Project Management cost schedules	Internal
Annual Accountability Report	Internal
Performance Report	Internal

Output and Output/Workload Measures

Measure	Purpose
Percent of positions covered by quality recruitment	Internal
Percent of employees who separate from Customs within the first two years of appointment	Internal
Percent of positions filled as requested in hiring plans	Internal
Number of disciplinary actions	Internal
Number of employees trained by skill, type and category	Internal
Percent of occupations that fully integrate professionalism training into curricula	Internal
Ratio of the number of on-site inspection completed to the number planned	Internal
Number of self inspections completed	Internal
Ratio of total IG and GAO audit recommendations reported to those completed	Internal

Efficiency Measures

Measure	Purpose
Percent of personnel actions processed timely	Internal
Customer perceptions	Internal
Automated system response times	Internal

Program Effectiveness Measures

Measure	Purpose
Improvement in establishing and meeting processing standards	Internal
Project Management Milestone tracking	Internal
Percent of supervisors and managers who receive all leadership training within mandated timeframes	Internal
Percent of training instances and hours delivered through media incorporating advanced technology	Internal
Training effectiveness and quality scores	Internal

Use of program evaluations within Customs

Program evaluations complement the use of performance measures in assessing program effectiveness. Using both objective measurement and systematic analysis, program evaluation assists in determining if programs achieve the intended objectives. Program evaluations also encompass an assessment of program implementation processes and operating policies and practices when implementation rather than program outcome is a concern.

Customs uses various approaches to conducting program evaluations. Included among these approaches is:

- Internal reviews conducted by individual Customs program offices.
- Internal reviews managed by Customs with the assistance of outside consultants.
- Management inspections conducted by Customs Management Inspection Division.
- Reviews and audits performed by Treasury's Office of the Inspector General.
- Reviews and audits performed by the General Accounting Office.

The following summarizes the program evaluations used to develop the Strategic Plan and the program evaluations proposed to implement the Plan.

Program Evaluations Used to Develop the Plan

Strategic Goal	Evaluation Area	Explanation/Focus
Trade and Economic Growth	Evaluation of Trade Compliance Enforcement Plan	Identified non-compliant industry specific actions
	Importer/Broker Compliance Assessments	Assesses importers compliance with regulations
	Compliance Measurement Assessments	Random statistical sampling to determine compliance levels
	Special Agent-in-Charge Resource Allocation Review	Used to determine resource allocation based on trends
Border Security	COMPEX Assessment	Random sample compliance measurement analysis
	Customer Satisfaction Report	Traveler surveys
	Inbound Rail Cars on the Southern Border (OIG-99-006)	Increased rail enforcement and inspection
Narcotics Trafficking	Air and Marine Modernization Plan	Review of long term resource requirements
	Special Agent-in-Charge Resource Allocation Review	Used to determine resource allocation based on trends
Criminal Finance	Special Agent-in-Charge Resource Allocation Review	Used to determine resource allocation based on trends
	Audit of Customs Money Laundering Initiatives (OIG-99-102)	Better utilization of intelligence resources, investigators, and inspectors
Public Protection	Cybersmuggling Trend Analysis	Used to determine Internet trends
	Special Agent-in-Charge Resource Allocation Review	Used to determine resource allocation based on trends
	Emerging Trends in Foreign Offices	Evaluates crime trends and resource needs in each attache'
Management Accountability	Customs Service Modernization – Ineffective Software Development Processes (GAO/AIMD-99-35)	Software development review of three major projects
	Organizational Assessment Study and Other Survey Feedback/Results	Periodic surveys of internal issues and analysis of results
	Resource Allocation Model (RAM) - Optimal Staffing	Determined optimal staffing levels for mission and support functions.

Program Evaluations to Implement the Plan

Strategic Goal	Evaluation Area	Explanation/Focus
Trade and Economic Growth	Focus on Non-compliance (FONC) Statistical Profile Reviews	Ongoing
	Evaluation of Trade Compliance Enforcement Plan	Ongoing
	Importer/Broker Compliance Assessments	Ongoing
	Special Agent-in-Charge Resource Allocation Review	Semi-annual
	Compliance Measurement Assessments	Ongoing
Border Security	COMPEX (random sample compliance measurement program) Assessment	Daily
	Customer Satisfaction Report	2-3 year cycle
Narcotics Trafficking	Aviation Compliance Reviews	Quarterly
	Special Agent-in-Charge Resource Allocation Review	Semi-annual
	Independent Validation and Verification of Performance Measures	One Time
Criminal Finance	Audits of Undercover Operations	Regular review of undercover operations
	Special Agent-in-Charge Resource Allocation Review	Semi-annual
Public Protection	Cybersmuggling Trend Analysis	Ongoing
	Case Management Data Integrity Review	Ensure integrity of data
	Data Integrity Reviews	Ongoing
	Special Agent-in-Charge Resource Allocation Review	Semi-annual
	Emerging Trends in Foreign Offices	Ongoing
	Audits of Undercover Operations	Regular review of undercover operations
Management Accountability	Self Inspection Program	Semi-annual
	Organizational Assessment Study and Other Survey Feedback/Results	Periodic – as needed
	Comprehensive Office Inspections (accountability)	At Commissioner's Request

Glossary

Advanced Passenger Information System
A process where airlines electronically provide basic passenger identification information to INS and Customs prior to the arrival of these passengers in a port's federal inspection service processing facility.

Americas Counter Smuggling Initiative
A program designed to increase the effectiveness of dealing with narcotics smuggling via commercial cargo and conveyances.

Antidumping/Countervailing Laws
Provides authority for investigations of foreign governments that may be unfairly subsidizing their industries that export to the U.S.

Asset Identification and Removal Groups
Groups created to enhance seizure capabilities because of the sensitive nature of asset seizure and removal. These assets are profits (cash and property) from criminal activities.

Automated Targeting System
An aggressive and sophisticated targeting tool that enhances Customs ability to perform narcotics enforcement operations.

Black Market Peso Exchange
A complex system currently used by the Colombian cartels to launder billions of dollars of drug money each year.

Border Coordination Initiative
A plan created in coordination with Customs and other law enforcement agencies to increase cooperation on the Borders in an effort to enhance the interdiction of drugs, illegal aliens, and other contraband.

Business Anti-Smuggling Coalition
A business-led, Customs-supported alliance created to combat narcotic smuggling via commercial trade.

Category One Violation
Drugs (above Zero Tolerance), merchandise (over $1,250 domestic value), prohibited weapons and explosive devices, controlled or prohibited medications (over 1,000 units), undeclared currency over $10,000.

Category Two Violation
All arrests and or seizures that do not match category one criteria and any noncompliance with established laws, rules, and regulations.

COMPEX
A statistical based tool that uses random sample compliance measurement analysis.

Container Cargo
Imported/exported cargo in large 40 foot long steel boxes.

Customs Cyber Smuggling Center
A Customs led dedicated location used to more effectively focus Customs resources on Internet crimes.

Customs Enterprise Architecture
The Customs information technology infrastructure.

Customs Remediation plan
A plan to correct financial systems deficiencies in order to comply with the Federal Financial Management Improvement Act of 1996.

Enterprise Data Warehouse
Central storage of all information technology data.

Free Trade Agreement of the Americas
A series of negotiations designed to create a 34-country free trade area by the year 2005.

Global Open Skies
A term used to describe complete facilitation and openness of passenger travel.

Government Performance and Results Act
Congressional Act requiring agencies to write strategic plans and prepare annual performance plans and performance reports.

Import/Export Targeting Effectiveness
Total number of positive examinations divided by the total number of targeted examinations.

INTERPOL
An international organization that coordinates cooperation between member police forces.

Isotope Identifiers
Small pager like devices that detect and indicate the presence of the radiation isotope.

No Launch
The inability to launch an aircraft or vessel, when requested to launch, for the following reasons: proper aircraft/vessel unavailable due to maintenance; proper aircraft/vessel unavailable due to capability; proper aircrew/vessel crew unavailable; and weather.

Non-Intrusive Technology
Devices that lessen the physical invasiveness of the searches to locate contraband.

Outbound Licensing
Licenses administered by federal agencies for exporting goods.

Passenger Enforcement Rover Team
Customs officers that covertly rove and observe airports to identify high-risk travelers.

Pre-enrollment Programs
Programs that allow low risk travelers to pass through inspection points more quickly.

Primary Focus Industries
Industries identified as vital to the national economy and directly impacted by the level of trade compliance with United States national trade laws.

Radiation Pagers
Technology that detects the presence of the contraband by its emissions, such as vapor or particles.

Revenue Gap
The difference between revenue that should be collected if all entries for imported goods are correct and compliant and revenues actually collected.

Short Landing
An airplane/vessel that lands short of the United States border.

Terrorists Transnational Procurement Networks
A group of individuals working together to commit international terrorist acts.

Traffic Segmentation
The act of separating low risk travelers from high-risk travelers.

World Trade Organization Agreement on Rules of Origin
An agreement intended to improve uniformity in rules applied by different countries through the development of a worldwide harmonization of non-preferential origin rules.

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