

**DEPARTMENT OF DEFENSE AUTHORIZATION FOR  
APPROPRIATIONS FOR FISCAL YEAR 2009**

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**HEARINGS**

BEFORE THE

**COMMITTEE ON ARMED SERVICES**

**UNITED STATES SENATE**

**ONE HUNDRED TENTH CONGRESS**

SECOND SESSION

ON

**S. 3001**

TO AUTHORIZE APPROPRIATIONS FOR FISCAL YEAR 2009 FOR MILITARY  
ACTIVITIES OF THE DEPARTMENT OF DEFENSE, FOR MILITARY CON-  
STRUCTION, AND FOR DEFENSE ACTIVITIES OF THE DEPARTMENT OF  
ENERGY, TO PRESCRIBE PERSONNEL STRENGTHS FOR SUCH FISCAL  
YEAR, AND FOR OTHER PURPOSES

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**PART 5**

**EMERGING THREATS AND CAPABILITIES**

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APRIL 2, 2008



**DEPARTMENT OF DEFENSE AUTHORIZATION FOR APPROPRIATIONS FOR FISCAL YEAR 2009—Part 5 EMERGING THREATS AND CAPABILITIES**

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**DEPARTMENT OF DEFENSE AUTHORIZATION  
FOR APPROPRIATIONS FOR FISCAL YEAR  
2009**

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**WEDNESDAY, APRIL 2, 2008**

U.S. SENATE,  
SUBCOMMITTEE ON EMERGING  
THREATS AND CAPABILITIES,  
COMMITTEE ON ARMED SERVICES,  
*Washington, DC.*

**THE COOPERATIVE THREAT REDUCTION PROGRAM  
AND THE PROLIFERATION SECURITY INITIATIVE AT  
THE DEPARTMENT OF DEFENSE, AND NUCLEAR PRO-  
LIFERATION PROGRAMS AT THE NATIONAL NUCLEAR  
SECURITY ADMINISTRATION**

The subcommittee met, pursuant to notice, at 10:02 a.m., in room SR-232A, Russell Senate Office Building, Senator Jack Reed (chairman of the subcommittee) presiding.

Committee members present: Senators Reed and Dole.

Majority staff member present: Madelyn R. Creedon, counsel.

Minority staff member present: Lynn F. Rusten, professional staff member.

Staff assistants present: Kevin A. Cronin and Jessica L. Kingston.

Committee members' assistants present: Elizabeth King, assistant to Senator Reed; Christopher Caple, assistant to Senator Bill Nelson; Jon Davey, assistant to Senator Bayh; Jennifer Cave, assistant to Senator Warner; and Lindsey Neas, assistant to Senator Dole.

**OPENING STATEMENT OF SENATOR JACK REED, CHAIRMAN**

Senator REED. Good morning and welcome to our witnesses. I want to thank my ranking member, Senator Dole, for being with us this morning.

This morning we have Will Tobey, the Deputy Administrator of the National Nuclear Security Administration (NNSA), and Joseph Benkert, Deputy Assistant Secretary of the Department of Defense (DOD) Policy Office. We welcome both of you back to the subcommittee.

Mr. Benkert, congratulations on your recent nomination to be the Assistant Secretary of Defense for Global Security Affairs, the office which has policy responsibilities for the DOD Cooperative

Threat Reduction (CTR) and other nonproliferation programs. Good luck.

Mr. BENKERT. Thank you.

Senator REED. Both the NNSA nonproliferation program and the CTR program received funding for fiscal year 2008 over and above the amount requested in the President's budget. In addition, the CTR program received new authorities to expand activities beyond the former Soviet Union.

We look forward to hearing from each of you how the additional funds are being applied and the plans for using the new CTR authority. At the same time, we are interested in understanding how the nonproliferation partnership with Russia has changed and how it should continue to change in the future. With a rapidly growing economy, Russia is now able to become an equal partner with the United States in ensuring nuclear weapons and nuclear, radiological, chemical, and biological weapons, and usable materials and technologies are not stolen or fall into the wrong hands. I will be interested in your thoughts on how to maintain a close working relationship with Russia in light of the significant improvement in the Russian economic circumstances and the value of the ruble.

Also on the agenda today are the issues of plutonium disposition, the second line of defense, megaports and Global Initiative for Proliferation Prevention (GIPP) for these programs at NNSA, and also the Russian chemical demilitarization program, Proliferation Security Initiative (PSI) at DOD.

We have a lot to cover today. So I will now turn to Senator Dole for an opening statement. Senator Dole?

#### **STATEMENT OF SENATOR ELIZABETH DOLE**

Senator DOLE. Thank you very much, Mr. Chairman. I certainly want to join you in welcoming our witnesses this morning.

I look forward to hearing your testimony on the DOD CTR program and the NNSA nuclear nonproliferation programs. We welcome your thoughts on these ongoing programs and on what more the United States Government might do to address the threat of proliferation in the post-September 11 world. Weapons of mass destruction (WMD) getting into the hands of terrorists, of course, remains the preeminent threat to our country and our allies, and the Director of National Intelligence, I believe recently stated in testimony before the Senate Armed Services Committee exactly this point. The programs for which both of you are responsible are aimed at reducing that threat and managing the consequences, should such weapons ever get into the wrong hands or be utilized. These programs are, indeed, absolutely vital to our national security.

The CTR program was an imaginative response to the unprecedented situation that arose at the end of the Cold War when Russia and the other states of the former Soviet Union were left with the legacy of large WMD stockpiles and infrastructure no longer needed or wanted, but expensive to eliminate or safeguard.

Now with the new authorities granted by Congress last year, as the chairman has mentioned, and given the growing terrorist threats we face, CTR has the opportunity to expand into a program

that can address nonproliferation threats and opportunities existing beyond the borders of the former Soviet Union.

The Department of Energy (DOE) also has an impressive and growing array of nuclear nonproliferation programs, including megaports and the Global Threat Reduction Initiative (GTRI) that are reducing the opportunities for terrorists to access and transport nuclear or radiological materials worldwide.

The plutonium disposition program, however, faces daunting challenges in Russia, the United States, and in Congress. We look forward to a dialogue with you, Mr. Tobey, about the way forward for that program.

More generally, we are interested in our witnesses' assessment of the progress made to date and your vision and recommendations regarding how these programs in both departments should proceed in the future.

I look forward to the testimony of our witnesses today as to whether the fiscal year 2009 and Future Years Defense Program reflect the proper prioritization and sufficient resources and authorities for addressing the continuing threat that we face. I believe that we in Congress must maintain and strengthen our support for these vital nonproliferation programs now and in the future.

Let me again join our chairman in thanking both of you for your service and for appearing before us today. Thank you.

Senator REED. Thank you, Senator Dole.

Mr. Tobey and Mr. Benkert, your statements are part of the record. There is no need to read them. If you want to highlight and summarize, we would appreciate that, and we look forward to your testimony. We will begin with Mr. Tobey.

**STATEMENT OF HON. WILLIAM H. TOBEY, DEPUTY ADMINISTRATOR FOR DEFENSE NUCLEAR NONPROLIFERATION, NATIONAL NUCLEAR SECURITY ADMINISTRATION, DEPARTMENT OF ENERGY**

Mr. TOBEY. Thank you, Mr. Chairman. It is a great pleasure to be here this morning for a couple of reasons. First of all, I am deeply proud of our programs and the men and women who execute them, and it is always a pleasure to talk about them. I also am deeply grateful to the members of this committee for the strong support that they have given to these programs. I believe they are important to U.S. national security, and we enthusiastically execute them.

The fiscal year 2009 budget request for the Office of Defense Nuclear Nonproliferation totals \$1.247 billion. This amount will allow us to continue our mission to detect, secure, and dispose of dangerous nuclear and radiological materials, strengthen the international nonproliferation partnerships, and meet the evolving proliferation and international security threats.

Specifically, this funding will advance defense nuclear nonproliferation priorities to enhance nuclear capabilities to detect and interdict nuclear and radiological materials at key seaports and border crossings, reduce and eliminate stores of highly enriched uranium (HEU) and vulnerable radiological materials across the

globe, and work to ensure the sustainability of nuclear security upgrades in Russia and elsewhere.

Many of our efforts focus on nuclear materials and facility security. We recognize that the best way to reduce the threat that a proliferator or terrorist could acquire nuclear weapons is by denying them access to the necessary nuclear and radiological materials in the first place. To that end, our fiscal year 2009 request will allow us to accelerate our work, including installation of radiation detection systems at nine additional ports under our megaports program, for a total of 32 megaport sites worldwide, helping to secure 49 border crossings and other high-risk points of entry under our second line of defense program, and expanding export control and commodity identification training activities with more than 50 countries.

Additionally, in 2009, we will undertake a new initiative to strengthen international safeguards to prevent the diversion of nuclear material to nonpeaceful uses. This next generation safeguards initiative will develop the safeguard technologies and human resources needed to sustain our nonproliferation efforts, while promoting international partnerships and meeting the challenges of growing nuclear energy demand. Just as our nuclear energy industry had lain dormant for several decades, the technology related to safeguarding nuclear energy has also lain dormant, and we believe that with the resurgence of interest in nuclear energy around the globe, it is now time to also increase our efforts with respect to safeguards technology.

Underpinning all of these efforts is our nonproliferation research and development (R&D) work, through which we will continue our leadership as the principal Federal sponsor of long-term proliferation-related R&D on nuclear detection and characterization.

Our 2009 request will allow us to accelerate our efforts under the GTRI to convert HEU-fueled research reactors around the globe and to use less proliferation-sensitive low-enriched uranium (LEU). We will also continue to repatriate U.S. and Russian origin HEU to secure storage sites, secure high priority nuclear and radiological sites globally, and secure and remove orphan radiological sources that could be used in dirty bombs. To date, we have removed enough nuclear material for nearly 70 nuclear weapons and secured more than enough radiological sources for over 8,000 dirty bombs. In fiscal year 2009, we will convert an additional eight HEU reactors to LEU, remove an additional 700 kilograms of HEU, and secure an additional 125 radiological sites across the globe.

Last year, I updated you on our progress under the Bratislava Joint Statement on Nuclear Security by Presidents Bush and Putin in which we partnered with Russia to secure its nuclear weapons and sites of highest concern. I am pleased to report that we have completed 85 percent of these key upgrades. Work is underway at the remaining sites, and we are on track to complete that work by the end of this year.

In fiscal year 2009, should Congress grant our request for resources, our focus will be on completing additional high priority security work beyond the Bratislava agreement and working with Russia to put in place systems and procedures to sustain the security upgrades that we already have in place.

Additionally, our fiscal year 2009 budget request includes funding to ensure the shutdown of the last remaining Russian plutonium production reactor in 2010, which will prevent the production of about a half ton of weapons-grade plutonium annually.

We will continue our efforts to disposition excess U.S. HEU and facilitate Russia's commitment to dispose of 34 tons of weapons-origin material.

These material security efforts enhance our work to strengthen the nonproliferation regime and the multilateral partnerships supporting it. In this regard, we will continue to support the work plan of the global initiative to combat nuclear terrorism and to advance the objectives of United Nations Security Council Resolution 1540, which mandates effective export controls, criminalizes proliferation of WMD by non-state actors, and requires states to secure proliferation-sensitive materials.

We will, likewise, continue our technical and diplomatic support of U.S. efforts on the Nonproliferation Treaty within the Nuclear Suppliers Group and on multilateral initiatives such as the international fuel assurances and disablement of North Korea's nuclear facilities through the use of Department of State (DOS) funds.

We recognize that just as today's proliferation and terrorism threats are global in scope, so too must be the responses that we undertake to address them. As I stated earlier, these are dynamic programs designed to address today's evolving proliferation and nuclear terrorism threats. We have made a lot of progress in tackling a threat many people thought we could not effectively address. We will continue to undertake our global mission as smartly and as efficiently as possible.

To that end, in fiscal year 2009, we will continue our efforts to accelerate our programs where we can and create synergies among our efforts, emphasizing cost-sharing and sustainability with our international partners and strengthen our commitment to program and project management.

If I could just have a couple of more minutes to address the questions that you alluded to, Mr. Chairman, in your opening statement. With respect to additional monies that were provided by Congress in the current fiscal year appropriation and the changing nature of Russia, I think it was here a year ago that when asked about the possibility that more funds might be forthcoming, I stated that if they were and if the President had signed such legislation, we would spend them enthusiastically. I can report that we are doing so.

Our priorities in that regard I think also have remained largely unchanged from last year in which, as we complete our material security work in Russia, we are moving in two directions. We are moving both to emphasize the second line of defense, which was, I think, correctly lower priority in the initial circumstances in the 1990s. Then we are also moving from the nuclear threat to the radiological threat, again appropriately a lower priority, but still a significant threat. Those are the ways in which we would emphasize the spending of additional monies, and frankly, I think that is reflected in what Congress did.

With respect to Russia, as I know you are aware, the plan is for us to complete our work by 2012. We are actually in a somewhat

interesting period because I think for the first time, it is necessary for us to coordinate our expenditures with Russia. In the past, frankly, we were providers. They were recipients. What we did added to the security there, but it did not much affect what Russia was doing. We have told them, and they have agreed, that the funding for security upgrades will end in 2012, and further, we have made the point to them that we want to see that the investment that we have made, the substantial investment that we have made, in Russian nuclear security be sustained and that will require the expenditure of Russian funds. As we ramp down our spending, they will need to ramp theirs up. For the first time, they have told us about what their spending plans were and we intend to try and talk to them about how we expect to spend our funds over the next several years and to coordinate those efforts to make sure that we sustain the investments that we have made.

I would say as a second point and recognizing the very valid point that you made about the changing nature of the Russian economy, we are tending to expect more cost sharing. So the agreement that we reached with Russia at the end of 2006 on completion of Russian border crossing work by 2011, 6 years ahead of schedule, calls for roughly 50/50 cost sharing with Russia. Of course, that was now a little more than a year ago. Economic conditions have improved further, and I think we would tend to try and take into account those changes in economic conditions as we work with the Russians.

Still, I think it is important that we fulfill the agreements that we have made, and we intend to do so. We think that the support that Congress has given us will allow us to do so.

Thank you for your attention.

[The prepared statement of Mr. Tobey follows:]

PREPARED STATEMENT BY WILLIAM H. TOBEY

Thank you for the opportunity to discuss the President's fiscal year 2009 budget request for the National Nuclear Security Administration (NNSA). I want to thank all of the Members for their strong support for our vital national security missions. In the 8th year of this administration, with the support of Congress, NNSA has achieved a level of stability that is required for accomplishing our long-term missions. Our fundamental national security responsibilities for the United States include:

- assuring the safety, security, and reliability of the U.S. nuclear weapons stockpile while at the same time considering options for transforming the stockpile and the complex infrastructure that supports it;
- reducing the threat posed by proliferation of nuclear weapons, material, and expertise; and
- providing reliable and safe nuclear reactor propulsion systems for the U.S. Navy.

NNSA is examining how to proceed into the future to address evolving national security needs in a manner that anticipates significant changes in how we manage our national security programs, our assets and our people. To that end, the fiscal year 2009 budget request for \$9.1 billion, a decrease of \$35 million from the fiscal year 2008 Consolidated Appropriations Act, supports NNSA's crucial national security mission. My testimony today will focus on NNSA's Defense Nuclear Non-proliferation budget request for fiscal year 2009.

DEFENSE NUCLEAR NONPROLIFERATION

The possibility that rogue states or terrorists might acquire nuclear and other weapons of mass destruction (WMD) and their related technologies, equipment and expertise, poses one of the most serious threats to the United States and international security. The continued pursuit of nuclear weapons by terrorists and states

of concern underscores the urgency of NNSA's efforts to secure vulnerable nuclear weapons and weapons-usable nuclear material, to detect and interdict nuclear and radiological materials and WMD-related equipment, to halt the production of fissile material for weapons, to dispose of surplus weapons-usable material, and to contain the proliferation of WMD technical expertise. The fiscal year 2009 Budget Request will enable NNSA to continue these critical activities that support threat reduction initiatives vital to U.S. national security.

Preventing access to nuclear weapons and fissile material has many dimensions. Our highest priority is to keep these dangerous materials out of the hands of the world's most dangerous actors. Absent access to a sufficient quantity of essential fissile materials, there can be no nuclear weapon. The most direct way to prevent acquisition of nuclear weapons is by denying access to fissile material. Historically, much of our materials security emphasis focused on Russia because that is where most of the poorly secured material was located. We have made remarkable progress cooperating with Russia to strengthen protection, control, and accounting of its nuclear weapons and materials. We recently completed security upgrades at 25 Russian Strategic Rocket Force sites and will meet our commitment to conclude agreed-to security upgrade activities at Russian nuclear sites by the end of this year, as provided for under the Bratislava Joint Statement signed by Presidents Bush and Putin. Although these direct upgrade efforts are largely drawing to a close after over a decade of work, we will continue security upgrade work at some sites added to our work scope after the Bratislava summit, and will continue to work cooperatively with Russia to ensure the long-term sustainability of the systems and procedures already implemented. We recently reached agreement with Russia on a sustainability plan that identifies the requirements for long-term Russian maintenance and infrastructure of security upgrades under our cooperative program.

However, not all nuclear material of proliferation concern is located in Russia. We are also working with other partners to secure weapons-usable nuclear materials in other parts of the world, and to strengthen security at civil nuclear and radiological facilities. One area of particular concern is research reactors, which often use highly-enriched uranium (HEU) fuel otherwise suitable for bombs. Our Global Threat Reduction Initiative (GTRI) converts research reactors around the world from HEU to low-enriched uranium (LEU) fuel. The GTRI program, and its antecedents, have removed approximately 68 nuclear bombs' worth of HEU and secured more than 600 radiological sites around the world, collectively containing over 9 million curies, enough radiation for approximately 8,500 dirty bombs. In the United States the GTRI program has removed over 16,000 at-risk radiological sources, totaling more than 175,000 curies—enough for more than 370 dirty bombs.

An additional nuclear security challenge concerns the effectiveness and credibility of international nuclear safeguards. Against the backdrop of growing nuclear energy demand, concerns over the diffusion of sensitive nuclear technologies, and the challenges posed by Iran and North Korea, international safeguards are coming under increasing strain. To address this challenge, NNSA has launched the Next Generation Safeguards Initiative (NGSI), which will ensure U.S. leadership and investment in our technologies and experts in the service of nuclear nonproliferation. Enhanced and revitalized international safeguards will also help ensure the sustainability of the gains made by our associated threat reduction efforts.

Additionally, in fiscal year 2009, we will continue to lead the U.S. Government efforts to oversee the disablement and dismantlement of North Korea's nuclear program. However, in order to continue our support for these critical disablement and dismantlement activities, we will require a waiver of the Glenn Amendment restrictions that were triggered by North Korea's 2006 nuclear test, as well as more substantial funding. The Glenn Amendment prohibits the Department of Energy (DOE), which would otherwise fund denuclearization activities, from providing any financial assistance to North Korea. Without this waiver, the Department will be unable to complete Phase Three denuclearization activities. NNSA and the administration have been working to insert language into the fiscal year 2008 Iraq War Supplemental, or any other appropriate legislative vehicle, to provide such a waiver.

We are also taking aggressive steps to interdict illicit transfers of weapons-usable nuclear materials and equipment, and to prevent dissemination of related sensitive nuclear technology via strengthened export controls and cooperation. We currently provide export control and commodity identification training to over 50 countries across the globe, in order to improve nations' capabilities to deter and interdict illicit WMD-related technology transfers. As an important complement to physical security improvements, the Second Line of Defense (SLD) Program enhances our foreign partners' ability to interdict illicit trafficking in nuclear materials through the deployment of radiation detection systems at high-risk land-border crossings, airports and seaports. These efforts increase the likelihood of interdicting illicit nuclear ma-

terials entering or leaving the country. To date, 117 Russian border crossings have been equipped with radiation detection equipment under this program.

As part of the SLD, the Megaports Initiative, established in 2003, responds to concerns that terrorists could use the global maritime shipping network to smuggle fissile materials or warheads. By installing radiation detection systems at major seaports throughout the world, this initiative strengthens the detection and interdiction capabilities of our partner countries. At the end of 2007, the Megaports program was operational in 12 countries and being implemented at 17 additional ports. In addition, we continue to carry out nonproliferation research and development (R&D) activities, developing, demonstrating and delivering novel nuclear material and nuclear detonation detection technologies for nonproliferation and homeland security applications.

Since the end of the Cold War, the Nation's adversaries have been quick to adapt to technological improvements. Staying ahead of the R&D curve is critically important to keeping our Nation safe and secure. As the principal Federal sponsor of long-term nuclear nonproliferation-related R&D, NNSA focuses its R&D investments on leading-edge, early stage basic and applied R&D programs, including testing and evaluation, which lead to prototype development and improvements in nuclear detection and characterization systems. By concentrating on these key R&D components, NNSA helps strengthen the U.S. response to current and projected WMD threats.

These critical steps are only part of a comprehensive nonproliferation program. In addition to these efforts to secure, detect, and interdict weapons-usable materials, we also work to eliminate weapons-usable material. Indeed, there remains enough fissile material in the world today for tens of thousands of weapons. An integral part of our strategy, therefore, has been to encourage other states to stop producing materials for nuclear weapons, as the United States itself did many years ago. For example, Russia still produces weapons-grade plutonium, not because it needs it for weapons, but because the reactors that produce it also supply heat and electricity to local communities. We are helping to replace these non-commercial style reactors with fossil fuel plants, thereby eliminating their production of plutonium. This year two of the remaining three plutonium-producing reactors in Russia will shut down permanently at Seversk, 6 months ahead of schedule, and the third at Zheleznogorsk will shut down in December 2010, if not, as we hope, sooner.

As previously indicated, there are a number of effective synergies between NNSA's defense activities and our nuclear nonproliferation objectives. For example, we are disposing of the substantial quantities of surplus weapons grade HEU that has resulted from the thousands of warheads we have dismantled, by downblending it to lower enrichment levels suitable for use in commercial reactors. This past February marked the 15th anniversary of the U.S.-Russia HEU Purchase Agreement—one of the most successful nonproliferation programs ever conceived. Under the HEU Purchase Agreement, over 322 metric tons of uranium from Russia's dismantled nuclear weapons—enough material for more than 12,000 nuclear weapons—has been downblended for use in commercial power reactors in the United States. Nuclear power generates twenty percent of all American electricity, and half of that is generated by fuel derived from Russian HEU. As a result, one-tenth of U.S. electricity is made possible by material removed from former Soviet nuclear weapons.

Similarly, disposition of surplus U.S. HEU through downblending to LEU has been proceeding for nearly a decade and progress is continuing. As of the end of December 2007, approximately 92 metric tons of HEU, equivalent to over 2,000 nuclear weapons, have been downblended and converted to power or research reactor fuel, and an additional 13 metric tons have been delivered to disposition facilities for near-term downblending. This HEU disposition progress has already contributed substantially to nuclear material consolidation efforts in the DOE complex, eliminating the necessity for high security storage at two sites, and greatly reducing it at several others.

In addition to the efforts on HEU, the United States and Russia have each committed to dispose of 34 metric tons of surplus weapon-grade plutonium. In November 2007, we signed a joint statement with Russia that represents a technically and financially credible plan to dispose of 34 metric tons of Russia's surplus plutonium in fast reactors. Under this approach, Russia will pay for the majority of costs and begin disposing of its surplus plutonium in the 2012 timeframe. Last year, the DOE began construction of a Mixed Oxide (MOX) Fuel Fabrication Facility at the Savannah River Site. The facility originally planned to dispose of 34 metric tons of surplus weapon-grade plutonium by converting it into MOX fuel to be irradiated in commercial nuclear reactors, producing electricity and rendering the plutonium undesirable for weapons use. Last September, at the International Atomic Energy Agency (IAEA) General Conference in Vienna, Secretary Bodman announced that an addi-

tional 9 metric tons of plutonium, enough to make 2000 nuclear weapons, would be removed from such use and eliminated by conversion to MOX fuel. The MOX facility is a critical component of the Department's surplus plutonium consolidation efforts and is essential to the goal of transforming the complex.

Our efforts at home are not enough, in and of themselves. We need cooperation from our international partners as well, and if we are to encourage responsible international actions, the United States must set the example. We have dramatically improved physical security of U.S. nuclear weapons and weapons-usable materials in the years since the September 11 attacks. We have made substantial reductions in our stockpile and made additional plutonium available for conversion into civilian reactor fuel. Additionally our complex transformation will further reduce the number of sites and locations where we store special nuclear materials, providing for improved security of these materials.

The risk of nuclear terrorism is not limited to the United States. The success of our efforts to deny access to nuclear weapons and material is very much dependent on whether our foreign partners similarly recognize the threat and help us to combat it. To this end, we undertake efforts to strengthen the nonproliferation regime and expand international nonproliferation efforts. We continue to provide technical and policy support to U.S. efforts within the nonproliferation regime, including support to the Nuclear Nonproliferation Treaty, the Nuclear Suppliers Group, the IAEA, and a wide range of U.S. diplomatic initiatives, including the efforts in North Korea. We also have strengthened international collaboration and dialogue on nonproliferation efforts, including developing an international mechanism through which seven countries have pledged some \$45 million in contributions to our nonproliferation programs.

In July 2006, Presidents Bush and Putin announced the Global Initiative to Combat Nuclear Terrorism to strengthen cooperation worldwide on nuclear materials security and to prevent terrorist acts involving nuclear or radioactive substances. By the end of 2007, 64 nations had joined this Global Initiative, and a number of subject matter expert conferences and training activities have been conducted. Most recently in December 2007, representatives from 15 nations participated in Global Initiative to Combat Nuclear Terrorism Radiation Emergency Response workshop held in China by the NNSA. Paired with UN Security Council Resolution 1540 and working closely with our overseas partners, we now have both the legal mandate and the practical means necessary for concrete actions to secure nuclear material against the threat of diversion.

#### FISCAL YEAR 2009 BUDGET REQUEST PROGRAMMATIC DETAIL

The President's fiscal year 2009 budget request for NNSA totals \$9.1 billion, a decrease of \$35.0 million or 0.4 percent less than the fiscal year 2008 consolidated appropriations level. We are managing our program activities within a disciplined 5-year budget and planning envelope, and are successfully balancing the administration's high priority initiatives to reduce global nuclear danger as well as future planning for the Nation's nuclear weapons complex within an overall modest growth rate.

The NNSA budget justification contains information for 5 years as required by section 3253 of P.L. 106-065, the National Defense Authorization Act for Fiscal Year 2000. This section, entitled Future-Years Nuclear Security Program, requires the Administrator to submit to Congress each year the estimated expenditures necessary to support the programs, projects and activities of the NNSA for a 5-year fiscal period, in a level of detail comparable to that contained in the budget.

The fiscal year 2009-2013 Future Years Nuclear Security Program (FYNSP) projects \$47.7 billion for NNSA programs through 2013. This is a decrease of about \$2.3 billion over last year's projections. The fiscal year 2009 request is slightly smaller than last year's projection; however, the outyears increase starting in fiscal year 2010.

#### *Defense Nuclear Nonproliferation Budget Summary*

The Defense Nuclear Nonproliferation Program mission is to detect, prevent, and reverse the proliferation of WMD. Our nonproliferation programs address the threat that hostile nations or terrorist groups may acquire weapons-usable material, equipment or technology, or WMD capabilities. The administration's fiscal year 2009 request totals \$1.247 billion for this program, reflecting a return to measured growth from the fiscal year 2007 appropriation level, but a decrease from the final fiscal year 2008 appropriation, which included a large congressional plus-up over the President's request. The decrease also reflects congressional action to transfer funding for some construction projects to other budget accounts, and the anticipated decrease of other major construction activities under the Elimination of Weapons

Grade Plutonium Production Program in 2008, following completion of major elements of that program's work scope.

#### GLOBAL THREAT REDUCTION INITIATIVE

The fiscal year 2009 request of \$220 million for the GTRI is an increase of \$27 million over the fiscal year 2008 operating plan. This funding will support GTRI's mission to reduce and protect vulnerable nuclear and radiological materials at civilian sites worldwide by converting reactors from HEU to LEU, removing excess nuclear/radiological materials, and protecting high priority nuclear/radiological material from theft and sabotage. Specific increases in the GTRI budget reflect an acceleration of (1) Bratislava efforts to repatriate Russian-origin HEU and convert HEU reactors to LEU; (2) efforts to develop a new ultra-high density LEU fuel needed to convert 28 high performance reactors around the world; (3) the removal of nuclear materials not covered under other existing programs; and (4) security upgrades on high priority HEU and radioactive materials located in the United States.

#### INTERNATIONAL MATERIAL PROTECTION AND COOPERATION

NNSA's International Material Protection and Cooperation fiscal year 2009 budget request of \$429.7 million represents a decrease of \$194.8 million from the fiscal year 2008 appropriated level. This large decrease reflects: (1) the anticipated completion of major elements of nuclear security upgrade work performed under the Bratislava Agreement; (2) completion of the majority of nuclear security upgrades in countries outside of Russia; and (3) large Congressional increases for this work over the President's fiscal year 2008 budget request. During the past 15 years, the Material Protection Control and Accounting (MPC&A) program has secured 85 percent of Russian nuclear weapons sites of concern, and work is underway to complete this work by the end of fiscal year 2008. To maintain this progress, MPC&A and Rosatom have developed a new joint plan identifying elements required for Rosatom's long-term sustainability of U.S.-installed security enhancements. In fiscal year 2009, international material protection activities will focus on the continued enhancement of Russia's capability to operate and maintain U.S.-funded security improvements in the long-term. The MPC&A Program is also focused on reducing proliferation risks by converting Russian HEU to LEU and by consolidating weapons-usable nuclear material into fewer, more secure locations. In fiscal year 2009, we will eliminate an additional 1.4 metric tons of Russian HEU for a cumulative total of 12.4 metric tons.

Our SLD Program installs radiation detection equipment at key transit and border crossings, airports and major seaports to deter, detect and interdict illicit trafficking in nuclear and radioactive materials. The SLD Core Program, which installs radiation detection equipment at borders, airports, and strategic feeder ports, has equipped 117 sites in Russia. The U.S. and Russia have agreed to jointly fund work to equip all of Russia's border crossings with radiation detection equipment by the end of 2011, 6 years ahead of schedule. The Core Program has also equipped 33 sites outside of Russia with radiation detection systems. The SLD Megaports Initiative has deployed radiation detection and cargo scanning equipment at 12 ports to date in the Netherlands, Greece, Bahamas, Sri Lanka, Singapore, Spain, the Philippines, Belgium, Honduras, Pakistan, the United Kingdom, and Israel. Various stages of implementation are underway at ports in 16 other locations.

During fiscal year 2009, the SLD Core Program is planning to complete an additional 49 sites. The SLD Megaports Initiative plans to complete work at nine key ports in fiscal year 2009 in Israel, Jordan, Spain, Mexico, China, the United Arab Emirates, Saudi Arabia, Oman, and Taiwan. We will continue progress on separate ports in Spain and Mexico, and will initiate new work in fiscal year 2009 at ports in Argentina, Brazil, and Malaysia. The Megaports program is also pursuing outreach activities in northeastern Africa and other key regions of concern. Fiscal year 2009 funding will also support the procurement of Advanced Spectroscopic Portals and mobile detection systems, including Mobile Radiation Detection and Identification Systems and Radiation Detection Straddle Carriers. The Megaports Initiative also works closely with the U.S. Department of Homeland Security's Bureau of U.S. Customs and Border Protection (CBP) by making technical resources available to complement the Container Security Initiative (CSI) and the Secure Freight Initiative (SFI) at international ports. Under SFI, all U.S.-bound containers are being scanned at three ports in Pakistan, Honduras, and the United Kingdom, fulfilling the 2006 SAFE Ports Act to couple non-intrusive imaging equipment and radiation detection equipment in order to demonstrate the effectiveness of 100 percent scanning of U.S.-bound containers. SLD Megaports has also partnered with CBP at four, limited capacity SFI locations in Hong Kong, Oman, Korea, and Singapore. The

Megaports Initiative is installing radiation detection equipment at all CSI ports and has worked with CBP to pursue, where feasible, joint agreements with host nations to implement both the Megaports and SFI programs.

#### NONPROLIFERATION AND INTERNATIONAL SECURITY

The Nonproliferation and International Security (NIS) mission is to prevent, mitigate, and reverse WMD proliferation by providing policy and technical support to strengthen international nonproliferation regimes, institutions, and arrangements; promote foreign compliance with nonproliferation norms and commitments; and eliminate or reduce proliferation programs and stockpiles. Major NIS strategic priorities in fiscal year 2009 include supporting the safe and secure expansion of nuclear energy use and disablement, dismantlement, and verification of nuclear programs in North Korea. NIS will also support the NGSF to strengthen international safeguards, revitalize the U.S. technical and human resource base that supports them, and develop the tools, approaches, and authorities needed by the IAEA to fulfill its mandate far into the future.

In fiscal year 2009, NIS also will confirm the permanent elimination from the Russian weapons stockpile of 30 metric tons of HEU; control the export of items and technology useful for WMD programs; continue an augmented export control cooperation program involving emerging suppliers and high-traffic transit states; break up proliferation networks and improve multilateral export control guidelines; develop and implement policy in support of global nonproliferation regimes; train 2,500 international and domestic experts in nonproliferation; provide technical expertise to the U.S. Government to support various WMD interdiction activities; develop and implement transparency measures to ensure that nuclear materials are secure; transition 300 Russian and former Soviet Union WMD experts to long-term private sector jobs; and make the preparations necessary for the U.S. Government's \$50 million contribution to the IAEA for the establishment of the International Nuclear Fuel Bank—an international effort to establish a back-up nuclear fuel supply for peaceful uses.

#### ELIMINATION OF WEAPONS GRADE PLUTONIUM PRODUCTION

Turning to programs that focus on halting the production of nuclear materials, the Elimination of Weapons Grade Plutonium Production Program is working towards completing the permanent shutdown of the three remaining weapons-grade plutonium production reactors in Seversk and Zheleznogorsk, Russia. The fiscal year 2009 Budget request of \$141 million reflects a decrease of \$38 million from the fiscal year 2008 level, following the planned completion in December 2008 of the fossil fuel plant at Seversk. The budget profile provides the funding required to replace the heat and electricity these reactors would otherwise supply to local communities with energy generated by fossil fuel, permitting the Russians to permanently shut down these reactors by December 2008 in Seversk and no later than December 2010 in Zheleznogorsk. This construction activity thus leads to the elimination of more than one metric ton of weapons-grade plutonium production per year.

#### FISSILE MATERIALS DISPOSITION

The Fissile Materials Disposition program request for fiscal year 2009 is \$41.8 million. The program retains three principal elements: efforts to dispose of U.S. HEU declared surplus to defense needs primarily by down-blending it into LEU; technical analyses and support to negotiations involving the United States, Russia, and the IAEA on monitoring and inspection procedures under the 2000 U.S.-Russia plutonium disposition agreement; and limited support for the early disposition of Russia's plutonium in that country's BN-600 fast reactor including U.S. technical support for work in Russia for disposition of Russian weapon-grade plutonium in fast reactors generally.

The fiscal year 2008 Consolidated Appropriations Act (P.L. 110-161) appropriated funding for the MOX Fuel Fabrication Facility Project in South Carolina in the DOE's Office of Nuclear Energy account and funding for the related Pit Disassembly and Conversion Facility/Waste Solidification Building projects in the NNSA Weapons Activities account. These projects remain important components of the Nation's nuclear nonproliferation efforts. In total, the funding commitment to the DOE's nonproliferation activities is \$1.853 billion in 2009. The MOX project is a key component of the U.S. strategy for plutonium disposition. It is the centerpiece of a comprehensive approach for disposing of surplus weapons-usable plutonium by fabricating it into mixed-oxide fuel for irradiation in existing nuclear reactors. This meets key national security and nonproliferation objectives by converting the pluto-

mium into forms not readily usable for weapons and supports efforts to consolidate nuclear materials throughout the weapons complex.

In addition to its role in the disposition of excess nuclear materials at home, the U.S. views the MOX project as a key component of U.S. global nuclear nonproliferation efforts in which fissile material disposition is the final step in a balanced nuclear nonproliferation strategy aimed at employing measures necessary to detect, secure, and dispose of dangerous nuclear material. In 2007, the U.S. and Russian governments agreed on a framework for a technically and financially credible Russian plutonium disposition program based on the irradiation of plutonium as MOX fuel in fast reactors. When all required steps have taken for implementation, it will enable the U.S. and Russia to meet their commitments under a 2000 agreement to dispose of a combined total of 68 metric tons of surplus weapon-grade plutonium—enough material for approximately over 4,000 nuclear weapons.

This budget request also seeks funding to dispose of surplus U.S. HEU, including downblending 17.4 metric tons of HEU to establish the Reliable Fuel Supply, which would be available to countries with good nonproliferation credentials that face a disruption in supply that cannot be corrected through normal commercial means. This initiative marks an important first step creating a reliable nuclear fuel mechanism that could provide countries a strong incentive to refrain from acquiring their own enrichment and reprocessing capabilities.

#### NONPROLIFERATION AND VERIFICATION RESEARCH AND DEVELOPMENT

The fiscal year 2009 budget requests \$275 million for Nonproliferation and Verification R&D. This effort encompasses two primary programs that make unique contributions to national security by conducting R&D into new technical capabilities to detect illicit foreign production, diversion or detonation of nuclear materials. The Proliferation Detection Program conducts research across a spectrum of technical disciplines that supports the NNSA mission, national and homeland security agencies and the counterterrorism community. Specifically, this program develops the tools, technologies, techniques, and expertise required for the identification, location, and analysis of facilities, materials, and processes of undeclared and proliferant nuclear programs. The Nuclear Detonation Detection Program produces the Nation's space-based operational sensors that monitor the entire planet to detect and report surface, atmospheric, or space nuclear detonations. This program also produces and updates regional geophysical datasets that enable and enhance operation of the Nation's seismic nuclear detonation detection network.

## **National Nuclear Security Administration**

### **Appropriation and Program Summary Tables Outyear Appropriation Summary Tables**

### **FY 2009 BUDGET TABLES**

## National Nuclear Security Administration

## Overview

(dollars in thousands)

	FY 2007 Current Appropriations	FY 2008 Original Appropriation	FY 2008 Adjustments	FY 2008 Current Appropriation	FY 2009 Request
<b>National Nuclear Security Administration</b>					
Office of the Administrator	358,291	405,987	-3,850	402,137	404,081
Weapons Activities	6,258,583	6,355,633	-58,167	6,297,466	6,618,079
Defense Nuclear Nonproliferation	1,824,202	1,673,275	-15,279	1,657,996	1,247,048
Naval Reactors	781,800	781,800	-7,114	774,686	828,054
<b>Total, NNSA</b>	<b>9,222,876</b>	<b>9,216,695</b>	<b>-84,410</b>	<b>9,132,285</b>	<b>9,097,262</b>
Rescission of Prior Year Balances	0	-322,000	0	-322,000	0
<b>Total, NNSA (OMB Scoring)</b>	<b>9,222,876</b>	<b>8,894,695</b>	<b>-84,410</b>	<b>8,810,285</b>	<b>9,097,262</b>

## Appropriation Summary

## Outyear Appropriation Summary

## NNSA Future-Years Nuclear Security Program (FYNSP)

(dollars in thousands)

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
<b>NNSA</b>					
Office of the Administrator	404,081	419,848	436,266	451,771	469,173
Weapons Activities	6,618,079	6,985,695	7,197,844	7,286,912	7,460,318
Defense Nuclear Nonproliferation	1,247,048	1,082,680	1,076,578	1,111,337	1,133,982
Naval Reactors	828,054	848,641	869,755	880,418	899,838
<b>Total, NNSA</b>	<b>9,097,262</b>	<b>9,336,864</b>	<b>9,580,443</b>	<b>9,730,438</b>	<b>9,963,311</b>

Office of the Administrator  
National Nuclear Security Administration

## Overview

## Appropriation Summary by Program

(dollars in thousands)

	FY 2007 Current Appropriation	FY 2008 Original Appropriation	FY 2008 Adjustments	FY 2008 Current Appropriation	FY 2009 Request	\$ Change
<b>Office of the Administrator</b>						

<b>Office of the Administrator</b>	358,291 <sup>1</sup>	383,487	-	379,997	404,081	+24,084
<b>Congressional Directed Projects</b>	0	22,500	-	22,140	0	-
<b>Total, Office of the Administrator</b>	358,291	405,987	3,850 <sup>2</sup>	402,137	404,081	+1,944

**Public Law Authorization:**  
 FY 2008 Consolidated Appropriations Act (P.L. 110-161)  
 National Nuclear Security Administration Act, (P.L. 106-65), as amended

**Outyear Appropriation Summary**

(dollars in thousands)

	FY 2010	FY 2011	FY 2012	FY 2013
<b>Office of the Administrator</b>	419,848	436,266	451,771	469,173

<sup>1</sup> Reflects the Congressionally approved appropriation transfer of \$17,000,000 (07-D-04) from a source within the Weapons Activities appropriation and \$1,000,000 from the FY 2007 supplemental in support of the Defense Nuclear Nonproliferation program.

<sup>2</sup> Reflects a rescission of \$3,850,000 as cited in the FY 2008 Consolidated Appropriations Act (P.L. 110-161).

## Defense Nuclear Nonproliferation

### Funding Profile by Subprogram

(dollars in thousands)

	FY 2007 Current Appropriation	FY 2008 Original Appropriation	FY 2008 Adjustments	FY 2008 Current Appropriation	FY 2009 Request
<b>Defense Nuclear Nonproliferation</b>					
Nonproliferation and Verification Research and Development	265,197	390,752	-3,556	387,196	275,091
Nonproliferation and International Security	128,911	151,370	-1,377	149,993	140,467
International Nuclear Materials Protection and Cooperation	597,646	630,217	-5,735	624,482	429,694
Elimination of Weapons-Grade Plutonium Production	231,152	181,593	-1,653	179,940	141,299
Fissile Materials Disposition	470,062	66,843	-608	66,235	41,774
Global Threat Reduction Initiative	131,234	195,000	-1,775	193,225	219,641
International Nuclear Fuel Bank	0	50,000	-455	49,545	0
Congressional Directed Projects	0	7,500	-120	7,380	0
<b>Subtotal, Defense Nuclear Nonproliferation</b>	<b>1,824,202</b>	<b>1,673,275</b>	<b>-15,279</b>	<b>1,657,996</b>	<b>1,247,966</b>
Use of Prior Year Balances	0	0	0	0	-918
<b>Total, Defense Nuclear Nonproliferation</b>	<b>1,824,202</b>	<b>1,673,275</b>	<b>-15,279</b>	<b>1,657,996</b>	<b>1,247,048</b>
Rescission of Prior Year Balances	0	-322,000	0	-322,000	0
<b>Total, Defense Nuclear Nonproliferation (OMB Scoring)</b>	<b>1,824,202</b>	<b>1,351,275</b>	<b>-15,279</b>	<b>1,335,996</b>	<b>1,247,048</b>

NOTES: The FY 2007 Current Appropriation column includes additions for international contributions to the Elimination of Weapons-Grade Plutonium Production Program in the amount of \$5,397,964; to the International Nuclear Materials Protection and Cooperation Program in the amount of \$4,916,044 and to the Global Threat Reduction Initiative Program in the amount of \$1,738,800. FY 2008 Adjustments reflect a rescission of \$15,279,000 as cited in the FY 2008 Consolidated Appropriations Act (P.L. 110-161).

#### Public Law Authorization:

FY 2008 Consolidated Appropriations Act (P.L. 110-161)  
National Nuclear Security Administration Act, (P.L. 106-65), as amended

### Outyear Funding Profile by Subprogram

(dollars in thousands)

	FY 2010	FY 2011	FY 2012	FY 2013
<b>Defense Nuclear Nonproliferation</b>				
Nonproliferation and Verification Research and Development	318,620	334,182	343,397	351,098
Nonproliferation and International Security	151,052	158,711	171,108	175,368
International Nuclear Materials Protection and Cooperation	400,511	394,626	395,225	404,064
Elimination of Weapons Grade Plutonium Production	24,507	0	0	0
Fissile Materials Disposition	37,691	27,985	28,435	26,000
Global Threat Reduction Initiative	150,299	161,074	173,172	177,452
<b>Total, Defense Nuclear Nonproliferation</b>	<b>1,082,680</b>	<b>1,076,578</b>	<b>1,111,337</b>	<b>1,133,982</b>

Senator REED. Thank you very much, Mr. Tobey. Thank you for your excellent statement.  
Mr. Benkert, please.

**STATEMENT OF JOSEPH A. BENKERT, PRINCIPAL DEPUTY ASSISTANT SECRETARY OF DEFENSE FOR GLOBAL SECURITY AFFAIRS, DEPARTMENT OF DEFENSE**

Mr. BENKERT. Thank you, Mr. Chairman. Mr. Chairman, Senator Dole, it is an honor to appear before you once again to discuss the CTR Program and the PSI. As did Mr. Tobey, I would like to express my appreciation and the Department's appreciation for the strong support that this committee has provided for the CTR Program over the years, and I am, I think, pleased to be able to report that we are making good use of the funds and the authorities that you have provided us, and I will touch on some of them further in this statement.

Senator Dole, in your remarks, you mentioned the vital importance of programs that keep WMD out of the hands of terrorists. So permit me first to begin with a few words about the strategic framework which guides our many and varied efforts to combat WMD and to keep such weapons out of the hands of terrorists and where CTR fits in that.

We have, during this administration, created a number of documents that provide, I think, evidence of the priority that this country places on combating WMD and WMD terrorism, including a national strategy to combat WMD, a national military strategy to combat WMD, and a strategy to combat WMD terrorism. Underlying all these strategies are four themes or pillars.

First is the need for good and continuously improving intelligence on these threats.

The second is the importance of securing or eliminating WMD at its source, which is one of the principal purposes of the CTR program.

Third is interdicting WMD and related materials on the move, in transit.

The fourth is developing consequence management resources should a WMD event occur.

Clearly, CTR and PSI, which I will talk about later, contribute very directly to two of these four underlying themes or pillars under all of our strategies.

Our strategies for combating WMD also note the importance of international partnerships. I think it is noteworthy that our department's Quadrennial Defense Review, in particular, was noteworthy in its emphasis on the essential nature of strengthening international partnerships and building the capacity of friends, allies, and partners. I think it is not an overstatement to say that our first line of defense in combating WMD is international cooperation, and clearly CTR and PSI are prime examples of our Government's efforts to address this important issue.

For 2009, the President has requested \$414 million to continue CTR activities and \$800,000 for PSI exercise support. We ask for your support in these pending budget requests for CTR and PSI, and I would note that the budget request for CTR at \$414 million is substantially above what we requested last year, reflecting an attempt to come close to the additional funds that you have provided us.

I would like to just bring the committee up to date on the status of CTR projects, what we have done in the last year, and new initiatives that will be started this year.

As you have noted, the authorizing legislation added an additional \$80 million to the President's budget request for CTR. I would also note that the legislation removed the requirement for us to certify that countries receiving CTR assistance met certain conditions before authorized funds could be obligated. The certification process took time and every year it caused obligations to be delayed. So we greatly appreciate its repeal.

You also removed the geographic limitation that confined the program largely to the states of the former Soviet Union, for the first time, authorizing specific funding to expand beyond those borders, and that was a noteworthy development, and we are now working to develop the program to implement that.

Mr. Chairman, you noted the changing nature of the Russian economy in our programs in Russia. I would note that we continue to have a significant CTR program in Russia, and I think it is important that we do so. With its oil wealth, Russia is certainly not the economically hobbled nation whose WMD legacy CTR was originally intended to address.

It is important, I think, to remember why CTR in Russia remains in our interest, despite the changing economy in Russia. I think, for example, it remains in the U.S. interest to ensure the elimination of strategic delivery systems at their source, even in the face of Russian modernization of its strategic systems. Clearly Russia is going to modernize its strategic systems and would do so whether or not CTR existed. The issue is, I think, whether we would have confidence that Russia would dispose of its old systems in a responsible and nonproliferable way. CTR is one of the methods by which we can have such confidence.

I would also note that above the level of what is accomplished in specific programs, the CTR program has been characterized by a very professional and business-like relationship with our Russian counterparts despite the ups and downs in the overall relationship with Russia over the last few years. I think it is important that we continue to have such a foundation in the relationship with Russia and continue that.

Let me just mention some highlights of what the CTR program in Russia has done over the course of the past year.

First, in coordination with our colleagues at DOE and in accordance with the 2005 decision by Presidents Bush and Putin at Bratislava to accelerate implementation of the warhead security program, last year DOD provided upgrades for security systems at 4 Russian nuclear weapons sites, bringing to 16 the total number of upgraded sites. Work is now in progress at the remaining eight sites where DOD has commitments, and we expect to complete the installation of these security upgrades by the end of 2008, which was the goal of the program.

The warhead security initiative also includes close coordination with our Russian counterparts to structure a system that gives the Russian military the means to sustain the operational readiness of these security systems into the future. A key component of this

warhead security program is obviously to sustain what we have put in place, and that is largely a Russian responsibility.

Second, I would just note that a week from today on April 9th, a ceremony will take place in Perm, Russia, celebrating CTR's final action in the elimination of the SS-24 rail mobilized intercontinental ballistic missile (ICBM) system, a system that originally was capable of delivering some 460 warheads. I think this is a significant milestone in the program.

While work on the SS-24 is complete, we continue to work on eliminating other intercontinental and submarine launch ballistic missiles, their launchers and associated submarines. Last year, the Department eliminated 20 submarine launch tubes, 20 sea-launched ballistic missiles, 76 ICBMs, and 31 mobile launch platforms.

Third, I think as you know, one of our great challenges in CTR in Russia was finding an effective and efficient way to complete the construction of the chemical weapons destruction facility at Shchuch'ye on time and within budget. I think as you know, the Shchuch'ye project will safely destroy over 2 million artillery shells and rockets filled with nerve gas, the most deadly of chemical weapons. In the past, escalating costs and, frankly, the uncertain political commitment of our interlocutors in Russia to this project posed major challenges in completing the project. I am happy to report that I think these challenges are now largely resolved in large part due to the work of the Defense Threat Reduction Agency's CTR implementation team which spent a number of weeks in Moscow about a year ago negotiating new arrangements for project completions of the chemical weapons destruction facility.

I would note that for the first time we have a written Russian commitment as part of these arrangements to complete the project at Russian expense should be DOD contribution prove insufficient. We expect that the Shchuch'ye facility will become operational by the end of this year.

I think it is also noteworthy that in 2008 for the first time, the level of CTR activities outside of Russia will exceed the level of CTR activities inside Russia, and that trend will continue in the coming years. In fact, in 2009, the total will be about \$100 million more outside Russia than inside Russia.

While a continued CTR relationship with Russia is clearly in the U.S. interest, as I have said, CTR's future going forward, I think, lies largely outside the Russian Federation. Let me then note some of the highlights of CTR work outside Russia.

The biological threat reduction program, one of the hallmark programs outside Russia, continued its work in five countries: Kazakhstan, Uzbekistan, Azerbaijan, Georgia, and Ukraine. It is focused on consolidating countries' dangerous pathogen collections, providing security for dangerous pathogens, providing disease surveillance monitoring, and enhancing strategic research partnerships. A milestone is the construction of a central reference laboratory in Tbilisi, Georgia, which began last year and is on track to be completed in February of next year. At the request of the Georgian Government, we are working on making this central reference laboratory a joint U.S.-Georgian overseas laboratory. I would just

note that cooperation with Georgia in the CTR Program has been excellent.

We have also completed a WMD proliferation prevention initiative project in Uzbekistan to install radiation portal monitors, a project we implemented in cooperation with and for the DOE's second line of defense program.

Proliferation prevention projects in Ukraine are on track to install surveillance command and control systems to complement DOE's radiation portal monitor installations, as well as working with Ukrainian border forces to enhance the maritime detection of WMD interdiction capabilities in the Black Sea. I would note that this is an example of, I think, the strong partnership between our departments in this goal where DOE has put in land border and port monitoring portal monitors to monitor for WMD, for nuclear materials. We are working then, in a complementary fashion, on the maritime detection and interdiction capabilities for Ukraine which, of course, has a substantial maritime border.

I would also note that in July 2007, CTR completed its first project outside the former Soviet Union, and this was in Albania with the elimination of Albania's chemical weapons stockpile. With CTR support, Albania became the first state party of the Chemical Weapons Convention (CWC) to eliminate fully its declared chemical weapons stockpile.

I am happy to report that with the authorities you gave us last year, we are ready to move forward with CTR to begin addressing proliferation threats more globally. We are looking at ways to streamline the legal requirements for CTR activities, and we are working to explore less expensive ways to accomplish CTR goals.

We recently briefed your staff on several potential CTR projects. One such activity is in the Republic of Armenia, which has requested assistance with biosecurity, to which we will respond.

I would also note that our thinking about CTR expansion is going to be informed by several studies on the matter, which you have directed us to conduct. The National Academy of Sciences will conduct two studies mandated by last year's legislation, one on CTR expansion outside the former Soviet Union and the other specific to expansion of CTR's biological threat reduction programs. We look forward to working with the National Academy of Sciences on these studies.

Let me turn briefly now to PSI.

Through PSI, the United States collaborates with like-minded countries to build capabilities for interdicting WMD and missile-related shipments, their delivery systems, and related materials to and from non-state actors and states of proliferation concern.

I think it is useful to think about PSI on three levels.

First, governments in PSI make a political commitment to stop the proliferation of WMD materials. They sign up to a declaration of principles and PSI commitments. Today, the United States and any other adherent to the PSI principles can call on any one of over 85 other states to take action based on the commitments that they have signed up to in PSI. This alone, I think, is a singular innovation brought about by PSI.

Second, there is a significant capacity-building component of PSI that is spearheaded by countries that participate in an operational

experts group that meets regularly to explore aspects of interdiction from operational, law enforcement, legal, and diplomatic arenas. The Operational Experts Group develops outreach and capacity-building activities for the benefit of all PSI partners, and the list of capacity-building efforts is long but includes such things as, from New Zealand, the publication of a model national response plan; from the United States, from the DOE, a WMD commodities technical handbook to help identify those things we care about in interdiction; a Web-based platform that will help record lessons learned; and then from a number of countries, over 30 live and table top exercises involving over 70 PSI partner states exploring all modes of transportation, ground, air, and sea. I would note that we have seen over the 5 years of PSI this exercise program evolve from one that was dominated by a focus on military interdiction to one that appreciates the true complexity of interdiction, integrates legal, law enforcement, intelligence, and policy challenges in a way that more accurately reflects real-world proliferation situations.

The third level of PSI is, of course, international collaboration on real-world interdictions. Building on the commitment in PSI, the United States has been able to work more effectively with many of its PSI partners in interdictions. PSI effectively sets the conditions that make success in interdiction possible. Put another way, PSI allows partner countries to improve and practice interdiction-related actions so that we are ready to work together on game day.

Finally, let me just say a couple words about PSI in the future. This May, PSI partners will mark the fifth anniversary of PSI here in Washington. Senior leaders from all over the world will come together to take stock of this initiative and how to strengthen it for the future.

Congress has also shown similar interest in this program, asking in last year's legislation that the President include in his annual budget submission of a description of PSI-related activities, including associated funding that will be carried out by each participating U.S. Government agency or department.

This requirement presents us and other agencies with a challenging task since PSI was conceived by the President and is executed by the participating countries as a flexible and adaptive initiative that intends to leverage existing capabilities and activities and authorities rather than creating new ones or creating a program of its own. That said, we will work diligently to answer your questions.

Finally, I would just want to reemphasize the point I made at the beginning of my statement. CTR and PSI are but two pieces of a much larger national strategy to combat WMD. Since September 11, 2001, I think we have made significant progress in these areas. CTR and PSI are key examples of this progress. PSI did not exist in 2001, and CTR was really a different program then. But despite the good work we have done with CTR and PSI, we have much more to do across the spectrum of WMD threats before we can testify with confidence that all of our Government's tools to combat WMD are being integrated fully and effectively. We look forward to continued close coordination and cooperation with you as we address this challenge.

Mr. Chairman, thank you for your time. That concludes my statement.

[The prepared statement of Mr. Benkert follows:]

PREPARED STATEMENT BY JOSEPH A. BENKERT

Mr. Chairman and members of the subcommittee, I am pleased to appear before you to discuss the Cooperative Threat Reduction (CTR) Program and the Proliferation Security Initiative (PSI), two elements of the broader U.S. strategy to combat weapons of mass destruction (WMD).

I last testified before you on CTR and PSI in April 2007. In the intervening 11 months, we have continued to make progress in all the traditional CTR activities and have begun to consider how to proceed forward into new areas. PSI has also made progress and will mark the fifth anniversary of its announcement in May 2008. Since I last appeared before you, Congress has also considered how CTR should function in the future and saw fit to streamline significantly CTR operations. Congressional action during the fiscal year 2008 legislative cycle will result in more direct obligation of CTR funds, as well as revised procedures for expanding CTR activities beyond the borders of the former Soviet Union.

For fiscal year 2009, the President has requested \$414 million to continue CTR activities and \$800,000 for PSI exercise support. The Department asks for your support for the President's pending budget requests for CTR and PSI.

COMBATING WMD

Let me first begin with a few words about the strategic framework which guides our many and varied efforts to combat WMD. We have a host of documents that provide evidence of the priority we place on combating WMD and WMD terrorism. These documents, including the National Strategy to Combat WMD and the National Military Strategy to Combat WMD, proceed from four common themes or pillars: 1) the need for improved intelligence; 2) the utility and priority of securing WMD at the source; 3) interdicting WMD and materials of concern on the move; and, 4) developing consequence management resources should a WMD event occur.

Our strategies for combating WMD all note the importance of international partnerships. The Department of Defense's (DOD) Quadrennial Defense Review in particular was noteworthy in its emphasis on the essential nature of strengthening international partnerships and building the capacity of friends, allies and partners. But, I think many don't appreciate fully how important this type of coalition activity is in the fight against WMD. An essential element of our defense in combating WMD is international cooperation, and CTR and PSI are but two examples of our government's efforts to address this important issue.

COOPERATIVE THREAT REDUCTION

Mr. Chairman, the committee is well acquainted with the history and activities of the CTR Program. The national security of the United States has been enhanced by the Program's efforts over the years to facilitate secure transportation, storage, safeguarding and destruction of WMD and the means of their delivery and to assist in the prevention of weapons proliferation as envisaged in the original legislation.

*CTR Today*

I would like to bring the committee up to date on the status of CTR projects, the achievements made over the past year, and the new initiatives that will be started this year.

- In coordination with the Department of Energy (DOE), DOD is in the process of upgrading security systems at nuclear weapons storage sites in the Russian Federation. During this past year, four more sites were completed, bringing to 16 the total number of sites that DOD has upgraded. Work is in progress at the remaining eight sites where DOD has commitments, and we expect to complete installation of those security upgrades by the end of this calendar year. With security upgrades at more than half the storage sites now completed, DOD and DOE are coordinating closely with the Russian Ministry of Defense (MOD), the Russian Navy and the Strategic Rocket Forces to structure a system that gives the Russian military the means to sustain the operational readiness of those security systems far into the future. In addition, DOD is updating the automated inventory control and management system previously provided while simultaneously expanding it to manage the warhead inventory at 13 additional sites.

Presidents Bush and Putin took the initiative to accelerate this warhead security work at the February 2005 Bratislava Summit. When this work is complete, we will be able to say that we have worked with our Russian partners to help them improve security at every Russian warhead storage site where they have requested U.S. assistance. This will be a significant achievement, both from a technical and a political perspective. However, the security of Russia's nuclear warheads and related materials is first and foremost a Russian responsibility. What we will have done through the Bratislava Initiative is accelerate all of the work Russia asked us to do on its warhead security program. DOD has worked closely with the Russian MOD to ensure that sustainment for these security upgrades is fully integrated into their security program. Russian MOD leaders responsible for warhead security have proven to be professional, motivated, and committed to the mission of nuclear security. The long-term security of these weapons is not just a function of the equipment DOD and DOE have installed, but also the professionalism of our Russian colleagues who bear ultimate responsibility. This means finding ways to continue engaging with Russia on nuclear security and related topics.

- CTR has cooperated with the Russian MOD to securely transport nuclear warheads from operational locations to dismantlement facilities or secure storage locations. As part of this program, we began delivery last year of new cargo railcars with special physical security features. One of these new cars is provided for every two Russian railcars taken out of service. We also provided armored transport vehicles to bolster security for warheads being transported between the sites and the rail transfer points.

- The greatest challenge over the past year was finding an efficient and effective way to complete construction of the Chemical Weapons Destruction Facility (CWDF) at Shchuch'ye on time and within the budget of \$1.039 billion. Progress on construction was halted for a time because the Department was unable to obtain fair bids from Russian subcontractors for key components of the CWDF. A report on the situation is included as an appendix to the CTR Annual Report for 2009, pursuant to congressional requirement. I will touch on some key elements of this situation here.

First, it is important to recall why we began the Shchuch'ye project. Shchuch'ye is intended to safely destroy some 2.1 million artillery shells and rockets filled with nerve agent. A decade ago, this stockpile was poorly guarded and weakly secured at its depot near what would become the CWDF site we have today. We judged this stockpile to be among the most dangerous in the former Soviet inventory because it was composed of nerve agent-filled projectiles—the most deadly of chemical weapons. Moreover, we judged this stockpile to be doubly dangerous because the projectiles were comparatively small—perhaps even manportable. Those factors have not changed, although the depot has received security upgrades and the Russian Federation is generally a more secure place. We committed to construct the CWDF and we are following through on that commitment.

Second, the escalating cost and uncertain political commitment of interlocutors in Russia have been major challenges in completing this project. When we were repeatedly unable to secure reasonable bids, the viability of the U.S. position was called into question. We stopped that effort and made our serious concerns very plain to the other side. Much credit is due to CTR's implementation team at the Defense Threat Reduction Agency, which spent weeks in Moscow negotiating terms of a set of arrangements for completing the CWDF. These arrangements protect DOD's financial equities by capping our contribution to the project at slightly more than \$1 billion; the arrangements also protect our equities in non-proliferation by winning—for the first time—a written Russian commitment to complete the CWDF at Russian expense should the DOD contribution prove insufficient. The new arrangements between the Department and Russia's Federal Agency for Industry (FAI) were signed in May 2007. The U.S. maintains oversight of the project through rights to verify the completed work. By December 2007, FAI had awarded contracts for all remaining major construction activity. As of now, FAI fully expects the CWDF to be operational by December 2008. As of today, our report card on the new arrangements for the CWDF at Shchuch'ye is "so far, so good."

- In ongoing activities in strategic offensive arms elimination in Russia, in the past year, the Department eliminated 20 submarine launch tubes, 20 sea-launched ballistic missiles, 76 intercontinental ballistic missiles, and 31 mobile launch platforms.

- Ongoing projects to enhance biosafety and biosecurity at five research facilities in Russia will be completed in 2008.
  - Outside of Russia, CTR has helped improve the capabilities of Azerbaijan's Coast Guard to interdict WMD smuggling in the Caspian Sea. We are also in the final stage of installing a comprehensive surveillance system that will cover the major shipping lanes in the Caspian.
  - Our WMD-Proliferation Prevention projects in Ukraine are on track. Working with the DOE, we are installing a surveillance and command, control and communications system to complement DOE's radiation portal monitor installations, as well as providing enhanced WMD detection and interdiction capabilities to their maritime Border Guard forces on the Black Sea.
  - The Biological Threat Reduction Program continues its work in Kazakhstan, Uzbekistan, Azerbaijan, Georgia, and Ukraine to consolidate each country's pathogen collections, provide security for extremely dangerous pathogens, provide a capability for disease surveillance using molecular diagnostics with real-time reporting, and enhance strategic research partnerships. Construction on the Central Reference Laboratory (CRL) in Tbilisi, GA, which began last year, is on track to be completed in February 2009. Currently, at the request of the Georgian government, we are working on making the CRL a joint U.S.-Georgian overseas laboratory.
  - In December 2007, the Secretary of Defense and the Kazakhstan Ambassador, on behalf of his government, signed an extension of the CTR Umbrella Agreement with Kazakhstan. This agreement is essential for the continuation of CTR activities. The decision to extend the CTR legal framework shows the continued importance Kazakhstan places on the value of international cooperation in the area of nonproliferation. This important political commitment needs to be matched by improved regulatory processes in Kazakhstan if CTR is to be able to provide the best support it can. Specifically, processes for exempting CTR assistance from Kazakh taxation still have not been resolved satisfactorily, although we are aware that our counterparts in Astana are seeking solutions in good faith.
  - We completed a WMD Proliferation Prevention Initiative project in Uzbekistan to install radiation portal monitors—a project we implemented for the DOE's Second Line of Defense—but fell 10 percent short of the targeted 90–95 percent international traffic coverage due to continued access problems. We also abandoned a planned land border project in Uzbekistan because the Uzbek government blocked necessary interaction with its Border Guard.
  - While working with Uzbekistan on border security has proven problematic, CTR's Biological Threat Reduction Program is proceeding in Uzbekistan, albeit on a scaled-down basis.
- A key test of Uzbekistan's commitment to international non-proliferation cooperation will come this year as we work to extend the CTR Umbrella Agreement.
- In July 2007, CTR was able to mark a double milestone: completion of its first project outside the states of the former Soviet Union and elimination of Albania's chemical weapons stockpile. With CTR's support, Albania became the first State Party of the Chemical Weapons Convention to eliminate fully its declared chemical weapons stockpile.

#### *The Future of CTR*

Mr. Chairman, it is important that we continue to have a CTR program in Russia. With its oil wealth, Russia certainly is not the economically hobbled nation whose WMD legacy CTR was originally intended to address. However, it is important to correct misperceptions and remind ourselves why CTR in Russia is in the U.S. interest.

- At the political level, cooperation from Russia has at times been difficult for CTR. However, at the level where the work gets done, the cooperation has been professional and business-like. Significantly, we have enjoyed a relationship of mutual respect with the Russian MOD on CTR projects. This is an important channel we should work to preserve.
- These relationships more broadly are important when viewed against the overall state of U.S.-Russian relations. Russia, for example, has responded positively to U.S. requests for non-proliferation assistance—jointly leading the Global Initiative to Combat Nuclear Terrorism with us.
- We continue to review the value of each of our activities in Russia. I would remind the subcommittee that we reviewed each of our projects in

Russia in 2003 and revalidated their non-proliferation value. We turned some activities over to Russia completely and downsized our support for other activities during that effort which was called the “rescoping” in our testimony to this subcommittee. What happened in 2003 was not intended to be the last word, and we continue to seek opportunities to streamline our activities in Russia. One example is the recent initiative by Russia to assume partial responsibility for sustainment of nuclear warhead security upgrades. We have a national security equity in ensuring that the program is not turned over to Russia precipitously, but we will not extend our presence any longer than necessary.

- Among CTR activities in Russia, it remains in the U.S. interest to eliminate strategic delivery systems at their source, even in the face of Russian modernization of its strategic systems. Russia is going to modernize its strategic systems with or without CTR assistance. The issue is whether we have confidence that Russia will dispose of its old systems in a responsible nonproliferable way. For the future we would have less insight into, and less confidence in, the secure elimination of decommissioned systems and launchers in Russia if we were not participating in that process through CTR.
- CTR activities in Russia, with the exception of road-mobile missile elimination, have surpassed the half-way point in execution. From a fiscal perspective, infrastructure investment is complete.
- In 2008, the level of CTR activities outside Russia will exceed the level inside Russia, and this trend will sharpen in the coming years.

CTR advocates have been asking when CTR will “go global.” It is a good question, and we are looking at opportunities. Congress has been very supportive in improving CTR’s flexibility for different activities. But it is important to maintain perspective on a “global CTR” program. I would offer the following thoughts in this regard.

- CTR will always be ready to address stocks of WMD if they are found, and if applicable governments ask for our assistance to eliminate them. However, the WMD threat is no longer only about addressing WMD at its source. As we think about CTR in a global context, it must be in the way CTR has already been moving—increasing foreign institutional capacity to address WMD threats. The bio-security case is a good example. CTR’s biological threat reduction program was originally conceived to address the threat posed by the legacy of the Soviet Biopreparat—a complex of especially dangerous pathogens, infrastructure and scientific expertise. Biopreparat doesn’t exist outside the states of the former Soviet Union, although a bio-terrorism threat does exist. Our challenge is to make the original CTR bio-security model applicable to the global threat. This is going to focus much more on building foreign capacity than the infrastructure-heavy work that was necessary to address the legacy of Biopreparat.
- We should bear in mind that money is not necessarily the best measure of non-proliferation success. As we look to the future addressing the global WMD threat through partners’ political and policy commitments is as important as how richly we fund our non-proliferation programs. Measuring success in the non-proliferation business is not about money alone. We will continue to work with Congress on this challenge.

With the forgoing in mind, I am happy to report that we are ready to move forward with CTR to address global threats. We are ready to streamline legal requirements for CTR activities to match the type of activity being contemplated; we also want to begin working with DTRA to explore less expensive ways to accomplish CTR goals.

We recently briefed congressional staff on our thinking about several potential CTR projects in sensitive areas. I should emphasize that CTR activities remain directed solely at combating WMD—no other purpose. However, some foreign partners might prefer that our cooperation not be made public. One new activity we can report is the Republic of Armenia’s request for assistance with bio-security, to which we are actively responding. I should also note that the administration does not currently contemplate using CTR to address nonproliferation challenges in North Korea. CTR would have the technical capability to do so, but DOD is currently barred from providing assistance to North Korea by law; moreover, the administration has chosen to use other resources to pursue this work.

Our internal thinking about CTR expansion will be informed by several studies on the matter. The National Academy of Sciences will conduct two studies mandated by legislation, one on CTR expansion outside the former Soviet Union and the other specific to expansion of CTR’s Biological Threat Reduction Program outside the

former Soviet Union. Additionally, a panel composed of independent experts was established in August 2007 to review future directions for Defense Threat Reduction Agency missions and capabilities; possible expansion of the CTR Program is one of the areas examined by the panel. In addition to these projects, we've asked the National Defense University to examine CTR's WMD-Proliferation Prevention Initiative for WMD border security, its achievements to date, and offer recommendations for possible future direction.

#### THE PROLIFERATION SECURITY INITIATIVE

The United States continues to work with the international community on strengthening the PSI, which President Bush launched in May 2003. Through the PSI, the United States collaborates with like-minded countries to build capabilities for improving the interdiction of WMD and missile-related shipments, their delivery systems and related materials to and from non-state actors and states of proliferation concern.

It is useful to think about PSI on three different levels, each strengthening the initiative but also mutually reinforcing each other. First, there is the political commitment that governments make when they endorse the Statement of Interdiction Principles. Since I last testified before this Subcommittee in April 2007, the number of countries that have endorsed the PSI Statement of Interdiction Principles has increased to over 85. This is more than a seven-fold increase since the eleven original PSI states launched the Initiative in 2003 and reflects the widespread recognition that PSI serves a unique role in a multi-faceted approach to non-proliferation. This May, PSI partners will commemorate the fifth anniversary of PSI in Washington. Senior leaders from all over the world will come together to take stock of the Initiative since its inception and share ideas on how to strengthen it for the future.

The political commitment which underpins PSI is no small matter. Prior to PSI, interdiction activities existed. However, they were conducted principally through sensitive channels only. Today, the United States and any other state which has endorsed the PSI principles can call on another PSI adherent to take action based on their PSI commitments. This alone is a singular innovation brought about by PSI.

Second, there is a significant capacity-building effort that is spearheaded by countries that participate in the Operational Experts Group (OEG), a group of 20 PSI partners that meets regularly to advance PSI objectives on behalf of all PSI participants. The OEG meets several times per year, most recently in London where the Ministry of Defence hosted the 16th OEG meeting in February. France will host the next OEG meeting in September 2008. OEG-participating countries bring their experts from the military, law enforcement, intelligence, legal, and diplomatic arenas to develop new operational concepts for interdiction; organize a program of exercises; share information about national legal authorities; and pursue cooperation with industry sectors that can be helpful to the interdiction mission. These capacity-building activities have positive spillover effects, such as helping countries fulfill their obligations to implement United Nations Security Council Resolutions (UNSCR) 1540 (Preventing WMD proliferation), 1718 (DPRK sanctions) and 1737/1747/1803 (Iran).

To date, PSI partners have conducted over 30 live and table-top exercises, involving over 70 PSI partner states and exploring all modes of transportation: ground, air, and sea. Perhaps most importantly, we have seen the PSI exercise program evolve over time, from one dominated by the military's role in interdiction to one that appreciates the true complexity of interdiction and integrates the legal, law enforcement, intelligence, and policy challenges in a way that more accurately reflects real-world proliferation situations.

Other notable achievements of the OEG include the publication of a model national response plan spearheaded by New Zealand, traffic cartography created by France, and a WMD and Missile Commodity Reference Handbook developed by DOE. These and other products are easily replicable and available to use in all PSI outreach efforts. Additionally, Germany is in the process of developing a web-based platform that will help record PSI lessons learned. These are only a few examples of tangible tools that have evolved out of the close cooperation among PSI partners.

The U.S. plays an active role in the OEG and its capacity-building efforts. While DOD is responsible for leading the U.S. interagency's participation in the Operational Experts Group process, the full U.S. Government PSI team consists of experts from the Department of State, Department of Homeland Security (including Customs and Border Protection, Immigration and Customs Enforcement, and the U.S. Coast Guard), DOE, Department of Justice, the National Counterproliferation Center and the broader intelligence community, Department of Commerce, and the Department of Treasury. In June 2007, the U.S. Naval War College hosted a week-

long PSI game in Newport, Rhode Island in which 18 PSI countries participated (Australia, Canada, Denmark, France, Germany, Greece, Italy, Japan, New Zealand, Netherlands, Norway, Poland, Portugal, Singapore, Spain, Turkey, the United Kingdom, and the U.S.). In September 2007, the U.S. hosted Exercise Panamax that included a PSI interdiction scenario led by the Chilean Navy. In October 2007, the U.S. was represented robustly in Japan's Exercise Pacific Shield, contributing two Navy ships, one combined USN/USCG boarding team, and a broad interagency team of subject-matter experts to participate and observe. Additionally, Customs and Border Protection made two presentations on in-port operations. Most recently, in March 2008, the U.S. participated in a maritime exercise called Guistir, co-hosted by France and Djibouti, which was the first PSI exercise conducted in Africa.

Looking ahead, the U.S. will send delegations of operational experts to participate in several foreign-sponsored PSI exercises, including Exercise Guistir which is jointly hosted by France and Djibouti and Exercise Adriatic Shield which will be hosted by Croatia. Finally, the U.S. has been busy contributing exercise and issue-specific expertise to a major PSI exercise scheduled for September 2008 in New Zealand. I am also pleased to report that DOD led a U.S. interagency team to Malta in February of this year to run the first ever tabletop exercise of one of our PSI bilateral shipboarding agreements. The exercise was an unqualified success and helped prepare both sides for the type of interagency coordination and time-sensitive decision-making that is required in any maritime interdiction opportunity.

The third level of PSI is international collaboration on real-world interdictions. PSI has been an indisputable success in this regard. Building upon the shared commitment against a common threat and leveraging the capacity-building activities I just described, the U.S. has been able to work together more effectively with many of its PSI partners. Put another way, PSI allows partner countries to improve and practice interdiction-related actions to ensure our readiness to work together on "Game Day." I want to clarify this element of PSI—the actual execution of an interdiction. When countries work together to impede, inspect, or actually interdict movement of suspect cargo, it is not done under a "PSI treaty," or under the flag of PSI. However, as I mentioned previously, there is a commitment to PSI principles. Being able to invoke this commitment is a significant nonproliferation tool. There also are the habitual relationships, transparency and mutual understanding of capabilities built through the PSI process. This results in real world activities being conducted by the same people who work with each other during scenario-driven PSI exercises and information exchanges. Because of PSI, we understand better the differences in national authorities and processes. We also have a better sense of which PSI partners will be more willing to "lean forward" in certain circumstances, especially those located along primary routes of proliferation activity.

Finally, let me address the issue of positioning PSI for the future. As we prepare to commemorate the fifth anniversary of PSI at the end of May, we are naturally looking ahead to plan ways to grow and strengthen the Initiative. Congress has shown similar interest, asking in recent legislation that the President include in his annual budget submission a description of the PSI-related activities, including associated funding, that are planned to be carried out by each participating U.S. Government agency or department. This requirement presents DOD and other participating agencies with a challenging task, since PSI was conceived as a flexible, adaptive initiative that leverages existing capabilities, activities and authorities rather than creating new ones. For example, PSI-related interdiction scenarios are often injected into existing military exercises, as was the case with Southern Command's Panamax 2007. Furthermore, since the majority of PSI exercises in which U.S. assets participate are foreign-hosted, there is significant difficulty associated with aligning our own planning and budget cycles with those of foreign governments.

Congress is entitled to timely, accurate information about PSI activities. I can promise that we will work diligently to ensure that your questions are answered and that oversight is accomplished for PSI.

PSI has helped to address an important aspect of our nonproliferation challenge. We will continue to work closely with our PSI partners and with Congress to maximize its potential.

#### CONCLUSION

Mr. Chairman, I want to emphasize a point I made at the outset of my statement: CTR and PSI are but two pieces of a much larger national strategy to combat WMD. Since September 11, 2001, we have made significant progress. I think that CTR and PSI are key examples of that progress. PSI, of course, did not exist in 2001, and CTR was a different program. Despite the good work that has been done by CTR

and PSI, we have much more to do across the spectrum of WMD threats before we can testify with confidence that all of our Government's tools to combat WMD are being integrated fully and effectively. The Department looks forward to continued close coordination with Congress as we address this challenge.

Thank you.

Senator REED. Thank you very much, Mr. Benkert, again for your excellent testimony.

We will begin a 7-minute round. I believe Senator Nelson is going to join us also, but I assume we will do at least two rounds. We have lots of questions.

Also, the record will remain open for 2 business days after the hearing if other members want to inquire by writing questions to you, Mr. Tobey and Mr. Benkert.

Let me ask a general question, one that is I think is necessary to get on the table. I understand that you support the President's budget, but are there any particular areas where additional funds could be used and are needed? Let me start with Mr. Tobey and then Mr. Benkert.

Mr. TOBEY. We believe that the budget that we have put forward is sufficient for our needs.

I think the best way for me to answer that question would be perhaps to talk about the priorities that we see. There again, I would return to the themes that I outlined at the beginning which are that we are actually accomplishing our tasks in a couple of areas, the first line of defense, and the security upgrades in Russia. That work is winding down I think in good ways. We are also completing our tasks on the elimination of weapons grade plutonium production with the construction of fossil fuel power plants that will allow the shutdown of the last three remaining plutonium production reactors in Russia.

At the same time, we have set out the need to beef up our work on the second line of defense, the megaports and the border crossings, and we are shifting resources in that direction. We believe that we need to spend more time and effort on the radiological threat, and we have devoted more resources to that. I should actually maybe characterize it as the civil nuclear and radiological threat. So that would include both the reactor conversions and the radiological material. Then there is a significant R&D piece that undergirds all of this.

Then the final thing that I would say—and I am sure you will want to discuss this in greater detail—is we have a contingent liability with respect to North Korean disablement and dismantlement which we are, frankly, uncertain about. We do not know what the opportunities will be to disable and dismantle their program this year, and therefore, we are uncertain as to exactly how much in the way of funding we would need. But the needs could be quite substantial if progress would be as we hope.

Senator REED. Thank you.

Mr. Benkert.

Mr. BENKERT. Thank you, Mr. Chairman.

I am obliged to note, I think, first that it is probably the case with CTR that the budget is, of course, not the only measure of the performance of the program and the value that you get from this program. That said, we greatly appreciated the additional funds

provided last year, and I think my answer this year would be similar to what it was last year.

The budget request, as we have submitted it, as I noted, is above what we provided last year, and I believe it is adequate to the task. I would note, in particular, as I mentioned in my oral testimony, the fact that the program in Russia, in terms of dollars in particular, is declining, as we work our way through these older CTR programs which were very heavy on infrastructure and therefore more expensive.

The growth areas in the program and the areas where we are putting additional funds and would put additional funds are in programmatic. It is the biological program, the biological threat reduction program, which has grown substantially over the last several years, and what we call the proliferation prevention initiative, which is this program to build border security capabilities to interdict WMD and related materials in transit to get at one of these fundamental requirements that I mentioned in my testimony to try to stop WMD or related materials on the move or in transit.

Those are the two areas that are growth areas, and they are growth areas not only because they are important in states of the former Soviet Union, but they are also programs that are very relevant as we look at expanding CTR outside the former Soviet Union. So I think that is where our focus will be. As we look at additional funds for the program, it will be in areas outside the former Soviet Union and primarily in being able to bring these programs, which we have now developed and I think are applicable outside the former Soviet Union, the biological threat reduction and the border security proliferation prevention initiative.

Senator REED. Thank you.

You have both commented on the changing nature of Russia both economically and otherwise. One of the issues I think—and this is more general in particular—is to what extent they have internalized these efforts. We started off in a relationship where we were pressuring them, I think fairly said, to do this. We were providing money. Now we have reached a point where their economy is robust.

Are they going to be able to pick this up, and from your perspective, have they made this internal to their decisionmaking? They understand it is in their best interest. They understand that this is in the interest of the broader world community. Or is this a situation where our decrease in resources may signal to them that it is not important any longer?

I know this is more impressionistic than analytical, but I would like your impressions. Mr. Tobey and then Mr. Benkert.

Mr. TOBEY. I think the evidence is somewhat mixed on that point. I would note, first of all, that just because, for example, the Russian oil and gas sector is much more prosperous than it has been in the past, that does not necessarily transfer automatically to the nuclear weapons sector. I would note further that there are disparities even within that sector where some institutes are more prosperous than others. So the flow of resources is not yet perfect.

Second, I would note that empirically the Russian commitment to these issues has not been what we would hope it to be, and that is why we had to take action in the first place. I think that is im-

proving. As I alluded to during my statement, we had for the first time a real discussion with senior military officers about how our budget is coming down, yours must come up, and we have to coordinate these expenditures. The statement about what they had allocated was new to us. It was a relatively modest sum of money. It is not going to be sufficient over the long haul, but I was encouraged by the fact that they had asked for it and they had received what they had asked for.

I would add further that you may know that we have reached an agreement with Rosatom on principles for sustainability, and we will be attempting to make sure that that is implemented.

I would say that with respect to the military, while we do not have a formal agreement with them, my impression is that their commitment to sustainability may actually even be stronger.

Senator REED. Mr. Benkert?

Mr. BENKERT. I would agree with Will Tobey's assessment, that it is a mixed bag and it is a mixed track record. I think there are a number of positive signs, though, and let me just mention two.

First, on this issue of sustainment, particularly of the warhead security upgrades that we have done with DOE, the Ministry of Defense at the end of last year advised us that they acknowledged that it was their responsibility to sustain the security upgrades at the permanent sites where we have installed these upgrades and informed us that funding would be provided in the budget for the entity within the ministry that would be responsible for this. That is good news, and now we have to see how this plays out over time. But that is a positive development because, clearly, we want them to pick up the responsibility to sustain these things we put in place.

The second example that I would point to—and I mentioned this in my oral statement—is the commitment that they have made at Shchuch'ye in this joint commitment on both of our parts to make sure this facility gets completed and begins operations at the end of this year on time. The fact that the Russians acknowledge that as part of these new arrangements that we have made for how we would do the contracting to complete this facility, the Russians made a written commitment that if it turned out that U.S. funding was not adequate to complete the work that we have signed up to do, that the Russians would provide the funding. Now, that has not been an issue yet because the funding that we have is adequate for what we are doing so far. So this, again, remains to be tested.

Nonetheless, I think it was a serious commitment, and I think it reflects the fact, for example, that the Russians understand that it is in their interest to destroy these chemical weapons. They want to meet the commitments, I think, that they have signed up to under the CWC, and they realize that they have to take responsibility to get there rather than just relying on help from the international community to get it done. So I think these are positive signs.

Looking down the road, the thing that I think is the highest on my radar screen at least of the things to watch is how they do with sustaining these warhead security and related security initiatives, which clearly are going to require a long-term commitment, and

are one of the things that we really want to watch over the long term as evidence that they have really taken this aboard.

Senator REED. Thank you very much. I have many other questions, but now let me recognize Senator Dole.

Senator DOLE. Thank you, Mr. Chairman.

Mr. Benkert, you mentioned the work with Albania and also that you are looking to help in Armenia as well.

I understand that there are some stockpiles—this goes back to pre-1991—of chemical weapons in Iraq, and they are in a bunker under our guard. I am wondering if using CTR assistance to help Iraq destroy those chemical weapons is something that is being contemplated. If so, what factors is the administration considering as it weighs these decisions? What would be the estimated cost and timeline? If you could just lay out where you are with regard to Iraq.

Mr. BENKERT. Certainly CTR is a possibility in dealing with these weapons. Let me just give you where we stand with this.

As you said, there are a number of old Iraqi chemical weapons, and these are old weapons in various states of degradation that are at a facility in Iraq. They are secure. We have invested in some security upgrades to make sure that the weapons are secure where they are, that they are properly monitored, and that there are quick response forces and so forth which are able to deal with any potential threat. So the weapons are secure as they are.

The issue will be the disposition of these weapons in the long term. Iraq will likely accede to the CWC in the near future, possibly as soon as the next session here this month. When they do, then they will have to address the issue of what to do with these old weapons that they have.

As I said, our assessment is that there is not a great security threat to the weapons now because of the security upgrades we made on the site, but there is an issue of what Iraq does with them in the long-term. So we are working through this internally, as well as the Iraqis, on what we might do once the Iraqis have signed up to the CWC and what their obligations will be about these weapons. There is a very practical issue of whether they can simply just be secured where they are and if that would be adequate or whether they need to be destroyed.

The destruction of these weapons would not be a trivial task. As I said, the assessment before they were sealed up was they were in bad shape. The weapons are in various states of decay, and to get at them and destroy them would probably be an expensive proposition and not easy. But that may be the way we need to go, and we are examining that now.

Senator DOLE. What about Libya? Libya was seeking assistance, and there was a phase there with DOD. Where do we stand on that, and is that a possibility that CTR might undertake?

Mr. BENKERT. Again, it is a possibility. There was an interagency decision several years ago that assistance to Libya in destroying its chemical weapons will be provided through the DOS's nonproliferation and disarmament fund.

Senator DOLE. Right.

Mr. BENKERT. There are a variety of reasons why that was done, including the fact that the thought was it would be quicker. CTR

has sort of a way of doing business that sometimes takes time. The idea was this would be faster, and so it would be better at the time.

The Libyans now, as we understand it, have decided to use their own funds to contract with companies to destroy these weapons, which are old blister agent weapons. So we are in close contact with our colleagues at the DOS to see if any additional assistance is required. If it is, we certainly have the authority now to provide that and even some earmarked funds from last year's appropriation, should there be a desire to do this. But as I said, we are working with our DOS colleagues here to see what may be required of us going forward.

Senator DOLE. Mr. Tobey, pursuant to the agreement of the Six Parties with North Korea, of course, they are in the process of disabling and dismantling the nuclear facility there. Could you update us in more detail regarding the role of DOE, what role it is playing now and what you see in the future, if everything continues to go as we hope it will in North Korea?

Mr. TOBEY. Certainly, Senator Dole. Since roughly November 1st of last year, we have had DOE personnel at the North Korean nuclear facility at Yongbyon essentially 24/7. They have been overseeing the task of disabling the three North Korean nuclear facilities that are in the present stage of the disablement phase. There were essentially 11 key tasks, 8 of which have been completed. The DOE personnel, working with DOS personnel, have been overseeing these tasks.

Senator DOLE. Thank you.

Mr. Benkert, the National Defense Authorization Act (NDAA) for Fiscal Year 2007 required the National Academy of Sciences to conduct a study that would identify areas of further cooperation through CTR with Russia and other former Soviet Union states on biological weapons proliferation prevention. That report was to be submitted to Congress, I believe, by December 31 of last year.

Can you give us a brief assessment of the National Academy of Sciences report, and whether it yielded any suggestions for future CTR work in this area that the Department views as potentially valuable? I am interested in where we are on that report and if you could just update us and when we might expect to receive that in Congress.

Mr. BENKERT. Thank you, Senator Dole.

First of all, let me apologize for our delay in submitting the report, and you are looking at the guilty party here about why it has not arrived up here sooner.

The National Academy of Sciences did a great job—it is a good report. Part of the delay was I have actually spent some time with the authors of the report to make sure we understood what they had suggested and how we might move forward on this.

The National Academy of Sciences report has six principal recommendations. Our report to you, which you will, I think, see within a few days, I hope, will endorse the six recommendations that the National Academy of Sciences made and then provide a little detail on how we are moving forward with these things. In some cases, we have already started doing so. In other cases, they are new.

The basic theme of the report—and we are very much, I think, in sync with this—is to move from a program of assistance to collaboration, that is, on the notion that at the beginning of CTR, this was mostly a program of us going to Russia and other states of the former Soviet Union and saying, okay, here is what we want to do, here is what you need to do, let us go do it. It was very much an assistance program. The philosophy of the National Academy of Sciences program is that as we move forward, particularly as we move outside the former Soviet Union, that this needs to be a much more collaborative program. So rather than assistance, that we work with countries to draw out from them what their needs are, what their thinking is, and to get them involved in a more collaborative way rather than simply delivering assistance. We agree with that and want to build that into our approach, again particularly to countries outside the former Soviet Union.

So it is a good report, and I am hopeful you will see it shortly.

Senator DOLE. Thank you very much.

Senator REED. Thank you very much, Senator Dole.

Mr. Benkert, early last year, the CTR program significantly changed its approach to the Russian chemical weapons destruction effort by contracting with the Russians to complete the project for a fixed price. Can you tell us how that is going and that we have assurances that the funded facility, if started, will run safely in a timely fashion?

Mr. BENKERT. Mr. Chairman, as you said, this was a change in the way we did business. My report at this point is so far, so good. This approach of contracting for a fixed price through a Russian entity is so far working and we are on track. The first building and the associated and required infrastructure will be in operation by the end of the year.

There are a couple of checks and balances to make sure that it can be operated safely. First of all, the Organization for the Prohibition of Chemical Weapons will see the facility before it is put in operation. That is one check. Our contractors will have access to it to verify that equipment has been installed properly and so forth. That is a second check. Then I think the third check is certainly that the Russians themselves have an interest in making sure the facility is operated safely since they have a large program in front of them with particularly dangerous materials, and they have certainly expressed to us their desire to make sure this is done properly.

But I think so far, so good, but we are watching it carefully.

Senator REED. One of the other aspects that we have alluded to in the questioning is the rising value of the ruble. This contract is denominated in rubles. Do you have some of the agida, as we say in Rhode Island, that many people have now, as the dollar declines and other currencies increase?

Mr. BENKERT. Yes. That could be an issue. I think at this point the project manager's assessment is he has adequate reserves to deal with this. But that also has to be closely watched.

Senator REED. In fiscal year 2008, Mr. Benkert, Congress appropriated \$1 million for chemical weapons destruction to keep the account open. The \$1 million was recently included in the February notification of CTR funds. No money has been requested in the fis-

cal year 2009 budget request. Should some money be included in the fiscal year 2009 budget line just to keep the account open?

Mr. BENKERT. Mr. Chairman, we have not requested it for two reasons. One is because our assessment is with the new arrangements with Russia, we have adequate funds to complete the project. Then the second is—and I think this is perhaps even more important—that the Russians have committed that if, for some reason, we are not able to complete the project within the funds that we have, that they will make up the difference. I think that is significant, and I think rather than us providing any more money up front, I think we want to let this play out and test this Russian commitment.

Senator REED. Let me switch to a topic that Senator Dole has raised, which is very important, that is North Korea. Today DOE is doing some work there in support of our efforts. As you pointed out, Mr. Tobey, in your statement, one of the uncertainties you face this year is whether or not you will receive—which may be good news that you have to do a lot more work there if there is a real breakthrough. Can you give us your estimate of how much contingency funding you might need?

Mr. TOBEY. I can in the abstract, anyway. If we got a full go-ahead tomorrow to go in and complete the disablement as fast as we could, we would estimate that we would need an additional \$50 million in fiscal year 2008 to carry out these activities. Now, some of that might be achieved through reprogramming or other means. I am talking about absolute amounts, not necessarily deltas from what we have already received.

Then in fiscal year 2009, as much as \$360 million might be required to continue these efforts. The large jump, of course, has to do with the fact that it would be the plan to remove the spent fuel from North Korea which bears plutonium.

I should also add—and I have been chided in the past for perhaps being too literal in my answers—in response to Senator Dole's question and our role, I probably should also have added that our work there is being funded through the DOS because the Glenn Amendment restrictions apply to us. That is another issue with respect to the funding for disablement. That is an issue where, frankly, I personally would very much like to see relief from the Glenn Amendment, in order for us to be ready to move, if it is possible to do so. I would hate for us to be caught flat-footed with an inability to even rearrange the funding that we now have.

Senator REED. Mr. Benkert, the DOD has a role there too, particularly if the agreements are reached to destroy the delivery systems, et cetera. Can you give us a notion of whether you expect you will have any contingent funding going forward in 2009?

Mr. BENKERT. We have not asked for or planned for contingent funding. In the interagency discussions so far, it has not been contemplated that DOD CTR would have a role here. We also are covered, obviously, by legislative restrictions on our ability to use CTR in North Korea. So at this point, we have provided support to the interagency effort through the Defense Intelligence Agency (DIA) and others and would continue to provide that support, but we are very much in a support role here and have not planned for the use of CTR funds for this.

Senator REED. The role is support, very gentle support. You have not specifically looked at a scenario where you would—and I think this is a long shot, unfortunately—be called upon to go in in the immediate future this year or next year to start dismantling delivery systems.

Mr. BENKERT. We have done some internal thinking about that, but we have not looked at that again, given the division of responsibilities currently in the interagency.

Senator REED. Both of you gentlemen are following the discussions quite closely. Can you give us some insights as to what seems to be the stumbling blocks at the moment as to whether this is the usual sort of negotiating style of the North Koreans or there is a significant impasse or whatever? Mr. Tobey, your comments.

Mr. TOBEY. It is very difficult to speculate about North Korean motivations. I guess I would say we are still waiting for the declaration that they have promised, that it would be full and complete. Until we get that, it is going to be difficult to move forward.

Senator REED. Any comments, Mr. Benkert?

Mr. BENKERT. I would just second Will Tobey's comment, that it is very difficult to speculate about North Korean motivations, and I do not think I would want to do that.

Senator REED. I think I would concur.

Senator Dole, we could probably do a third round for any additional questions. Senator Dole, please.

Senator DOLE. Thank you.

Mr. Benkert, I had asked about the National Academy of Sciences. This was the 2007, but NDAA for Fiscal Year 2008 requires the National Academy of Sciences study to analyze options for strengthening and expanding the CTR program. What is the status of your efforts to contract with National Academy of Sciences for this study, and when do you expect that study might be completed? So if you could comment on that one as well and whether you think this will prove useful to an incoming administration as they assess and review the current CTR program and consider policy and program options for the future.

Mr. BENKERT. I think this will be a very useful study for the next administration. So we are pressing the National Academy of Sciences to get this done by the end of the year. The National Academy of Sciences does very good work. Sometimes the timeline is a little longer than one might hope for, and so in this case, we are trying hard to make sure that they are able to get this study done by the end of the year so that it is, in fact, in place and in position for the new administration.

I think it will be very helpful. I think the track record of this entity and the previous work that they have done for us, at your request, has been very good, and I think the timing of looking at what they will look at in the expansion of CTR will be very good, if they can get this done before the next administration is in place and in time to affect next year's authorization and appropriation.

Senator DOLE. Mr. Tobey, a December 2007 Government Accountability Office (GAO) report was very critical of the GIPP program, which is intended to redirect scientists and technical personnel with WMD know-how into sustained non-military employment.

Separately, there were allegations that appeared in the press that the program has funded institutes and scientists that have been aiding the Iranian nuclear program.

Could you just share with us your assessment of the GAO criticisms and tell us what steps are being taken to respond to that? Then separately, tell us in your view if there is anything whatsoever to those allegations that have been separately made.

Mr. TOBEY. Sure, and I welcome the opportunity to talk about this.

With respect to GAO, we actually agreed with all of their recommendations save one, and that recommendation was to undertake a comprehensive review of the program. The only reason why we did not agree with that recommendation was, frankly, that such a review was undertaken in the summer of 2006, and its results had not yet been fully implemented. We thought that that review actually addressed the concerns that the GAO had raised.

As a result of some of the concerns that were expressed by Members of Congress and in the media, we have undertaken a thorough assessment of exactly what is going on and taken some interim steps and are working to consult with other Members of Congress and stakeholders about longer-term steps.

I should say at the outset that what we have found is that there were no payments made to individuals or institutes under sanction by the U.S. Government. There is also no evidence that U.S. funds or technology supported Iranian nuclear projects, contrary to some of the wilder claims that have been made in the media.

What we have found is that in a few cases we have funded projects at institutes that have conducted work with Iran. Now, I should note when we undertake these projects, our aim is to divert scientists from working on projects that would be of concern. When we do this, we contract with them for specific deliverables which we insist upon before we make payment, and we provide a very small overhead, only about 10 percent, which I think compares quite favorably with overhead rates that are paid, for example, in the United States where academic institutions can receive 30–35 percent. So I think that the overwhelming evidence is that nothing that we did could be construed as contributing in any way to the Iran nuclear program.

It is possible that our programs have not been perfect in diverting all Russian scientists away from activities that we would prefer them not to do, but frankly, I would never claim that as a goal for this program. It is simply not possible.

It has seemed to us that a balanced nonproliferation program must include both material security and technology security. The material security is relatively noncontroversial and we have discussed it at length. In terms of technology security, one of the ways to address this is to try to ensure that scientists have alternatives to going to work on projects that would be of proliferation concern.

By definition, I would acknowledge that we cannot guarantee that they cannot be diverted. We are not in a position, for example, to bid large amounts of money for every scientist in Russia that could be bid for by a proliferant state. Instead, what we can do is try and engage with them to provide alternatives and also, frankly, to understand better what is going on at the institutes.

In terms of steps that we have taken—and I would say that these steps have been taken in response to really four factors: first of all, the changing conditions in Russia that you have both alluded to and we recognize; second, the internal review that was conducted in the summer of 2006; third, the GAO report; and then fourth, the concerns that have been raised by Members of Congress.

We have decided on some interim steps which basically were to try and hold fast and make sure that by any reasonable standard, we did not somehow make things worse. So we have placed on hold projects at institutes having any involvement with Iran.

Now, I should note that some of those projects have to do with the Bushehr reactor, and it is a matter of interagency deliberation at the moment as to exactly what status should be given to that. I would note, for example, that the Bushehr reactor is specifically carved out in United Nations Security Council resolutions banning other forms of nuclear cooperation. In fact, because of our policy on these matters, Russia has modified the conditions under which it provides some of this assistance such that there will be fuel returned.

I would also note that I think one of our overall policy objectives has been, in working with our allies and with Russia and others, to offer the regime in Tehran a choice between having international cooperation, including peaceful nuclear energy, or the present path that they are on which involves an indigenous enrichment program. That has been an open choice for now a matter of years that we have attempted to present to them.

We have also put on hold projects that had to do with fuel cycle research. We actually feel that it is helpful for nonproliferation projects to fund fuel cycle research which would provide technology for a fuel cycle that is less subject to proliferation. In some ways it is a proliferation twofer. You get the scientists off of the projects we are concerned about. You put them on advancing technology that we believe will be necessary to implement an expansion of nuclear energy that is, we believe, inevitable. But we recognize that it has been controversial with some, and therefore, we have placed it on hold.

Then the third interim step that we have taken was to engage the U.S. interagency to address some of these questions that I have already alluded to and also to make sure that our program is better aligned with exactly what the DOS is doing. So we want to make sure that the two programs are completely consistent.

Over the longer haul, we have been talking with Members of Congress. I certainly appreciate the opportunity to discuss this issue with you and would welcome input on this. We have put forward a tentative plan that we would like people to comment on and to see if we can rebuild a consensus that would involve continuing work at high priority institutes, but phasing out the work at institutes of lower priority, gaining Russian agreement over the next several months to an approach on cost sharing, continuing programs that deal with scientists in Iraq and Libya, and maintaining a readiness to support such projects in North Korea, were it in fact to be possible, pursuing nonproliferation technologies outside of this program. In other words, if there were ways in which we can

advance safeguards technology, we would engage directly through a safeguards cooperation. Then finally, finalizing interdepartmental and interagency agreement on an approach to this whole process so that we would be consistent across the board. This may also entail some cost savings as we phase out some of these programs.

Our intention, again in consultation with Congress, would be to shift probably to the next generation safeguards initiative and North Korea, as required.

Senator DOLE. Thank you very much.

Senator REED. Thank you, Senator Dole.

I have three topics I would like to pursue further, and I want to thank Senator Dole for her excellent questions. If you have additional questions, you will be recognized.

Mr. Tobey, let us talk about the fissile materials disposition program. Specifically, funds were made available by Congress to support a jointly funded effort between Russia and the United States to look at gas reactors for plutonium disposition. Has the funding been released to this effort from 2006, 2007, 2008, and if not, why have the funds not been released and who is controlling the funds?

Mr. TOBEY. We have funded in prior years with the Russians. In fact, I would note also that one of the institutes that was of controversy under the previous question is one of the very same institutes that is working on gas reactors.

My understanding is that there was also funding made available by Congress through the Office of Nuclear Energy, and the last I had heard was that they were going to make those funds available for the project in Russia.

Senator REED. With respect to the mixed oxide (MOX) fuel program, it has an interesting appropriations history as well as authorization history. In fiscal year 2008, the Energy and Water Appropriations bill moved most of the funding to the Office of Nuclear Energy. Some money was moved to NNSA for their weapons program. This committee authorized NNSA to carry out the program. So there is quite a bit of confusing direction.

So could you help clarify? Is your office carrying out the fissile material disposition program in the context of MOX? If not, why not? How are you sorting out these conflicting signals?

Mr. TOBEY. You are right. It has been a confusing situation, Mr. Chairman.

The DOE's General Counsel has examined this issue, and what they have determined is that the provisions of the DOE Organization Act and the NNSA Act prohibit the Secretary of Energy from transferring the MOX program outside of NNSA, absent specific statutory authority to do so. Now, that decision or that viewpoint is a relatively new one, although I would say that for at least the past several weeks, they had been of a view that that was likely to be where they would come out on this. They were trying to make sure that they had done all the necessary legal research.

As a result of that, what we had done is executed what they call an economy act transfer where the money that was appropriated through the Office of Nuclear Energy would be transferred to the fissile materials disposition program, which continues to operate that program. So we have moved forward on that basis.

I would also note that the Appropriations Act moved the pit disassembly facility and the waste solidification plant to the Defense Programs Office, and the restrictions on the Secretary's authority to move such programs within NNSA are not present. In other words, the NNSA Act would allow the Secretary to do that as a matter of comity, and he and the Administrator of the NNSA have decided to do so. So those smaller projects will be operated by the Defense Programs Office.

Senator REED. But you are operating the larger project as of today.

Mr. TOBEY. Correct.

Senator REED. One of the aspects of the MOX program is the commitment by the Russians to dispose of 34 metric tons of plutonium. Will that commitment be made? Are we on track for that?

Mr. TOBEY. Given the long and somewhat sad history of this program, I am not eager to over-promise exactly what the Russians will do. But I will say that I think we have made significant progress over the last year.

Frankly, if I could expand my answer, I think as I had understood it, when I came before Congress both in my confirmation and later in budget hearings, we were asked to do three things. We were asked to make sure that the baseline was defensible and executable, to look at additional missions for the facility that would make it more cost effective for the U.S. taxpayer, and to get the Russian part of the program in order.

I think we have, frankly, delivered on all three. We submitted a \$4.8 billion baseline for the project. We brought the preconstruction activities in under cost. There are substantial reserves within that baseline. We have the design 90 percent complete, and frankly, if it were not for the funding cuts, we would be confident of being able to keep to that baseline.

The second thing we were asked to do was look at additional missions, and there we brought forward three possible options, all of which could be executed at probably not much additional cost certainly in terms of either construction or design. As you may know, the Secretary of Energy decided that an additional 9 metric tons of plutonium could be moved from defense stockpiles to disposition, and we have the option to run that through the MOX facility. Additionally, we believe that further non-pit plutonium, which had been destined for other disposition paths, can be put through the MOX facility. Then finally, should the Global Nuclear Energy Partnership (GNEP) require driver fuel for fast reactors, we believe that that could be fabricated through the MOX facility which would substantially, by more than 25 percent, increase the mission and therefore cost effectiveness of the facility.

Then finally, with respect to the Russian program, as I am sure you are aware, Secretary Bodman and Director Kiriyyenko signed a joint statement providing for what we believe is a technically and financially credible Russian path. I am encouraged by this not because I necessarily trust that the Russians are going forward based on this joint statement, but because I believe it is consistent with the path they want to take for their own purposes. It relies on fast reactors, and this is another area in which we have capped our commitments in terms of providing assistance to the Russians.

Under the original 2000 agreement, while the figure of \$400 million was discussed within the agreement, the Russians would tell you that they basically expected either the United States or other members of the international community to pick up whatever their costs were. Therefore, I think it was less than certain what would be done. Now we have a joint statement in which U.S. costs are capped at \$400 million, and the Russians have agreed to move forward with this program regardless of other outside sources of funding.

Senator REED. Thank you, Mr. Tobey.

You mentioned the topic of my next question, which is the GNEP. The budget request has NNSA supporting this effort in many different ways. It is hard to determine precisely where all the money is going. But it raises a question because the essential goal of the GNEP is to promote the next generation of nuclear power. The central mission I think of your organization is to act as one of the chief watches on proliferation, et cetera. The question arises to what extent that this work should really be done by the Office of Nuclear Energy and not NNSA and also the basics of how much money is being spent by NNSA on this mission rather than what I would argue are more centrally commanding missions.

If you could just briefly respond. It might even be useful to follow up in writing.

Mr. TOBEY. Sure. I guess what I would say is that we have a history of providing funding for proliferation-resistant fuel cycle technology even before the GNEP. I think it would be necessary to provide that funding whether or not GNEP existed. It is my view that regardless of the policy decisions the United States takes on GNEP, nuclear energy will expand across the globe. Ambitious plans have been announced by Russia, China, and India, quite large plans, and then there are a whole host of countries that are undertaking somewhat smaller plans. So we think it is important that the proliferation resistance of the fuel cycle be increased to accommodate the growing demand for nuclear power.

Our spending on this really has been related to that non-proliferation goal, and I would argue that frankly we would be spending about the same amount whether or not GNEP existed.

Senator REED. Thank you. I think what I will do is ask the staff to prepare a more specific request and try to detail the spending and the rationale associated with your logic, that is, really to make the new generation more resistant to proliferation and diversion of materials.

Mr. TOBEY. Sure.

Senator REED. The final question, Mr. Benkert, is that you have noted, we have all noted, throughout that the thrust of CTR is now moving outside of the former Soviet Union. Can you give us a notion from your perspective of the priority areas that you want to be able to engage in based upon both threat and opportunity?

Mr. BENKERT. I cannot give you a definitive answer today because we are still in the process of looking at this. We have come up with an evaluation process to look at potential countries in terms of threat, other opportunities, and so forth, and are working through this matrix. We would be happy to come back to you in the not-too-distant future and tell you what we have.

Again, this is very preliminary. Initially I think there are some opportunities probably near where we are working now, that is, Central Asia, South Asia, that look like that would probably be at the top of the list.

But I think one of the interesting things about, as I mentioned, these two relatively new areas of CTR, that is, the biological program and the border security proliferation prevention program, is these are things that have very wide applicability. If you are looking to secure nuclear material at its source, there are only a certain number of places you can go. If you are worried about being able to deal with places where someone could, in theory, take a pathogen and weaponize it, the universe is much greater or places where naturally occurring diseases could have disastrous impact. So it casts the net much more widely than we have ever done before. So we need to go through this in a careful way before we launch off in these new countries.

Senator REED. I appreciate that and I would be very eager to listen to your conclusions when you reach them because I think we are at a point now where the old rules are changing. Russia has changed. You have done remarkable work there. Now we have to look at a new strategy, a new approach going forward.

Just a final point, and this follows on the discussions that we have had briefly surrounding Iraq. The country still has a huge reservoir of chemical weapons, and as you point out, unfortunately, many countries have potentially some biological weapons, radiological weapons.

Is there any active work going on now to cooperate with the Government of Iraq to begin a serious reduction of their stockpiles? There is a very bad outcome if we draw down militarily there and leave a country which is of questionable stability with thousands and thousands of nerve gas shells.

Mr. BENKERT. As I mentioned before, I think the first effort was just to secure what is there.

Senator REED. Right.

Mr. BENKERT. I think that has largely been done.

The issue then of disposing or dealing with this in the long-term is a new issue. The Iraqi Government does not have the capability to dispose of these things on its own. This needs to be done, although as long as we are there and can secure it in place, it is not probably at the top of the priority list of things to worry about with the Government of Iraq. So we are at the early stages of this.

I think what will be the forcing function which will make this ratchet up a bit on the priority list is when Iraq accedes to the CWC and it takes on these responsibilities that it now has to deal with these weapons.

Senator REED. I would assume your organization would be central to the planning of the United States' participation and support for those efforts. Is that correct?

Mr. BENKERT. That is correct.

Senator REED. Are you working that issue right now aggressively? Because, again, flash forward 2 months, 6 months, 5 years, et cetera. You have a country that is of questionable stability, but it has all these weapons and we missed the opportunity over 5, 6, or 7 years to destroy these weapons.

Mr. BENKERT. Particularly with the stockpile that Senator Dole mentioned, we are working through the options for what to do with this. As I said, the first focus is that it is secure, and then the second piece of this work is what are the various options to deal with this from the gold standard, which would be to find a way to destroy it all in what might well be very expensive and take some time, to other options. So we are in the midst of that now.

Senator REED. Thank you. Again, that is another topic of significant interest, and if you could share it—

Mr. BENKERT. I would be happy to come back.

Senator REED. Let me say once again that the record will remain open for 2 days in case my colleagues have additional questions.

Thank you, gentlemen, for your excellent testimony. Thank you, Senator Dole, for your excellent questions.

The hearing is adjourned.

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR JACK REED

PROLIFERATION SECURITY INITIATIVE

1. Senator REED. Mr. Benkert, in previous years the committee has asked the Department of Defense (DOD) to identify funds for the Proliferation Security Initiative (PSI) and to specifically request funds for PSI, if needed. What is the status of the PSI, what is the funding requested for fiscal year 2009 and what is the Cooperative Threat Reduction (CTR) doing to support PSI in both 2008 and 2009?

Mr. BENKERT. Since the President launched PSI in May 2003, the number of countries that have endorsed the PSI Statement of Interdiction Principles has increased to over 85. This growth reflects the widespread recognition that PSI serves a unique role in a multi-faceted approach to nonproliferation. At the end of May 2008, PSI partners will commemorate the fifth anniversary of PSI in Washington. Senior leaders from all over the world will come together to take stock of the initiative since its inception and share ideas on how to strengthen it for the future.

The President has requested \$800,000 for the DOD to provide PSI exercise support in fiscal year 2009. These funds are available to combatant commanders to support PSI-related exercises, either U.S. or foreign-hosted. At this time, we do not see a need for additional funds. PSI is not a program in a traditional sense. It does not provide assistance to other countries on a bilateral basis. Rather, PSI was conceived as a flexible, adaptive initiative that leverages existing capabilities, activities and authorities rather than creating new ones. For example, PSI-related interdiction scenarios are often injected into existing military exercises, as was the case with U.S. Southern Command's (SOUTHCOM) Panamax 2007.

DOD is working hard with our counterparts in the Department of State (DOS), Department of Energy (DOE), Department of Homeland Security (DHS), Department of Treasury, Department of Justice, Department of Commerce, and the National Security Council to prepare a budget report in response to a requirement contained in Public Law 110-53. This report will provide additional information on the nature and amount of financial and non-financial resources that are leveraged to support PSI activities.

CTR and PSI address distinct pieces of the weapons of mass destruction (WMD) proliferation problem and produce complementary outcomes. While PSI is fundamentally a political commitment that facilitates collaboration among like-minded countries and builds capabilities for interdicting WMD and missile-related shipments, their delivery systems and related materials to and from non-state actors and states of proliferation concern, CTR works on a bilateral basis to provide equipment and training that enhances a state's ability to detect and interdict WMD within or across its borders. In that regard, CTR has provided assistance to Azerbaijan, Uzbekistan, and Ukraine, all PSI participants, to improve their capabilities. While no more such assistance to Uzbekistan is contemplated, CTR will still be working with Azerbaijan in 2009, and will continue to work with Ukraine into the foreseeable future.

2. Senator REED. Mr. Tobey, the National Nuclear Security Agency (NNSA) budget request states that the NNSA "provides real time technical and policy support

for efforts by the United States Government to facilitate a wide range of counterproliferation and counterterrorism interdiction options.” What exactly is NNSA doing and is this support to the PSI?

Mr. TOBEY. NNSA is a central technical resource that supports U.S. interdiction efforts. NNSA provides, and maintains the capability to provide, technical assistance to facilitate a wide-range of counterproliferation activities. DOE/NNSA headquarters manages this capability, which consists of dedicated technical experts located across the DOE/NNSA national laboratory complex who maintain the ability to monitor, track, and respond to interdiction-related activities in real-time, including technical assessments on suspect commodities and their potential use in a weapons program. These experts also provide technical support to NNSA policymakers to assist in the development and implementation of counterproliferation and non-proliferation policies and programs, including the PSI, the Nuclear Suppliers Group, the Missile Technology Control Regime, capacity-building programs, export licensing requests, agreements for peaceful nuclear cooperation, and International Atomic Energy Agency (IAEA) Technical Cooperation. NNSA participates in all PSI policy meeting and training exercises, and develops tools, such as the WMD and Missile Commodity Reference Manual, which has been provided to the members of the Operational Experts Group of the PSI to raise awareness of the importance of dual-use commodities and equipment.

#### MEGAPORTS

3. Senator REED. Mr. Tobey, the NNSA Megaports program provides radiation scanning equipment at foreign ports to scan shipments bound for the United States or elsewhere. There is a requirement to scan 100 percent of the cargo coming into United States ports. NNSA plans to complete work at 32 of the 75 ports by the end of 2009. The Megaports budget is \$134 million in fiscal year 2009, a \$4 million increase from fiscal year 2008. Is there a way to increase the pace of this program, and what is the impediment—money, agreements, or something else?

Mr. TOBEY. The Megaports Initiative is working actively both to complete work at Megaports where agreements are in place and to engage and sign agreements with new partner countries. According to current plans and budget, the Megaports Initiative will complete work at the 75 ports mentioned above by 2013. Our conservative estimate is that we will be scanning approximately 50 percent of global shipping traffic once we have met this goal.

Overall, increasing the pace of the program is limited by several factors. As you mentioned, engaging and signing agreements with partner countries can be a lengthy process depending on the country in question. We have learned that it is imperative to have the buy-in of the host country if the Megaports Initiative is to be successful and sustainable in the host country over the longer term. Additionally, resource constraints, both in terms of personnel and funding, do limit the number of countries where we can work concurrently. With regard to the 100 percent scanning requirement, megaports is partnering with the DHS/Customs and Border Protection (CBP) in a pilot program under the Secure Freight Initiative (SFI) to scan 100 percent of U.S. bound maritime containers at select ports. This pilot program will certainly provide useful data but it is important to note that in general we believe that scanning every U.S.-bound container at a foreign port before it arrives in the United States poses significant operational, technical, and diplomatic challenges. It is our position that we must continue to focus our resources on the areas where we believe we can have the greatest impact and that potentially pose the greatest risk to U.S. national security. NNSA will continue to promote the use of a risk-based approach to guide implementation priorities as we move ahead with any future implementation of the Megaports Initiative and/or the SFI. This approach will allow us to utilize our resources and funding in the most effective way possible. NNSA plans to continue to work closely with host countries as well as the private sector to cost share where possible to accelerate scanning at foreign ports.

4. Senator REED. Mr. Tobey, the DHS has several programs working in overseas ports as well. Although the Megaports program predates the DHS, does it make sense to maintain programs in two departments at this point?

Mr. TOBEY. DOE and DHS each have important, distinct, and complementary roles in securing ports worldwide. It is the position of the DOE that these port security initiatives should continue to be maintained in two departments. DOE is the primary agency responsible for international deployments of radiation detection equipment under the Second Line of Defense (SLD) program of which Megaports is a part. DOE/NNSA is uniquely suited to carry out the mission of the Megaports pro-

gram based on the years of experience we have in fostering relationships with foreign partner countries throughout the world through a variety of nonproliferation efforts. Additionally, DOE draws on the specialized expertise of the national laboratories and their decades of experience with the U.S. nuclear complex to implement the Megaports program. The laboratories play a key role in ensuring that the equipment we deploy can detect materials of concern and that our partner countries are trained well and are capable of operating the system once it is formally turned over to the host country.

With regard to the relationship between Megaports and the Container Security Initiative (CSI), DOE and DHS/CBP have built a strong, effective relationship and closely coordinate on the planning and implementation of their respective programs. The broad extent of coordination between Megaports and CSI is evident in the 20 joint outreach missions and port assessments that have been undertaken, the joint implementing agreements that have already signed, and efforts to identify additional opportunities to jointly implement both programs. For example, DOE has committed to providing radiation portal monitors at all of the 58 CSI ports.

Under the SFI, consistent with the SAFE Ports Act of 2006 and the September 11 Act of 2007, DOE and DHS/CBP have expanded their partnership, working together to deploy radiation detection systems (DOE/NNSA) and nonintrusive imaging systems (CBP) and to integrate the data from both systems together and provide it to U.S.-based Customs officials to use in evaluating potential threats from U.S. bound containers. The first three SFI pilot ports (Puerto Cortes, Honduras; Port Qasim, Pakistan; and Southampton, United Kingdom) became fully operational on October 12, 2007. Overall, DOE is pleased with the success of these pilot projects in demonstrating that 100 percent scanning of U.S.-bound containers is possible on a limited scale. We also feel that our partnership with DHS on SFI implementation has been very successful with each side bringing its unique expertise to the SFI.

Last, DOE also works closely with DHS' Domestic Nuclear Detection Office (DNDO) to shape the global nuclear detection architecture. DOE routinely exchanges information with DNDO to ensure that DOE's efforts support the comprehensive global nuclear detection architecture. In addition, DOE and DNDO are also jointly establishing operational requirements to support the development of future radiation detection systems. DOE supports DNDO's operational testing and evaluation program and continues to monitor DNDO technology development programs, as improvements in radiation detection equipment will benefit DOE international deployment efforts and help to further our nonproliferation goals.

Overall, we strongly believe that the partnership between DOE and DHS results in a more comprehensive, layered approach to effectively deter, detect, and interdict smuggling of nuclear and radioactive materials through the global maritime system.

5. Senator REED. Mr. Tobey, will the countries, or the port operators, in which the equipment is placed be responsible for the long-term maintenance and replacement of this equipment?

Mr. TOBEY. Yes, the long-term maintenance of the equipment deployed under the SLD Program (both the Core Program and the Megaports Initiative) is the responsibility of the host country. Following installation and testing of a deployed radiation detection system, DOE enters a period of maintenance and sustainability support. Although a country-specific maintenance and sustainability plan is created for each country, DOE typically assists the partner country for a period of up to 3 years following installation and acceptance of a system. During this period, DOE provides spare parts and maintenance support to the host country. A key component of the program, both before and during this period, is training of host country personnel. All host country personnel who will be responsible for long-term maintenance activities are trained on each component of the radiation detection system so that they are ready to maintain the system once it is officially turned over to the host government.

#### BORDER SECURITY

6. Senator REED. Mr. Tobey and Mr. Benkert, the CTR efforts to improve the border security of non-Russia former Soviet Union countries have increased substantially. The NNSA, through the SLD core program, is also focused on similar border security efforts. Both agencies are working in Azerbaijan, Kazakhstan, and Ukraine. How do you ensure that the border security and export control work in the former Soviet Union is coordinated and that there is no duplication?

Mr. TOBEY. DOE/NNSA's SLD and DOD's CTR programs coordinate closely on their border security programs in Azerbaijan, Kazakhstan, and Ukraine. Their ef-

ports are complementary, not duplicative. In response to a recommendation by the Government Accountability Office (GAO) in their May 2002 report "U.S. Efforts to Help Other Countries Combat Nuclear Smuggling Need Strengthened Coordination and Planning," DOE/NNSA and DOD/CTR have agreed that the DOE/NNSA SLD program will be the lead for installation of radiation detection systems at legal ports of entry outside the United States. Any deviations from this are carefully coordinated through meetings between DOE/NNSA and DOD/CTR at the management and project level, as well as at coordination meetings chaired by the DOS. Because DOD/CTR had started a program to install radiation detection at ports in Uzbekistan before this GAO recommendation, they completed the installation of this equipment at many border points in that country. DOE/NNSA now is assuming responsibility for funding the maintenance of those monitors. To eliminate uncertainty, DOE/NNSA and DOD/CTR signed a Memorandum of Understanding outlining respective agency responsibilities in Uzbekistan. DOE/NNSA and DOD/CTR work closely in Ukraine, where DOE/NNSA is installing detection equipment at ports of entry and DOD/CTR is addressing the green border threat. The agencies have conducted joint exercises in Ukraine, have coordinated equipment purchases, and meet on a regular basis in the United States and jointly with their Ukrainian counterparts to ensure their efforts are coordinated. Both agencies also routinely coordinate their efforts in Kazakhstan and Azerbaijan.

NNSA's International Nonproliferation Export Control Program (INECP), as part of the interagency Export Control and Related Border Security (EXBS) program coordinated by the DOS, assists countries of the former Soviet Union to develop and maintain effective national export control systems through long-term partnerships with counterpart technical experts and agencies that support export control licensing procedures and practices, industry compliance, and enforcement capacities. These activities, which are partially funded by EXBS, focus on controlling and interdicting WMD-related strategic "dual-use" commodities, and therefore do not duplicate the nuclear material interdiction activities sponsored by SLD or DOD/CTR.

Mr. BENKERT. The most frequent coordination between WMD-PPI and DOE's SLD is in regard to our project in Ukraine, where we are collaboratively engaged in enhancing the detection and interdiction of WMD and related materials in the Transnistria section of Ukraine's land border with Moldova. DOE's SLD program is installing radiation portal monitors and associated equipment at key ports of entry (PoEs) along this border, whereas the WMD-PPI project is providing WMD detection and interdiction training and equipment, and is installing a comprehensive surveillance/communications and command and control system designed to enforce capabilities along the whole border, with particular emphasis on the "green" border between PoEs. DOE has also collaborated with DOD in conducting exercises to evaluate the effectiveness of its assistance and the capacity of the Ukrainian Border Guard to absorb it, as well as collaborating on a comparative test of selected radiation pagers.

WMD-PPI projects in Azerbaijan and Kazakhstan are maritime projects and do not overlap with SLD projects at the current time, although in Azerbaijan, both of our Azerbaijani interlocutors belong to the State Border Guard.

WMD-PPI program officials work closely and regularly with DOE's SLD personnel to discuss ongoing and planned future projects and priorities, thus ensuring that land border projects are complementary and not duplicative. Additionally, DOE is currently maintaining radiation portal monitors which were installed by the DOD WMD-PPI program as an exception on a one-time basis (begun in a year in which DOE had a funding shortfall). The WMD-PPI program has no plans to install radiation portal monitors in any other country and considers DOE to be the U.S. Government lead for that type of assistance.

7. Senator REED. Mr. Tobey and Mr. Benkert, other agencies, such as the CBP Agency, the Department of Commerce, and the DOS are also engaged in related work. How do DOD and the DOE coordinate with other United States Government entities?

Mr. TOBEY. DOE/NNSA participates in coordination meetings chaired by the DOS, the National Security Council, and the Homeland Security Council, as well as project level meetings with CBP, the DOD, and the DOS. As an integral part of the U.S. maritime security strategy, DOE/NNSA's SLD program has established a close partnership with CBP. A complementary relationship exists between SLD's Megaports Initiative and CBP's CSI, which permits the two agencies to jointly engage their partner countries and create valuable synergy between these important programs. Consistent with the SAFE Ports Act of 2006 and the September 11 Act of 2007, this partnership has developed even further as SLD and CBP work together to deploy radiation detection systems (DOE/NNSA) and non-intrusive imaging sys-

tems (CBP) and to integrate the data from both systems together, thereby enhancing risk assessment tools for U.S. based Customs officials to use in evaluating potential threats from U.S.-bound containers. SLD and CBP access to foreign counterparts through these initiatives has been further leveraged by NNSA's INECP, resulting in the training of frontline inspectors in the interdiction of WMD-related dual-use commodities at dozens of ports worldwide. DOE/NNSA's SLD and INECP work closely with DOS's EXBS program and the Global Initiative to Combat Nuclear Trafficking to ensure U.S. assistance is not duplicative with other U.S. Government programs. Through its Interagency Working Group, EXBS provides the venue for coordination between all U.S. Government programs that address border security in the region, where embassies as well are sufficiently informed to understand the intersection of relevant U.S. Government program missions.

Mr. BENKERT. DOD's CTR program supports other interagency and international donor efforts. In countries where we have WMD-PPI projects, the U.S. Embassy conducts monthly meetings among U.S. Government border security assistance program officials to ensure assistance is complementary and supports U.S. Government objectives.

DOD is working with the DOS's EXBS and other assistance programs to bolster the abilities of the maritime forces of Azerbaijan and Kazakhstan to detect and interdict WMD and related materials on the Caspian Sea. We also coordinate with a U.S. Coast Guard officer stationed in Baku, who works with both governments' maritime forces to provide expert advice and assistance.

DOD is working closely with the other U.S. Government and international donors, including DOE's SLD, to ensure assistance on the Ukrainian border with Moldova is complementary and reinforcing.

DOD subject matter experts regularly consult with other U.S. Government experts and international donors, such as the IAEA and the European Union/Commission to share lessons learned and, to the extent practicable, standardize detection equipment.

DOD officials from the policy and implementation (Defense Threat Reduction Agency (DTRA)) arenas are regularly called upon to participate in a variety of interagency fora and conferences hosted by the NSC staff and the DOS, DOE, and DHS and in the international arena (particularly the European Union and IAEA) to ensure WMD-PPI projects are complementary and do not duplicate the work of other donors.

#### COOPERATIVE THREAT REDUCTION FUNDING

8. Senator REED. Mr. Benkert, the CTR program has been appropriated on the order of \$85 million above the fiscal year 2008 budget request, of which \$79 million is available for expenditure for a total of \$425.9 million in fiscal year 2008. The committee recently received the notification of \$405 million of the fiscal year 2008 funds. What in this notification was not planned when the fiscal year 2008 budget was submitted and how is this new work going to be sustained in fiscal year 2009?

Mr. BENKERT. The additional \$80 million appropriated in the fiscal year 2008 budget will be used for the following purposes:

- to eliminate one Delta III strategic ballistic missile submarine;
- to install additional Automated Inventory Control and Management System (AICMS) facilities at nuclear weapons storage sites and refresh technology provided at the original AICMS facilities (fully funded with fiscal year 2008 funds);
- to accelerate the Biological Threat Reduction program (an ongoing project with its own funding allocation);
- to support the proliferation prevention project in Kazakhstan (fiscal year 2009 funds requested);
- to fund storage of Ukraine's remaining SS-24s and reimburse the Ukrainians for propellant removal from the SS-24 loaded motor cases (fiscal year 2009 funds requested); and
- to contract for studies and assessments regarding new initiatives outside the former Soviet Union.

9. Senator REED. Mr. Benkert, the CTR program budget request for fiscal year 2009 is approximately \$11 million below the fiscal year 2008 appropriated level, with no funds having been requested for proliferation prevention work outside of the former Soviet Union in 2009. Why were no funds requested for work outside of the former Soviet Union?

Mr. BENKERT. The Department appreciates the changes provided by H.R. 1 and the National Defense Authorization Act for Fiscal Year 2009 and currently is working diligently with other U.S. Government agencies to develop projects, within existing authorities, outside the former Soviet Union. Although most of our large-scale projects in Russia are nearly completed, DOD remains committed to implementing several major programs in other former Soviet Union countries. During the fiscal year 2009 budget development process, DOD focused on completing these programs. At the same time, DOD was in the process of wrapping up the chemical weapons elimination project in Albania using existing funds, with no requirement for fiscal year 2009 funds.

At the time the fiscal year 2009 budget was submitted, the CTR program had only begun to assess candidates for work outside the former Soviet Union. The Department looks forward to sharing the results of these assessments as they are developed.

10. Senator REED. Mr. Benkert, the February notification of CTR funds does not include work outside the former Soviet Union. What is the plan for that money (\$10 million)?

Mr. BENKERT. A portion of the \$10 million is being used to conduct the legislatively mandated studies by the National Academy of Science to analyze options for strengthening and expanding the CTR Program and to identify areas for cooperation with states other than states of the former Soviet Union in the prevention of proliferation of biological weapons.

DOD is now in the process of developing criteria and has opened discussions with other U.S. Government departments and agencies to identify appropriate projects to undertake with countries outside the former Soviet Union. We expect to have our first results by summer. Based on these results, we will begin negotiations to establish the necessary framework to provide a capability to reduce threats and prevent the proliferation of WMD and WMD-related materials, technology, and expertise in the selected countries. We are also examining options for conducting CTR work in additional countries to see how we might be able to simplify the process to make the program more flexible and effective in the future.

11. Senator REED. Mr. Benkert, the February notification of CTR funds does not include the \$5 million provided in fiscal year 2008 for chemical weapons destruction in Libya. What is the plan for that money and what is the status of the Libyan chemical weapons destruction effort? Is DOD going to take on that project?

Mr. BENKERT. Libya has not requested any further assistance since it chose to terminate joint efforts with the DOS. The DOS has completed construction of an incinerator, which currently is being held in storage. As we understand it, the Libyans now have decided to use their own funds to contract with companies to destroy these weapons, which are old blister agent weapons. We are in close contact with our colleagues at the DOS to see if any additional assistance is required.

If no additional assistance is required, the Department would notify Congress of its intent to use the funds for other CTR purposes.

#### IRAQI CHEMICAL WEAPONS

12. Senator REED. Mr. Benkert, when is the study dealing with destruction and disposal options for Iraqi chemical weapons going to be completed, and when it is completed, would you please provide a copy of the study to this subcommittee?

Mr. BENKERT. The Office of the Secretary of Defense and the Joint Staff, in concert with U.S. Central Command, the military departments, and the DTRA, are assessing options for the final disposition of recovered chemical weapons found in Iraq, including the chemical weapons stored at the Muthanna State Establishment. The assessment requires a thorough technical feasibility review of each option, taking into account safety hazards, security and environmental risks, and potential implications and treaty requirements when Iraq accedes to the Chemical Weapons Convention. OSD will host a meeting of technical experts in June to review the feasibility of each of the options. Additionally, completion of the assessment is dependent on the results of a site survey at Muthanna. The site survey will take place in two stages. First, an initial site survey will develop the necessary courses of action for conducting a second, more intrusive site survey. The results of the site survey and

the meeting will determine if there is enough information to make a final recommendation, or if additional steps are required prior to making a final recommendation. At the conclusion of the assessment, we will be available to provide a summary of the findings and the recommended courses of action.

[Whereupon, at 11:26 a.m., the subcommittee adjourned.]

