Chairwoman Landrieu, members of the subcommittee, thank you for this opportunity to discuss the Department of Energy/National Nuclear Security Administration (DOE/NNSA) Second Line of Defense (SLD) Program and its role in preventing nuclear smuggling.

Since the breakup of the Soviet Union and the resulting fragmentation of its security structures, this department has been in the forefront of the fight against those who would attempt to steal or divert nuclear weapons or materials. Today—and housed under one roof in the Office of International Material Protection and Cooperation (NA-25) that I direct—we are able to take a layered approach to the nuclear smuggling problem. Our Material Protection Control and Accounting (MPC&A) program works at Russian nuclear sites and in so doing forms a first line of defense. I am pleased to report that because of increased program funds, a new access agreement and
Secretary Abraham’s leadership, we estimate that we will be able to shorten the timeline for the completion of physical security upgrades at Ministry of Atomic Energy sites from 2008 to 2006. We will protect some 600 metric tons of highly enriched uranium and plutonium, enough material to make over 40,000 nuclear devices.

Let me turn to Second Line of Defense (SLD). Recognizing the complementary mission objectives of MPC&A and SLD, last fall NNSA management merged SLD with MPC&A, as recommended by the Administration review of nonproliferation assistance to Russia. This change has resulted in enhanced communication and cooperation between the programs.

While our MPC&A work is perhaps more easily recognized because of its size, the SLD Program has its own accomplishments. We will have installed by the end of this fiscal year over 230 portal monitors at over 20 Russian sites, including ports, seaports and border crossings. This year we have conducted surveys of another 36 Russian sites, 31 sites in Kazakhstan and 1 in Ukraine. We believe about half of those surveyed sites can be completed in FY03 with proper support and funding. We prioritize the selection of sites with great care, consulting regularly with experts at the State Department and in the IC. All of our gear has nuclear and radioactive material detection capabilities and is optimized to detect smuggled material. Most important of all, these sites work.

The Russian Customs Service provides us information on the operation of the portal monitors and allows us to confirm their use. Each monitor has an occupancy sensor
and video log that confirms its use. Information from our Russian colleagues and data logs show that over 400,000 vehicles, 22,000 rail cars and 2,050,000 pedestrians have been monitored since 1999. As a result of this monitoring, we believe it highly unlikely that significant amounts of nuclear material have been smuggled successfully through the sites that have deployed our equipment. This is direct threat reduction work, achieved as I mentioned, with a very modest investment.

As you know, the GAO in its thorough report raised a series of issues related to the Department's internal organization of its border monitoring work. I am pleased to inform you that based on the GAO recommendations and our own internal management review that a small program in another part of the Department doing border monitoring work is in the process of being merged into the SLD program.

Mr. Chairmen, the successful theft or diversion of even small amounts of nuclear or radioactive materials would have profound implications for our nation. We know that those who wish us ill are only limited by their opportunities, resources and expertise. SLD takes away those resources and opportunities.

Thank you and I look forward to your questions.