

Fiscal Year (FY) 2004/FY 2005 Biennial Budget Estimates
Former Soviet Union Threat Reduction
Appropriation
(Cooperative Threat Reduction Program)



February 2003

DEFENSE THREAT REDUCTION AGENCY
Fiscal Year (FY) 2004/FY 2005 Biennial Budget Estimates
Former Soviet Union Threat Reduction

Summary:

<u>FY 2002</u>	<u>Price</u>	<u>Program</u>	<u>FY 2003</u>	<u>Price</u>	<u>Program</u>	<u>FY 2004</u>	<u>FY 2005</u>
<u>Actual</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>	<u>Estimate</u>
400.199	4.402	9.761	414.362	6.215	30.223	450.800	410.200

I. Description of Operations Financed:

The mission of the Cooperative Threat Reduction (CTR) program is to prevent the proliferation of weapons of mass destruction (WMD) and related materials, technologies and expertise from former Soviet Union (FSU) states, preferably through the safe destruction of Soviet era WMD, associated delivery systems and related infrastructure. The Department of Defense (DoD) has expanded the strategic focus of the CTR program to support the Global War on Terrorism. It has broadened the scope of Biological Weapons Proliferation Prevention activities and initiated a program to enhance the border control capabilities of non-Russian FSU states.

The CTR program directly supports the U.S. National Security Strategy and Strategy to Combat WMD and contributes to national security by reducing the WMD threat to U.S. and allies; denying rogue states and terrorists access to WMD and related materials, technologies and expertise; exploiting the Soviet legacy of pathogens, data and expertise to enhance preparedness against biological threats; contributing to stability and cooperation in the FSU; and expanding U.S. influence in the FSU states. At the source, the CTR program dismantles strategic weapons delivery systems and infrastructure, enhances the security of WMD and weapons material, prevents proliferation of weapons technology, materials, and expertise and facilitates defense and military contacts to encourage military reductions and reform. At the borders of non-Russian FSU states, the CTR program is improving means to prevent WMD proliferation. CTR program objectives address high priority security and proliferation concerns in Russia and the other FSU states.

The Administration has taken a new approach toward providing assistance to Russia that stringently applies the conditions that must be met to certify Russia for CTR and Freedom Support Act (FSA) assistance and requires strict accountability and oversight for collaborative bio research projects. Concern over Russian commitment to comply with the

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I. Description of Operations Financed (Continued):

Biological and Chemical Weapons Conventions (BWC and CWC respectively) and to forego military modernization that exceeds legitimate defense requirements resulted in the Administration not certifying Russia in fiscal year (FY) 2002 and FY 2003. Instead, the Administration requested and exercised certification waivers in order to be able to continue to provide CTR and FSA assistance to Russia because of its important contributions to U.S. national security.

CTR Program objectives and related assistance activities are described below.

A. Objective One: Dismantle former Soviet Union WMD and associated infrastructure.

The potential proliferation of WMD, delivery systems and related technologies is a serious threat to U.S. and international security. DoD, through the CTR Program, seeks to reduce this threat by providing assistance to FSU states to dismantle WMD and associated delivery systems and infrastructure.

The Strategic Offensive Reduction Treaty (Moscow Treaty) signed on May 24, 2002 commits each party (U.S. and Russia) to reduce the aggregate number of strategic nuclear warheads to 1700-2200. DoD, through the CTR program, assists Russia in dismantling Russian intercontinental ballistic missiles (ICBMs); silo launchers and road and rail mobile ICBM launchers; submarine launched ballistic missiles (SLBMs) and associated submarines; and WMD infrastructure.

Assisting Ukraine in eliminating SS-24 ICBMs is also a priority for the CTR program. All SS-24 missiles were removed from their silo launchers, and the silo launchers and launch centers were eliminated in accordance with START I requirements. Missile disassembly was completed in January 2002, and 163 missile motors are stored in CTR-constructed or renovated facilities. An SS-24 solid rocket motor propellant disposition facility will be built to remove the propellant from the missile motors and permit safe elimination. Additionally, DoD will assist Ukraine in eliminating Tu-142 Bear and TU-22M Backfire bombers and KH-22 nuclear capable air to surface missiles.

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I. Description of Operations Financed (Continued):

Biological weapons (BW) capabilities in FSU states also pose a significant threat to U.S. national security. DoD estimates that approximately 40 Biological Research and Production Centers (BRPCs) are located in FSU states. DoD has funded a project to dismantle infrastructure associated with BW production or research at Soviet legacy facilities. This project will eliminate infrastructure, equipment, and facilities previously used to perform BW related research and/or produce BW.

As a State Party to the CWC, Russia has agreed to eliminate its stockpile of chemical weapons and demilitarize its former CW production facilities. Subject to Russia's being certified for the conditions specified by Congress or a presidential waiver being authorized and exercised in FY 2004 and beyond, CTR assistance will continue to fund construction of a CW destruction facility (CWDF) for organophosphorus (nerve) agent-filled artillery munitions. DoD will construct the CWDF near the Shchuch'ye CW storage facility which contains approximately 47 percent of the Russian nerve agent-filled artillery munitions (estimated at 5,460 metric tons in nearly two million rocket and tube artillery warheads/projectiles). Additionally, CTR assistance supports demilitarization of OAO Khimprom former nerve agent production facilities at Volgograd and Novocheboksarsk in Russia, and the Pavlodar chemical weapons production facility in Kazakhstan. Demilitarization will decontaminate, dismantle and destroy specialized equipment and features related to the production, transfer and storage of chemical agents/weapons and their precursors as outlined in the CWC.

The CTR program also is eliminating WMD infrastructure in Ukraine and Kazakhstan. These programs will eliminate nuclear weapons storage areas, equipment and infrastructure at liquid propellant storage facilities, and facilities at airbases that supported long-range heavy bomber operations.

B. Objective Two: Consolidate and secure FSU WMD and related technology and materials.

CTR assistance is central to U.S. and international efforts to prevent the proliferation of nuclear weapons and fissile material, dangerous biological pathogens and chemical weapons in FSU states.

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I. Description of Operations Financed (Continued):

The CTR Program in Russia encourages nuclear warhead dismantlement; provides enhanced security for strategic and tactical nuclear warheads in storage; and provides safe and secure storage for fissile material from dismantled nuclear warheads. The CTR Program assists in the secure transport of an estimated 2000-2500 nuclear warheads per year to dismantlement or secure storage facilities. Conclusion of a limited access protocol and associated arrangement with the Ministry of Defense (MOD) will enable DoD to enhance security at more than 40 nuclear storage areas throughout Russia. CTR assistance is coordinated with the Department of Energy's (DOE) Materials Protection, Control and Accounting assistance program.

CTR is assisting Kazakhstan in preventing the proliferation of previously unsecured nuclear materials.

CTR provides enhanced security and safety systems for dangerous virus and bacteria pathogen repositories at biological research centers. This assistance will help prevent the theft, diversion, or accidental release of dangerous biological pathogens.

C. Objective Three: Increase transparency and encourage higher standards of conduct.

CTR assistance under the Nuclear Weapons Storage Security program is helping the Russian MOD establish a personnel reliability program to enhance its ability to screen and evaluate personnel who have access to nuclear weapons.

CTR Cooperative Bio-Defense Research (CBR) enhances the U.S. capability to prevent proliferation of the former Soviet BW scientific and technology base to rogue states and terrorist groups, while increasing transparency at FSU bio facilities. Research projects address biotechnology issues between U.S. and FSU scientists in the areas of force health protection, medical countermeasures, counter-terrorism and modeling. They provide the U.S. access to scientific expertise and the opportunity to transfer dangerous pathogens to the U.S. for forensics reference. Collaborative research through DoD's partnership with the International Science and Technology Center (ISTC) encourages higher standards of openness, ethics and conduct at the scientist level and preempts potential "brain drain"

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I. Description of Operations Financed (Continued):

of scientists to rogue states. Due to continuing concerns over Russia's compliance with the BWC, stringent management oversight is enforced for CBR activities in Russia.

D. Objective Four: Support defense and military cooperation with the objective of preventing proliferation.

The WMD Proliferation Prevention Initiative will enhance the capability of non-Russian FSU states to deter, detect, and interdict illicit trafficking of WMD and related materials, and to respond to WMD incidents at the border or in country. DoD will provide equipment, training, infrastructure and logistics support to enhance national and regional capabilities to prevent the proliferation of WMD, components, and materials to terrorists, rogue states, or organized crime groups.

In the Biological Weapons Proliferation Prevention area, DoD will undertake new Bioattack Early Warning And Preparedness activities that will strengthen DoD's ability to detect and diagnose outbreaks, to attribute them to natural or terrorist causes, to access real-time, unfiltered medical intelligence, to consolidate pathogen collections into central labs, to modernize diagnostic capabilities to minimize need for pathogen retention at vulnerable field stations, and to develop a network of trained, ethical partner scientists equipped to prevent, deter, and contain a bioattack. This project also will enhance Russian smallpox vaccine production capacity to deter and counter smallpox terror threats outside the United States.

The CTR Program also supports expanded contacts between defense establishments to promote counter-proliferation, demilitarization and democratic reforms in FSU states. DoD has negotiated a series of implementing arrangements with FSU states that govern the Defense and Military Contacts program. DoD has provided support to 32 separate major commands, service headquarters, and subordinate commands for approximately 1,400 events between the U.S. and FSU states. Future events will include exchange visits between the Secretary of Defense and the Chairman, Joint Chiefs of Staff with their FSU states' counterparts; visits between naval, air and ground units; bilateral exercises and ship visits; and visits of the nation's senior officials. Participating states currently include Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Ukraine, and Uzbekistan.

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I. Description of Operations Financed (Continued):

E. Other Program Support: (Supports all four objectives)

Other Assessments/Administrative Support funds the Audits and Examination (A&E) program as identified in the appropriate umbrella and implementing agreements with CTR Program recipient states and overall program management and administration costs. The A&E program ensures that DoD-provided equipment, services, and training are fully accounted for, used effectively and efficiently for the purpose intended, and support CTR Program objectives. Additional CTR funding is required to support CTR delegation and technical teams' travel expenses, translator/interpreter support, and scientific, engineering and technical assistance.

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II. Force Structure Summary:

A. Strategic Offensive Arms Elimination (SOAE) - Russia: Assists Russia in eliminating and destroying strategic delivery systems and infrastructure on a timeline previously based on START II implementation and accelerated for the timelines of the Moscow Treaty. CTR assistance is an incentive for Russia to draw down its legacy of former Soviet nuclear forces, thereby reducing opportunities for their proliferation or use. DoD is providing, through the CTR program, equipment and services to destroy or dismantle ICBMs, ICBM silo launchers, and road/rail mobile launchers, SLBMs, SLBM launchers and associated strategic submarines, and WMD infrastructure. Also, CTR assistance supports the disposition of spent naval reactor fuel from dismantled SSBNs and the provision of emergency response support equipment. Written legal commitments are replacing good faith obligations whenever CTR provides infrastructure or equipment to carry out these elimination projects.

B. Weapons Storage Security - Russia: CTR assistance is providing MOD an enhanced inventory control and management system to track strategic and tactical nuclear weapons; improved security at nuclear weapons storage sites that have both strategic and tactical weapons; guard force training; and personnel reliability program equipment and training to deter the theft, diversion, or sabotage of both strategic and tactical nuclear weapons.

C. Weapons Transportation Security - Russia: CTR assistance supports the safe and secure transportation of nuclear warheads from operational sites to dismantlement or secure storage facilities. MOD provides technical and security personnel and their equipment. CTR assistance will be used to certify and maintain MOD nuclear weapons transportation cargo and guard rail cars, to include life extension. If life extension and certification is unsuccessful, DoD may procure nuclear weapons cargo and guard railcars with improved alarm, monitoring and access denial systems. DoD will require written legal commitments from MOD to use the new cars to transport nuclear weapons to enhanced storage or dismantlement facilities. DoD also will continue to enhance MOD's nuclear weapons accident response capability.

D. Chemical Weapons Destruction (CWD) - Russia: CTR assistance supports the U.S. objectives of eliminating CW and preventing proliferation of CW capabilities to rogue states and terrorist groups. The CTR program is assisting in the design and construction

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II. Force Structure Summary (Continued):

of the CWDF for organophosphorus (nerve) agent filled munitions in FY 2003. Continued CTR support is contingent upon Russia's meeting congressional conditions for this assistance or Congress's providing, and the President's exercising, a waiver for these conditions in FY 2004 and beyond. A legally binding commitment that all nerve agent will be eliminated at Shchuch'ye is required. The CWD program area also assists in demilitarizing former CW production facilities in Russia.

E. Elimination of Weapons Grade Plutonium Production - Russia: DoD has transferred this project to DOE this year pursuant to Section 3151 of the FY 2003 National Defense Authorization Act, Public Law 107-314. Funds associated with this project also are transferring to DOE.

F. Strategic Nuclear Arms Elimination (SNAE) - Ukraine: Assists Ukraine in destroying nuclear delivery systems and infrastructure to prevent the proliferation of ICBM technology. CTR assistance has helped disassemble all SS-24 missiles; operate and maintain facilities to temporarily store SS-24 missile motors; and eliminate accountable missile components per START protocols. The CTR program will eliminate Tu-142 bombers, Tu-22M bombers and Kh-22 nuclear capable air to surface missiles.

G. Weapons of Mass Destruction Infrastructure Elimination (WMDIE) - Ukraine: Eliminates equipment and facilities that were used to support the deployment and operation of weapons of mass destruction. Equipment and infrastructure at liquid missile propellant storage facilities, facilities for storage and maintenance of nuclear weapons, and infrastructure at former heavy bomber bases are being dismantled and eliminated.

H. Weapons of Mass Destruction Infrastructure Elimination (WMDIE) - Kazakhstan: Supports projects to secure fissile and radioactive materials, and eliminates equipment and facilities that were used in support of weapons of mass destruction. Equipment and infrastructure at liquid missile propellant handling and storage facilities, a former nuclear weapons storage area, and a former chemical weapons production facility will be dismantled and eliminated.

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II. Force Structure Summary (Continued):

I. Biological Weapons (BW) Proliferation Prevention: CTR assistance consolidates and secures or eliminates dangerous pathogen collections at biological research institutes; dismantles former Soviet BW research and production facilities; targets collaborative research to prevent the proliferation of expertise and to encourage higher standards of openness, ethics, and conduct at the scientist level; and provides bioattack early warning and preparedness. DoD is partnering with the International Science and Technology Center (ISTC) for projects in Russia, and continues to pursue an implementing agreement. Implementing agreements are in effect with Kazakhstan, Uzbekistan, and Georgia, and an agreement with Ukraine is nearing signature.

J. WMD Proliferation Prevention: CTR assistance will enhance the capability of non-Russian FSU military, internal security forces, border guards and customs forces to prevent, deter, detect and interdict unauthorized movement of WMD or related materials across borders, and to respond effectively to WMD incidents at the border.

K. Defense and Military Contacts: CTR funding expands contacts between defense establishments to promote counter-proliferation, demilitarization and democratic reform. The Defense and Military Contacts program is intended to: encourage and assist FSU states in downsizing their defense establishment; encourage support for democratic reform; assist the FSU states' military to better understand Western society, including civil-military relations; and to support mutual counter-proliferation objectives.

L. Other Assessments/Administrative Support: CTR funding supports a congressionally mandated Audits and Examinations (A&E) program and overall program administrative and support costs. Activities include CTR delegation and technical team travel, translator/interpreter support, project requirements development, embassy support costs, and contracted technical and analytical program support.

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III. Financial Summary (FSU: \$ in Thousands):

A. <u>Sub-Activity Group</u>	FY 2003				FY 2004 <u>Estimate</u>	FY 2005 <u>Estimate</u>
	FY 2002 <u>Actuals</u>	Budget <u>Request</u>	Appro- <u>priation</u>	Current <u>Estimate</u>		
A. Strategic Offensive Arms Elimination-Russia	133,405	70,500	70,100	70,100	57,600	72,800
B. Weapons Storage Security-Russia	55,000	40,000	39,800	39,800	48,000	84,600
C. Weapons Transportation Security-Russia	9,500	19,700	19,600	19,600	23,200	26,200
D. Chemical Weapons Destruction-Russia	50,000	133,600	132,900	132,900	200,300	121,800
E. Elimination of Weapons Grade Plutonium Production-Russia 1/	41,700	0	0	0	0	0
F. Strategic Nuclear Arms Elimination-Ukraine	50,000	6,500	6,400	6,400	3,900	3,800
G. WMD Infrastructure Elimination-Ukraine	6,024	8,800	8,700	8,700	0	0
H. WMD Infrastructure Elimination-Kazakhstan	6,000	9,000	8,900	8,900	0	6,900
I. BW Proliferation Prevention	17,000	55,000	54,700	54,700	54,200	40,300
J. WMD Proliferation Prevention	0	40,000	39,800	39,800	39,400	19,700
K. Defense and Military Contacts	18,349	18,900	18,800	18,800	11,100	18,700
L. Other Assessments/Administrative Support	<u>13,221</u>	<u>14,700</u>	<u>14,662</u>	<u>14,662</u>	<u>13,100</u>	<u>15,400</u>
Total	400,199	416,700	414,362	414,362	450,800	410,200

1/ DoD is working with OMB to transfer prior-year unobligated balances associated with this program to DOE.

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III. Financial Summary (FSU: Dollars in Thousands) (Continued):

B. Reconciliation Summary

	<u>Change</u> <u>FY 2003/FY 2003</u>	<u>Change</u> <u>FY 2003/FY 2004</u>	<u>Change</u> <u>FY 2004/FY 2005</u>
1. Baseline Funding	416,700	414,362	450,800
a. Congressional Adjustments (Distributed)	0	N/A	N/A
b. Congressional Adjustments (Undistributed)	-2,338	0	0
c. Congressional Adjustments (General Provisions)	0	0	0
d. Congressional Earmarks	0	0	0
e. Congressional Earmark Billpayers	0	0	0
2. Appropriated Amount (Subtotal)	414,362	0	0
Adjustments to meet Congressional Intent	0	0	0
Across-the-board Reduction (Rescission)	0	0	0
Approved Reprogrammings/Transfers	0	0	0
3. Price Change	-1,601	6,215	7,213
4. Program Changes	1,601	30,223	-47,813
5. Current Estimate	414,362	450,800	410,200

C. Reconciliation of Increases and Decreases:

1. FY 2003 President's Budget		416,700
2. Congressional Adjustment (Distributed)	0	
Total Congressional Adjustment (Distributed)		0
3. Congressional Adjustment (Undistributed)		
a. Management Headquarters Reduction	-2,338	
Total Congressional Adjustment (Undistributed)		-2,338
4. Congressional Adjustment (General Provisions)		0
5. Congressional Earmarks		0
6. FY 2003 Appropriated Amount		414,362
7. Price Change		-1,601
8. Program Increases		
a. Strategic Offensive Arms Elimination-Russia	701	
Procure four transport/storage containers for spent naval fuel.		

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III. Financial Summary (FSU: Dollars in Thousands) (Continued):

C. Reconciliation of Increases and Decreases (cont'd):		
b. Weapons Storage Security-Russia(FY 2003 Base: \$40,000)	220	
Procure reliability and safety equipment to include 20,000 urinalysis test cups.		
c. Weapons Transportation Security-Russia	38	
Supports maintenance of 115 MOD nuclear weapons transport railcars.		
d. Strategic Nuclear Arms Elimination-Ukraine	200	
Supports construction of solid rocket motor disposition facility.		
e. Weapons of Mass Destruction Elimination-Ukraine	24	
Supports elimination of three liquid propellant handling facilities.		
f. Weapons of Mass Destruction Elimination-Kazakhstan	24	
Supports elimination of nuclear weapons storage facility.		
g. BW Proliferation Prevention-FSU	68	
Completes funding for security enhancement project.		
h. Chemical Weapons Destruction-Russia	200	
Continues demilitarization of former CW production facility.		
i. Defense and Military Contacts	73	
Funds for two additional military exchanges.		
j. Other Assessments/Administrative Support	53	
Provides additional in country support in Russia.		
9. Total Program Increases		1,601
10. Total Program Decreases		0
11. Revised FY 2003 Current Estimate		414,362
12. Price Change		6,215

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III. Financial Summary (FSU: Dollars in Thousands) (Continued):

C. Reconciliation of Increases and Decreases (cont'd):

13. Program Increases:

a. Weapons Storage Security-Russia	7,603
Storage security upgrades for two additional facilities.	
b. Weapons Transportation Security-Russia	3,306
Manufactures ten additional nuclear weapons transport and guard railcars.	
c. Chemical Weapons Destruction-Russia	65,407
Additional funds for installation of equipment for the Chemical Weapons Destruction Facility and utility tie in.	

14. Total Program Increases 76,316

15. Program Decreases

a. Strategic Offensive Arms Elimination-Russia	-13,815
Reduced number of liquid fueled SLBM's to be dismantled and eliminated and prior year unobligated balances to obligate.	
b. Strategic Nuclear Arms Elimination-Ukraine	-2,596
Reduced funding for logistical support of CTR provided equipment at the propellant disposition facility.	
c. Weapons of Mass Destruction Elimination-Ukraine	-8,700
Completes funding for project to eliminate three liquid propellant handling facilities and three former heavy bomber bases.	
d. Weapons of Mass Destruction Elimination-Kazakhstan	-8,900
Completes funding for nuclear weapons storage area and liquid propellant and storage facility elimination.	
e. BW Proliferation Prevention-FSU	-1,321
Reduces funding available for training of FSU BW Scientists.	
f. WMD Proliferation Prevention-FSU	-997
Program startup costs complete.	

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III. Financial Summary (FSU: Dollars in Thousands) (Continued):

C. Reconciliation of Increases and Decreases (cont'd):

g. Defense and Military Contacts	-7,982
Forty percent reduction in funding. Prior year funds combined with FY 2004 funds will be used to accomplish the traditional level of DEFMIL Events.	
h. Other Assessments/Administrative Support	-1,782
Decreased cost for embassy support as prior year unobligated funds were programmed to this area.	
16. Total Program Decreases	-46,093
17. FY 2004 Budget Request	450,800
18. Price Change	7,213
19. Program Increases	69,151
20. Program Decreases	-116,964
21. FY 2005 Budget Request	410,200

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IV. Performance Criteria and Evaluation Summary:

	(\$'s in Thousands)		
	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>
A. <u>Strategic Offensive Arms Elimination(SOAE)-Russia:</u>	133,405	70,100	57,600

FY 2002 funds will:

Eliminate 16 SLBM launchers and one associated SSBN;
 Transport, dismantle, and eliminate 43 liquid fueled SLBMs;
 Procure 48 transport/storage containers for spent naval fuel;
 Complete renovation of a spent naval fuel storage facility;
 Transport, dismantle and eliminate 55 liquid fueled ICBMs;
 Eliminate 18 liquid fueled ICBM silos;
 Partially eliminate two road mobile ICBM bases;
 Construct storage facilities for road and rail mobile solid propellant ICBMs;
 Transport, dismantle and eliminate 23 road mobile, solid fuel ICBMs/launchers;
 Remove propellant from 20 solid fuel SLBMs by open burn and eliminate the motor cases;
 Provide road and rail infrastructure for two open burn stands being refurbished by Russia to remove propellant from rail and road mobile missiles; and
 Provide consolidated logistical support to maintain CTR provided equipment.

FY 2003 funds will:

Initiate elimination of 36 SLBM launchers and two associated SSBNs;
 Procure 60 transport/storage containers for spent naval fuel;
 Partially eliminate two road mobile ICBM bases;
 Transport, dismantle and eliminate 33 road mobile, solid fuel ICBMs/launchers;
 Transport, dismantle and eliminate 10 rail mobile, solid fuel ICBMs/launchers;
 Transport, dismantle and eliminate 18 liquid fueled ICBMs and eliminate six additional liquid fueled ICBMs;
 Eliminate 16 liquid fueled ICBM silo launchers;
 Remove propellant from ten solid fuel SLBMs by open burn and eliminate the motor cases; and
 Provide consolidated logistical support to maintain CTR provided equipment.

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IV. Performance Criteria and Evaluation Summary (Continued):

A. Strategic Offensive Arms Elimination(SOAE)-Russia (Continued):

FY 2004 funds will:

Complete elimination of 36 SLBM launchers and two associated SSBNs;
Eliminate 32 SLBM launchers and two associated SSBNs;
Transport, dismantle, and eliminate 36 liquid fueled SLBMs;
Eliminate 16 liquid fueled ICBM silos;
Transport, dismantle and eliminate 14 liquid fueled ICBMs;
Eliminate two road mobile ICBM bases;
Transport, dismantle and eliminate 27 road mobile, solid fuel ICBMs/launchers;
Transport, dismantle and eliminate 8 rail mobile, solid fuel ICBMs/launchers; and
Provide consolidated logistical support to maintain CTR provided equipment.

(\$'s in Thousands)

B. Weapons Storage Security - Russia:

<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>
55,000	39,800	48,000

FY 2002 funds will:

Continue maintenance and life cycle support of the Automated Inventory Control and Management System at 19 sites;
Continue to procure additional portable drug and alcohol testing equipment;
Provide vulnerability analysis, site designs, site renovations, procurement, and installation for comprehensive security upgrades at six nuclear weapons storage sites;
Provide security upgrades to five road to rail nuclear warhead transfer sites;
Install perimeter security systems at 31 MOD nuclear weapons storage bunkers; and
Provide consolidated logistical support to maintain CTR-provided equipment.

FY 2003 funds will:

Continue maintenance and life cycle support of the Automated Inventory Control and Management System at 19 sites;

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IV. Performance Criteria and Evaluation Summary (Continued):

B. Weapons Storage Security - Russia (Continued):

Continue to procure additional personnel, reliability, and safety equipment to include 20,000 urinalysis test cups;

Provide vulnerability analysis, site designs, site renovations, procurement, and installation for comprehensive security upgrades at two to four MOD nuclear weapons storage sites;

Provide security upgrades to two road to rail nuclear warhead transfer sites; and

Provide consolidated logistical support to maintain CTR-provided equipment.

FY 2004 funds will:

Provide for the monitoring of PRP program development;

Provide vulnerability analysis, site designs, provide site renovations, procurement, and installation for comprehensive security upgrades at three to five MOD nuclear weapons storage sites;

Provide security upgrades to four road to rail nuclear warhead transfer sites; and

Provide consolidated logistical support to maintain CTR-provided equipment.

(\$'s in Thousands)

FY 2002	FY 2003	FY 2004
9,500	19,600	23,200

C. Weapons Transportation Security - Russia:

FY 2002 funds will:

Transport approximately 84 trainloads of deactivated nuclear warheads (2000 to 2500) from deployed locations to enhanced security storage sites and to dismantlement facilities.

FY 2003 funds will:

Transport approximately 84 trainloads of deactivated nuclear warheads (2000 to 2500) from deployed locations to enhanced security storage sites and to dismantlement facilities;

Provide maintenance and certification for 115 MOD nuclear weapons transport railcars;

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IV. Performance Criteria and Evaluation Summary (Continued):

C. Weapons Transportation Security - Russia (Continued):

Provide equipment and material to enhance MOD's capability to respond to nuclear weapons transportation accidents and more efficiently mitigate their consequences; and
Provide equipment to ensure the safe and secure transportation of nuclear weapons in support of dismantlement objectives.

FY 2004 funds will:

Transport approximately 84 trainloads of deactivated nuclear warheads (2000 to 2500) from deployed locations to enhanced security storage sites and to dismantlement facilities;
Provide maintenance and certification for 115 MOD nuclear weapons transport railcars;
Provide for the increasing tariffs and procurement of rail cars that support the transportation of nuclear weapons; and
Provide equipment to ensure the safe and secure transportation of nuclear weapons in support of dismantlement objectives, to include the manufacture of ten additional railcars.

(\$'s in Thousands)

D. <u>Chemical Weapons Destruction - Russia:</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>
	50,000	132,900	200,300

FY 2002 funds will:

Complete site preparation and limited site utilities;
Initiate construction of underground utility system;
Initiate construction of foundation and slabs for primary building;
Initiate construction of utility buildings;
Complete demilitarization of former CW production facilities at Volgograd; and
Continue demilitarization of former CW production facilities at Novocheboksarsk.

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IV. Performance Criteria and Evaluation Summary (Continued):

D. Chemical Weapons Destruction - Russia (Continued):

FY 2003 funds will:

- Continue construction of underground utility system;
- Continue construction of primary building;
- Continue construction of utility buildings;
- Initiate procurement of long lead items;
- Initiate construction of industrial support, safety and service buildings; and
- Continue demilitarization of former CW production facilities at Novocheboksarsk.

FY 2004 funds will:

- Continue procurement of long lead equipment;
- Continue construction of industrial support, safety and service buildings;
- Continue main process facility construction;
- Commence equipment installation; and
- Commence utility tie in to equipment and facilities; and
- Continue demilitarization of former CW production facilities at Novocheboksarsk.

	(\$'s in Thousands)		
	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>
E. <u>Elimination of Weapons Grade Plutonium Prod. - Russia:</u>	41,700	0	0

FY 2002 funds will:

DoD has transferred this program to the Department of Energy.

	(\$'s in Thousands)		
	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>
F. <u>Strategic Nuclear Arms Elimination (SNAE) - Ukraine:</u>	50,000	6,400	3,900

FY 2002 funds will:

- Provide storage for 163 SS-24 missile motors;
- Start design and construction of the solid propellant disposition facility; and
- Provide consolidated logistical support of CTR provided equipment.

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IV. Performance Criteria and Evaluation Summary (Continued):

F. Strategic Nuclear Arms Elimination (SNAE) - Ukraine (Continued):

FY 2003 funds will:

Continue design and construction of the solid propellant disposition facility.

FY 2004 funds will:

Continue design and construction of the solid propellant disposition facility.

(\$'s in thousands)		
FY 2002	FY 2003	FY 2004
6,024	8,700	0

G. WMD Infrastructure Elimination - Ukraine:

FY 2002 funds will:

Eliminate equipment and infrastructure at two liquid missile propellant handling and storage facilities; and
Initiate elimination of infrastructure at three former heavy bomber bases; and
Complete elimination of a nuclear weapons storage site.

FY 2003 funds will:

Eliminate equipment and infrastructure at another three liquid missile propellant handling and storage facilities; and
Complete elimination of airbase infrastructure at three former heavy bomber bases.

(\$'s in thousands)		
FY 2002	FY 2003	FY 2004
6,000	8,900	0

H. WMD Infrastructure Elimination - Kazakhstan:

FY 2002 funds will:

Continue to prevent proliferation of fissile and radioactive material;
Initiate infrastructure elimination at the Pavlodar CW production facility; and
Initiate the elimination of equipment and infrastructure at liquid missile propellant handling and storage facilities.

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IV. Performance Criteria and Evaluation Summary (Continued):

H. WMD Infrastructure Elimination - Kazakhstan (Continued):

FY 2003 funds will:

Continue to prevent proliferation of fissile and radioactive material;
Continue infrastructure elimination at the Pavlodar CW production facility;
Continue the elimination of equipment and infrastructure at liquid missile propellant handling and storage facilities; and
Demilitarize a former nuclear weapons storage site.

(\$'s in Thousands)

I. BW Proliferation Prevention:

FY 2002	FY 2003	FY 2004
17,000	54,700	54,200

FY 2002 funds will:

Initiate four and continue to implement 18 existing collaborative research projects (provide in-lab collaborators for dangerous pathogen research in Russia);
Provide biosafety training for scientists from former BW institutes;
Continue seven and initiate three new bio-security projects at former BW institutes with pathogen repositories; and
Continue dismantlement of BW infrastructure.

FY 2003 funds will:

Initiate additional and continue implementation of ongoing biodefense research (provide in-lab collaborators for dangerous pathogen research in Russia);
Provide biosafety training for scientists from former BW institutes;
Complete funding for three bio-security projects at former BW institutes with pathogen repositories;
Begin funding for dismantlement of one BW facility; and
Begin to provide advice, equipment, and training to establish a bio-attack early warning system that includes up to eight field stations in FSU states for BW diseases that enhances BW disease surveillance capabilities.

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IV. Performance Criteria and Evaluation Summary (Continued):

I. BW Proliferation Prevention (Continued):

FY 2004 funds will:

Initiate additional projects and continue implementing ongoing collaborative research (provide in-lab collaborators for dangerous pathogen research in Russia);

Purchase equipment required to support DoD sponsored research;

Provide bio-safety training for scientists at former BW institutes storing dangerous pathogens;

Initiate additional bio-safety projects at former BW institutes with pathogen repositories;

Continue BW infrastructure dismantlement; and

Consolidate pathogens from remote field stations and provide advice, equipment, and training to establish two additional field stations and install a computerized disease diagnostic capability for a bio-attack early warning system in Central Asia.

(\$'s in Thousands)

	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>
J. <u>WMD Proliferation Prevention - (non-Russia FSU):</u>	0	39,800	39,400

FY 2003 funds will:

Provide equipment and training to improve border control capabilities; and

Provide consolidated logistics support and maintenance training of CTR provided equipment.

FY 2004 funds will:

Provide equipment and training to improve border control capabilities; and

Provide consolidated logistics support and maintenance training of CTR provided equipment.

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IV. Performance Criteria and Evaluation Summary (Continued):

	(\$'s in Thousands)		
	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>
K. <u>Defense and Military Contacts:</u>	18,349	18,800	11,100

FY 2002 will fund approximately 611 defense and military exchanges.

FY 2003 will fund approximately 627 defense and military exchanges.

FY 2004 will fund approximately 370 defense and military exchanges.

	(\$'s in Thousands)		
	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>
L. <u>Other Assessments/Administrative Support:</u>	13,221	14,662	13,100

FY 2002 through FY 2004 funds will conduct 20 Audits and Examinations per year and fund contracts for technical and program support.

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V. Personnel Summary: N/A

VI. Summary of Price and Program Changes (\$ in Thousands):

Line Item	Description	FY 2002 Actuals	<u>Changes FY 2002 to FY 2003</u>			<u>Changes FY 2003 to FY 2004</u>			<u>Changes FY 2004 to FY 2005</u>		
			Price Growth	Program Growth	FY 2003 Estimate	Price Growth	Program Growth	FY 2004 Estimate	Price Growth	Program Growth	FY 2005 Estimate
0308	Travel of Persons	2,972	33	-1,000	2,005	30	345	2,380	38	-123	2,295
0399	Total Travel	2,972	33	-1,000	2,005	30	345	2,380	38	-123	2,295
0915	Rents (Non-GSA)	98	1	-99	0	0	0	0	0	0	0
0920	Supplies & Materials (Non-centrally managed)	80	1	-21	60	1	-1	60	1	-1	60
0925	Equipment Purchases (Non-centrally managed)	34,852	383	-9,375	25,860	388	2,144	28,392	454	49,594	78,440
0933	Studies, Analysis, & Evaluations	600	7	-7	600	9	-9	600	10	-10	600
0987	Other Intra-governmental Purchases	63,081	694	-613	63,162	947	-7,641	56,468	903	-6,775	50,596
0998	Other Costs	298,516	3,284	20,875	322,675	4,840	35,385	362,900	5,806	-90,497	278,209
0999	Total Other Purchases	397,227	4,369	10,761	412,357	6,185	29,878	448,420	7,175	47,690	407,905
9999	GRAND TOTAL	400,199	4,402	9,761	414,362	6,215	30,223	450,800	7,213	-47,813	410,200