

STATEMENT

OF

Paul Rosenzweig

**ACTING ASSISTANT SECRETARY
OFFICE OF INTERNATIONAL AFFAIRS
DEPARTMENT OF HOMELAND SECURITY**

BEFORE

THE UNITED STATES HOUSE OF REPRESENTATIVES

**COMMITTEE ON HOMELAND SECURITY
SUBCOMMITTEE ON BORDER, MARITIME AND GLOBAL COUNTERTERRORISM**

ON

JUNE 6, 2008

Chairwoman Sanchez, Ranking Member Souder, and Members of the Committee: It is an honor to submit this testimony to articulate why the Department of Homeland Security (DHS) supports the Mérida Initiative and to lay out the unique competencies that DHS brings to the table for this important undertaking.

The Impact of Transnational Criminal Organizations on Regional Security

Before discussing the DHS vision of the Mérida Initiative, there must be an acknowledgement of the violent and dangerous backdrop to this hearing. Nearly every day, media outlets report on the activities of transnational criminal organizations operating in Mexico and Central America: whether it is the assassination of the Acting Chief of Mexican Federal Police, or gang violence organized from within a prison and directed against persons in the United States, Mexico and Central America are beset by thugs and criminals intent on pursuing their own ideological or financial gains at the expense of everyone else.

In Mexico, drug cartels are waging wars against each other and those attempting to stop their illicit activities. These drug cartels kill with impunity; killing not only members of competing cartels, but also police officers and members of the military who are attempting to protect Mexican citizens from crime and ensure a strong and economically viable Mexico. The Administration of Felipe Calderon has taken very serious and courageous steps to combat this violence and to stem the drug trade which fuels it.

Parts of Central America have become a transit zone for human, arms, money, and narco-traffickers. Transnational criminal organizations take advantage of circumstances where governments that may otherwise have the political will to counter transnational criminal activity, lack the resources to do so. In some cases, these governments have been infiltrated by criminals resulting in corruption and inaction that puts the very security of the region at risk.

It is also increasingly the case that cross-border criminal organizations recognize that routes used to traffic narcotics and people northward can also be used to traffic guns and bulk cash southward. The result has been a surge in crime in the region and a wave of violence that is shocking.

Neither this criminal phenomenon, nor the violence that follows, recognize borders. Accordingly, the United States suffers from gang violence, crime, and the trafficking of both people and narcotics. According to Immigration and Customs Enforcement (ICE) statistics, since 2005, ICE agents across 100 field offices, working in conjunction with hundreds of federal, state and local law enforcement agencies nationwide, have arrested over 7,000 street gang members and associates, representing over 736 different gangs. These apprehensions include over 2,500 criminal arrests and nearly 5,500 administrative immigration arrests. One hundred-sixteen of those arrested were gang leaders. More than 2,500 of the arrested suspects had violent criminal histories. Through this initiative, ICE has also seized and removed over 300 firearms from the streets.

Major Mexican drug trafficking organizations maintain a working relationship with U.S. based gangs, particularly in California and Texas. The threats that cross-border criminal groups pose to the United States and the region is further compounded by the fact that the same activities used to fund criminal organizations and move contraband could possibly be utilized by terrorists to fund their activities and move dangerous weapons and people. Indeed, the threat posed by transnational criminal organizations in this region is as multi-faceted and dangerous as any this nation has faced.

This regional violence has become a border integrity issue, and the Mérida Initiative is the U.S. Government's response to the regional crime, violence, and drugs that are crossing our borders. The Mérida Initiative is a multinational, multi-agency effort to combat transnational organized crime by increasing each country's capacity to maintain security. As such, the Mérida Initiative becomes part of the solution to these problems inasmuch as it enhances work with regional partners to counter these threats. President Bush has said that we have a shared responsibility to confront transnational criminal organizations and the Mérida Initiative represents this shared responsibility.

Rationalization of the Mérida Initiative to Bring Stability and Security to the Region

Though more time could be spent describing the dangerous situation to our South, this testimony will focus on why DHS supports the Mérida Initiative and how DHS can contribute to this important partnership.

The Mérida Initiative represents an historic opportunity to transform regional security cooperation for the benefit of all and is a significant effort to confront the threat of organized crime that affects Mexico, Central America, and the United States. The Mérida Initiative seeks to integrate security from the U.S. Southwest border to Panama and strengthen our partners' capacities in three broad areas: 1) Counter-Narcotics, Counterterrorism, and Border Security; 2) Public Security and Law Enforcement; and 3) Institution Building and Rule of Law. The purpose of the Merida Initiative is to support the efforts already undertaken by our southern neighbors to end the scourge of violence, gangs, and drug trafficking that plagues their citizens and spills over into the United States.

Rather than simply giving money to foreign governments, the Mérida Initiative has been tailored to provide our foreign partners with the specific tools they each need to fight transnational organized crime and work cooperatively with the United States. Through a robust interagency working group, which facilitated discussions with Mexico and Central American officials and coordination with United States Government officials in those countries, interagency subject matter experts assessed the needs of each country and proposed specific items to aid those countries efforts against cross-border criminals.

DHS views the Mérida Initiative as a vehicle to facilitate cooperation and capacity building between the U.S. Government and our partners in the Western Hemisphere. From the DHS perspective, the Mérida Initiative is an opportunity to more fully engage our regional counterparts and more cooperatively work together to deter and dismantle cross-border criminal

organizations and the threats they pose. By working with regional partners on regional initiatives, DHS multiplies the effectiveness of its own border security efforts and helps the United States, over the long-term, develop sustainable security partnerships. In this sense, DHS sees the Mérida Initiative as a step forward in homeland security and a significant piece of a comprehensive national security plan. DHS recognizes that a regional effort—which involves multi-national cooperation—is ultimately required to ensure the security of our homeland. The United States will be most secure when the entire region is secure.

DHS has been an integral part of the Mérida Initiative because border security and protection is part of our mandate. The Mérida Initiative rightly complements existing security strategies that are owned by DHS, mention DHS expressly, or have goals that parallel DHS's mission. DHS is charged with the responsibility to protect the homeland: to control and protect the U.S. border; to investigate border violations; and to ensure the legal flow of goods and people—among the same aims of the Mérida Initiative.

For example, the *National Strategy for Homeland Security* places significant emphasis on limiting the illicit flow of people and all types of contraband, including drugs, through or between our ports of entry. The Mérida Initiative provides funding to improve our partners' ability to harden their own ports of entry through training and equipment that increases their capacity to identify and confiscate contraband. Also, the *National Strategy for Homeland Security* emphasizes the need to protect critical infrastructure. Again, the Mérida Initiative has funding set aside for critical infrastructure improvement. Later, my testimony will outline some of the specific programs that are part of the Mérida Initiative proposal which directly connect to DHS missions and operational expertise, but these general examples serve to illustrate how closely the aims of the Mérida Initiative mirror DHS missions.

In a similar fashion, Central America leaders convened and participated in the U.S.-Central American Integration System (SICA) Dialogue on Security in July of 2007. In this meeting, Central American ministers identified gangs, drug trafficking, and trafficking of arms as their most pressing security concerns. Later, the SICA group issued its regional security strategy which identified the transnational threats that Central American governments mutually agreed were most pressing and against which they were committed to undertake joint action. From its inception, the Mérida Initiative was tied directly to the SICA strategy, thus building on the articulated will and initiatives of Central American leaders. Many of the issues identified by SICA are issues within which DHS has a responsibility.

The Mérida Initiative also runs parallel to other U.S. Government strategies, like the *National Southwest Border Counter-Narcotics Strategy*, which outlines U.S. efforts to improve coordination of law enforcement activities both within the U.S. Government and with international partners, and in which DHS plays a substantial role.

DHS will also play a substantial role in many aspects of implementation of the Merida Initiative if funded. Through U.S. Immigration and Customs Enforcement, U.S. Customs and Border Protection (CBP), and the U.S. Coast Guard (USCG), DHS is charged with primary responsibility and authority when it comes to the interdiction and investigation of the vast

majority of cross-border criminal activities (including trafficking in arms and people), has significant responsibility with regard to drugs, and serves as the clearinghouse for issues related to border security enhancement. The Mérida Initiative's ultimate end goal is to increase the security of our homeland by increasing the security of the region. In that light, given that all programs within DHS share the goal of improving homeland security, nearly every DHS program in some way complements or enhances the programs of the Mérida Initiative.

As an example of how closely DHS efforts mirror the aims of the Mérida Initiative, the following is a sampling of DHS efforts that are connected directly to the Mérida Initiative.

Border Enforcement Security Task Force (BEST)

The Border Enforcement Security Task Force (BEST) program was proposed in 2005 as the Department of Homeland Security's approach to combat cross-border criminal activity and violence along our southern border with Mexico. In 2006, Secretary Chertoff adopted the BEST initiative to bring together federal, state, local and foreign law enforcement resources in an effort to identify, disrupt, and dismantle organizations seeking to exploit vulnerabilities along the southern border and threaten the overall safety and security of the American public. ICE, CBP and DHS' Office of Intelligence and Analysis (I&A) personnel work cooperatively with other law enforcement entities to take a comprehensive approach towards combating criminal organizations involved in cross-border crimes. One of the primary missions of the BEST program is to prevent the illegal exportation of firearms from the United States into Mexico, a particular concern of the Mexican Government. The Government of Mexico has agreed to assign full-time representatives to each of the BESTs.

The BEST program is one of our most highly successful southern border law enforcement programs. In Fiscal Year 2007, the BESTs were responsible for over 500 criminal arrests, over 1,000 administrative arrests, 160 indictments, and 77 convictions. The BESTs were also integral in the seizure of over 1,300 pounds of cocaine, nearly 50,000 pounds of marijuana, 150 pounds of methamphetamine, 135 pounds of heroin, 237 weapons, 12 improvised explosive devices, 178 vehicles, approximately \$2.5 million in U.S. currency, and the discovery of two cross-border tunnels used to smuggle drugs, arms, and/or persons.

In an effort to stem the flow of weapons being smuggled illegally into Mexico, ICE is also promoting a new initiative utilizing the investigative strengths of both the U.S. and Mexican representatives to the BESTs in an effort to identify, investigate, and aid the Department of Justice in prosecuting those who would seek to illegally export weapons to Mexico.

Homeland Security Intelligence Support Team (HIST)

The DHS HIST was established in the El Paso Intelligence Center (EPIC) in the Fall of 2007 to ensure the application of national intelligence capabilities to support border operations, to strengthen intelligence and information sharing across the federal, state and local partners, and to help ensure that front-line operators have access to the intelligence they need to efficiently perform their duties. In addition to the deployment of DHS Intelligence professionals to EPIC,

the DHS Office of Intelligence and Analysis is deploying both Reports Officers and classified computer networks to key locations along the Southwest border. The purpose is to enhance DHS' ability to rapidly and efficiently share critical intelligence with those who need it most, and this has significantly increased its analytic focus on border security issues to serve the Department of Homeland Security, as well as our federal partners, state, local and tribal stakeholders, and the intelligence community at large.

Operation Against Smugglers Initiative on Safety and Security (OASISS)

Since August 2005, CBP has worked closely with Mexican officials in a bilateral alien smuggler prosecutions program called Operation Against Smugglers Initiative on Safety and Security (OASISS). OASISS is a joint initiative between the United States and Mexico that enables both governments to share information and prosecute smugglers for crimes committed in the border region. Through OASISS, both governments are able to track and record prosecution efforts on both sides of the border and work together to make the strongest case against these criminals. The intent of the program is to target alien smugglers and human traffickers operating in the immediate border region. The OASISS program has had a significant and positive impact on operations, and has furthered smuggling investigations both in the United States and Mexico. Due to current expansion and awareness of the OASISS program, the number of cases generated from Fiscal Year 2006 to Fiscal Year 2007 decreased 12%, and the number of principals prosecuted decreased 70% during the same time period. As you can imagine, with success like this, we are looking to significantly expand this program under Merida.

Bulk Cash Smuggling

ICE has a number of programs to address the problem of bulk cash smuggling. One of these – “Operation Firewall” – addresses the threat of bulk cash smuggling via commercial and private passenger vehicles, commercial airline shipments, airline passengers, and pedestrians transiting to Mexico along the southern border. ICE and CBP have conducted various Operation Firewall operations with Mexican Customs and the Mexican Money Laundering Vetted Unit. ICE hopes to expand existing Operation Firewall operations to designated locations in the near future, including additional border crossing locations along the southern border with Mexico. All significant Operation Firewall seizures result in criminal investigations with the goal of identifying the source of the funds and the responsible organizations.

ICE has also recently established a Trade Transparency Unit (TTU) with Mexico, located in Mexico City. The mission of the TTU is to identify cross-border trade anomalies, which are indicative of trade-based money laundering. Under this initiative, ICE and law enforcement agencies in cooperating countries work to facilitate the exchange of import/export data and financial information. The establishment of our TTU with Mexico was completed just a few weeks ago. ICE has provided, and will continue to provide, Mexico TTU representatives with in-depth training on the Data Analysis and Research for Trade Transparency System (DARTTS). ICE has already installed the system, has provided expert technical support, and will continue to do so as needed. Once fully trained, Mexican TTU representatives will be able to use trade data to develop criminal targets involved in crimes such as tax evasion, customs fraud, and trade-

based money laundering. The establishment of the TTU in Mexico City will benefit both Mexico and the United States in their efforts to combat criminal organizations. ICE has TTUs in multiple locations around the world and continues to seek new partners.

Firearms Trafficking

CBP, ICE, the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), and the Drug Enforcement Administration (DEA) have developed a joint strategy referred to as the Southwest Border Trafficking Initiative, which aims at identifying and disrupting the illicit cross border trafficking of firearms and ammunition. As part of this interagency strategy, these organizations have agreed upon broad principles to identify, investigate, and interdict the illicit cross-border trafficking of firearms and ammunition into Mexico. Discussions are ongoing to address more detailed procedures regarding the coordination of multi-agency operations and information sharing. The initiative's strategy is based on three pillars: Analysis of Firearms Related Data, Information Sharing, and Coordinated Operations. ATF has established the Southwest Border Gun Center in EPIC, which serves as a central repository for firearms-related information and intelligence.

The purpose of the Southwest Border Trafficking Initiative is to identify, dismantle and disrupt transnational criminal networks responsible for smuggling illegal weapons and ammunition from the United States into Mexico, posing a threat to the overall safety and security of both countries through seizures and the aggressive prosecution of such organizations. The initiative incorporates a vetted investigative unit that provides investigative responses to weapons seizures at Mexican ports of entry, as well as investigation of related border security vulnerabilities. In addition, ICE works in conjunction with CBP to facilitate interdiction enforcement operations based on intelligence generated through this bilateral initiative.

In furtherance of this strategy, ICE is initiating *Operation Armas Cruzadas* to combat the smuggling of weapons from the United States into Mexico. This initiative aims to facilitate bilateral interdiction, investigation and intelligence-sharing activities to identify, disrupt, and dismantle cross-border criminal networks that smuggle weapons from the United States into Mexico.

Drug Trafficking

CBP and ICE have significant responsibility in the interdiction of illicit drugs as such contraband crosses U.S. borders, whether at ports of entry or otherwise. DHS also has the means and expertise to investigate these international smuggling organizations, while working with our foreign and U.S. counterparts such as the DEA.

Bilateral Strategic Plan

In August 2007, Mexican Customs, ICE and CBP signed a Bilateral Strategic Plan to fight trans-border crime. The Bilateral Strategic Plan strengthens cooperation in matters related to law enforcement by expanding existing institutional cooperation mechanisms and establishing new

programs of collaboration designed to fight trafficking and smuggling of prohibited goods, fraud, and related crimes. The plan establishes four working groups addressing capacity building, border management, customs security, and law enforcement. All four working groups were formally launched in November 2007. The working groups will expand on existing cooperation to coordinate and implement joint security initiatives, efficient border management, integrity and capacity building assistance and joint enforcement and interdiction initiatives. The goal of these efforts is to enhance the security of our southern border with Mexico.

Border Violence Protocols (BVP)

On March 3, 2006, a bi-national action plan to combat border violence and improve public safety was signed by Secretary Chertoff and his counterpart in Mexico. This action plan set forth goals and objectives to ensure the appropriate law enforcement agencies of the respective governments work together to provide an effective, comprehensive joint response to incidents of cross-border violence and crime. In response to this plan, CBP created a headquarters bi-national working group to oversee the development and implementation of Border Violence Protocols (BVP) along the southwest border. The BVP have now been instituted along the entire U.S.-Mexico border and are working efficiently and effectively. These protocols serve as a mechanism to facilitate operational response to incidents -- with CBP, ICE and their Mexican counterparts coordinating together. At the local level, the BVPs have instituted monthly meetings between the U.S. Government, the Federal Government of Mexico, as well as state and local law enforcement officials to further develop and strengthen the working relationships between both countries. The Border Violence Protocols are another example of how the United States and Mexico are working closely together to create a safer and more secure border region.

Global Trafficking in Persons

ICE is working to combat human trafficking by applying its expertise to counter this humanitarian and security problem in which organized syndicates exploit the vulnerability of the human condition to turn a profit. This crime is not limited to our borders, as many of the victims are forced to work in brothels and other nefarious businesses throughout our country.

The President's \$50 Million Trafficking in Persons (TIP) Initiative was established in 2003 to assist foreign countries in combating trafficking in persons. In furtherance of this initiative, ICE has also created a position of Global Trafficking in Persons (G-TIP) Coordinator to identify, develop, implement and coordinate these projects under the President's Initiative. ICE coordinates -- in conjunction with the Department of Justice -- a G-TIP law enforcement initiative in Mexico centered around foreign law enforcement capacity building to include TIP/Sex Tourism training, establishing vetted units, rescuing trafficking victims, and providing support to prosecutors.

Non-Intrusive Inspection Technology (NII) Training

CBP employs Non-Intrusive Inspection Technology (NII) technology at all land ports of entry. This technology ensures a large percentage of conveyances are examined in a non-intrusive

manner for contraband while permitting the smooth flow of legitimate trade and travel. While it would require four officers approximately four hours to unload and thoroughly examine a commercial conveyance full of cargo for contraband, a large-scale NII system can produce x-ray images of the conveyance and cargo permitting two officers to conduct an examination for contraband in a matter of a few minutes (e.g. three to five minutes). This technology also prevents unnecessary damage to conveyances and cargo caused by manual methods and allows the officers utilizing the technology to see into areas that otherwise cannot be examined. This technology not only ensures contraband does not cross the border but also enables us to keep our country safe from weapons of mass destruction entering our country. Under the Merida Initiative, we are hoping to expand the use of this equipment by the Government of Mexico in order to expand both countries' interdiction efforts and ensure that our border is not the only line of defense against these illicit materials.

U.S. Coast Guard

The USCG has a number of cooperative programs with Mexico and Central America in a variety of areas, including port security, search and rescue, environmental response, and other programs that often involve the Mexican Navy. With regard to enforcement for example, in recent months the Coast Guard has seen a significant increase in the level of cooperation with the Government of Mexico in obtaining authority to stop, board, and search Mexican flagged vessels (or vessels claiming Mexican nationality) suspected of drug smuggling. This includes recent cases in which the Mexican Government authorized a boarding in less than two hours. Previously, the Coast Guard had encountered extensive difficulties in receiving this authority. However, the efforts of our Coast Guard Attaché in Mexico City, in working with his Mexican counterparts, have greatly contributed to the enhanced cooperation and the establishment of a stronger working relationship with Mexico on drug smuggling. The United States and Mexico's participation in summits with other regional partners, exchanges of information about each nation's respective laws applicable to maritime drug smuggling, and sharing of experiences in maritime counter-drug operations continue to strengthen further the working relationship between our two countries.

The DHS Contribution under the Mérida Initiative

In addition to the list of current DHS programs provided, DHS is poised through the Mérida Initiative to engage in even more significant ways. It is worth highlighting a few specific authorities, responsibilities, and competencies that DHS has to offer Mérida.

First, the Mérida Initiative has tapped into CBP's border security expertise. Through the Mérida process, CBP has explored the possibility of helping to procure and then train counterparts in multiple countries on the effective use of non-intrusive inspection equipment. Through programs that provide equipment and training on fixed and mobile scanning technology, CBP is fulfilling their unique mandate by helping to defend the front lines in the fight against transnational organized crime by better equipping counterparts in the detection and interdiction of illicitly trafficked contraband.

Closely tied to this program are CBP's canine units. CBP's Canine Enforcement Program is the one of the largest, most diverse, and most respected law enforcement canine programs in the country. The CBP canine program continues to diversify canine detection capabilities needed to combat terrorism, and interdict narcotics and other contraband, while helping to facilitate and process legitimate trade and travel. Providing optimal defense at and between our borders, CBP has the largest number of working dog teams of any federal law enforcement agency in the United States.

Another CBP program – the Advance Passenger Information System (APIS) – helps to manage, through the collection and analysis of passenger information, the arrival and processing of persons entering the country at its international airports. The purpose is to better detect and interdict those individuals that may pose a law enforcement, immigration or national security risk to our homeland. Requested Mérida Initiative money would fund a pilot APIS program in Panama, where that country would provide API data to CBP, who would then analyze it and give Panamanian law enforcement agencies immediate, actionable information regarding an impending attempt of a person of interest (be they a gang member, drug dealer, or arms trafficker) to enter or transit their country. This pilot program would serve as the basis for analyzing the requirements and costs of a viable APIS program in Central America and promote information sharing between governments.

Mérida could provide participating governments the requisite training and equipment to enable the establishment of vetted Bulk Currency Smuggling Units (BCSUs). The vetted BCSUs would be able to conduct joint bi-lateral and multi-lateral BCS and cash courier interdiction operations in conjunction with the U.S. Government. These joint BCSU operations would enable regional intelligence and enforcement coordination between the partner nations. Because ICE is the only U.S. Government agency investigating Title 31 (which deals with cross border smuggling of bulk cash), it could assist these countries in stopping such transnational criminal activities.

ICE is not a “single mission” agency. Instead, they are an agency with responsibilities for all immigration and customs violation investigations; including human trafficking, arms trafficking, and (in cooperation with DEA) drug trafficking. ICE also offers the development of fully operational, multi-disciplinary vetted units that work with U.S. Government and foreign law enforcement entities to fight the multiple threats that face our region. These vetted units complement currently established single-focus units by broadening foreign law enforcement agencies' investigatory expertise and facilitating the capture of cross-border criminals who engage in multiple illegal activities. Further, ICE has expertise in assets forfeiture, victim and witness protection, and fraudulent document detection/ investigations.

ICE also has a significant footprint internationally. ICE currently staffs nine foreign offices – five in Mexico and four in Central America – where investigators and analytical support personnel work daily with their host country counterparts to address transnational criminal threats. Merida would build upon this already established relationship to better eliminate these threats before they impact the United States.

Both the USCG and U.S. Visitor and Immigrant Status Indicator Technology (US-VISIT) can also contribute towards the Mérida Initiative. For example, the CASA 235 maritime surveillance

aircraft for the Mexican Navy were intentionally requested to increase interoperability with USCG maritime surveillance efforts and to increase Mexico's capacity to patrol its own waters, protect critical infrastructure, and protect human life. Through increased operational parity, the Governments of the United States and Mexico will have a better opportunity to work together in these endeavors. The USCG can also play a key role in port security improvement projects aimed at decreasing the possibility of a terrorist attack at key regional ports.

US-VISIT, in conjunction with CBP and ICE, can also assist Mexico's National Migration Institute (INAMI) in more fully developing its immigration database, known as the Integrated System for Immigration Operations (SIOM), through sharing expertise on biometric information and technology/standards. Additionally, CBP, ICE, and US-VISIT can all play a role in helping modernize internal immigration control and document issuance processes throughout Mexico.

Coordination and Reporting under the Mérida Initiative

Since President Bush's March 2007 meetings with President Calderon in Merida and then President Berger in Guatemala, the Mérida Initiative has been framed as a partnership: A shared approach to a shared problem. On one hand, the Mérida Initiative involves the U.S. Government partnering with foreign governments to increase regional security by fighting cross-border organized crime. However, it is also the case that the Mérida Initiative represents the partnering of various departments and agencies *within* the U.S. Government to increase regional security by fighting transnational organized crime through the pooling of their operational expertise and programs. DHS remains a strong advocate of the Mérida Initiative interagency process. To date, DHS has been involved in all aspects of the planning of Merida and will continue to be so during implementation.

In conclusion, the Department of Homeland Security fully supports the Mérida Initiative. Mérida offers us an unprecedented opportunity to work closely in partnership with the Calderon administration in Mexico and puts our security relationship with our other neighbors to the south on a new level to the benefit of U.S. security interests. It is DHS' hope that Congress will fully fund the programs that are identified and allow DHS to support these countries in their fight against transnational criminals.