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Good afternoon. It's a pleasure to be here today and I want to thank Gene Gleason, David Blee and Elizabeth DeMoss for inviting me to speak.

The mission of the National Nuclear Security Administration's Office for Defense Nuclear Nonproliferation is to detect, secure and dispose of dangerous nuclear and radiological materials. Transportation issues are central to the work that we do. From the repatriation of spent fuel to the collection of radiological sources we rely on secure transportation. At the same time, we work to prevent the illicit transport of nuclear materials through our Megaports and Second Line of Defense programs.

GTRI

Under the Global Threat Reduction Initiative, we are engaged in the repatriation of Russia-origin highly enriched uranium and U.S.-origin

spent fuel throughout the world. We are also responsible for the removal of high-risk, vulnerable highly enriched uranium and plutonium under our Gap materials program.

For the past nine years we have partnered with NAC International in the transport and return of U.S.-origin spent fuel from Other Than High Income Economy (OTHI) countries under the Foreign Research Reactor Spent Nuclear Fuel Acceptance Program. I would like to take this opportunity to thank NAC International for their contributions to the success of GTRI.

Historically, the national laboratories have contracted with private firms or have directly removed most of the radiological material and HEU under GTRI. On April 16th, the NNSA announced that it has selected three small businesses to perform up to 100 million dollars in nuclear nonproliferation work. These new contracts will allow us to directly contract much of this work with the private sector.

The transportation of nuclear material under GTRI poses a number of challenges to transporters. In some cases, very large quantities of

extremely sensitive nuclear material must be moved great distances. In December of last year, we worked with the Russian Federal Atomic Energy Agency, or Rosatom, and International Atomic Energy Agency counterparts to repatriate over 590 pounds of highly enriched uranium from Dresden, Germany to Russia. To date, 15 shipments of approximately 1,092 pounds of HEU fresh and spent fuel have been returned to Russia from Serbia, Romania, Bulgaria, Libya, Uzbekistan, Latvia, the Czech Republic, Poland, and the former East Germany.

Transportation Security Project

We have been involved in working to ensure safe, secure transportation of nuclear materials and warheads in Russia since 1994. Initially this work began with a project to upgrade railcars that were used to transport nuclear materials. Soon afterward, we launched a separate project to provide trucks to transport nuclear materials around Russian nuclear buildings and facilities.

In the late 1990s these two separate projects were merged into one and renamed the Transportation Security Project (TSP). Since 1997 the TSP has provided railcars, trucks, and armored steel shipping

containers in which radiological materials may be packed for transport.

Through a partnership with Rosatom, we provide transportation for sensitive materials at various sites throughout the Russian nuclear complex. We are also involved in efforts to enhance security at nuclear facilities and rail transfer points in order to facilitate the safe transportation of nuclear materials and warheads.

In response to Rosatom's decision to begin transporting some of its nuclear assets via overland truck convoys in lieu of railcars, we are preparing to provide our Russian counterparts with a nominal number of heavy-duty trucks. In certain parts of Russia, and under certain circumstances, this will offer a more efficient, more cost-effective means of shipping nuclear materials from site to site.

Megaports

In 2003, NNSA established the Megaports program in response to the fear that terrorists and states of concern could use the global maritime shipping lanes to smuggle nuclear or other radiological material. The Megaports mission is focused on preventing the

trafficking of nuclear material or weapons to our border as well as interdicting nuclear smuggling attempts within regions of concern. In support of these objectives, we work with host nations to install radiation detection equipment at foreign ports to provide the capability to scan containerized cargo for potential presence of radiation.

We have been installing radiation portal monitors overseas for more than a decade at land borders, seaports, airports, and nuclear facilities, mostly in the Former Soviet Union. With this expertise, it was a natural progression for the program to develop the Megaports Initiative.

The Megaports Initiative began with a focus on 20 international seaports identified by the Department of Homeland Security's Container Security Initiative (CSI) program. CSI had selected these initial seaports based solely on the volume of ships en route to the United States. Based upon consultations within the US interagency, private-sector threat specialists and our national labs we added a threat component to our prioritization strategy. This led to the current list of approximately 70 ports of interest under Meagaports.

The Megaports program works with foreign governments to install specialized radiation detection equipment at international seaports. The program's mission is to enhance a country's capabilities to deter, detect and interdict illicit shipments of nuclear and other radioactive materials. The initiative is currently operational in eight countries (Greece, the Netherlands, Bahamas, Sri Lanka, Singapore, Spain, the Philippines and Belgium), with operational testing underway in three additional countries (Thailand, Honduras and Pakistan), and at various stages of implementation in approximately 13 other countries.

We maintain a close partnership with the U.S. Department of Homeland Security. We leverage the synergies between Megaports and DHS/CSI with joint engagement of many partner countries.

Consistent with the SAFE Ports Act legislation, the Megaports Initiative and CSI are working together on a new maritime security initiative called the Secure Freight Initiative. Data from radiation detection equipment provided by DOE and from non-intrusive imaging equipment provided by DHS will be integrated to enhance

the identification of high risk containers and facilitate the prompt resolution of potential nuclear or radiological threats. The initial phase of SFI will be a partnership between the host governments, commercial container shipping entities and the U.S. Government. Together our aim is to increase the numbers of containers that are physically scanned for nuclear and radiological materials throughout the maritime supply chain and to create a detailed record of each U.S. bound container.

Just this week we supplied cutting-edge technology to Customs and Border Protection officers in Honduras under the SFI. Honduran officials will now transmit, in near real-time, data gathered from scanning of U.S. bound containers to U.S. Customs and Border Protection Officers abroad and to the National Targeting Center in the United States.

Ensuring that SFI and Megaports security measures do not impede the free flow of trade is paramount to making these efforts successful. Commercial enterprise participation and cooperation will be crucial. In the first phase of SFI, we will assess the feasibility of integrated

scanning of 100% of U.S. bound containers in overseas locations. This phase will be funded, in large part, by the U.S. government. However, we anticipate that potential future phases will require significant private sector resources.

Conclusion

Overcoming transport-related challenges in a way that advances our nonproliferation objectives without hindering commerce is critical to our mission. It is important that we continue to find ways to partner with the transportation industry to this end. Thank you for your interest in nonproliferation. I am happy to take questions.