

FEDERAL MARITIME COMMISSION



FINAL ANNUAL PERFORMANCE PLAN

FOR FY 2002

April 2001

INTRODUCTION

This document comprises the Federal Maritime Commission's Annual Performance Plan for FY 2002. As set forth in the Government Performance and Results Act and general guidelines published by OMB, the Commission has prepared a single performance plan so as to present a comprehensive picture of performance across the agency. This plan is closely linked to the agency's strategic plan, although its content is more detailed and specific as opposed to the general and long-term focus of the strategic plan. We also have concentrated on developing objective performance goals and narrow, measurable performance indicators, so as to facilitate the plan's implementation and assessment of performance.

This plan was developed with the benefit of nearly two years' experience under the new ocean shipping environment resulting from the Ocean Shipping Reform Act of 1998 ("OSRA"). The FMC was able to draw on the industry's business decisions and altered practices in response to OSRA, as well as its own operations under the various statutory changes that became effective on May 1, 1999. The Commission also was able to rely on the Interim Status Report it issued in June 2000 which described recent trends in liner shipping, highlighted OSRA's most prominent provisions, and furnished details on various industry activities.

Additionally, the Commission effectuated a reorganization of resources and responsibilities in February 2000. This reorganization was implemented to enable the Commission to more effectively accomplish its new statutory mission under OSRA. In preparing our FY 2002 Annual Performance Plan, we have been able to identify desired results, strategies, and measures that comport with our budgetary and resource situations. Also, we continue to operate under the five Budget Program Activities established under our reorganization, i.e., (1) Formal Proceedings, (2) Operational and Administrative, (3) Consumer Complaints and Licensing, (4) Trade Analysis, and (5) Enforcement. Resources in our FY 2002 budget are aligned in accordance with these five Program Activities.

Further, our FY 2002 Plan recognizes the increasing importance of automation and the dynamic nature of the information technology industry. Continual advances in system design and development, hardware, and software, are providing a host of opportunities to enhance efficiency and effectiveness. We have established several performance goals that seek to take advantage of emerging technologies, will rely on information technology processes and strategies to achieve various goals, and intend to automate our measuring and validation to the fullest extent possible.

The Commission continues to tailor its annual performance plan to comport with the overall objectives of GPRA, while maintaining flexibility in its presentation and

application. This modified approach has been authorized by OMB since the majority of Commission activities are statute-driven and our goals essentially are based upon legislative mandates which are clear and direct. Significant alteration of our existing programs is not possible, given that many measures and goals are required by statute.

Accordingly, OMB agreed that the Commission should use an appropriately scaled mechanism for GPRA process and development with a framework which would be productive, yet less resource-intensive. Nonetheless, our plan presents relevant information clearly and concisely, and strives to be as detailed as necessary while avoiding minutiae.

Our plan sets forth the mission statement and general goals from our strategic plan, as a point of reference for the reader. In accordance with general OMB guidance, we have prepared performance goals for each of the Program Activities reflected in our budget. The strategic goals aligned with these performance goals are appropriately displayed. Each performance goal has been stated as a narrow, measurable objective. For each performance goal, we have identified the intended outcome, the processes and resources required to accomplish it, an appropriate performance indicator, and the means for measuring/evaluating performance. To ensure a clear understanding of the plan's contents, set forth below are definitions of basic terms used. We relied on OMB's published guidance for these definitions, and have included parenthetically our interpretation of their practical application.

Budget Program Activity - The FMC's Program Activities as listed in the program and financing schedules of the agency budget (the agency's major activities).

Performance Goal - A target level of performance; a measurable objective (a specific, proposed performance action).

Outcome - Intended result or consequence of the program activity (the projected effect or what is hoped to be achieved).

Performance Indicator - A value or characteristic for measuring results (the quantifier or qualifier of performance).

Processes/Activities - The processes, skills, or resources that are required to effectively accomplish a performance goal (what is needed to achieve the goal).

Performance Measure/Evaluation - The means used to verify and validate measured values (methods used for assessing if programs achieved objectives, or, the specific means to measure if outcomes were realized).

The Commission used its existing consultation process in developing this plan. We have kept key Congressional Committees apprised of our planning process and

efforts, and have responded to any inquiries. We also have remained fully apprised of the views and positions of all entities involved in the ocean shipping industry. We currently are working on a two-year study of the impact of OSRA. In that process, we have contacted all sectors of the ocean shipping industry to solicit input on the key issues that need to be addressed, and to obtain their views on the impact of OSRA. Various Commission stakeholders have offered their comments on both the agency's performance and appropriate objectives for the future. Their opinions have assisted us in developing our performance goals and implementing approaches.

While there is no industry consensus, it is clear that those involved in the various sectors of U.S. ocean shipping have a full understanding of the Commission's major program activities, and at the same time, the Commission is fully cognizant of the views of all parties with whom it interacts. Therefore, it was not necessary for the Commission to embark on an extensive outreach effort when developing this plan.

In line with OMB guidance, the Commission has reflected the resources needed to accomplish its performance goals. We have provided an FTE and funding figure for each Budget Program Activity, which reflects what we believe will be required to accomplish the three performance goals under each respective Activity. It is important to note that these figures, when summed, do not reflect the full FTE and funding levels of the President's FY 2002 budget for the Commission. Naturally, the Commission performs significant duties beyond those reflected in our performance goals, and also accomplishes a host of day-to-day responsibilities that do not rise to the level of a high-profile performance goal. Those activities clearly require the allocation of necessary resources. The portion of our FTE and funding not specifically reflected in this plan is necessary to perform those other activities.

The Commission has posted this performance plan on its Internet website to ensure that it is readily accessible to interested parties, and has advised all employees to take the time to review it. We also have modified all employee performance plans to ensure that they comport with the agency's Strategic and Annual Performance Plans, and that they contain specific elements and standards aimed at achieving the agency's strategic and performance goals. Performance of managers and staff will be evaluated in part on how they achieve the objectives in this plan.

FMC MISSION

To achieve its vision, the FMC's mission is:

Ensure the Nation's interests are met through an efficient, competitive, market-driven, and nondiscriminatory ocean transportation system that is free of unfair foreign maritime trade practices.

The Ocean Shipping Reform Act of 1998 ("OSRA") is significantly changing the manner in which the business of ocean shipping is being conducted. Additionally, the industry continues to restructure itself while adapting to dynamic economic conditions and emerging trends. And, international trade remains dependent upon an efficient ocean transportation system. Therefore, it is imperative for the FMC to ensure that its oversight activities produce a competitive and nondiscriminatory trading environment in U.S. ocean commerce that is in harmony with and responsive to international shipping practices. We must focus our energies and efforts on this mission, and assure that the agency is organized and managed in a manner best suited to accomplish it with a minimum of government intervention and regulatory costs. Our actions also must encourage the development of a sound U.S.-flag liner fleet. Accordingly, and in conformity with the Shipping Act of 1984, as amended by OSRA, the FMC has established the following four strategic goals.

FMC STRATEGIC GOALS

1. *Efficient Regulatory Process:* Provide a timely, efficient and decisive regulatory process, to enable all segments of the industry to plan and conduct their operations more effectively and with minimal regulatory costs.
2. *Balanced Enforcement:* Foster economic efficiencies and reliance on marketplace factors by administering U.S. shipping statutes in a balanced and equitable manner that redresses excessive anticompetitive actions and restrictive practices of foreign governments.
3. *Compliance:* Promote the development of U.S. exports and the efficiency of ocean shipping by monitoring and assisting stakeholders in achieving compliance with shipping statutes administered by the FMC.

4. *Internal Capabilities:* Ensure the FMC has the organizational ability and the managerial leadership necessary to meet its industry assistance, enforcement, and educational responsibilities.

LINKAGE BETWEEN MISSION STATEMENT AND STRATEGIC GOALS

Our strategic goals address essential FMC programmatic, policy, and management responsibilities. They were developed with a specific focus on accomplishing the basic thrusts of our mission and attaining the competitive, nondiscriminatory shipping environment envisioned by OSRA.

Therefore, the primary intention of Strategic Goal No. 1 is to minimize regulatory costs by maintaining timely and decisive regulatory processes. This will render the FMC more effective in addressing matters that are perpetuating discrimination or precluding industry efficiency, while reducing the industry's costs in pursuing matters before the Commission. More decisive action on our part will help to remove uncertainties as to statutory interpretations or the application of FMC rules. Such uncertainties delay operational efficiencies or technological changes, each of which can foster a more economical ocean shipping system.

Our second strategic goal is designed to foster economic efficiencies and reliance on typical marketplace factors, and to redress excessive anticompetitive practices harmful to international commerce. This is a direct link to our mission statement's call for an efficient, competitive, market-driven ocean transportation system. And our continuing efforts to effectively address the actions of foreign governments that adversely affect U.S. interests and our foreign trade comport with that aspect of our mission aimed at creating an environment "free of unfair foreign maritime trade practices."

Strategic Goal No. 3 centers on achieving compliance with the substantive provisions of the shipping statutes the FMC administers. Accomplishing this goal should minimize the unjust discrimination and undue preference or prejudice that precludes certain shipping interests from obtaining rates or service levels that can render their businesses more economic and efficient. Increasing industry compliance should enable stakeholders to concentrate on fair and legal means of enhancing operational efficiency, secure in the knowledge that competitors are not engaging in widespread illegal actions aimed at improving short-term bottom-line profits without concern for the harmful long-term effects on the industry. The shipping public also will have added protection from potential cargo losses and disruptions through the agency's

focus on intermediaries operating in U.S. trades having the necessary character and financial responsibility to offer viable services. Effective accomplishment of this goal also can help to promote the growth of U.S. exports.

Finally, we have a single comprehensive goal to address internal Commission management and operations. Enhancing our management oversight and improving employee morale can both foster the accomplishment of various Administration directives and programs in this regard, while putting us in a position to more effectively address the specific aims of our mission. This strategic goal also ensures continuation of a comprehensive approach to performance management.

Achieving these mission-driven goals will enable us to effectively address the external factors we face, while assuring an equitable and efficient administration of the shipping statutes under our jurisdiction. Our processes and procedures will be refined or updated as necessary. We are committed to accomplishing our strategic goals and the outcome goals related to them. Therefore, specific means have been identified to enable the FMC to achieve these goals in the most cost-efficient and least disruptive manner possible.

Budget Program Activity:

Formal Proceedings - 2.9 FTEs and \$379,486 will be required to accomplish the goals under this Program Activity.

Related Strategic Goals:

1. *Efficient Regulatory Process:* Provide a timely, efficient and decisive regulatory process, to enable all segments of the industry to plan and conduct their operations more effectively and with minimal regulatory costs.
4. *Internal Capabilities:* Ensure the FMC has the organizational ability and the managerial leadership necessary to meet its industry assistance, enforcement, and educational responsibilities.

Performance Goal	Outcome	Performance Indicator	Process/Activity	Performance Measure/Evaluation
<p>1. By 9/30/02, implement a process to electronically serve ALJ/Commission issuances in formal proceedings (with assent of litigants).</p>	<p>- Reduce costs associated with mail/fax service of ALJ/Commission issuances. - Provide for speedier service of ALJ/Commission issuances.</p>	<p>The number of issuances electronically served.</p>	<p>- Office of the Secretary coordinates with the Office of Administrative Law Judges to develop language to be included in initial Notices of Assignment for complaint cases offering parties the option of receiving electronic service in lieu of traditional mail service. - The Office of the Secretary will include similar language in Commission-instituted proceedings.</p>	<p>- Measure dollar savings by estimating the total mailing costs associated with mail service for each issuance to each party assenting to this procedure. - Measure time savings by totaling the estimated elapsed time between deposit & delivery via USPS.</p>

Performance Goal	Outcome	Performance Indicator	Process/Activity	Performance Measure/Evaluation
<p>2. By 09/30/02, implement an optional process for responding electronically to public requests for documents, e.g., public filings, FOIA requests.</p>	<ul style="list-style-type: none"> - Reduce duplicating costs & mailing costs associated with responding to public requests for documents. - Provide for speedier, more efficient delivery of such documents. 	<p>The number of electronic responses to public requests for documents.</p>	<ul style="list-style-type: none"> - Office of the Secretary coordinates as necessary with other organizational units which handle public requests for documents to develop consistent approach/procedures. - Requesters routinely are asked to accept electronic copy of all requested documents. 	<ul style="list-style-type: none"> - Measure dollar savings by estimating the total costs associated with responding by mail to public requests for documents. - Measure time savings by totaling the estimated elapsed time between deposit & delivery via USPS.
<p>3. By 06/30/02, make public filings in at least one significant Commission proceeding available on the home page.</p>	<ul style="list-style-type: none"> - Reduce duplicating costs & mailing costs associated with responding to public requests for copies of filings. - Provide for quicker public access to such documents filings. 	<ul style="list-style-type: none"> - Process appropriately developed to permit action. - Public filings in at least one proceeding made available on home page. 	<p>Office of the Secretary requests litigants to voluntarily submit an electronic copy of all public filings, and scans filings which are received in hard-copy form.</p>	<ul style="list-style-type: none"> - Ensure filings in proceeding placed on home page are readily accessible in user-friendly manner. - Measure the number of hits on the portions of the Commission's home page which include litigant filings in Commission proceedings to assess industry/public preference for this approach.

Budget Program Activity:

Operational and Administrative - 14.7 FTEs and \$1,907,860 will be required to accomplish the goals under this Program Activity.

Related Strategic Goals:

1. *Efficient Regulatory Process:* Provide a timely, efficient and decisive regulatory process, to enable all segments of the industry to plan and conduct their operations more effectively and with minimal regulatory costs.
4. *Internal Capabilities:* Ensure the FMC has the organizational ability and the managerial leadership necessary to meet its industry assistance, enforcement, and educational responsibilities.

Performance Goal	Outcome	Performance Indicator	Process/Activity	Performance Measure/Evaluation
<p>1. By 9/30/02, utilize developments in technology to find a reasonable, cost-effective software system to procure, then develop and implement the capability for electronic filing of all major business transactions with the Commission, consistent with the Government Paperwork Elimination Act and the Electronic Signatures in National and Global Commerce Act.</p>	<ul style="list-style-type: none"> - Provide an electronic filing process, when practicable, using electronic signatures, where applicable, for transactions defined by OMB as requiring an electronic filing option, thus effecting agency compliance with government initiatives. - Enhance efficiency of agency operations by reducing costs & time expended on reproducing, disseminating & reviewing applications & other transaction documents for completeness. - Minimize the filing burden on regulated entities by accepting electronic submissions/signatures in place of paper filings. - Provide the regulated industry with the ability to more efficiently achieve compliance with the shipping statutes with respect to application filings/submissions. 	<ul style="list-style-type: none"> - Agency quantifies percentage of affected regulated industry availing itself of the option for electronic submission of forms v. submission in hard-copy format. - Number of hard-copy reproductions of applications & instruction forms declines as electronic filings increase. - Processing time for applications is reduced due to more complete compliance (all fields must be completed or filing will not be effected) & increased ease of access to filings by staff (in a database instead of file folders). - Non-compliant entities rarely voice concern over difficulty in submitting information. 	<ul style="list-style-type: none"> - Contractor assistance to develop cost-effective & efficient, easy-to-use electronic filing system with e-signature capabilities. - Tracking of applications/ filings via the electronic database. - Offices receiving electronic filings track both electronic & hard-copy filings, reproduction/dissemination of hard copies of forms & time spent reviewing electronic v. hard copies of documents (biannual review of process/time for updating of user fee schedule). - Informal, periodic feedback from all sectors of the regulated industry is sought to confirm efficiencies. 	<ul style="list-style-type: none"> - Quantify reduced time for processing applications as industry makes greater use of the electronic filing option. - Audit electronic system to ensure security for e-signatures & data commensurate with risks. - Assess annual reproduction/ dissemination costs to determine if reduced. - Feedback received from regulated entities & interested parties.

Performance Goal	Outcome	Performance Indicator	Process/Activity	Performance Measure/Evaluation
<p>2. During the first quarter of FY 2002, initiate a comprehensive recruiting effort that, by FY end, better matches agency human resources to its changing work requirements, improves on existing levels of employees with targeted disabilities, and enhances the diversity of the FMC's workforce.</p>	<ul style="list-style-type: none"> - Agency can attract and hire energetic individuals covering all agency disciplines, with strengths in research, analysis, & oral/written communication. - Improves the agency's ability to address responsibilities & duties in a timely & effective manner. - Renders FMC's employee rolls more reflective of the diverse groups that make up today's society. - Facilitates & enhances future recruiting efforts. 	<ul style="list-style-type: none"> - By 9/30/02, the ability of bureaus/offices to timely address their various responsibilities & assignments is increased & the substance & quality of line-staff work products improves, both in comparison to performance in FY 01. - By 9/30/02, the number of employees with targeted disabilities increases compared to 9/30/00. - By 9/30/02, representation of recognized minority groups in agency workforce is increased compared to 9/30/00. 	<ul style="list-style-type: none"> - Agency bureau/office heads identify knowledge, skills, abilities & ideal number of employees required for their changing responsibilities. - The Office of Human Resources, at the direction of the Executive Director's Office and in consultation with senior agency managers, develops a recruitment plan in line with identified requirements. The plan includes approaches & procedures best suited to achieve stated goals in an expedient manner. - Upon Chairman's approval, plan initiated. Office of Human Resources provided with assistance as needed to enable it to accomplish all merit staffing & procedural requirements. - Upon noticing vacancies, all bureaus/offices establish filling those vacancies as a high priority. 	<ul style="list-style-type: none"> - Bureau/office heads determine if employees hired under the recruitment effort are meeting expectations in terms of skills & substantive productivity. - Bureau/office heads determine if the ability to address projects/assignments, & the timeliness thereof, has been enhanced compared to the beginning of the fiscal year. - Review employee onboard statistics to determine if goals for employees with targeted disabilities & representation of minorities are met. - Office of Human Resources assesses results of recruiting effort to determine if approaches/procedures utilized facilitated efforts & whether improvements should be implemented to enhance future efforts.

Performance Goal	Outcome	Performance Indicator	Process/Activity	Performance Measure/Evaluation
<p>3. By 9/30/02, standardize and modernize the agency's financial systems environment so that it complies with current guidance on Federal financial management and reporting systems (such as those in the Federal Management Financial Integrity Act, the Federal Financial Management Improvement Act of 1996, OMB Circulars A-123, A-127 and A-130, and OMB Bulletin 98-08) and satisfies audit concerns identified by the agency's Inspector General.</p>	<ul style="list-style-type: none"> - Improve ability to collect & compile complete & reliable agency operating information. - Facilitate the eventual preparation of financial statements & other financial reports in accordance with Federal accounting & reporting standards. - Improve the agency's budgeting, analysis & government-wide reporting processes. - Provide a complete audit trail to facilitate audits. - Senior management has access to more timely & comprehensive financial information necessary for decision-making. - Assets are properly safeguarded to deter fraud, waste & abuse. 	<ul style="list-style-type: none"> - Standard data classifications (definition & formats) would be established & used for recording financial events. - Common processes would be used for processing similar kinds of transactions. - Consistent application of internal controls over data entry, transaction processing, & reporting. - The system design would eliminate unnecessary duplication of transaction entry. 	<ul style="list-style-type: none"> - Assess/analyze the full capacity of each of the agency's current financial & management reporting systems (the DOT accounts receivable system, the OTS accounting system & the Comprizon acquisition system), & determine best approach to ensure cohesive, consistent information. - Evaluate Commercial Off-the-Shelf software to facilitate preparation of financial statements. - Procure software or cross-servicing arrangement/contractor to develop technical specifications to customize software for agency use. 	<ul style="list-style-type: none"> - Determine if concerns of Inspector General in previous financial system audits have been met. - Assess whether agency systems meet standards of FMFIA, section 4, for financial management system.

Budget Program Activity: **Consumer Complaints & Licensing** - 12.6 FTEs and \$1,510,954 will be required to accomplish the goals under this Program Activity.

- Related Strategic Goals:**
1. *Efficient Regulatory Process:* Provide a timely, efficient and decisive regulatory process, to enable all segments of the industry to plan and conduct their operations more effectively and with minimal regulatory costs.
 3. *Compliance:* Promote the development of U.S. exports and the efficiency of ocean shipping by monitoring and assisting stakeholders in achieving compliance with shipping statutes administered by the FMC.
 4. *Internal Capabilities:* Ensure the FMC has the organizational ability and the managerial leadership necessary to meet its industry assistance, enforcement, and educational responsibilities.

Performance Goal	Outcome	Performance Indicator	Process/Activity	Performance Measure/Evaluation
<p>1. Develop an integrated OTI database by 9/30/02 which contains relevant data such as current address, bond levels, QI, etc. This information should be readily accessed and easily manipulated to facilitate compliance and enforcement activities.</p>	<ul style="list-style-type: none"> - Data input in a more efficient manner. - Database is more readily available to FMC staff. - Data collected reflect more current needs/requirements of FMC & shipping public. 	<ul style="list-style-type: none"> - Timeliness & accuracy of data input. - Easier access to database to improve FMC program capability to perform compliance or enforcement activities. - Ability to respond quickly & confidently to public inquiries regarding licensed and bonded OTIs. 	<ul style="list-style-type: none"> - Train appropriate personnel to input data accurately & timely. - Perform (in conjunction with an IT consultant, if necessary) a systems requirement analysis (discuss with FMC programs data to be collected, analyses performed, reports generated, update of data, public information needs, etc.). - Review software capable to meet those identified requirements. - Contract for development of (develop in conjunction with an IT consultant, if necessary) a database & programs to support FMC & public information needs. 	<ul style="list-style-type: none"> - Periodic surveys of, or meetings with, users of database to discuss, among other things, the utility of the data collected & reports generated, ease of access, & informal tally of public inquiries which requires access to the database.

Performance Goal	Outcome	Performance Indicator	Process/Activity	Performance Measure/Evaluation
<p>2. By 6/30/02, revise FMC application form(s) for OTI applicants to simplify form(s), clarify information required so that staff can more expeditiously process an application (i.e., within 30 days of receipt) and reduce the number of the most common delays in processing an OTI application.</p>	<ul style="list-style-type: none"> - Provides applicants with clearer instructions, clarifies requirements (including where to obtain required support documentation, e.g., fictitious name certificate), & simplifies or reduces, where possible, information required. - OTI applicants provide appropriate information with initial application submission. - FMC staff can more expeditiously process applications. 	<ul style="list-style-type: none"> - Less follow-up calls by staff required. - Shorter processing time required since fewer incomplete applications. 	<ul style="list-style-type: none"> - Identify those aspects of FMC-18 & other forms which impede efficient data collection & review, & those areas of confusion to applicants. - Draft revised form(s) & instructions & route for internal review. - Submit revised form(s) for approval. 	<ul style="list-style-type: none"> - Periodic, random surveys of time required to process OTI applications & reasons for time spent.
<p>3. Enhance Passenger Vessel Database by 9/30/02 so that it will contain needed pertinent information about operators in the program and to maximize identifying those operators with Unearned Passenger Revenue in excess of current maximum coverage (\$15 million) and potential weakness in financial indicators, e.g., debt/capital ratio is relatively high or bond rating reduced.</p>	<p>FMC can quickly assess information such as the number of vessels in the program, amount of coverage (both performance and casualty), type of financial responsibility (surety, P&I Club guaranty, etc.), & financial information about cruise operators.</p>	<p>Timeliness & ease of producing status reports to assist in determining expiration or sufficiency of coverage or identifying riskier companies.</p>	<ul style="list-style-type: none"> - Identify data requirements & useful reporting formats. - Refine database capabilities (in conjunction with IT consultant, if necessary). - Input data. - Generate reports/analyses. - Allocate additional staff to the PVO program. 	<ul style="list-style-type: none"> - Discussion (through performance appraisal process) with FMC staff on ease of retrieval of PVO information from database to perform periodic financial analyses to identify operators who exhibit those characteristics of higher risk, and to identify industry trends & new developments.

Budget Program Activity: Trade Analysis - 27.2 FTEs and \$3,076,151 will be required to accomplish the goals under this Program Activity.

- Related Strategic Goals:**
1. *Efficient Regulatory Process:* Provide a timely, efficient and decisive regulatory process, to enable all segments of the industry to plan and conduct their operations more effectively and with minimal regulatory costs.
 2. *Balanced Enforcement:* Foster economic efficiencies and reliance on marketplace factors by administering U.S. shipping statutes in a balanced and equitable manner that redresses excessive anticompetitive actions and restrictive practices of foreign governments.

Performance Goal	Outcome	Performance Indicator	Process/Activity	Performance Measure/Evaluation
<p>1. In reviewing agreement filings for anticompetitive consequences, also ensure that only eligible ocean common carriers receive antitrust immunity for their concerted activities under filed agreements as Congress intended pursuant to the 1984 Act, as part of a program that provides that all agreement filings comply with the shipping statute and agency regulations.</p>	<ul style="list-style-type: none"> - Full compliance with the applicable provisions of shipping statute & agency regulations. - Agreement parties are allowed to effectuate beneficial operational arrangements on the 45th day after filing, or sooner with good cause. - Agreement-related rate & service levels do not adversely affect U.S. commerce. - Planned program goal reduces the need for sporadic investigative action. - Carriers purporting to be ocean common carriers, but found to be NVOs, comply with agency OTI requirements, i.e., that NVO's are properly bonded, licensed, & tariffed. 	<ul style="list-style-type: none"> - Informal inquiries requesting information & data on proposed agreement's impact on cost & service & evidence of the parties' eligibility. - Formal investigations where information, data, or evidence is not provided or is found insufficient. - Number of substantial complaints about rates & service charged/offered by agreement parties. - Increase in OTI (NVO) license applications. 	<ul style="list-style-type: none"> - Review agreement language in light of precedent & agency/ court decisions, & analyze economic data & information submitted with agreement filings. - Negotiate with parties to address objectionable provisions or to obtain further economic data or evidence of eligibility; recommend formal action where an informal approach fails. - Review databases & trade periodicals for information pertinent to agreement analysis & eligibility. - Capital requirements include having appropriate software & hardware for continued access to various agency/outside databases & the development of new, linked databases. 	<ul style="list-style-type: none"> - Audit showing all agreement common carrier status questions are resolved or are being addressed. - All agreements, excluding those that require formal requests for additional information, are reviewed & analyzed within 45 days of initial filing with the agency. - Level of complaints & comments from within & outside the agency on the timeliness & quality of the agreement analysis process.

Performance Goal	Outcome	Performance Indicator	Process/Activity	Performance Measure/Evaluation
<p>2. Develop integrated tariff and service contract database for online accessibility by Commission headquarters staff and local area representatives by June 2002 as part of the Bureau's overall Service Contracts and Tariffs program .</p>	<ul style="list-style-type: none"> - Full access to database of current tariff & service contract profile information by necessary Commission headquarters staff & local area representatives regarding carrier & agreement compliance with Commission tariff & service contract rules & regulations. - Eliminate delays in sharing tariff & service contract information by creating a central information repository to help detect possible violations under tariff publications & service contract filings pertaining to the 1984 Act, as amended by OSRA. 	<ul style="list-style-type: none"> - Successful user-friendly accessibility to database information. - Enforcement actions involving tariff & service contract activities detected in the review & analysis of tariff publications & service contract filings, including publications of statements of essential terms associated with service contract filings. - Comments & inquiries received regarding tariff & service contract database profile information & accessibility to the tariff profile system. 	<ul style="list-style-type: none"> - Review & analyze tariff publications & service contract filings & collect profile information for input to database regarding compliance with the 1984 Act, as amended by OSRA. - Process FMC-1 forms expediently & update tariff location addresses on our website weekly or as otherwise needed. - Input data collected during review & analysis of tariffs & service contracts into the profile database system. - Equipment requirements are personal computers with Internet, MS Access, Wordperfect & spreadsheet functionality for 7 office staff. 	<ul style="list-style-type: none"> - Full easy online access to accurate tariff & service contract profile information to Commission staff or local area representatives. - Level of complaints from Commission staff & local area representatives regarding accessibility or reliability of database information. - Development of comprehensive tariff & service contract profile information pertaining to the majority of carriers & agreements. - Level of e-mails to capture & communicate individual tariff & service contract audit results.

Performance Goal	Outcome	Performance Indicator	Process/Activity	Performance Measure/Evaluation
<p>3. Establish a new and streamlined Bureau monitoring program by developing a rule that focuses data collection on critical carrier agreements and major U.S. trades, while not compromising essential information.</p>	<ul style="list-style-type: none"> - Significantly reduce net information demands on filing parties. - Improve Commission’s access to economic data, & reports & documents used by agreement members in their discussions & decision- making. - Focus data collection, monitoring attention, & resources on major U.S. trades & critical carrier agreements. - Reduce Commission administrative processing, maintenance, professional review, & compliance burdens. 	<ul style="list-style-type: none"> - Commission consideration of rule by 6/30/02. - Number of quarterly monitoring reports filed. - Number of Commission formal requests for information. - Number of waiver requests & periodic waiver extensions. - Number of annual agreement classification letters. - Number of carrier agreements not in compliance with Commission’s reporting regulations. 	<ul style="list-style-type: none"> - Bureau working group of economists & transportation specialists. - Consult with BOE on legal aspects. - Consult with industry representatives on the need and/or suggestions for developing definition of “critical” agreement. - Capital requirements include having appropriate computer software & hardware, & filing equipment & supplies to process, analyze & maintain confidentially filed quarterly monitoring reports. 	<ul style="list-style-type: none"> - The number of quarterly monitoring reports filed & the quantity of information filed. - The number of Commission formal requests for information. -The number of requests for waivers from the Commission’s reporting requirement regulations, & Commission resources used to process waiver requests & periodic waiver extensions. - Level of Commission resources to issue & process annual agreement classification letters.

Budget Program Activity: Enforcement - 12.3 FTEs and \$1,548,820 will be required to accomplish the goals under this Program Activity.

- Related Strategic Goals:**
1. *Efficient Regulatory Process:* Provide a timely, efficient and decisive regulatory process, to enable all segments of the industry to plan and conduct their operations more effectively and with minimal regulatory costs.
 2. *Balanced Enforcement:* Foster economic efficiencies and reliance on marketplace factors by administering U.S. shipping statutes in a balanced and equitable manner that redresses excessive anticompetitive actions and restrictive practices of foreign governments.
 3. *Compliance:* Promote the development of U.S. exports and the efficiency of ocean shipping by monitoring and assisting stakeholders in achieving compliance with shipping statutes administered by the FMC.

Performance Goal	Outcome	Performance Indicator	Process/Activity	Performance Measure/Evaluation
1. Develop and implement a program by 3/30/02 to identify and bring into compliance entities not in compliance with the Commission's definition of vessel-operating common carrier.	<ul style="list-style-type: none"> - Improve public protection by ensuring entities have assets or bonding as required by statute. - Promote equitable competition in the proper use of service contracts & agreements among carriers. 	<ul style="list-style-type: none"> - Program timely developed & implemented. - Reduction in number of improper entities holding themselves out as vessel-operating common carriers. 	<ul style="list-style-type: none"> - Work with BTA in development of program. - Initiate enforcement action, as necessary, to establish criteria for vessel-operating status. - Encourage voluntary compliance with Commission definition. 	<ul style="list-style-type: none"> - Program appropriately implemented. - Review of FMC-1, service contracts, & agreements to identify entities with change in status.
2. Initiate enforcement action, as necessary, to improve compliance with statutory requirements related to substantive provisions of contracts and proper contracting parties.	<ul style="list-style-type: none"> - Promote equitable competition among common carriers in the use of service contracts. - Improve public protection against unlicensed, unbonded OTIs. - Contracting parties receive the benefits of their service contracts. 	<ul style="list-style-type: none"> - Cases initiated. - Disagreement among contracting parties decreases. 	Investigative activity in response to complaints identifies possible non-compliance with service contract requirements.	<ul style="list-style-type: none"> - Review of Bureau statistics on service contract activity. - Review of contracts provides indication of level of compliance.

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3. Explore the use of alternative systems for payment of fines and penalties (to include identifiable electronic transfers). Review completed by 6/30/02.	<ul style="list-style-type: none"> - Provide a more effective & efficient means of receiving payments of fines & penalties. - Provide alternatives for the public. 	<ul style="list-style-type: none"> - Alternatives explored & systems identified. - Rule changes, if necessary, to provide for alternative payment systems. 	Coordinate with OBFM for review & implementation of alternative systems.	Alternative systems identified or determined not appropriate by 6/30/02.