

Testimony of Assistant Secretary of Defense  
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Subcommittee on Emerging Threats  
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COOPERATIVE THREAT REDUCTION PROGR\M

Thank you for inviting me to discuss the Department of Defense Cooperative Threat Reduction Program.

The Soviet Nuclear Threat Reduction Act of 1991 -- the Nunn-Lugar Act -- charged DoD with establishing a program to assist the Soviet Union and any successor states to destroy, safeguard and prevent the proliferation of weapons of mass destruction (WMD). The Department of Defense created the Cooperative Threat Reduction (CTR) program to implement the Nunn-Lugar Act. This program continues as an important element of our national security strategy of the 21st century. The Administration's review of nonproliferation and threat reduction assistance to Russia concluded that CTR has significantly contributed to U.S. national security. Through CTR, the U.S. has assisted states of the Former Soviet Union (FSU) to dismantle, consolidate, and secure WMD weapons of mass destruction and their associated delivery systems, infrastructure, and technology. Similarly, CTR's defense and military cooperation with the states of the FSU has also supported the objective of preventing proliferation.

Based on sustained support from Congress, DoD has obligated nearly \$3 billion since 1992. This investment has produced real dividends. Moreover, the DoD CTR program helped deactivate 5,829 nuclear warheads and eliminate 797 ballistic missile launchers, 92 heavy bombers, 21 ballistic missile submarines and 736 ballistic missiles. Belarus, Kazakhstan and Ukraine acceded to the Nuclear Nonproliferation Treaty in 1993 and 1994 based on promises of United States assistance to rid their countries of nuclear weapons. [Note: Belarus and Kazakhstan acceded to the NPT in 1993; Ukraine in 1994.] The CTR program helped fulfill this promise by 1996. CTR has also helped: 1) eliminate WMD infrastructure; 2) improve accountability for, and storage and transport security of, Russian nuclear warheads; and, 3) provide secure storage for weapons grade fissile material.

Five years ago, CTR initiated a biological weapons (BW) threat reduction and proliferation prevention program. The massive, highly covert Soviet offensive BW program left a legacy of vulnerable technology, pathogens, and expertise. Our first project in this area was the dismantlement of the Stepnogorsk anthrax production and weaponization facility in Kazakhstan. This facility was built to produce and weaponize

over 300 tons of agent during a wartime mobilization period. Today, its dismantlement is nearly complete. In cooperation with the U.S. Departments of State, Energy, Agriculture and Health and Human Services, DoD has been cooperating with biological research and production centers in Russia and Kazakhstan. These research projects have given us greater insight into the scope and magnitude of the FSU's BW program and are intended to prevent the proliferation of BW expertise to rogue states and terrorists. The BW proliferation prevention program area has grown to include securing dangerous pathogen collections and dismantlement of additional former Soviet BW production and research facilities.

CTR has enjoyed sustained bipartisan congressional support since its inception. The President's FY 2003 budget request includes \$416.7 million for DoD's CTR program, a slight increase over the \$400 million FY 2002 appropriation.

Recasting CTR

September 11 offered a vivid illustration of what a motivated terrorist organization can accomplish. The specter of terrorists armed with chemical or biological weapons is

especially chilling. In the post 9/11 environment, we need to ensure projects are vetted especially well from both counter-intelligence and counter-terrorism perspectives. CTR's current focus and organizational history lend themselves to addressing the new challenges we face in the post-9/11 environment. CTR needs evolve if it is to remain relevant to the most pressing national security threats facing the U.S. With continued support from Congress, we believe this important program can serve national security in the future as well as it has since its inception.

In this regard, we have recast both the objectives and the management structure of CTR. With respect to management, we have brought CTR's policy-making office under a new Deputy Under Secretariat, though it still reports through my office to the Under Secretary for Policy. The new office is the Deputy Under Secretary of Defense for Technology Security Policy and Counterproliferation. This office is responsible for the Department's input to the interagency export licensing process, through the Defense Technology Security Administration, as well as development of the Department's counterproliferation policies. We believe that there are cross-cutting national security issues among the areas of technology security, counterproliferation and nonproliferation that we can better address when the Department's expertise in these areas is under one organic management structure.

We expect CTR to play a key role as we try to realize policy and management synergies across these three areas. To go further, we have recast the objectives of the CTR program to sharpen the focus on emerging WMD and proliferation threats.

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#### Recast Objectives for the CTR Program

DoD has revised CTR program objectives to reflect high priority security and proliferation concerns in the FSU. These overarching objectives are to:

1. help dismantle former Soviet Union WMD, delivery systems, and associated infrastructure; |;~
2. help consolidate and secure FSU WMD and related technology and materials;
3. help increase transparency and encourage higher standards of conduct; and,
4. help support defense and military cooperation with the objective of preventing proliferation.

#### Dismantling FSU WMD, Delivery Systems, and Associated Infrastructure

The potential proliferation of FSU nuclear weapons, delivery systems and related technologies continues to pose a threat to U.S. national security. Several CTR program 11

areas assist the FSU in dismantling these items at their sources.

The President's FY 2003 budget request includes \$70.5 million for the Strategic Offensive Arms Elimination (SOAE) program area to assist Russia in reducing its strategic nuclear delivery systems. While this is a reduction from previous years, we have significant unobligated balances that we plan to apply to SOAE. Also, one of the larger areas under SOAE -- elimination of strategic nuclear submarines -- will require only about \$15M to \$20M total funding per year in FY 2003 and the future. Russia has fewer than 20 strategic ballistic missile submarines (SSBNs) remaining to dismantle, and we expect their launchers will be eliminated and the SSBNs dismantled at the rate of about two per year. In FY 2001, DoD helped Russia eliminate four SSBNs, 80 SLBM launchers, 99 SLBMs, 24 SS-18 launchers and 29 ICBMs.

In addition, Strategic Nuclear Arms Elimination projects have eliminated all of Ukraine's

START-accountable nuclear delivery system launchers and are helping to dismantle WMD infrastructure and delivery systems (i.e., SS-24 missiles, Tu-22M bombers, and Kh-22 nuclear capable air-to-surface missiles).

This year, DoD initiated a CTR project with Uzbekistan to eliminate the Soviet biological weapons testing complex on Vozrozhdeniye Island and to destroy anthrax that the Soviet military buried there. In addition, DoD is helping dismantle the former Soviet chemical weapons research, development and testing facility at Nukus. In FY 2001, this project dismantled and removed all pilot plant reactors, vessels and piping along with lab equipment, filtration systems and ducting.

The Administration's review of nonproliferation and threat reduction assistance to Russia endorsed the construction of a CW destruction facility at Shchuch'ye. Therefore, DoD is requesting \$133.6 million for the Chemical Weapons (CW) Destruction program

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area in Russia. These funds also will continue demilitarization of a former CW production facility in Russia. DoD is assessing whether the Secretary of Defense can certify CW destruction facility assistance for Russia in accordance with requirements of the FY 2002 National Defense Authorization Act. In the past two years design and site preparation have moved forward. This has permitted completion of construction procurement packages for over \$200 million worth of work. Thus, once Russia meets the six conditions, DoD will be able to obligate the requested funds for this project promptly.

In addition, we have completely eliminated all strategic arms from Kazakhstan. The FY 2003 budget request includes \$8.8 million for the WMD Infrastructure Elimination-Kazakhstan program area to continue efforts to consolidate and secure fissile and radioactive material, destroy equipment and facilities that were used to support the deployment and operation of Soviet WMD and delivery systems, including liquid missile propellant and a chemical weapons production facility.

#### Consolidate and Secure FSU WMD and Related Technology and Materials

DoD's CTR and DoE's nonproliferation programs support U.S. efforts to prevent the proliferation of FSU WMD and related technology by consolidating and securing nuclear weapons, fissile material, chemical weapons and dangerous pathogen collections.

DoD is seeking \$19.7 million for the Nuclear Weapons Transportation Security program with Russia to continue assisting in consolidation of nuclear weapons from Russia's Ministry of Defense (MOD) operational sites to Ministry of Atomic Energy (MinAtom) nuclear weapons dismantlement facilities. In FY 2001, DoD funded 53 rail shipments designed to carry nuclear warheads to dismantlement sites. We also funded the maintenance of 79 Russian railcars and contracted for specialized emergency response vehicles and nuclear weapons recovery equipment to support MoD training for accidents or incidents involving nuclear weapons.

We continue to be concerned with the potential for theft or diversion of Russian nuclear weapons. The \$40.0 million for the Nuclear Weapons Storage Security program area is significantly lower than requested each of the last two years as a result of significant unobligated prior year balances. We need to complete integration of enhanced storage site security systems, as well as secure better access to sites under Russian law. We hope Russia revises its existing statutes by summer 2002, at which time the program will be able to obligate funding. During FY 2001, we completed testing and finalized selection of a suite of security equipment to be installed at weapons storage sites. We think that the installation of physical security measures - preferably those which can be utilized without extensive training - is a good interim solution, pending eventual dismantlement of nuclear weapons stocks.

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While the FY 2003 budget requests no additional funds for the Fissile Material Storage Facility at Mayak, Russia, we anticipate completing construction of this facility in calendar year 2002. Once operational, it will provide centralized, safe, secure, and ecologically sound storage of up to 50 metric tons of weapons-grade plutonium and 200 metric tons of highly enriched uranium (HEU) removed from nuclear weapons. Russia plans to begin loading it with fissile material from dismantled nuclear weapons in late 2002 or early 2003.

Increased cooperation with former biological weapons designers and engineers in the FSU has enabled us to identify and gain access to research and production centers that house dangerous pathogens, technology, and expertise. The FY 2003 budget request includes \$55 million for the Biological Weapons Proliferation Prevention (BWPP) program area to consolidate, secure or eliminate dangerous pathogen collections at former Soviet biological research and production centers, and to dismantle former Soviet BW research and production facilities. In FY 2001, DoD continued four ongoing pathogen bio-security projects and developed bio-security projects at six additional sites; continued dismantlement of the former BW production facility at Stepnogorsk, Kazakhstan; and initiated dismantlement of the former BW test facility at Vozrozhdeniya Island.

#### Increase Transparency and Encourage Higher Standards of Conduct

A significant portion of the funds requested for the BWPP program area will also be used for targeted collaborative biological research to encourage higher standards of openness, ethics and conduct among scientists and preempt potential "brain drain" of former BW scientists to rogue states. DoD will partner with State Department's International Science and Technology Centers to initiate projects with scientists in Russia, Kazakhstan, Ukraine, Uzbekistan and Georgia. This collaborative research will enhance the transparency of FSU BW facilities. Through this effort, DoD has developed continuous, routine access to bench-level scientists, and leveraged their expertise to develop measures to counter bio-terrorism.

DoD intends to expand research cooperation with Ministry of Health institutes in Kazakhstan, Uzbekistan, Georgia, and Ukraine to build infectious disease surveillance networks in areas once closed to the west. Such networks will improve our ability to detect, characterize, and monitor disease outbreaks with natural or bio-terrorist origins. This has taken on greater importance with the deployment of U.S. forces in Central Asia and their potential exposure to emerging infectious diseases poorly understood in the west. Additionally, such networks will assist public health officials in the affected republics.

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#### Support Defense and Military Cooperation with the Objective of Preventing Proliferation

The FY 2003 Budget requests \$40 million for a new initiative designed to enhance non-Russian FSU military, internal security forces, border guards and customs agents capabilities to prevent, deter, detect and interdict illicit trafficking in WMD and related materials, and to respond effectively to trafficking incidents at the border. This initiative will provide training, equipment and infrastructure designed to enhance recipient countries' capabilities to prevent WMD or related materials from falling into the hands of terrorists and rogue states

#### Emerging Opportunities for CTR

Within current authorities, and with Congressional support for new flexibility, there are a range of emerging opportunities for CTR. Planned program activities already help

support the new Strategic Framework with Russia and can be leveraged to increase transparency. They are also potential vehicles for promoting new codes of conduct in the developing U.S. - Russia relationship.

In the new security environment, CTR's technical and regional expertise offer a potentially invaluable resource in emergency situations involving proliferation of WMD or related matters. We want to work with Congress to determine whether the current range of authorities and notification structures permits CTR to be as flexible as it might be in an emerging crisis. Whether it be responding to a specific proliferation threat, keeping WMD and related technologies out of terrorists' hands, or other scenarios, CTR has a key role to play in securing U.S. interests post 9/11.

In this and all other CTR endeavors, we look forward to working with Congress, which has played such an important role in founding and improving this program.