



# NATIONAL SOUTHWEST BORDER COUNTERNARCOTICS STRATEGY

Office of National Drug Control Policy

2013







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# Introduction

The United States, at the local, state, tribal, and Federal levels, has made a concerted effort to enhance, expand, and codify multiple measures designed to address the serious threats posed by illicit drug trafficking across the Southwest border and violence in Mexico. Despite many successes, improved cooperation, coordination, unity of effort, and information sharing, illicit drug trafficking continues to be a multi-faceted threat to our national security which requires additional focus and effort. Transnational criminal organizations based in Mexico with world-wide international connections continue to dominate the illegal drug supply chain and are continuing to expand their illegal activities throughout the United States. Indeed, 90 to 95 percent of all cocaine that enters the United States continues to pass through the Mexico/Central America corridor from the cocaine source countries further south. Mexico remains the primary foreign source of marijuana and methamphetamine destined for U.S. markets and is also a source and transit country for heroin. The same organizations that traffic in drugs also control the south-bound flow of drug-related bulk currency and illegal weapons. The smuggling and illegal export of weapons from the United States into Mexico is a threat to the overall safety and security of both countries and continues to fuel violence along the Southwest border and in the interior of Mexico. Indeed, weapons smuggled into Mexico often end up in the hands of the Transnational Criminal Organizations (TCOs) or other smuggling organizations where they can be employed against law enforcement officers and citizens in either country. On its northern border with the United States, Mexico experienced a dramatic surge in border crime and violence in recent years due to intense competition between Mexican TCOs that employ predatory tactics to realize their profits.

The U.S. Government continues to respond to the challenges posed by transnational criminal organizations through a variety of coordinated activities, both at the operational and national policy levels. The U.S.–Mexico bilateral relationship continues to grow based on increasingly strong, multi-layered institutional ties. The commitment of both governments to improve citizen security in each country is underscored by the Merida Initiative, an unprecedented partnership between the United States and Mexico to fight organized crime and associated violence while furthering respect for human rights and the rule of law. Based on principles of shared responsibility, mutual trust, and respect for sovereign independence, the two countries' efforts have built confidence that continues to transform and strengthen the bilateral relationship in 2013 and beyond.

The Drug Enforcement Administration (DEA) has eleven domestic offices along the Southwest border, and the DEA-led El Paso Intelligence Center (EPIC) supports Federal, state, and local investigations, intelligence collection, and information sharing. As the single point of contact for U.S. drug related matters in the foreign environment, the DEA coordinates U.S. efforts to work with our Mexican law enforcement counterparts in confronting the organizations that profit from the global drug trade. DEA has the largest U.S. law enforcement presence in Mexico with offices in Mexico City, Tijuana, Hermosillo, Nogales, Ciudad Juarez, Mazatlan, Guadalajara, Monterrey, Matamoros, Nuevo Laredo, and Merida. Overall, 23 percent of DEA's allocated Special Agent positions are assigned to SWB field offices in the U.S. and Mexico. In addition to extradition, training, and intelligence sharing partnerships, the DEA supports several additional cooperative initiatives with the Government of Mexico, including the Sensitive Investigative Unit

(SIU) Program. The SIU program is the foundation for building an effective partner nation unit capable of conducting complex investigations targeting major Mexican Drug Trafficking Organizations (DTOs). The program supports a focused investigative capability that allows for bilateral access to a global transnational enforcement and intelligence network that directly supports bilateral investigations with the ability to successfully prosecute international drug traffickers to the fullest extent of the law.

To enhance their operations, U.S. Immigration and Customs Enforcement's (ICE) Homeland Security Investigations (HSI) partnered with U.S. Customs and Border Protection (CBP) and other Federal, state, local and international law enforcement partners to create a Border Enforcement Security Task Force (BEST) along our Southwest Border. On December 7, 2012, the Jaime Zapata Border Enforcement Security Task Force Act was signed into law, amending the Homeland Security Act of 2002 authorizing the Secretary of Homeland Security to establish a BEST program; to direct the assignment of Federal personnel to the program; and to undertake other actions to assist Federal, state, local, and tribal law enforcement agencies in participating in such task forces. There are currently 13 BESTs along the Southwest border.

The Federal Bureau of Investigation (FBI) has 7 field offices and 15 resident agencies along the Southwest border and support personnel in Mexico, Central America, the Caribbean, and South America. In addition, FBI Headquarters through its Latin America Southwest Border Threat Section (LA/SWBTS) has over 25 agents and analysts managing the Southwest border investigative program. In coordination with the FBI's intelligence assets, the LA/SWBTS also develops targeting packages and collects, analyzes, and disseminates actionable intelligence on primary TCO members and their operations to include drug trafficking, human trafficking, and money laundering as well as national security threats related to Southwest border criminal activities. FBI also investigates violent crimes using multiple Safe Streets Taskforces located on the Southwest border. FBI Headquarters program managers coordinate these efforts with other members of the U.S. Intelligence Community (USIC) as well as both U.S. and international law enforcement agencies, and FBI Headquarters representatives. In an effort to attack organized criminal enterprises from multiple fronts, the FBI employs a "Hybrid Squad" concept, which teams investigators with diverse expertise and experience in violent crime, public corruption, financial, money laundering, gang, and drug trafficking. During the 2010-2012 period, FBI conducted 3,701 disruptions and dismantlements of drug trafficking enterprises compared to 2,280 from 2006-2008.

Today the Southwest border is better patrolled than at any other time in history. Along the Southwest border, the Department of Homeland Security (DHS) has increased the number of personnel on the ground from approximately 9,100 Border Patrol agents in 2001 to more than 21,000 today. Since 2009, U.S. Immigration and Customs Enforcement (ICE) HSI has deployed a quarter of all its operational personnel to the Southwest border region, doubled the number of officers dedicated to identify, disrupt, and dismantle criminal organizations which pose a significant threat to border security, and more than tripled deployments by Border Liaison Officers who facilitate cooperation between U.S. and Mexican law enforcement authorities. In fact, ICE HSI, FBI, DEA, and the U.S. Marshals Service have dedicated unprecedented numbers of Federal agents to the Southwest border and have significantly enhanced law enforcement partnerships with state, local, and tribal law enforcement, as well as with the Government of Mexico, as part of a multi-layered effort to target, disrupt, and dismantle criminal organizations.

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The United States is also working to step up surveillance. U.S. Customs and Border Protection (CBP), which now screens 100 percent of southbound rail shipments for illegal weapons, drugs, and cash, has expanded Unmanned Aircraft System (UAS) surveillance coverage to the entire Southwest border and has completed 651 miles of fencing along the key trafficking areas. DHS has already deployed thousands of technology assets—including mobile surveillance units, thermal imaging systems, and large- and small-scale non-intrusive inspection equipment along our borders. In addition to the 124 aircraft, for the first time ever, 6 UAS now monitor the Southwest border, providing critical aerial surveillance assistance to personnel on the ground. These deployments have significantly improved situational awareness and CBP's ability to see what is happening at the border with regard to drug trafficking. CBP has a Certificate of Waiver or Authorization from the Federal Aviation Administration (FAA) for these UAS, which includes operational parameters to ensure these aircraft are operating safely within the National Airspace System.

In February of 2012, President Obama signed the Ultralight Aircraft Smuggling Prevention Act of 2012, which now penalizes the use of ultralight aircraft that help with drug smuggling. Another piece of legislation, the Border Tunnel Prevention Act of 2012, provides law enforcement officers and prosecutors with additional provisions that will enable them to more vigorously pursue, investigate and prosecute those involved in illegal activity.

During 2010–2012, DHS seized 71 percent more currency, 39 percent more drugs, and 189 percent more weapons along the Southwest border as compared to fiscal years (FY) 2006–2008. DHS has increased the funding it provides to state and local law enforcement to combat border-related crime through the Operation STONEGARDEN grant program. Based on risk, cross-border traffic, and border-related threat intelligence, 81 percent of Operation STONEGARDEN awards between 2009 and 2012 went to Southwest Border states.

The Southwest Border High Intensity Drug Trafficking Area (HIDTA), a part of the National HIDTA Program, consists of five Regional HIDTAs in Texas, New Mexico, Arizona, and California and has continued to effectively facilitate programs that provide a forum for interagency cooperation at the state, local, tribal, and Federal levels. The Coast Guard (USCG) has developed 3 Regional Coordinating Mechanisms (ReCoMs) along the southwest maritime border in San Diego, Los Angeles/Long Beach, and Corpus Christi which comprises USCG, CBP, ICE and other local law enforcement partners and act as an all-threats, multi-agency approach to maritime law enforcement. The group shares criminal intelligence, plans strategies, and uses multi-agency operations to target the threat of transnational crime along the Southwest border.

In addition, the United States has made border cities among the safest in the country. Crime rates in border communities including Nogales, Douglas, Yuma, and other Arizona border towns have either remained flat or fallen in the past decade. According to FBI Crime Index statistics, violent crimes in Southwest border states have dropped an average of 40% over the last two decades, and the top four big cities in America with the lowest rates of violent crime—San Diego, Phoenix, El Paso, and Austin—are all in border states.

The 2013 *National Southwest Border Counternarcotics Strategy* guides and coordinates this broad, whole-of-government effort by presenting the progress made since the 2011 *National Southwest Border Counternarcotics Strategy* and providing updated objectives and actions that respond to evolving challenges and threats. This year's *Strategy* focuses on the following strategic goal and nine strategic objectives:

## Strategic Goal:

**Substantially reduce the flow of illicit drugs, drug proceeds, and associated instruments of violence across the Southwest border**

## Strategic Objectives:

- 1. Enhance criminal intelligence and information sharing capabilities and processes associated with the Southwest border**
- 2. Interdict drugs, drug proceeds, and associated instruments of violence at the ports of entry along the Southwest border**
- 3. Interdict drugs, drug proceeds, and associated instruments of violence between the ports of entry along the Southwest border**
- 4. Interdict drugs, drug proceeds, and associated illicit activities in the air and maritime domains along the Southwest border**
- 5. Disrupt and dismantle drug trafficking organizations operating along the Southwest border by increasing investigations and prosecutions**
- 6. Stem the flow of illicit proceeds across the Southwest border into Mexico**
- 7. Stem the flow of illegal weapons across the Southwest border into Mexico**
- 8. Develop strong and resilient communities that resist criminal activity and promote healthy lifestyles**
- 9. Enhance U.S.–Mexico cooperation on joint counterdrug efforts**

Each of this *Strategy's* nine chapters addresses one of the Strategic Objectives above by providing specific details and a summary of supporting actions. Chapter 1 describes efforts to improve criminal intelligence and information sharing. Chapters 2 and 3 focus on efforts to prevent smuggling/trafficking at and between the ports of entry (POEs). Chapter 4 discusses air and marine assets utilized in interdiction efforts. Chapter 5 presents priority actions needed to support investigations and prosecutions. Chapter 6 concentrates on efforts to counter money laundering and bulk cash smuggling across the Southwest border. Chapter 7 outlines steps to combat the illegal smuggling/trafficking of weapons from the United States into Mexico. Chapter 8 focuses on efforts to develop strong, resilient border communities that resist criminal activity and promote healthy lifestyles. Chapter 9 links this *Strategy* to our partnership with the Government of Mexico, building upon on-going cooperation and integrating efforts launched through the Merida Initiative.

The *Strategy* is an integrated component of the Administration's broader national drug control policy. This policy includes a renewed commitment to reduce drug use and its consequences through a balanced public health and public safety approach. Specifically, in Chapter 8, the *Strategy* continues to emphasize prevention and treatment efforts tailored to the unique characteristics of the Southwest border region, which has faced serious consequences from the illicit flow of drugs, money, and weapons.



## INTRODUCTION

In addition to these Strategic Objectives, Federal agencies will continue to place particular emphasis on enhancing and expanding partnerships with each other and with state, local, and tribal law enforcement agencies. These partnerships will facilitate timely information and criminal intelligence sharing and decrease duplication of effort. Improved coordination through co-location and co-mingling of personnel and resources, formal planning meetings, data set sharing, and intelligence analyst conferences among the various agencies allows for a more synchronized effort. Indeed, Federal, state, local, and tribal law enforcement agencies all play critical roles in border security efforts. Establishing full and genuine partnerships, designed to maximize the resources and capabilities of each group, will enable the Nation to more comprehensively address the threat posed by illicit activities along the Southwest border.

While progress has been made, transnational criminal organizations have historically demonstrated the ability to adjust operations when challenged. The *2013 National Southwest Border Counternarcotics Strategy* plays a critical role in ensuring the future security and safety of the citizens of the United States and is only one part of a larger plan designed to safeguard all the border regions, including major air transportation hubs and international maritime shipping ports located further inside our country.

The Office of National Drug Control Policy (ONDCP) will oversee the implementation of this *Strategy*, in coordination with the Department of Homeland Security, Office of Policy, and the Department of Justice, Office of the Deputy Attorney General (DOJ/ODAG), through meetings of the Southwest Border Executive Steering Group (SWB ESG). This group, which includes senior leaders from the Southwest border HIDTA and over 20 Federal agencies involved in Southwest border security, meets several times a year to assess *Strategy* implementation progress, review input from state, local, and tribal partners, and develop responses to emerging challenges. Through the SWB ESG, the Administration will work continuously to ensure Federal, state, local, tribal, and international partners are acting in concert to reduce drug-related threats along the Southwest border.





# Measuring Progress on the Implementation of the National Southwest Border Counternarcotics Strategy

To ensure effective implementation of the *National Southwest Border Counternarcotics Strategy*, it is critical to have indicators that will enable status tracking of its implementation. Provided below are measurable indicators corresponding to the nine strategic objectives of the *Strategy*. While progress reports on the *Strategy* will include narratives highlighting successes and identifying challenges in more detail, a consolidated list of indicators, one per objective, is intended to illustrate progress in pursuing the strategic goal of the *National Southwest Border Counternarcotics Strategy*. These indicators are not comprehensive and do not reflect all that is contained within each chapter, but they do provide an “at a glance” indication of progress in the most crucial areas of the *Strategy*. Additionally, these indicators will be compared to baseline numbers from July 2011, when the Administration’s previous *National Southwest Border Counternarcotics Strategy* was published.

## Strategic Goal:

**Substantially reduce the flow of illicit drugs, drug proceeds, and associated instruments of violence across the Southwest border**

## Strategic Objectives:

### Chapter 1: Intelligence and Information Sharing

- **Objective:** Enhance criminal intelligence and information sharing capabilities and processes associated with the Southwest border
- **Indicator:** Increased number of criminal intelligence databases relevant to the Southwest border or counternarcotics to which the following entities have access: El Paso Intelligence Center (EPIC), Organized Crime Drug Enforcement Task Force (OCDETF) Fusion Center, International Organized Crime Intelligence and Operations Center (IOC-2), Southwest border HIDTAs, ICE HSI’s National Bulk Cash Smuggling Center (BCSC), and state and major urban area fusion centers in the Southwest border region

### Chapter 2: At the Ports of Entry

- **Objective:** Interdict drugs, drug proceeds, and associated instruments of violence at the ports of entry along the Southwest border
- **Indicator:** All seizures at Southwest border ports of entry in the following categories:

Marijuana	Cocaine	Heroin	Methamphetamine	Bulk Currency	Firearms
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**Chapter 3: Between the Ports of Entry (POEs)**

- **Objective:** Interdict drugs, drug proceeds, and associated instruments of violence between the ports of entry along the Southwest border
- **Indicator:** Seizures in Southwest border sectors (outside the ports of entry) in the following categories:

Marijuana	Cocaine	Heroin	Methamphetamine	Bulk Currency	Firearms
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**Chapter 4: Air and Marine**

- **Objective:** Interdict drugs, drug proceeds, and associated illicit activities in the air and maritime domains along the Southwest border
- **Indicator:** Seizures along the Southwest border and maritime approaches by Customs and Border Protection’s Office of Air and Marine (CBP/OAM) and the U.S. Coast Guard (USCG) in the following categories:

Marijuana	Cocaine	Heroin	Methamphetamine	Bulk Currency	Firearms	Maritime Vessels
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**Chapter 5: Investigations and Prosecutions**

- **Objective:** Disrupt and dismantle drug trafficking organizations operating along the Southwest border
- **Indicator:** Number of disrupted or dismantled Consolidated Priority Organization Targets (CPOT) and drug trafficking transnational criminal organizations (TCO) with a Southwest border nexus

**Chapter 6: Money**

- **Objective:** Stem the flow of illicit proceeds across the Southwest border
- **Indicator:** Number of disrupted or dismantled Consolidated Priority Organization Targets (CPOT) and transnational criminal organizations (TCO) linked to primary money laundering organizations (PMLOs) with a Southwest border nexus

**Chapter 7: Weapons**

- **Objective:** Stem the flow of illegal weapons across the Southwest border into Mexico
- **Indicator:** Number of firearms trafficking/smuggling seizures with a nexus to Mexico

**Chapter 8: Strong Communities**

- **Objective:** Develop strong, resilient communities that resist criminal activity and promote healthy lifestyles
- **Indicator:** Past 30-day use of all illegal drugs (to include alcohol, tobacco, and marijuana) by middle and high school students in Drug-Free Communities along the Southwest border

## Chapter 9: Cooperation with Mexico

- **Objective:** Enhance U.S.–Mexico cooperation on joint counterdrug efforts
- **Indicators:** Number of Mexico-based CPOT-linked drug trafficking organizations disrupted or dismantled with the assistance of Government of Mexico authorities; increased number of prosecutors, judges and law enforcement officials trained





# Chapter 1: Intelligence and Information Sharing

## Chapter 1 Strategic Objective

**Enhance intelligence and information sharing capabilities and processes associated with the Southwest border**

## Background

Since the release of the *2009 National Southwest Border Counternarcotics Strategy*, law enforcement agencies and the Intelligence Community have strengthened cooperative efforts to address an expanding range of interrelated challenges on the Southwest border, from drug and human smuggling into the United States, to the transit of arms and bulk cash from the United States into Mexico, to the associated violence in border communities. These initiatives have led to substantial improvements in the combined intelligence capabilities of Federal, state, local, tribal, and international partners along the Southwest border. Progress in information sharing has paralleled an increase in capabilities, and improved technology and new information-sharing protocols have expanded collection, analysis, and intelligence dissemination between and among partners at all levels. Successful initiatives include:

- Detailing additional intelligence analysts, operations specialists, reports officers and collection-requirements managers to the El Paso Intelligence Center (EPIC)
- Establishing the Border Intelligence Fusion Section (BIFS) at EPIC as an all-source, all-threats criminal intelligence section to support tactical and operational efforts with fused intelligence and analysis
- Establishing a Joint Collections Management Unit at EPIC to coordinate requests for information and the dissemination of intelligence
- Incorporating License Plate Reader (LPR) data into EPIC
- Enhancing EPIC's ability to connect directly with and share information between state and local law enforcement agencies and DEA's Special Operations Division
- Creating CBP unified commands in Arizona and South Texas designed to increase information sharing with state and local law enforcement agencies, improve border-wide criminal intelligence-led interdiction operations, and address emerging threats
- Increasing tribal information sharing through the establishment of the first-ever Tribal Terrorism Liaison Officer (TLO) Training Academy, in September of 2011, in partnership with the Indian Country Intelligence Network (ICIN), a sanctioned body of the Inter-Tribal Council of Arizona

As the Administration moves to implement its vision for a 21st century border, accurate, actionable, and timely information and intelligence will become increasingly important in creating a border that allows for the secure, efficient, rapid, and lawful movement of goods and people. Indeed, criminal intelligence and information sharing will remain the key enabler for all efforts along the Southwest border.

In the coming years, intelligence community and law enforcement agencies with Southwest border responsibilities will build on the progress they have already made to create tactical, operational, and strategic-level criminal intelligence products and inform both operational and strategic decision making in combating transnational threats. They will continue to improve the timely dissemination of products and expand information sharing to relevant state, local, and tribal entities. They will produce a Common Criminal Intelligence Picture that supports the operational needs of law enforcement and other border operations personnel seeking to identify trafficking patterns, develop investigative leads, and interdict illegal goods. To integrate these actions, the *2013 Strategy* focuses on establishing a criminal intelligence and information sharing network utilizing EPIC as the key node.

This chapter addresses specific criminal intelligence programs and activities intended to enhance support to investigations and operations along the Southwest border. The supporting actions are designed to improve the quality and timeliness of criminal intelligence and to enhance support to Federal, state, local, and tribal efforts along the land, air, and maritime domains of the Southwest border. The criminal intelligence efforts in this *Strategy* will be aligned with and incorporate other national intelligence priorities, particularly those efforts coordinated by the Director of National Intelligence, DHS, ONDCP/HIDTA, DOJ, DEA, FBI, ICE, Department of Defense (DOD), non-Federal, and international partners.

**Joint Collection Management Unit:**

**In 2011, EPIC established the Joint Collection Management Unit (JCMU) under DHS leadership to replace the legacy Collection and Requirements Management Unit. The JCMU provides centralized RFI (Request for Information) and Collection Requirements Management services to EPIC, its Federal, state, and local law enforcement partners along the Southwest border, and other stakeholders. The JCMU developed and codified RFI and Collection Management Standard Operating Procedures and Processes for EPIC and its customers, published user-friendly RFI and Customer Feedback Forms, created and instituted an effective RFI tasking, tracking, and archival system, and established itself as the single point-of-service for all inbound RFIs to EPIC. In FY2011, the JCMU received, processed, tasked, tracked, and archived 2,283 RFIs, which increased to 3,078 RFIs in FY2012. The JCMU maintains control of received RFIs from receipt through archiving, and requests feedback, which is used to enhance EPIC operations.**

**The JCMU has fused Priority Intelligence Requirements (PIRs) from EPIC, CBP South Texas Campaign, West Texas/New Mexico ACTT, Arizona Joint Field Command, and supported elements with other PIRs and Standing Information Needs published by DHS, DEA, and DOD (USNORTHCOM/JTF-N) to focus limited collection assets against prioritized requirements.**



## Supporting Actions

- 1. Enhance coordination and collaboration on all facets of the intelligence cycle, including setting criminal intelligence collection requirements, producing actionable criminal intelligence analysis, and targeted dissemination among the Intelligence Community, and Federal, state, and local law enforcement agencies**

### **A. Enhance the Southwest Border Intelligence Integration Working Group (SWBIIWG) to oversee and facilitate the continuing implementation of all actions in this chapter**

The SWBIIWG, co-chaired by the DEA/Intelligence Division and the DHS/Office of Intelligence and Analysis, will coordinate and oversee implementation of criminal intelligence integration and information sharing initiatives contained in this *Strategy*. Working Group members include representatives from all Federal agencies/entities with a role in providing counterdrug intelligence support for the Southwest border. The SWBIIWG will oversee intelligence integration objectives, activities, and supporting actions, and it will collaborate with and seek assistance and support from other coordination groups such as relevant Interagency Policy Committees, The Interdiction Committee (TIC), and the EPICLink Executive Steering Group. **Action: DOJ/DEA, DHS/I&A, DOJ/FBI, DOJ/ATF, DOJ/OCDETF, DOD, EPIC, CIA/CNC, DHS/ICE-HSI, DHS/CBP, DHS/USCG, ODNI, ONDCP, Treasury, NSS**

### **B. Enhance coordination and integration of Southwest border-related intelligence collection programs and activities**

It is essential that criminal intelligence collection programs and activities be carried out in a coordinated and cohesive manner, driven by priorities, and measured for performance. Since 2011, DHS/I&A has led the development of an interagency Southwest Border Intelligence Campaign Plan (SWBICP) to integrate border-related criminal intelligence collection efforts. Implementation of the SWBICP will be executed by law enforcement agencies and overseen by the SWBIIWG. Although each agency will manage its activities within the SWBICP, EPIC will serve as the key node in an integrated criminal intelligence network for the Southwest order. FBI oversees an intelligence unit dedicated to identifying and mitigating cross-programmatic threats through intelligence collection and dissemination with Federal, state, local, tribal and international partners. FBI continues to enhance drug intelligence coordination and information sharing with tribal entities by sharing drug intelligence through products, intelligence meetings, and national forums such as the IACP Tribal Section and the Native American Issues Subcommittee. **Action: DOJ/DEA, DOJ/FBI, DOJ/USMS/TOG, DOJ/ATF, DHS/ICE-HSI, DHS/CBP, DHS/I&A, EPIC, ODNI, ONDCP/HIDTA, DHS/USCG**

### **C. Enhance activities to link criminal intelligence efforts and products to operational needs and capabilities**

Since 2011, EPIC's Safety Net IT Initiative has begun to enable connectivity with state and local law enforcement through the Regional Information Sharing System Network (RISSNet) and deconfliction systems. Additionally, in August 2012, EPIC detailed an analyst to work side-by-side with the Texas Fusion Center (TFC) in Austin, Texas, greatly enhancing real-time support.

Continued emphasis will be placed on ensuring that tactical criminal intelligence products contain links that add value to interdiction and investigative activities, including those of state and local law enforcement. Maximum effort will be made to closely link criminal intelligence concerned with land, air, and maritime operations. **Action: DHS/I&A, DOJ/DEA, EPIC, DHS/ICE-HSI, DHS/CBP, DHS/USCG, DOD, DOJ/ATF, DOJ/FBI, DOJ/OCDETF, Treasury, ONDCP/HIDTA**

## **2. Institutionalize programs and technological infrastructure to enable timely criminal intelligence and information sharing collaboration**

### **A. Enhance criminal intelligence coordination and sharing among Federal law enforcement agencies, the Department of Defense, international partners, and Intelligence Community elements and centers**

TIC, EPIC, and the SWBIIWG will coordinate interagency information-sharing protocols, in accordance with the Executive Order on Classified National Security Information Programs for state, local, tribal, and private sector entities. Agencies will build on efforts to coordinate and share Common Operating Picture and Common Intelligence Picture capabilities, and will develop mechanisms to virtually link EPIC, JIATF-South, JIATF-West, AMOC, the OCDETF Fusion Center, IOC-2, DHS Fusion Centers, and HIDTA ISCs. The SWBIIWG will oversee criminal intelligence coordination, information sharing, collaboration, and the integration of systems and processes. The FBI, through its intelligence units, Resolution 6 Agents, detailees and Hybrid Squads, collaborates with partners to share actionable intelligence, including cross-programmatic criminal and national security information, in furtherance of investigative efforts worldwide. FBI has created analyst exchanges as another way to foster information sharing with international partners. **Action: EPIC, DHS/I&A, DOJ/DEA, DOJ/ATF, DOJ/FBI, DOJ/OCDETF, DHS/ICE-HSI, DHS/CBP, DHS/USCG, DOD, ODNI, ONDCP/HIDTA, TIC, Treasury**

### **B. Enhance the ability of Federal, state and local entities to share information through innovative technological platforms and processes**

Since the 2011 *Strategy* was released, DOJ/DEA and DHS/CBP have enhanced their License Plate Reader programs by broadening the availability of LPR data to state, local, and tribal law enforcement agencies.

Efforts to improve information-sharing processes, procedures, and technology among Federal, state, local, and tribal partners will continue to expand the scope, quality, and timeliness of actionable and strategic information. Institutionalizing this progress will require updating existing information-sharing agreements, many of which were drafted more than 10 years ago, and, where necessary, entering into new agreements. Initiatives will focus on expanding and better coordinating existing activities such as EPIC, state and major urban area fusion centers, BESTs, HIDTAs, and activities sponsored by the Major Cities Chiefs of Police. Record management systems, for example, should be interconnected across the Southwest border through new or existing technology. The Air and Marine Operations Center should also continue to make information available to Federal, state, and local law enforcement as needed to improve the interdiction of suspect flights. These coordinated efforts will be included in the EPICLink project.

The DHS Law Enforcement Information Sharing Initiative (LEISI) Law Enforcement Information Sharing (LEIS) Service is a standards-based service designed to share law enforcement case information within DHS and with other Federal law enforcement users, and state, local, and tribal partners. DHS LEISI will seek, where appropriate, to expand information sharing agreements to complement existing agreements with the Department of Justice Criminal Justice Information Service National Data Exchange (N-DEx); the Texas Department of Public Safety Texas Data Exchange (T-DEx); the State of Arizona (AZLink); the San Diego Association of Governments Automated Regional Justice Information System (ARJIS); Southern California LInX (So Cal LInX); and the International Justice and Public Safety Network (Nlets.) These agreements continue to enhance information sharing among relevant Federal, state, and local law enforcement agencies. **Action: DHS/I&A, EPIC, DOJ/DEA, DHS/ICE-HSI, DHS/CBP, DHS/USCG, DOJ/ATF, DOD, ONDCP/HIDTA-ISC, RISS, DOJ/OCDETF, TIC, Treasury/FinCEN, DNI PM-ISE**

**C. Enhance coordination of criminal intelligence and information sharing with Mexico, including information provided to and received from Mexican agencies**

In August 2012, DEA signed a memorandum of cooperation (MOC) with the Government of Mexico to address the continuing problem of illegal methamphetamine production. The MOC is a framework that will assist in sustaining long-term joint efforts between the United States and Mexico in confronting synthetic drug/methamphetamine production. U.S. and Mexican officials enjoy a strong cooperative relationship that includes information and criminal intelligence exchange, joint chemical control efforts, and training and resources for the dismantling of clandestine laboratories. These coordinated efforts include GOM and U.S. interagency bi-monthly bilateral precursor chemical meetings with participating stakeholders. The USCG is working to facilitate an information sharing agreement (to include classified information) between DHS and Mexico's Secretaria de Marina (SEMAR).

Building on these successes, the U.S. Government will explore further opportunities for analytic collaboration, information sharing, and other collaborative efforts with the Government of Mexico and its criminal intelligence and law enforcement entities. The SWBIIWG will oversee the development of guidelines for sharing operational and strategic information and criminal intelligence with Mexican counterparts.

The Department of Homeland Security (DHS) ICE HSI Office of International Affairs (OIA) has established the Criminal History Information Sharing (CHIS) program in collaboration with the Government of Mexico, Secretariat of Governance of the United Mexican States (SEGOB). The ICE HSI OIA CHIS program provides criminal history information to the GOM on foreign nationals being repatriated to Mexico. This information sharing agreement continues to enhance information sharing with GOM. **Action: EPIC, ODNI, DHS/I&A, DOJ/DEA, DOJ/ATF, DOJ/FBI, DOJ/USMS, DHS/ICE-HSI, DHS/CBP, DHS/USCG, DOD, Treasury, DOS**





# Chapter 2: At the Ports of Entry

## Chapter 2 Strategic Objective

**Interdict drugs, drug proceeds, and associated instruments of violence at the ports of entry along the Southwest Border**

## Background

Since the release of the *2011 National Southwest Border Counternarcotics Strategy*, action has been taken to promote the development of criminal intelligence-based targeting and disrupt surveillance operations of drug trafficking organizations that monitor and target U.S. law enforcement. Reasonable steps have also been taken to improve infrastructure at the POEs, including the infrastructure that supports outbound enforcement operations. Emphasis on outbound enforcement has resulted in increased interdiction of illicit proceeds, firearms, and ammunition flowing from the United States to Mexico, while further facilitating the secure and efficient flow of legitimate trade and travel.

U.S. Customs and Border Protection utilizes their LPRs at all 110 outbound vehicle lanes along the Southwest border. As technology has improved, so has the ability to share LPR data with other law enforcement agencies that have a need for such data. Substantive and timely information sharing is critical in targeting and interdicting individuals that move drugs and illicit merchandise from the POEs to their destinations throughout the United States and Mexico.

## Supporting Actions

### 1. Interdict illicit drugs at all POEs

#### A. Expand the use of drug detection technology by frontline officers

Frontline officers and agents utilize an array of Non-Intrusive Inspection technology as a “force multiplier” to maximize their efficiency and effectiveness. For instance, CBP uses X-ray and gamma ray imaging systems to perform thorough examinations of cargo without the costly, time-consuming process of unloading cargo for manual searches or intrusive examination of conveyances by methods such as drilling and dismantling. Since 2011, CBP has increased the number of large-scale imaging systems at and between the POEs along the Southwest border from 137 to 159 and has increased the number of low-energy mobile imaging systems from 52 to 60. As trace narcotics detection technology continues to mature, such equipment is expected to become more readily available to CBP personnel at the POEs.

**Action: DHS/CBP, DHS/S&T**

#### B. Maintain canine capabilities for drug detection at POEs

Canine teams are among the most effective and time-tested assets used for drug interdiction. Therefore, CBP deploys canine teams to the Southwest border, the Northern border, and at key airports and sea-

ports. These teams continue to significantly enhance counternarcotic screening and detection, while decreasing people, cargo, vehicle, aircraft, and vessel inspection time. Since 2011, CBP has increased the number of canine teams along the Southwest border from 341 to 360 and nationwide will continue to monitor the need for additional canine teams in the future. **Action: DHS/CBP**

**2. Utilize all sources of information to better target drug traffickers at the POEs**

**A. Increase the use of domestic drug flow intelligence and analysis for targeting and interdiction operations at the POEs**

Interdiction operations at the POEs are facilitated by many various sources of criminal intelligence, information, and analysis. For instance, tracking and analysis of gang drug distribution activity leads to better targeting criteria for use by frontline officers and agents at the POEs. CBP will continue to collaborate with other agencies through established integration centers, such as the National Gang Intelligence Center (NGIC), to better-target enforcement operations at the POEs. **Action: DHS/CBP, DHS/ICE-HSI, DHS/USCG, DOJ/DEA, DOJ/FBI, DOJ/NGIC, DOJ/OCDETF, EPIC, ONDCP/HIDTA, ODNI**

**B. Enhance collaboration with state, local, tribal, and territorial agencies to promote criminal intelligence-based targeting at the POEs**

Federal agencies will continue to expand their criminal intelligence sharing and partnerships with state, local, tribal, and territorial agencies to optimize operations against drug traffickers, gangs, and other domestic and transnational criminal organizations. **Action: DHS/CBP, DHS/ICE-HSI, DOJ/DEA, DOJ/FBI, DOJ/OCDETF, EPIC, ONDCP/HIDTA**

**3. Increase capabilities and capacities to detect and interdict hazardous chemicals, including drug precursors, at the POEs**

**A. Increase collaboration with state, local, tribal, territorial, and private-sector hazardous materials responders at the POEs**

CBP personnel at many POEs rely heavily upon hazardous materials responders in their communities to assist with emergencies involving hazardous materials. These same responders may serve as valuable assets to support the interdiction of dangerous chemicals, including drug precursor chemicals, at the POEs. **Action: DHS/CBP, DHS/ICE-HSI, DOJ/DEA, FEMA/USFA**

**B. Enhance the capabilities of personnel inspecting potentially hazardous chemicals, including drug precursors, at the POEs**

Hazardous chemicals used in the production of methamphetamine, for example, present significant dangers to communities, as do the small-scale labs that convert such chemicals into methamphetamine. Federal agencies will continue to enhance their capabilities to detect and interdict such chemicals through the deployment of new technologies and the improvement of information and criminal intelligence sharing. **Action: DHS/CBP, DHS/ICE-HSI, DOJ/DEA**

**4. Maintain outbound operations at all POEs with a direct nexus to Mexico**

**A. Maintain outbound interdiction operations at airports and seaports, specifically targeting currency and firearms going to Mexico**

Recent technological advances and facility enhancements, such as the construction of permanent outbound inspection facilities at Southwest border POEs, have led to the increased interdiction of currency, firearms, and other instruments of criminal activity. Enhanced operations at airports and seaports, commensurate with those along the land border, will further restrict opportunities for illicit trafficking.

**Action: DHS/CBP, DHS/ICE-HSI, DOJ/ATF**







# Chapter 3: Between the Ports of Entry

## Chapter 3 Strategic Objective

**Interdict drugs, drug proceeds, and associated instruments of violence between the ports of entry along the Southwest border**

## Background

The Southwest border includes many miles of open desert, rugged mountains, the Rio Grande River, and maritime transit lanes into California and Texas. This vast and diverse environment presents opportunities to those engaged in illegal activity or wishing to cross into the United States undetected. Given the well-documented linkages between drug trafficking organizations and human smuggling/trafficking groups operating at or near the Southwest border, an “all-threats” approach to border security is warranted and will enhance U.S. counternarcotics efforts.

The principal theme of this approach is to use information, integration, and rapid response to deploy the greatest capabilities to engage the greatest risks. CBP, including the Office of Border Patrol (OBP) will gather and analyze information, ensure integration through operational planning and execution with our international, Federal, state, local, and tribal law enforcement partners, and, based on risk, deploy the appropriate rapid response to the threat.

## Supporting Actions

### 1. Utilize a risk management approach to border enforcement

Risk management will allow CBP to transition from a resource-based to a risk-based organization. The risk-based approach represents a shift in planning, executing, and measuring performance and effectiveness. It will be achieved through the implementation of systematic processes for identification, assessment, and prioritization of evolving threats and resources. Risk analysis will allow CBP to effectively and efficiently identify, prioritize, and address impending threats and vulnerabilities.

Through the principles captured in the FY2012-FY2016 Border Patrol Strategic Plan, all Commanders are encouraged to strengthen working relationships with other Federal law enforcement agencies. Risk management will enable CBP to reach maximum enforcement benefit from collaboration, integration, and fusion with law enforcement partners and Communities of Interest (COI). **Action: DHS/CBP, DHS/ICE-HSI, DHS/USCG, DOJ/FBI, DOJ/DEA, DOJ/ATF, ONDCP/HIDTA, DOD**

## 2. Improve coordinated operations and partnerships on the Southwest border

### A. Enhance capability of task force initiatives

Multi-agency task force initiatives have been developed to enhance information sharing and increase the effectiveness of coordinated law enforcement investigations and operations along the Southwest border. For example, the OCDETF Strike Force program co-locates Federal and state agents and prosecutors in key cities along the Southwest border and has mounted a comprehensive attack against organized drug traffickers. Its goal is to reduce the availability of drugs by disrupting and dismantling major drug trafficking organizations and money laundering organizations and related criminal enterprises along the Southwest border. In 2005, in response to a significant increase in violence within Mexico along our Southwest border, ICE HSI partnered with CBP and other law enforcement agencies to create the highly effective Border Enforcement Security Task Force in Laredo, Texas. The success of this task force led to its recognition as a key effort in successfully integrating Federal, state, local, tribal, and international law enforcement efforts against TCOs and for enhanced border security. As the executive agent for the development and management of the BEST program, ICE HSI has led a campaign to establish these investigative task forces in the locations most affected by transnational organized crime. DHS has 13 of its 34 BEST teams located on the Southwest border. These teams include participation from ICE HSI, CBP, DEA, Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), the U.S. Attorney's Office, the USCG, key state and local law enforcement agencies, and, in some locations, Mexican law enforcement liaisons. Efforts will continue to promote smoother collaboration and increase effectiveness by co-locating coordination centers and local fusion centers with BEST teams and OCDETF Southwest Border Strike Forces. **Action: DHS/CBP, DHS/ICE-HSI, DHS/USCG, DOJ/FBI, DOJ/DEA, DOJ/ATF, DOJ/OCDETF, ONDCP/HIDTA, DOD**

### B. Enhance interagency planning processes and apply best practices

Law enforcement leaders will establish regular Southwest border interdiction planning sessions and will utilize existing efforts in South Texas, New Mexico, Arizona, and California to capture best practices and lessons learned. An interagency working group will be established as a single point of contact to collect, develop, and publish lessons learned from previous interagency counterdrug operations. Through the Alliance to Combat Transnational Threats (ACTT), DHS, ICE, CBP, and USCG will continue to conduct combined operations and planning and improve collaboration with other Federal and non-Federal agencies. **Action: DHS/CBP, DHS/ICE-HSI, DHS/USCG, DOJ/FBI, DOJ/DEA, DOJ/ATF, ONDCP/HIDTA, DOD**

### C. Upgrade and standardize communications on the Southwest border

CBP continues to modernize current communications systems to provide greater range, enhance security, and increase technological advancement incorporation to meet the needs of Federal, state, local, and tribal law enforcement. OBP, in conjunction with the CBP Office of Information and Technology (OIT), has made significant progress in deploying the Cross Border Security Communications Network (CBSCN). This network will allow for seamless communication between the three operational components of CBP: Office of Air and Marine (OAM), OBP and Office of Field Operations (OFO). Additionally, direct communication between CBP and Government of Mexico Civil Authorities will be established at ten sets of U.S./Mexico paired cities. In the last year, the Concept of Operations and Standard Operating

Procedures documents have been approved by all three operational components and disseminated to the field by the Chief of OBP. Six of the ten sets of paired cities are fully functional with the remaining four expected to reach this status by the end of 2013. Once all ten sets of paired cities have become fully operational, other agencies outside of CBP will be solicited to participate in the CBSCN, ultimately providing seamless communications to all requisite civil authorities.

CBP continues to improve communications interoperability between Southwest border law enforcement personnel, greatly contributing to interdiction, enforcement, and investigative operational success. To this end, CBP maintains a Memorandum of Understanding (MOU) with the Department of the Interior and the Department of Agriculture (USDA) regarding radio interoperability. Likewise, the U.S. Coast Guard is coordinating an Information Sharing Agreement with CBP to enhance communication interoperability using the National Law Enforcement Communications Center. **Action: DHS/CBP, DHS/ICE-HSI, DHS/USCG, DOJ/FBI, DOJ/DEA, DOJ/ATF, ONDCP/HIDTA, DOD**

#### National Guard CD SWB Effort

- The National Guard Counterdrug Program supports various strategies, specifically the DASD-CN&GT Strategy, the National Security Strategy, and the National Drug Control Strategy.
- The National Guard Counterdrug Program provides support to Law Enforcement Agencies (LEAs) and DoD through the following capabilities: Detecting, Disrupting, Interdicting and Curtailing.

#### SWB Assets:

- 305 personnel currently supporting SWB LEAs
- All support provided under the authorities of 32 USC 112
- Supporting Federal, state, and local LEA requests
- Providing air/ground reconnaissance, intelligence, communications, linguistic, logistical, transportation, and C2 for supported LEAs
- National Guard State CD Programs have State attorney general and governor approved operations supporting LEAs
- National Guard State CD Programs have mandatory prescribed and institutional training with rules for use of force when supporting LEA CD operations





# Chapter 4: Air and Marine

## Chapter 4 Strategic Objective

**Interdict drugs, drug proceeds, and associated illicit activities in the air and maritime domains along the Southwest border**

## Background

TCOs transport illicit narcotics across the land, sea, and air domains of the Southwest border. The U.S. government's air and maritime response is directed to impact illegal drug flow in all three domains. Of the three environments exploited by TCOs in the illegal cross-border movement of narcotics, the U.S. Government's domain awareness is most challenged in the maritime environment. Maritime domain awareness poses a significant challenge for U.S. assets due to the dynamic nature of the maritime environment and the vast undefined physical sea border.

In the Southwest border region, the land, maritime, and air environments cannot be effectively policed by a single governmental entity. A whole-of-government approach that leverages interagency partnerships as a force multiplier has been and will continue to be effective, though it is subject to the limitations of existing agency resources. Primarily, the whole-of-government approach is a coordination methodology to determine which agency has the available resources or funding to patrol a designated place at a designated time.

TCOs seek opportunities to exploit the fluid nature of the air and maritime domains. There is a parallel opportunity in law enforcement to augment capabilities on the ground—the principal environment exploited by TCOs. This is accomplished with the wide range of assets and capabilities utilizing aircraft, unmanned systems, maritime vessels, and a variety of sensors. These platforms and sensor systems cover wide areas of ground, air, and maritime domains to detect, identify, track, and conduct surveillance of TCOs approaching and crossing the U.S. border. Within the air and maritime domains, the U.S. Government has the ability to counter narcotics traffickers at the border and the approaches to the United States in the source and transit zones. It is in these zones and approaches that whole-of-government solutions most effectively counter the TCOs' smuggling efforts. The U.S. Government must continue a layered approach to enforcement through the disruption and seizure of bulk narcotics in the source and transit zones.

## Supporting Actions

### 1. Improve air domain awareness and interdict illicit air traffic

#### Continue investment in air domain awareness technologies

Conventional air platforms are one piece of air domain security along the Southwest border. Technological solutions are another integral component of this package that augments air platforms to create a more comprehensive air domain solution. Three other parts essential to this package are the Air and Marine Operations Center (AMOC), the Tethered Aerostat Radar System (TARS), and Supplemental Portable Radars. These capabilities, augmented by the support of air platforms, provide the air domain awareness needed by tactical commanders. In addition, technology solutions are essential in identifying and tracking difficult to detect ultra-light aircraft used by TCOs to bring drugs across the Southwest border:

- **Air and Marine Operations Center (AMOC):** AMOC is a state-of-the-art law enforcement radar surveillance center that uses data gathered by radar, air, and maritime platforms fed into the Air and Marine Operations Surveillance System (AMOSS). Data gathered from these assets feed into the AMOSS and, in turn, the AMOC provides real-time information on suspect targets to responders at the Federal, state, and local levels. AMOC uses this information to detect, identify, sort, track, and direct the interdiction of suspect targets. AMOC provides direct coordination and support to DHS components and other Federal, state, and local law enforcement agencies performing interdiction missions. The technological sensor fusion capabilities of the AMOC have been enhanced by the continued integration of a joint DHS staff that concentrates the authorities and resources of participating DHS components to better support all efforts to identify, interdict, and investigate threats in the air and maritime domains. AMOC is aggressively pursuing new technology and interagency staffing enhancements to fully enable integrated domain awareness.
- **Tethered Aerostat Radar System (TARS):** For more than two decades, the Tethered Aerostat Radar System (TARS) has been managed and operated by the Department of Defense (DoD). On October 1, 2013, DoD will transfer the TARS system to DHS. TARS provides look-down capability that provides low altitude radar detection and tracking along the U. S. Southwest border. TARS is one of the cost effective tools to detect aircraft crossing the Southwest border. DHS, via AMOC, is the most active user of the TARS. Without the TARS program, there would be a dramatic loss in air domain awareness on the border. Continuation of TARS is important to the ability of law enforcement to see a comprehensive air domain picture or effectively interdict TCO activities. The successful transfer of an operational TARS from DOD to DHS will preserve the operational capabilities of TARS to the benefit of Federal, state, local, tribal and international interdiction forces.
- **Supplemental Portable Radars:** Portable radars could enhance air detection and monitoring capability by acting as a gap-filler, providing additional sensor data to be fused by the AMOC with those from FAA radars and other DOD systems.

These technologies, augmented by the support of air platforms and coupled with the fusion of investigative information and national criminal intelligence, provide the air domain awareness needed to

enable interdictions, facilitate criminal investigations, and enable successful prosecutions. In addition, new technology solutions and a joint interagency staff are essential to identifying and tracking aircraft used by TCOs along the Southwest border. **Action: DHS/CBP (AMOC), DHS/ICE-HSI, DHS/USCG, DOJ/FBI, DOJ/DEA, DOJ/ATF, DOD, ONDCP/HIDTA**

### **B. Enhance air platform capabilities for use in areas with a Southwest border nexus**

Having the correct number of air assets in the right places with the proper capabilities is essential to interdiction in the air domain. In past years, CBP and its law enforcement partners have increased both the number and capability of air assets operating along the Southwest border to improve detection and response. By utilizing manned, fixed-wing and rotary-wing aircraft, Unmanned Aircraft Systems, and maritime assets, CBP provides the specialized detection and response capabilities necessary to increase border security across the rugged terrain and vast expanses of the Southwest border. It is essential that planned upgrades to existing aircraft as well as the procurement of future aircraft to replace aging airframes continue in order to ensure viable air domain awareness in the Southwest border. **Action: DHS/CBP (AMOC), DHS/ICE-HSI, DHS/USCG, DOJ/FBI, DOJ/DEA, DOJ/ATF, DOD, ONDCP/HIDTA**

### **C. Increase presence of air interdiction platforms in areas with a Southwest border nexus**

Ensuring an appropriate amount of flight hour coverage to secure the air domain on the Southwest border is central to continued success. Budget projections have indicated future reductions in available flight hours to all law enforcement agencies operating aircraft along the Southwest border. Reports indicate that while TCOs are continuing to utilize aircraft within Mexico to transport drugs, the aircraft stop short of the U.S. border due to the presence of interdiction aircraft along the border. **Action: DHS/CBP (AMOC), DHS/ICE-HSI, DHS/USCG, DOJ/FBI, DOJ/DEA, DOJ/ATF, DOD, ONDCP/HIDTA**

## **2. Improve maritime domain awareness and interdict illicit maritime domain traffic**

### **A. Use air platforms to enhance maritime domain awareness and interdiction of illicit targets with a Southwest border nexus**

Air platforms utilize tracking software to identify and track maritime targets smuggling illegal cargo. DOD, CBP, and USCG provide air support to Joint Interagency Task Force–South (JIATF–S) for detection and monitoring of suspect vessel traffic in the maritime transit zone. When combined with robust interdiction capabilities, this is a major impediment to TCO narcotics trafficking from source zone countries through the transit zones into Central America, Mexico, and the United States. Additionally, CBP and USCG aircraft fly missions to identify targets of interest transporting narcotics into and through the waters off the Southern California coast (from San Diego to as far north as Monterey County) and in the Gulf of Mexico. AMOC coordinates the fusion of maritime sensors, investigative information and national criminal intelligence to provide real-time information on maritime suspect targets and advance notification of imminent maritime smuggling events to responders at the Federal, state, and local levels. AMOC provides direct coordination and support to DHS components and other Federal, state, and local law enforcement agencies performing interdiction missions and criminal investigations. **Action: DHS/CBP (AMOC), DHS/ICE-HSI, DHS/USCG, DOJ/FBI, DOJ/DEA, DOJ/ATF, DOD, ONDCP/HIDTA**

**B. Ensure maritime domain awareness and interdiction of illicit targets**

The U. S. Coast Guard Maritime Intelligence Fusion Centers (MIFCs) integrate maritime information in the Pacific area of responsibility, including the Southwest, with other USCG intelligence assets such as the Intelligence Coordination Center (ICC), Coast Guard Cryptologic Group (CGCG), the IC DHS components, and other partner agencies.

- The ICC is the Coast Guard Commandant’s national center for intelligence operations. The ICC provides intelligence to the Commandant, Deputy Commandants for Operations and Mission Support, the Assistant Commandant for Intelligence and Criminal Investigations and other headquarters leaders. Active collaboration with Intelligence Community partners enables ICC to provide all-source analysis for all DHS maritime intelligence requirements. ICC maintains intelligence watches at the National Targeting Center (Coastwatch), Coast Guard Headquarters (Commandant’s Intel Plot), and the El Paso Intelligence Center (EPIC) Maritime Intelligence Unit.
- The USCG ICC’s Maritime Intelligence Unit, located at the EPIC, screens vessels and individuals encountered by Federal, state, local, and tribal law enforcement personnel. These screening efforts provide valuable law enforcement criminal intelligence and include assessments of relevant data to determine whether any crew or passengers have prior records of criminal activity.
- Coast Guard intelligence has two regionally-focused Maritime Intelligence Fusion Centers—one at Alameda, California (MIFCPAC), and one at Dam Neck, Virginia (MIFCLANT)—which serve as central hubs for fusing, analyzing, and disseminating maritime intelligence and information to USCG districts, sectors, units, and partner law enforcement and intelligence agencies, as appropriate, at the operational and tactical level. They specifically focus on intelligence support to targeting, technical intelligence capabilities, and analytical reach back.
- Coast Guard Investigative Service (CGIS) special agents work closely with BEST forces and Integrated Border Enforcement Teams (IBETs), as well as with other Federal, state, local, and tribal task forces in the conduct of investigations into violations of Federal law and the conduct of border security operations under the maritime justice jurisdiction of the U.S. Coast Guard. They also participate in regional Joint Terrorism Task Forces in key maritime border regions and provide force protection support to Coast Guard units worldwide.
- The Coast Guard Sector Intelligence Staff is the primary tactical collection and intelligence support at the port/sector level. The primary mission is collection/reporting and first-tier analysis. The staff regularly collaborates with local port and maritime sector commanders, DHS, state, local, tribal, territorial (SLTT) fusion centers, and other local partner agencies along the maritime border.

CBP and USCG continue to examine innovative vessel platforms and technologies to work toward a more comprehensive maritime domain awareness picture and better ensure identification and interdiction of illicit targets at the border and in the drug transit zone. ICE HSI’s BEST program, which includes multi-agency task forces, such as the San Diego BEST Marine Task Force and the LA BEST Unit, utilize a comprehensive approach to identify, disrupt, dismantle, and prosecute border-related smuggling and trafficking organizations using go-fast vessels. This mission is accomplished by the member agencies of the task



force working in unison to gather, analyze, data-mine, and share criminal intelligence gathered through myriad investigative techniques. As security has increased at land entries, TCOs have shifted some of their efforts to exploit vulnerabilities across the maritime domain—specifically, the littoral approaches to the California Coast and the Gulf of Mexico areas of operation. Both maritime regions have observed increased use of go-fast vessels (typically panga and lancha type boats) smuggling illicit narcotics and migrants. To combat increased illicit maritime activity, the USCG, CBP, and their Federal, state, local and international partners will continue to coordinate standing operations such as BAJA TEMPESTAD and BLUE TEMPEST in Southern California, and BORDER PRESENCE II and South Texas Campaign in the Gulf of Mexico to combat the increased illicit activity at the maritime border. It remains of paramount importance to ensure the solvency of CBP and USCG programs to enhance maritime domain awareness and interdict targets transporting narcotics through the maritime domain. **Action: DHS/CBP (AMOC), DHS/ICE-HSI, DHS/USCG, DOJ/FBI, DOJ/DEA, DOJ/ATF, DOD, ONDCP/HIDTA**

**San Diego’s Panga Vessels:**

A panga (as it is called in the San Diego area) or lancha (as it is referred to in the Gulf of Mexico/Texas area) is a type of open-hulled, outboard powered, fishing boat that ranges in size from 20-60 feet and is common throughout much of Central/South America and Mexico. Key features of the panga design are a high bow, narrow waterline beam and a flotation bulge along the gunwale or top edge of the hull. The narrow beam allows the hull to be propelled by a modest sized outboard engine; however, interdictions over the last year have seen pangas with as many as four outboard engines. The vessel has distinct differences depending upon the geographical area. Transnational Criminal Organizations use these vessels primarily to smuggle marijuana and migrants around the Southwest border and cocaine through offshore routes in the Eastern Pacific. The average load of marijuana being smuggled via panga is approximately 1,500 pounds, but there have been several interdictions of 4,000 plus pounds.



**C. Engage law enforcement partnerships to maximize existing resources in the maritime domain**

Although maritime domain awareness has increased considerably, due in large part to better inter-agency coordination, information sharing, and effective employment of available law enforcement assets, the threat posed by the increase in TCO illegal maritime activity remains a challenge. CBP and USCG should continue acquisition of updated and more capable maritime vessels to increase their

operational capability to interdict suspect targets. The recently expanded maritime presence along the Southwest border by both CBP and USCG should be maintained, and any opportunities to improve the law enforcement presence and effectiveness should be explored and implemented through the DHS Maritime Operations Coordination Plan (MOC-P). This plan establishes the department's cross-component coordination amongst CBP, USCG, and ICE for maritime operational coordination, planning, information sharing, criminal intelligence integration, and response activities for an efficient, effective, and coordinated departmental response to threats against the United States and Regional Coordination Mechanism (ReCoM).

Success in the Southwest border maritime domain centers on the Regional Coordinating Mechanisms in San Diego, Los Angeles, and Corpus Christi to improve the common operating picture and respond to maritime threats and targets. These ReCoMs draw from existing law enforcement task forces and improve information and criminal intelligence sharing with Federal, state, local and Mexican partners along the Southwest border. Agencies should continue to develop and utilize all available means for detection and tracking of suspect air and maritime contacts and improve information sharing to enhance Southwest border domain awareness, including improved technology and mechanisms to share information with other Federal, state and local partners. The AMOC will continue to integrate emerging maritime domain awareness technology and sensors and aggressively seek increased interagency participation to fuse all available information and criminal intelligence. **Action: DHS/CBP (AMOC), DHS/ICE-HSI, DHS/USCG, DOJ/FBI, DOJ/DEA, DOJ/ATF, DOD, ONDCP/HIDTA**

### 3. Provide ground domain support through air platforms

#### A. Increase presence of air platforms supporting ground interdiction

Aircraft augment the capabilities of ground personnel acting to stem TCO activity. One of the primary methods that TCOs utilize to bring narcotics into the United States is through the land borders between the ports of entry. The Office of Border Patrol is the lead law enforcement entity tasked with patrolling the harsh terrain between the ports of entry. Utilizing fixed-wing and rotary-wing aircraft, CBP actively searches for TCO activity on the ground in support of ground units. **Action: DHS/CBP (AMOC), DHS/ICE-HSI, DHS/USCG, DOJ/FBI, DOJ/DEA, DOJ/ATF, DOD, ONDCP/HIDTA**

#### B. Invest in advanced technologies to increase effectiveness of ground-based patrols

The ability to establish and maintain situational awareness of smuggling activity across large areas of harsh and restricted terrain using technologies based on the deployment of unmanned aerial systems represents a major evolution in the effort to counter TCOs. This capability enables law enforcement to develop early warnings of illicit activity, as well as the ability to track TCO activities and plan coordinated operations efficiently and effectively. These advanced warning technologies and capabilities are essential to stay ahead of TCOs which adapt to law enforcement tactics and operations along the Southwest border. **Action: DHS/CBP (AMOC), DHS/ICE-HSI, DHS/USCG, DOJ/FBI, DOJ/DEA, DOJ/ATF, DOD, ONDCP/HIDTA**

#### 4. Continue investment in foreign and interagency efforts

##### A. Continue to strengthen foreign interoperability

CBP conducts collaborative interdiction operations with Mexico using both fixed-wing and rotary-wing aircraft. The Government of Mexico has personnel serving at the AMOC who coordinate Mexican Government responses to suspect air targets in cooperation with the U.S. Embassy in Mexico City. Procedures exist to assist Mexican aviation and ground interdiction forces in apprehending suspect air targets. CBP and U.S. Immigration and Customs Enforcement maintain a liaison presence within Mexico's coordination center, and the U.S. and Mexican governments' radar data feeds improve the Mexican and U.S. air domain awareness.

In the maritime domain along the U.S. Southwest border, the USCG, along with the U.S. Northern Command, Canada, and Mexico's SEMAR, has developed standard operating procedures for joint operations and communications through the North American Maritime Security Initiative (NMSI). The procedures substantially improved command and control and interoperability between designated USCG and naval command centers, which by using approved communications are better able to coordinate multi-mission patrol and boarding operations. These procedures also advance the process of integrating the diplomatic and operational channels for boarding requests that have resulted in more efficient operations. To improve communications between USCG, DOD, and SEMAR, as well as Central American countries, each agency participates in the Partner Nation Network to rapidly disseminate operational and tactical law enforcement information. **Action: DHS/CBP (AMOC), DHS/ICE-HSI, DHS/USCG, DOJ/FBI, DOJ/DEA, DOJ/ATF, DOD, DOS, ONDCP/HIDTA**





# Chapter 5: Investigations and Prosecutions

## Chapter 5 Strategic Objective

**Disrupt and dismantle drug trafficking organizations operating along the Southwest border**

### Background

Today, the most significant Transnational Criminal Organizations (TCOs) operating throughout Mexico and controlling the flow of drugs across the Southwest border are the Gulf Cartel, the Los Zetas Cartel, the Juarez Cartel, the Sinaloa Cartel, the Tijuana Cartel, the Beltran-Leyva organization, Los Caballeros Templarios, and La Familia Michoacana. Although the Beltran-Leyva and La Familia Michoacana organizations are now somewhat diminished, new groups have arisen and the existing groups have formed new alliances.

Pressure on the TCOs has continued to mount as a result of the courageous and aggressive counter-drug efforts in Mexico and increasing inter-TCO competition. The reach of these TCOs does not end inside of Mexico or on the Southwest border. Indeed, smaller criminal organizations have established alliances with the larger Mexican TCOs and operate on behalf of them in several hundred U.S. cities, and their presence has been documented in the Caribbean, Central America, South America, Africa, Australia, Europe, and the Middle East. It thus remains imperative to focus U.S. and Mexican law enforcement efforts on conducting bilateral investigations and prosecutions that emphasize disrupting and dismantling these criminal organizations.

In March 2002, the Attorney General called upon law enforcement agencies to compile a unified list of the most significant international drug trafficking and money laundering targets. The result was the first Attorney General's Consolidated Priority Organization Target (CPOT) list, which was jointly produced by the Organized Crime Drug Enforcement Task Forces (OCDETF) Program participating agencies and issued in September 2002. Since the issuance of the initial CPOT list, law enforcement agencies and prosecutors have focused their efforts to pursue these "command and control" drug trafficking organizations and to disrupt and dismantle the means by which they control the drug market. The CPOT list assists Federal law enforcement agencies in focusing their enforcement efforts on those specific targets that are primarily responsible for the nation's illegal drug supply. OCDETF's performance, and that of Federal law enforcement as a whole, is significantly measured by the success against those identified as CPOTs.

Targeting these criminal organizations through investigations and prosecutions is crucial to an effective counternarcotics strategy on the Southwest border. Given the magnitude of the threat, U.S. law enforcement and criminal intelligence agencies must continue to enhance their capacity to undertake or assist such investigation and prosecution efforts. U.S. and Mexican law enforcement and criminal intelligence communities must also closely coordinate their bilateral efforts to disrupt, dismantle, and prosecute criminal organizations responsible for the movement of illicit drugs, firearms, and drug proceeds across the Southwest border by building strong cases against these organizations and bringing TCO leaders to justice.

## Supporting Actions

### 1. Broaden the presence and function of U.S. law enforcement liaisons in Mexico

#### A. Pursue opportunities to expand U.S. law enforcement liaison presence in Mexico

With the consent of the Government of Mexico, efforts will be made to increase U.S. law enforcement liaison presence in key Mexican cities along the Southwest border and elsewhere in Mexico in order to support the investigation and prosecution of transnational criminal organizations. Placing expert U.S. personnel where the criminal organizations are operating enables closer collaboration with Mexican law enforcement partners. **Action: DOJ, DHS, DOS, DOJ/USMS/TOG, Treasury/OFAC**

#### B. Use joint and coordinated efforts among U.S. law enforcement agencies to disrupt and dismantle drug trafficking organizations operating along the Southwest border

Improved investigative collaboration and coordination between key U.S. law enforcement agencies, task forces, and existing mechanisms such as High Intensity Drug Trafficking Area (HIDTA) offices will increase the ability of the U.S. and Mexican governments to successfully target the financial infrastructures and drug trafficking operations of major trafficking organizations, while also enhancing criminal investigations and prosecutions. In addition, continued utilization of the multi-agency and operational support centers, such as the Special Operations Division, OCDEF Fusion Center, IOC-2, ICE HSI-Bulk Cash Smuggling Center, EPIC, FBI Southwest Intelligence Group, Financial Crimes Enforcement Network (FinCEN), and other national and local deconfliction centers, will ensure successful investigations and prosecutions. **Action: DHS/ICE-HSI, Treasury/IRS-CI, Treasury/OFAC, DOJ/DEA, DOJ/FBI, DOJ/USMS, Treasury/FinCEN, DHS/USCG**

### 2. Increase the investigative and prosecutorial resources dedicated to cases relating to Mexico and the Southwest border

#### A. Increase the Federal, state, tribal and local law enforcement resources dedicated to Southwest border-related investigations

Sophisticated Mexico-based TCOs responsible for supplying most of our Nation's illegal drug market also engage in other crimes, including extortion, torture, murder, corruption of public officials, harboring of fugitives, kidnapping, human smuggling, money laundering, and firearms trafficking. Increasingly, they employ U.S.-based criminal gangs to distribute drugs at the wholesale and retail levels and to act as enforcers in both the U.S. and Mexico. Attacking these organized, multi-faceted criminal enterprises, facilitators, and gangs in their entirety requires the active and coordinated participation of multiple Federal, state, tribal, and local agencies with sufficient expertise and resources to support all phases of the investigations. Although in recent years the hiring of Federal interdiction agents deployed to the Southwest border has increased substantially, and many agencies have been able to temporarily re-deploy existing investigative agent resources, there remains a pressing need for experienced investigators to keep pace with the enormously high caseload of complex and time-intensive investigations. Increasing our experienced investigative resources will help law enforcement identify appropriate targets in each Southwest border district and maintain pace with these growing caseloads. **Action: DOJ, DHS**

### **B. Increase the capacities of U.S. Attorneys' Offices to handle Southwest border drug investigations and prosecutions**

The five busiest United States Attorneys' Offices are all on the Southwest border: the Southern District of California, the District of Arizona, the District of New Mexico, the Western District of Texas and the Southern District of Texas. A comprehensive strategy must ensure the U.S. Attorneys' Offices are adequately staffed to handle Southwest border drug smuggling and trafficking investigations and prosecutions and have sufficient OCDETF and non-OCDETF Assistant U.S. Attorneys (AUSA). Successful and timely prosecutions also require comprehensive support resources including paralegals, clerical staff, equipment, office space, and document translation services. The Border Security Act of August 2010 partially alleviated the problem of declining prosecutorial resources by authorizing new OCDETF and non-OCDETF funding for increased numbers of AUSAs to handle Southwest border work. However, such funding was only for the finite terms of August 13, 2010 through September 30, 2011. No new AUSAs were hired because there was no assurance that it would be annualized. Instead, the funding was used to cover prosecutor shortfalls in the Southwest border districts that would have occurred given Congress's earlier cuts to the OCDETF program. Subsequently, this funding was not annualized to ensure a sustained U.S. Attorneys Offices (USAO) capacity to handle the growing caseload along the Southwest border. Future funding allocations must be annualized in order to lead to meaningful increases in prosecutorial capacity. **Action: DOJ**

### **C. Enhance the capacities of investigative agencies and U.S. Attorneys' Offices to dismantle the financial infrastructure of Southwest border drug trafficking organizations**

In order to disrupt and dismantle the most significant drug trafficking organizations contributing to the Southwest border threat, investigations and prosecutions must focus on the entire financial infrastructure of the targeted organizations and destroy their ability to operate. As part of this goal, law enforcement should continue to initiate financial investigations early in a case, utilizing EPIC and its National Seizure System as often as possible as an information-exchange and criminal intelligence source for seizure-related data, and use ICE HSI's National Bulk Cash Smuggling Center (BCSC) as a resource for exploiting criminal intelligence data obtained during an encounter. In addition, the multiagency Special Operations Division also coordinates this type of information for all participating agencies. Moreover, OCDETF member agencies will continue to train and assist state and local law enforcement at all levels of experience to gain valuable criminal intelligence for investigation development following bulk cash seizures. **Action: DOJ/FBI, DOJ/OCDETF, DHS/ICE-HSI, DOJ/DEA, DOS, IC, Treasury/IRS-CI**

### **D. Collaborate with tribal leadership to target drug trafficking in Indian Country**

Drug trafficking in Indian Country (IC) is a significant problem along the Southwest border, and cartels actively solicit tribal members to transport drugs across the border. Partnerships between tribal leadership and law enforcement on criminal intelligence-gathering, investigations, prosecutions, and prevention programs remain crucial. The FBI initiated a working group to identify areas within IC where a focused use of Federal resources will decrease drug-related violent crimes. The working group will work directly with ONDCP's Drug Endangered Children program. DOJ-OLE provides funding for Indian Country training and solicits attendance from tribal agencies and Tribal Liaisons for the USAO, FBI, and BIA. FBI



Safe Trails Task Forces are a crucial part of addressing drug and violent crimes within Indian Country. The FBI funds contracts with the Arizona and South Dakota Forensic Labs to provide access for tribes to directly submit evidence for examination. Additionally, ICE HSI operates the Shadow Wolves program, in which Native American trackers in the Tohono O’odham Indian Nation interact with the local Native American community to produce actionable criminal intelligence to support enforcement operations. The U.S. Marshals Service has aggressively included tribal leadership in fugitive task forces along the Southwest border, particularly in the Districts of New Mexico and Arizona. An official from the Tohono O’odham Indian Nation is a member of the Arizona HIDTA’s Executive Board. **Action: DOJ/USMS, DOJ/DEA, DHS/ICE-HSI, DHS/CBP, ONDCP/HIDTA**

### 3. Increase cooperation with Mexico on investigations and prosecutions

#### A. Expand bilateral enforcement and prosecution efforts with Mexico

DEA, which is the single point of contact for U.S. drug related matters in the foreign environment, coordinates all counternarcotics efforts and bilateral investigations with the Government of Mexico and our Federal partner agencies. The Controlled Substances Program (CSP) and Illicit Drug Program (IDP) were developed by ICE and CBP with Mexico’s Office of the Attorney General (PGR) to deter criminal organizations operating on both sides of the border from utilizing the ports of entry for smuggling. The U.S. Marshals Service operates an active fugitive and prisoner program working with the Government of Mexico, their Mexico Investigative Liaison Program, fugitive task forces, and criminal investigators assigned to multiagency OCDETF task forces along the border. In 1994 the FBI and DEA created the Resolution-Six program to support drug related investigations outside of the U.S. The program coordinates all investigative activities with the FBI Legal Attache (Legat) office and DEA, to include extraterritorial informant and agent travel from the U.S. Resolution-Six also coordinates with the Legat office regarding pertinent liaison contact with the foreign government and other U.S. law enforcements representatives in the host nation. The Resolution-Six agents collaborate with Mexican law enforcement, military, and the PGR on bilateral enforcement through the DEA Regional Director. FBI also operates a Border Liaison Officer (BLO) program which focuses on violent crimes on the Southwest Border. BLOs work closely with Mexican law enforcement to investigate crimes against U.S. and Mexican nationals in both countries. The FBI runs the Resolution Six program in coordination with DEA and Border Liaison Officer programs to collaborate with Mexican law enforcement, military, and the PGR on bilateral enforcement. These programs have all fostered a stronger U.S. partnership with Mexican law enforcement and heightened collaboration with Mexican prosecutorial agencies with the goal of applying simultaneous investigative and prosecutorial pressure on both sides of the border. **Action: DHS/ICE-HSI, DHS/CBP, DOJ/DEA, DOS**

#### B. Continue to enhance our extradition relationship with Mexico

Our extradition relationship with Mexico has become robust, with the number of U.S. defendants extradited from Mexico to the United States at the highest levels. U.S. law enforcement should continue joint cooperation with the Government of Mexico in locating fugitives on both sides of the border and U.S. prosecutors should continue to work with DOJ’s Office of International Affairs to streamline the extradition process. **Action: DOS, DOJ**



#### 4. Continue to target corruption involving domestic public officials along the Southwest border

##### A. Ensure U.S. law enforcement agencies working along the Southwest border are targeting corruption within their workforce and are reporting incidences of corruption to the FBI and their region's Border Corruption Task Force

The FBI serves as the lead agency for investigating corruption across the spectrum of government in the United States. The mission of the FBI's Border Corruption Task Force (BCTF) is to further the identification, investigation, and prosecution of all corrupt government and law enforcement officials—whether local, state, or Federal—who have engaged in individual corrupt criminal conduct or have improperly assisted groups or individuals with illegal entry into the U.S. or the illegal passage of cargo across the border, *e.g.*, drug and human trafficking, alien smuggling, and serious criminal misconduct, in relation to their official duties. It is critical that border corruption intelligence and criminal complaint information be immediately made available to the FBI for real-time data analysis to determine the nature and extent of the corruption and whether it relates to a more significant national security threat such as terrorism or the movements of a foreign intelligence officer. In addition, the FBI is also the lead investigative agency for violations of Federal civil rights statutes; border corruption intelligence which may relate to human trafficking needs to be made immediately available to the FBI and its BCTFs. To meet partnership obligations relative to border corruption and the national security and other criminal threats that flow from it, agencies must share intelligence real-time with the FBI. This includes, but is not limited to, FBI and BCTF access to CBP Joint Intelligence Center (JIC) complaints and/or reports which allege workforce corruption. **Action: DHS/ICE-HSI, DOJ/FBI, DHS/CBP, DOJ/DEA, DOJ/ATF, Department OIGs**

##### B. Conduct integrity awareness training for U.S. law enforcement agencies working along the Southwest border

Agencies will conduct and enhance integrity awareness training for the Southwest border law enforcement workforce to ensure each employee is aware of the responsibility to report allegations of misconduct or corruption to the FBI and affected agencies' internal investigations components through the FBI's Border Corruption Task Forces. This training also will reinforce core values in employees and thereby assist in preventing corruption in the workforce. **Action: DHS/ICE-HSI, DOJ/FBI, DHS/CBP, DOJ/DEA, DOJ/ATF, Department OIGs, ONDCP/HIDTA**

#### 5. Proactively address foreign official corruption that supports drug trafficking and related crimes

##### A. Support the Department of State's anti-kleptocracy program by denying entry into the United States for foreign officials suspected of corruption

Combating corruption is a foreign policy priority for the United States, as corruption facilitates virtually all transnational illicit activities, from drug trafficking to terrorist finance. Presidential Proclamation 7750 allows the United States to deny entry on the basis of corruption, even in the absence of a conviction. This denial may also extend to family members if certain conditions are met. Information supplied by law enforcement agencies to the Department of State, as well as information gathered by the Department

of State from other sources, can be used to effectuate visa denials of current or former foreign officials. The Departments of State and Justice will work to ensure this proclamation is effectively applied. FinCEN will furnish for the State Department's consideration information related to foreign officials suspected of corruption as reported by U.S. financial institutions. **Action: DOS, DOJ/DEA, Treasury/IRS-CI, DHS/I&A, ONDCP, DHS/CBP, DHS/ICE-HSI, DOJ/FBI, DOJ/ATF, IC**



# Chapter 6: Money

## Chapter 6 Strategic Objective

**Stem the flow of illicit proceeds across the Southwest border**

### Background

Numerous U.S. law enforcement investigations and analyses of currency flows between the United States and Mexico suggest that drug trafficking organizations continue to smuggle U.S.–generated drug proceeds into Mexico. Based on U.S. and Mexican cash repatriation statistics, the amount of U.S. dollar banknotes sent back from Mexico through bank-to-bank channels has decreased significantly since implementation of the Mexican restrictions on dollar cash deposits in 2010. This decrease in wholesale cash repatriation indicates that Mexican TCOs are employing or developing alternate methods to launder cash drug proceeds. Bank Secrecy Act (BSA) reporting by U.S. financial institutions provides the means to detect and monitor this placement and repatriation activity, and creates an evidentiary trail for law enforcement to identify these groups and to conduct follow-up investigations to track the proceeds of crime.

The 2009 and 2011 *Strategies* highlighted the need to improve information sharing among Federal, state, local, and tribal agencies to improve bulk cash interdiction, raised awareness about the abuse of Money Services Businesses (MSBs), and saw the establishment of a regulatory framework to address the potential threat of prepaid access cards and other new payment methods. Much progress has been made in these areas, especially in rapidly sharing bulk currency seizure information via EPIC, utilizing the OCDETF Fusion Center resources and products, and changes to money-services businesses regulations. The passage of the U.S. dollar deposit regulations by the Government of Mexico in June 2010 has demonstrated that even strict compliance with the BSA by U.S. financial institutions has not prevented these criminal groups from either initially placing illicit proceeds directly into the U.S. financial system or from repatriating the illicit proceeds back from Mexico and placing them into U.S. banks and money services businesses. Recent law enforcement investigations and studies confirm that bulk cash continues to fuel Mexican TCOs and their illicit drug suppliers in South America and indicate that bulk cash smuggling is still pervasive. However, money laundering networks also utilize a variety of other methods to launder and move money, including the use of banks and money services businesses for electronic transfers and using shell and front companies to facilitate trade-based money laundering. Thus, in addition to our continued work to interdict bulk cash, there is a continued need to raise awareness and increase industry, regulatory, and law enforcement vigilance against the criminal abuse of U.S. financial institutions, including direct placement of proceeds into depository accounts, the use of traditional wire transfers and money services businesses, and the abuse of trade.

Given the transnational nature of drug trafficking organizations, the success of U.S. law enforcement efforts hinges on close collaboration with Mexican counterparts. As noted, the extent to which Mexican criminal organizations continue to smuggle U.S. bulk cash into Mexico will be partly influenced by the

long-term effectiveness of the Mexican cash regulations and other anti-money laundering (AML) measures under consideration by the Government of Mexico. U.S. law enforcement will continue to closely monitor new money laundering trends that may result from Mexican AML regulations, and U.S. and Mexican regulatory measures should be coordinated to mitigate criminal abuse of financial transactions, while still allowing legitimate economic activity. Meanwhile, efforts are already well underway to increase coordination with the Government of Mexico on money laundering prosecutions and asset forfeiture matters.

## Supporting Actions

### 1. Stem illicit financial flows of funds and trade goods transiting through the Southwest border

#### A. Enhance OCDETF operations along the Southwest border to target bulk cash movements

Bulk cash seizures represent the cash proceeds obtained from the illegal trafficking of drugs, weapons, and persons and are targeted by DEA, FBI, ATF, HSI, and other Federal, state, and local law enforcement partners for use in obtaining valuable investigative leads and intelligence data. The coordinated and strategic use of asset forfeiture and prosecutions, under the appropriate money laundering and/or bulk currency smuggling statutes, as well as the application of all other strategic and tactical assets to prevent the cross-border movement of illicit proceeds, continues to be successful under the OCDETF program. U.S. law enforcement agencies support this effort through the specific targeting of bulk cash movement and smuggling activities across the Southwest border, as well as the placement of drug cash by Mexican TCOs in U.S. banks along the Southwest border and the interior of the United States. Every effort is made to bring together the OCDETF Program member agencies as well as State and local law enforcement entities' unique expertise and resources to collectively attack the most significant drug trafficking and money laundering organizations. Since the release of the *2011 Strategy*, the OCDETF Program has initiated approximately 2500 cases targeting drug trafficking organizations that engage in bulk cash smuggling (BCS). In addition to tracking these general statistics, which are current as of February 25, 2013, in the OCDETF Management Information System, the OCDETF Program tracks four unique OCDETF Regional Strategic Initiatives related specifically to money laundering and/or BCS. The effort of these four initiatives have resulted in the initiation of 121 cases, indictment of 845 defendants, conviction of 605 defendants, and the seizure of domestic/international assets valued at \$75,986,187.

**Action: DOJ/FBI, DOJ/OCDETF DOJ/DEA, Treasury/IRS-CI, DHS/ICE HSI, EPIC**

#### B. Rapidly share bulk currency seizure information

Much progress has been made to further enhance the sharing of bulk cash interdiction and seizure information in support of law enforcement operations, including a recent interagency cooperation agreement between the DEA and ICE HSI at EPIC. The EPIC Bulk Currency Unit (EBCU) is a joint collaboration between ICE HSI and DEA which facilitates sharing bulk cash interdiction and seizure information in support of bulk currency investigations. The EBCU provides uniformity in bulk currency accounting practices, and ultimately ensures EPIC's National Seizure System (NSS) receives comprehensive reporting of bulk currency seizure data. In 2012, BCSC assumed control of the BCSC Intake and Analysis Section at

EPIC, thus further enhancing the sharing of bulk cash interdiction and seizure information in support of law enforcement operations. In addition to this real-time reporting to the NSS, ICE HSI has agreed to provide data regarding bulk currency seizures to the NSS, both historical as well as new data moving forward. Similar to the various HIDTAs, the EBCU produces tactical criminal intelligence products and investigative leads in furtherance of EPIC's mission to support law enforcement operations nationwide. These feeds of information rely, in part, on outreach efforts as well as relationships developed by agents in the field with their Federal, state and local law enforcement partners. Further, every Federal, state, and local law enforcement agency can participate in DEA's National LPR Program through EPIC, and has access to National Seizure System data as well as Operation Pipeline/Convoy training. **Action: DHS/ICE HSI, DOJ, EPIC, DHS/CBP, DOJ/DEA, DHS/USCG, DOJ/FBI, ONDCP/HIDTA**

### **C. Coordinate Federal bulk cash concealment detection training**

DEA, CBP, and ICE HSI have each instituted bulk currency initiatives, which include analyzing and communicating new and emerging concealment and detection techniques to enhance south-bound interdiction efforts at ports of exit, as well as the training of U.S. state and local, and Mexican and Central American law enforcement officials in concealment "trap" detection, methods of courier debriefing, and guidance on pertinent evidence identification. For example, ICE HSI's BCSC, works jointly with the National HIDTA's Domestic Highway Enforcement Program by sharing criminal intelligence, coordinating bulk cash related interdiction efforts. These efforts have yielded numerous successes and build upon the already established relationships between Federal, state, and local partners. In addition, the BCSC publishes a weekly report detailing all reported bulk cash incidents and distributes the report to state, local, and Federal partners, including DEA and CBP. **Action: DHS/ICE HSI, DOJ/DEA, EPIC, DHS/CBP, NGB, Treasury, ONDCP/HIDTA**

### **D. Enhance bulk currency interdiction capacities**

ICE HSI, CBP, and DEA have begun to enhance their out-bound targeting capabilities through the use of license plate readers, wireless handheld devices, automated targeting systems, and concealment trap training and enforcement activities to increase U.S. law enforcement capabilities to interdict illicit proceeds. DEA's Concealed Trap Initiative (CTI) targets the use of concealed trap compartments for the concealment of bulk cash or other contraband and helps law enforcement officers keep up with the technology behind these traps. Additionally, DEA's National LPR Program involves the collection and gathering of information to monitor and interdict roadway conveyances used by drug and weapons traffickers and bulk cash smugglers along the SWB. The National LPR system establishes the locations of the conveyances and, in a process coordinated by EPIC, this information is relayed to field personnel for appropriate action. DEA's National LPR Program has a 24/7 Watch at EPIC dedicated to helping state law enforcement agencies gain more timely access to DEA, CBP, and FinCEN data when conducting roadside traffic stops. The Treasury Executive Office of Asset Forfeiture (TEOAF) and the Department of Justice's Asset Forfeiture program will continue to enhance and expand Federal task forces and initiatives that further enhance investigations targeting the smuggling of bulk cash out of the United States. Lastly, Mexico's south-bound inspection program should facilitate greater interdiction of bulk currency and illegal weapons flowing from the United States into Mexico.

ICE HSI conducts Cross Border Financial Investigations Trainings (CBFIT) around the world. ICE HSI secures funding from the Department of State to conduct these trainings. CBFIT trainings provide specialized training, technical assistance and best practices to foreign law enforcement personnel related to cross-border financial investigations. ICE HSI subject matter experts cover topics such as money laundering, movement and smuggling of bulk currency, money service businesses, informal value transfer systems, interdiction of contraband, international legal cooperation, and enforcement of foreign judicial orders, among others. The curriculum is designed for foreign law enforcement, customs and border agents, financial investigators, prosecutors, financial analysts, and central bank officials. The short-term goal of the training curriculum is to increase the number of currency seizures and the number of criminal investigations through the aggressive implementation of a cash courier program utilizing the techniques taught by ICE HSI. The long-term goal of the program is, through regional cooperation and information sharing, to dismantle complex criminal organizations and terrorist networks that use cash couriers and cross-border financial crime to facilitate their illicit activities. **Action: Treasury/FinCEN, DHS/CBP, DOJ/DEA, DHS/ICE HSI, DHS/USCG, EPIC, DOS**

#### **E. Increase interior enforcement targeting of bulk cash**

U.S. law enforcement has identified primary origination points throughout the U.S., where illicit drug proceeds are consolidated prior to being moved to the Southwest border and then de-consolidated prior to being smuggled across the border. The identification of ‘stash houses’ at both consolidation and distribution cities as identified in the U.S.-Mexico Bi-national Criminal Proceeds Study continues to be a priority of U.S. law enforcement. The HIDTA Domestic Highway Enforcement initiative should continue to expand and enhance efforts to target and interdict illicit bulk currency transiting our highways. Coordinated efforts between Federal, state, local, and tribal authorities are needed to best exploit the criminal intelligence gleaned from highway interdictions, seizures of bulk cash, and Currency and Monetary Instrument Reports (CMIRs). Seizure and forfeiture of these funds should not be viewed as the end game, but rather the beginning of an investigation. All efforts need to be made to connect bulk cash to the DTOs and TCOs that generate the illicit proceeds. **Action: DOJ/DEA, DHS/ICE HSI, Treasury/IRS, DOJ/OCDETF, ONDCP/HIDTA, EPIC**

#### **F. Update laws to counter bulk cash courier activities**

In 2008, the United States Supreme Court decided *Cuellar v. United States*, reversing the money laundering conviction of a bulk cash courier. In *Cuellar et al*, the Court held that a conviction under the concealment prong of the international money laundering statute, 18 U.S.C. § 1956(a)(2)(B)(i), requires proof that a purpose of transporting the funds across the border was to conceal or disguise the nature, location, source, ownership, or control of the money. The Court stated that it was not enough to show the funds were transported in a secretive or clandestine manner, but it must also prove that the person transporting the funds knew the purpose of the concealment. The Administration will draft legislation fix that clarifies the issue and eliminates the language from the statute that caused the Supreme Court to reverse Cuellar’s conviction. Additionally, the Administration will continue to work with Congress to introduce and pass legislation that will increase the penalties for Bulk Cash Smuggling from 5 to 10 years confinement. **Action: DHS/ICE HSI, DOJ/DEA, Treasury/IRS-CI, Treasury/FinCEN, Treasury**

### **G. Identify trends involving the abuse of cash deposits and wire transfer activity**

Recent case reporting indicates a trend toward the placement of a portion of this bulk cash into U.S. banks, along the Southwest border as well as in the interior, with subsequent electronic transfer of the funds to Mexico and elsewhere. FinCEN's proposed requirements for banks and money services businesses to report certain cross-border electronic transmittals of funds (CBETF) to FinCEN would establish a centralized database of CBETF, which would greatly assist law enforcement in detecting and investigating the financial activities of Transnational Criminal Organizations. FinCEN and law enforcement will work with U.S. and Mexican banks and banking regulators, and with Mexican counterparts, to identify Mexico- or foreign-based entities or individuals receiving suspicious transfers of funds from U.S. bank accounts identified as receiving cash either repatriated from Mexico or picked-up in the United States and the individuals and businesses in the United States generating these transfers. **Action: Treasury/FinCEN, DHS/ICE HSI, DOJ/DEA, DOJ/AFMLS, DOJ/FBI**

### **H. Identify, investigate, and prosecute trade based money laundering schemes related to DTOs and TCOs**

Trade based money laundering (TBML) refers to the process of disguising criminal proceeds through trade to legitimize their illicit origins. TBML, rather than being a single activity, refers to a variety of schemes used together to disguise criminal proceeds, which can involve moving illicit goods, falsifying trade documents, and misrepresenting trade-related financial transactions with the purpose of integrating criminal proceeds. U.S. law enforcement has documented numerous instances of TBML connected to Mexican TCOs that involve the placement of illicit proceeds into the U.S. financial system through funnel accounts (e.g., activity in which third-parties make cash deposits at bank branches located away from where the account is domiciled) or business accounts. TBML originating from placement of illicit proceeds in the U.S. or other foreign jurisdictions, such as countries in Central and South America, is likely to increase following U.S. dollar cash restrictions in Mexico and recent AML regulations. To date, these methods have not been fully identified; U.S. law enforcement, FinCEN, and other agencies are working to close this criminal intelligence gap.

A form of TBML employed by Mexican TCOs is the Black Market Peso Exchange (BMPE), which is often directed by a class of professional Mexican money brokers offering black market exchange and trade services to Mexican businessmen seeking U.S. dollars to purchase U.S. or foreign trade goods and to TCOs seeking to exchange illicit proceeds for Mexican pesos. Recently, U.S. law enforcement has been investigating BMPE in connection with transactions involving the repatriation of U.S. dollars by Mexican money services businesses (MSBs, known locally as "centros cambiarios" or "casas de cambio") and by individuals directly placing drug proceeds into U.S. business accounts opened by money brokers. To assist U.S. law enforcement, FinCEN is developing analytical processes to detect anomalous activity in FinCEN data and other financial records in order to identify, evaluate and target entities involved in TBML and transnational money laundering.

Bilateral law enforcement relationships are essential due to the international aspects of TBML. One information-sharing mechanism utilized by both the United States and Mexico is Trade Transparency Units (TTU). The TTUs exchange trade data through existing Customs Mutual Assistance Agreements (CMAAs) and other international sharing agreements. ICE HSI's TTUs can be used to provide investigative,



analytical, and criminal intelligence case support to law enforcement agents, and TTU identification of trade mispricing can be used to support TBML investigations involving Mexican TCOs. The TTU Mexico is very active, due in part to the analysis of the enormous amount of trade data that is analyzed. Mexico's participation in this initiative has led to the excellent bilateral working relationship that exists between our countries. This includes the establishment of a Bilateral Strategic Plan to fight trans-border crime between Mexican Customs, ICE HSI, and CBP that was signed in 2007 and continues to this day. **Action: DHS/ICE HSI, DOJ/DEA, DOJ/FBI, Treasury/IRS-CI, Treasury/FinCEN, Treasury**

**2. Identify, investigate, and prosecute the illicit use of money services businesses and strengthen safeguards against the abuse of money or value transfer services and new payment methods**

**Changes to Money Services Business Regulation:**

In July 2011, FinCEN issued a final rule that more clearly defines which businesses qualify as MSBs and are subject to FinCEN's regulatory requirements. Many of the changes reflect clarifications and different industry practices that have evolved over the dozen years since FinCEN issued the first MSB regulations. The clarifications in the final rule should enable many entities to determine in a more straightforward way whether they are operating as MSBs subject to FinCEN's rules. An entity that engages in money transmission in any amount is subject to FinCEN's rules. The final rule ensures that certain foreign-located persons engaging in MSB activities within the United States are subject to FinCEN's rules as well.

**A. Target the illicit use of money services businesses (MSBs) involved in the movement of funds across the SWB**

Recent case reporting indicates a trend toward the placement of bulk dollars repatriated from Mexico with Federally registered U.S. MSBs. Reporting indicates that registered dealers in foreign exchange are being used to exchange dollars for pesos and that registered money transmitters are using their bank accounts to wire transfer funds coming in from Mexico to Mexican bank accounts. U.S. law enforcement agencies are targeting the illicit use of these registered MSBs based in both the United States and Mexico. Investigations indicate that cash-intensive businesses, front companies, and individuals or businesses possibly operating as unlicensed or unregistered money transmitters (without a state license where required or registration with FinCEN) continue to use their bank accounts to transmit repatriated drug funds outside of the United States.

Federal agencies should continue to coordinate efforts to exploit Suspicious Activity Reports (SARs) and other relevant data pointing to the use of registered and unregistered MSBs as illicit conduits, including collaboration with the Southwest Border Alliance, USAO-led SAR Review Teams, IRS-CI's Title 31 SAR Review Task Forces, and the OCDETF Program. Efforts should also be made to ensure compliance by all money transmitters, including foreign-located persons engaging in MSB activities within the United States. Appropriate civil and criminal enforcement actions should be pursued against both registered MSBs, as well as unregistered money transmitters. Law enforcement should refer suspected unregistered money services businesses to FinCEN where appropriate, in addition to pursuing criminal prosecution, for FinCEN to pursue civil money penalties or targeted outreach and follow-up. **Action: Treasury/FinCEN, Treasury/IRS, DOJ, DHS/ICE HSI, EPIC, DOJ/OCDETF**



### **B. Share financial investigative information and criminal intelligence through the OCDETF Fusion Center**

The OCDETF Fusion Center (OFC) provides access to investigative drug and financial intelligence possessed by all the OCDETF member agencies and other agencies, such as FinCEN and the national Intelligence Community. Combining all of this criminal intelligence in one location helps to identify and attack drug trafficking organizations and their financing. Recently, the OFC established a financial analysis team to identify and/or link existing and/or potential Federal law enforcement investigations into multi-jurisdiction, multi-nation, and multi-agency coordinated enforcement operations that target organizations operating at the regional, national and international levels. The Illicit Financial Network Team (IFNET) focuses on Money Value Transfer Systems (MVTs) including unlicensed Money Services Businesses (MSBs). IFNET has the potential to enrich the financial dimension of investigations by providing the field with additional leads on unlicensed MSBs and other MVTs that pose a significant money laundering threat to the United States. **Action: DOJ, DOJ/OCDETF, DOJ/DEA, DOJ/FBI, DHS/ICE HSI, EPIC, Treasury/FinCEN, Treasury/IRS-CI, Treasury/OFAC, Treasury**

### **C. Continue to monitor the illicit use of prepaid access devices and new payment methods**

U.S. law enforcement and regulatory agencies continue to monitor evolving trends in money laundering, such as the potential conversion of cash through prepaid access devices and other new payment methods. An effective regulatory compliance framework is crucial to ensure that U.S. anti-money laundering controls are effective, persuasive, and proportional to monitor transactions and support law enforcement. Thus, FinCEN has established anti-money laundering regulatory requirements for U.S. providers and sellers of prepaid access (including devices like plastic cards and mobile phones), and has proposed requirements for reporting the international transport of certain tangible prepaid access devices. Prepaid Access Devices present a significant challenge to all levels of law enforcement. Although prepaid access devices differ from direct deposit account debit cards and credit cards, they are often marked similarly, which can make them difficult to identify on a superficial level. In recent years, prepaid access devices have been used in lieu of currency or other monetary instruments in smuggling operations by Transnational Criminal Organizations. DHS is in the process of coordinating a pilot program to address prepaid access device vulnerabilities exploited by TCOs. DHS participants in the pilot program may include CBP, ICE, and USSS. These agencies are coordinating with DHS Science & Technology (DHS S&T), which currently is spearheading the development of Electronic Recovery and Access to Data (ERAD) terminals. The ERAD terminals will have the ability to conduct balance inquiries on a particular prepaid access device, detain the funds accessible from the device, and, once probable cause is established, use the ERAD terminal to facilitate seizure of the funds accessible from a particular prepaid access device. The pilot program will distribute the ERAD terminals to select DHS law enforcement officials in field offices for testing in an active environment. The initial stage of the pilot program is expected to be initiated in 2013. **Action: Treasury/FinCEN, DHS/ICE HSI, DOJ/DEA, DOJ/AFMLS**

### **D. Update laws to prosecute unlicensed money transmitting businesses (18 U.S.C. § 1960)**

Prosecutions of violations of 18 U.S.C. § 1960 (Operating an Unlicensed Money Transmitting Business) have been hampered by competing definitions within the statute. DOJ and FinCEN will work with the

Administration to make amendments to 18 U.S.C. § 1960 § and 31 U.S.C. § 5330 (registration of money transmitting businesses) to effectively expand the type of businesses that can be prosecuted for operating without a license or without registering with FinCEN. **Action: DOJ, Treasury/FinCEN**

### 3. Emphasize the application of targeted financial measures

#### A. Coordinate with the Department of Treasury's Office of Foreign Assets Control to disrupt and dismantle drug trafficking operations along the Southwest border

OFAC continues to aggressively target individuals and entities as specially designated narcotics traffickers pursuant to the Kingpin Act, including those found to be tied to the Sinaloa, Los Zetas, and other significant Mexican drug trafficking organizations. Investigative collaboration and coordination between OFAC and key U.S. law enforcement agencies, task forces, and HIDTA offices will continue to enhance OFAC's ability to attack financial and business infrastructures and commercial networks of major drug trafficking organizations, while also enhancing criminal investigations and prosecutions. DOJ and U.S. law enforcement continue to work in close partnership with OFAC in providing critical criminal intelligence and evidence to support OFAC's Kingpin and Executive Order 12978 (Colombia) programs. **Action: Treasury/OFAC, DOJ, DOJ/DEA, DHS/ICE HSI, DOJ/FBI**

### 4. Enhance and utilize bilateral mechanisms

#### A. Continue criminal intelligence sharing and joint strategic projects with financial intelligence units

FinCEN and its Mexican financial intelligence unit (FIU) counterpart, the Unidad de Inteligencia Financiera (UIF), have increased their tactical- and strategic-level collaboration based on the reciprocal sharing of relevant financial data available to FinCEN and the UIF, including joint examination of cross-border currency flows. FinCEN will also work with other FIUs in the region to establish information-sharing arrangements based on its experience working with the UIF. Based on U.S. and Mexican cash repatriation statistics, the amount of U.S. banknotes sent back from Mexico through bank-to-bank channels has decreased significantly since Mexico implemented U.S. dollar cash restrictions in 2010. The decrease in wholesale cash repatriation indicates that Mexican TCOs are employing or developing alternate methods to launder cash drug proceeds that to date have not been fully identified. U.S. law enforcement, in coordination with FinCEN, and their respective Mexican counterparts will continue to collaborate to develop criminal intelligence sources and conduct analytical studies to ascertain the direction and amounts associated with these new money flows, as well as the methodologies being utilized. For example, law enforcement case reporting and FIU analytical products have documented the evolution of a Mexican BMPE similar to the one that has existed for decades in Colombia. Like Colombia's BMPE, the primary source of foreign exchange in the Mexican BMPE is drug dollars generated in the United States. To strategically and tactically attack this evolving money laundering mechanism, U.S. law enforcement and FinCEN need to collaboratively collect, analyze, and report on the methodologies, money flow, and players involved in this new money laundering mechanism. **Action: Treasury/FinCEN, DOJ/DEA, DHS/ICE HSI**

### **B. Increase coordination with Mexico on anti-money laundering efforts, international tax administration, and financial crime**

FinCEN and Mexican financial regulators, including the Mexican Comisión Nacional Bancaria y de Valores (CNBV, or National Banking and Securities Commission), are committed to maintaining collaboration and sharing information on anti-money laundering requirements and compliance to strengthen the defenses of both U.S. and Mexican financial institutions against money laundering. The IRS-CI Mexico City Post continues to work on increasing effectiveness in identifying emerging trends and supporting complex matters associated with international tax administration and financial crime. Following the United State Government (USG) and the Government of Mexico inaugural senior-level bilateral Illicit Finance Brainstorming Session in February 2012, the group agreed to establish a Bilateral Illicit Finance Working Group (BIFWG) to advance bilateral illicit finance cooperation. ICE HSI, FinCEN, and DOJ/AFMLS have been working with the Mexican Servicio de Administración Tributaria (SAT or tax administration) and the Unidad de Inteligencia Financiera (UIF) in a Bilateral Strategic Plan since 2011. The purpose of this bilateral working group is to increase coordination (bilateral investigations) with Mexico, identify new trends and vulnerabilities being exploited by TCOs, and effectively coordinate training programs with the corresponding participating agencies. **Action: Treasury, Treasury/FinCEN, Treasury/IRS-CI, DHS/ICE HSI, DOJ/DEA, DOJ/AFMLS**

### **C. Increase coordination with Mexico on money laundering prosecutions and asset forfeiture matters**

Both U.S. and Mexican authorities have expressed a strong commitment to using financial crimes enforcement, particularly forfeiture, to attack drug trafficking and related criminal organizations operating along the U.S.-Mexico border. To support these goals, and working to support these bilateral objectives, DOJ's Asset Forfeiture and Money Laundering Section (AFMLS) continues to work closely with Mexico's PGR and Federal police to disrupt the flow of illicit proceeds back to criminal organizations. DEA's Mexico City Country Office works closely with the Procuraduria General de la Republica (PGR), Federal Police, and UIF on bilateral investigations and in support of DEA domestic investigations. The Federal Police's SIU, supported by DEA, has officers with financial expertise to assist in bilateral financial investigations. The ICE HSI Attaché office in Mexico City has embedded personnel with the PGR, Federal Police, and SAT components in an effort to combat financial crimes affecting both sides of the border. As part of ICE HSI's Trade Transparency Initiative, Mexico partners with the United States through information sharing of trade data with the goal of identifying, investigating, and prosecuting money laundering schemes. **Action: DOJ/AFMLS, DOJ/DEA, Treasury/IRS-CI, DHS/ICE HSI**

## **5. Improve statistical measures for assessing the money laundering threat**

### **A. Exploit and augment existing information to continue to assess money laundering vulnerabilities and measure effectiveness in combating money laundering, including analyzing the impact of regulatory efforts by Mexico**

Following implementation of Mexican regulations restricting U.S. dollar cash transactions, and the anticipated July 2013 restrictions on certain cash deposits in Mexico, U.S. law enforcement should work closely with domestic and international partners to monitor shifts in money laundering activity and to establish

strategies to counter the efforts of the cartels to find new methods for laundering illicit proceeds. The integration and analysis of financial data and law enforcement field reporting will assist law enforcement entities to better measure the effectiveness of law enforcement and regulatory efforts to combat money laundering. ICE HSI implemented the Illicit Finance and Money Laundering Illicit Pathways Attack Strategy (IPAS), which is focused on identifying the financial networks and methodology employed by Transnational Criminal Organizations (TCOs), including those based in Mexico. FinCEN will continue to report on the effect that Mexican AML regulations are having on money laundering methods and trends and is developing business rules and other processes to detect anomalous activity in FinCEN data and other financial records to better evaluate and quantify money laundering and cross-border currency flow trends. **Action: Treasury/FinCEN, DOJ, DHS/ICE HSI, DOJ/DEA**

#### **B. Attorney General's Consolidated Priority Organization Target (CPOT) List**

In March 2002, the Attorney General called upon law enforcement agencies to compile a unified list of the most significant international drug trafficking and money laundering targets. The result was the first Attorney General's Consolidated Priority Organization Target (CPOT) List, which was jointly produced by the Organized Crime Drug Enforcement Task Forces (OCDETF) Program participating agencies and issued in September 2002. Since the issuance of the initial CPOT List, law enforcement agencies and prosecutors have focused their efforts to pursue these "command and control" drug trafficking organizations and to disrupt and/or dismantle the means by which they control the drug market. The CPOT List assists the Federal law enforcement agencies in focusing their enforcement efforts on those specific targets that are primarily responsible for the Nation's illegal drug supply. OCDETF's performance, and that of Federal law enforcement as a whole, is significantly measured by the success against those identified as CPOTs. **Action: DOJ, DOJ/OCDETF, DOJ/DEA, DOJ/FBI, DHS/ICE HSI, Treasury, Treasury/FinCEN, Treasury/IRS**



# Chapter 7: Weapons

## Chapter 7 Strategic Objective

**Stem the flow of illegal weapons across the Southwest border into Mexico**

### Background

Law enforcement and criminal intelligence sources continue to assess that Mexican transnational criminal organizations are the primary participants in, and beneficiaries of, cross-border firearms trafficking. TCOs require a constant supply of firearms and ammunition to defend their territory, eliminate rivals, enforce business dealings, challenge government operations, and control organization members. This, in turn, has resulted in the proliferation of U.S.-based illegal firearms and explosives smuggling/trafficking schemes operated by individuals, gangs, transnational criminal organizations, and other criminal groups seeking to capitalize on the growing demand. ATF trace statistics show that weapons recovered in Mexico are purchased in almost every state in the United States, with the top five source states being Texas, California, Arizona, New Mexico, and Florida.

Weapons that criminal organizations illegally traffic from the United States are primarily transported overland into Mexico using the same routes and methods employed when smuggling bulk cash south and drugs north. Within the United States, TCOs typically rely on “straw purchasers”—a person who can legally purchase a firearm but will not be the true possessor of the weapon—to acquire firearms at gun shops, gun shows, and pawnshops. Secondary markets, particularly gun shows, flea markets, classified ads, and private-party Internet postings serve as common acquisition sources for firearms traffickers. Transactions in these markets do not involve licensed gun dealers, allowing for the anonymous purchase of firearms without the paperwork and background checks requirements associated with FFLs. In the United States, sales between private individuals residing in the same state are not regulated by the Federal Government. Traffickers who would not otherwise be eligible to buy weapons can attend gun shows in person or use local residents who are familiar with them to make the purchases. TCOs also use associations with U.S.-based prison and street gangs to facilitate the smuggling of firearms and explosives across the border. Criminal intelligence derived from criminal investigations clearly indicates that U.S.-based street gangs are involved in both the receipt of narcotics from TCOs and the smuggling of weapons to them. The increase in gang involvement in the illicit trafficking of narcotics, humans, and firearms has the potential to increase Southwest border violence, while contributing to the profitability and growth of international gangs such as MS-13, Latin Kings, and Mexican Mafia.

Critical steps have been taken to increase the capabilities of ATF to identify, disrupt, and dismantle the organized efforts to traffic firearms from the United States to Mexico. In September of 2010, Mexico’s Attorney General signed an MOU to trace seized firearms through the Spanish version of ATF’s successful eTrace program. As of December 31, 2012, approximately 350 Mexican law enforcement personnel have received training and access to Spanish eTrace, and several additional training sessions are planned for 2013-2014. This effort enables the Mexican government to implement and maintain a comprehensive

firearms tracing program that will allow for the analysis of trace data, assisting both Mexican and U.S. law enforcement agencies in identifying trafficking routes, trends, patterns, and sources responsible for the illegal flow of firearms from the United States into Mexico.

ICE HSI, under the auspices of its Counter-Proliferation Investigations (CPI) Program, is the U.S. law enforcement agency primarily responsible for the investigation of international smuggling and illegal export violations including the illegal movement of firearms and munitions from the United States into Mexico. ICE HSI continues to enhance and expand its overall CPI Program and has focused significant resources along the SWB to specifically combat weapons smuggling activities. ICE HSI and CBP utilize their broad customs authorities including “border search authority” to successfully identify, interdict, investigate and prosecute the individuals and TCOs involved in the smuggling and illegal export of U.S. origin weapons into Mexico.

From September 2011 to November 2012, ATF, ICE HSI, and CBP collaborated with the Government of Mexico on a significant, comprehensive assessment of firearms and explosives trafficking. The assessment resulted in a number of bilateral recommendations to be considered by each party for sharing information and cooperating in cross-border investigations, with the objective of detecting, disrupting, and dismantling illicit firearms trafficking schemes and networks. These recommendations have been forwarded to the respective governments, and bilateral working groups have been established to determine the appropriate path towards implementation.

This Administration is also working with Congress to strengthen the ability of Federal law enforcement to detect, disrupt, and dismantle transnational criminal organizations that are exploiting U.S. law in order to illegally obtain firearms for criminal purposes. To accomplish this, the President has called for:

- Requiring background checks for all individuals purchasing firearms in the U.S.
- Creating a statute that expressly makes firearm trafficking a Federal crime
- Enhancing the penalties for straw purchasing a firearm
- Reinstating and strengthening the ban on assault weapons
- Mandating firearm tracing for every firearm seized or recovered by a Federal law enforcement agency.

These are all responsible measures that will enhance the safety and security of citizens living on both sides of the border.

## Supporting Actions

### 1. Improve criminal intelligence and information sharing relating to illegal weapons trafficking

#### A. Facilitate U.S. Government interagency criminal intelligence sharing

U.S. law enforcement organizations and criminal intelligence agencies operate a variety of criminal intelligence collection and analysis programs that are directly or indirectly related to weapons smuggling. However, there is no national database in the United States that comprehensively records and maintains



firearm seizure information and other relevant information. However, as noted below, the use of firearm tracing is a key law enforcement tool in the fight against illegal firearms trafficking and could provide valuable data identifying trends, patterns, and suspects involved in illegal firearms activity.

CBP conducts a weekly “State of the Border” conference call that, among other related topics, provides current firearms seizure data from POEs. This timely sharing of information and criminal intelligence allows for the early identification of trends and patterns relevant to firearms trafficking along and across the border. The Department of Defense provides analytical support to some of these programs with regard to captured military weapons and ordnance. Mexican seizure information, however, is primarily collected from open source information since there is currently no dedicated conduit through which the Government of Mexico provides firearm seizure data to U.S. law enforcement authorities. Seizure information is typically shared on a case-by-case basis and, quite often, open source information contains more detail than official Mexican government reporting. Creating a standardized mechanism whereby the Government of Mexico can capture and report firearms seizure data to the United States for analytical and investigative purposes is on the U.S.–Mexico bilateral firearms agenda for 2013.

The ATF National Tracing Center (NTC) conducts firearms tracing for Federal, state, local, tribal, and foreign law enforcement agencies in order to produce investigative leads. The firearm tracing system (FTS) contains information submitted by law enforcement agencies on firearms seized or recovered in crimes in their respective jurisdictions, provides the results of the trace, and further provides trend and pattern analysis on firearm seizure and trafficking activity. Specific statutory and appropriations language, however, currently limits the dissemination and use of firearms tracing data. Therefore, the records contained in the firearm tracing system are not universally searchable, as other law enforcement databases might be.

In order to provide better operational access and utility to law enforcement agencies, the U.S. Government will continue to capitalize upon the existing law enforcement interagency criminal intelligence center at EPIC and develop a system which will enable rapid sharing of criminal intelligence derived from U.S. law enforcement and Government of Mexico illicit weapons seizures. Additionally, the President has directed all Federal law enforcement agencies to ensure that all firearms recovered in the course of criminal investigations and taken into Federal custody are traced through ATF at the earliest time practicable. **Action: DOJ/DEA, DOJ/ATF, DHS/ICE-HSI, DHS/CBP, ONDCP/HIDTA, EPIC, DOD**

#### **B. Enhance programs at EPIC targeting illegal weapons smuggling/trafficking**

ATF’s trans-border trafficking investigations utilizes the EPIC Firearms Intelligence Unit (FIU) as the focal point for the collection, analysis, and dissemination of investigative leads derived from Federal, state, local, and international law enforcement agencies. This enforcement effort extends beyond the immediate border states and will further support investigative and enforcement efforts in Mexico through assistance and cooperative interaction with Mexican authorities. ATF, through the FIU, disseminates criminal intelligence advisories and bulletins to law enforcement agencies across the United States that relate to trafficking patterns, recent seizures, seizure analysis, as well as suspect tactics and techniques for concealing south-bound weapons. ATF has increased its staffing and capabilities at the FIU through the incorporation of a CBP analyst dedicated to weapons related intelligence and analytical support.

In order to provide the most effective tactical and strategic criminal intelligence regarding illegal firearms activity along the Southwest border, the FIU has direct access to the comprehensive data resources of EPIC as part of the multi-agency collaborative environment where information is freely shared between participating law enforcement and investigative agencies. Many EPIC and agency-specific databases are accessible only by initiating a request for information to EPIC, which is then assigned to an analyst for action. Accessibility has been being substantially improved, however, with the development of the EPIC Law Enforcement Search and Analysis (ELISA) application, available through the EPIC Portal System (EPS). This application streamlines customers' access to EPIC using web-based technology to provide secure, direct, remote access to EPIC assets. All Federal, state, local, and tribal law enforcement agencies who request and are granted access to ELISA are able to directly leverage the information housed at EPIC, and have responses emailed directly to them. This increased accessibility to a wider range of law enforcement data and information has benefitted field personnel, enhancing criminal investigations and prosecutions. **Action: DOJ/DEA, DOJ/ATF, DHS/ICE-HSI, DHS/CBP, ONDCP/HIDTA, EPIC, DOD**

**C. Continue to employ programs to rapidly share weapons seizure information among U.S. law enforcement agencies**

Law enforcement organizations have a variety of criminal intelligence collection capabilities and programs which are either directly or indirectly related to information on illicit weapons smuggling/trafficking. Such resources must be utilized in a coordinated and cohesive manner. ICE and CBP intelligence personnel, along with the ATF Firearms Intelligence Unit located at EPIC collect and maintain information relating to weapons seizures using TECS, the National Tracing Center, Violent Crime Analysis Branch, the U.S. Bomb Data Center, and eTrace. The FIU receives CBP-compiled weapons seizure data monthly for interagency post seizure analysis. This relationship affords CBP and ATF the ability to jointly develop actionable criminal intelligence to support collaborative trans-border firearms trafficking investigations and associated border interdiction efforts. Based upon current interagency agreements between ATF, ICE HSI, and CBP, sharing weapons seizure information allows for the dissemination of relevant firearms intelligence to appropriate agencies and jurisdictions for better coordination of criminal intelligence and investigative activity. Mechanisms for disseminating information and intelligence include a "Southwest Border" email distribution list, which compiles information and intelligence from all EPIC participating agencies. The information is then distributed to interested state and local law enforcement agencies, HIDTA centers, and regional fusion centers. Requests for specific follow-up information based on information conveyed in the email broadcasts can be sent to EPIC via the ELISA application described above. Every regional fusion center is entitled to receive the disseminated EPIC information. The extent to which each fusion center is affected by Southwest border-related firearms trafficking, however, dictates whether or not the fusion center requests to be added to the SWB distribution list. **Action: DOJ/DEA, DOJ/ATF, DHS/ICE-HSI, DHS/CBP, ONDCP/HIDTA, EPIC, DOD**



## 2. Increase the interdiction of illegal weapons shipments to Mexico

### A. Expand intelligence-driven interdiction of illicit weapons shipments destined for Mexico through multi-agency investigative efforts

A primary focus of ICE HSI's Southwest border BESTs is to combat transnational criminal organizations trafficking weapons into Mexico from the United States and the violence associated with their activities. BEST units employ a threat-based and risk mitigated investigative task force model, which acknowledges the unique resources and capabilities of all participating law enforcement partners. This partnership enables each BEST to apply a comprehensive approach to combating TCOs, while appreciating the distinctive circumstances and threats faced in various border environs. As part of this initiative, DHS and the Government of Mexico have partnered in bilateral interdiction, investigation, and criminal intelligence sharing activities to identify, disrupt, and dismantle criminal networks engaged in weapons smuggling/trafficking. ATF focuses substantial resources on the suppression of firearms smuggling/trafficking to Mexico through investigations, criminal intelligence, training, industry outreach, and partnership with other Federal, state, local, tribal, and international law enforcement agencies. Similarly, CBP operations support U.S. efforts to combat arms smuggling/trafficking based on three pillars: analysis of firearms and weapons-related data, information sharing, and coordinated operations. ATF and CBP intelligence analysts are working collaboratively at the Firearms Intelligence Unit compiling and disseminating information and criminal intelligence about crime-related guns and suspect guns, firearm thefts and losses, purchase patterns, suspicious purchasers, secondary gun markets, and other data related to firearms activity. **Action: DOJ/ATF, DHS/ICE-HSI, DHS/CBP, DOJ/FBI, ONDCP/HIDTA, EPIC**

## 3. Enhance cooperation with international partners in weapons smuggling/trafficking investigations

### A. Engage in international training on border security, post-blast investigations, firearms identification, and detection of concealment traps used for smuggling/trafficking of firearms in vehicles

U.S. Government training programs are being expanded to more officials and the additional curricula is evolving to keep pace with current trends and identified needs. Of particular relevance to capacity building efforts and support to the Government of Mexico, ATF and ICE HSI provides numerous investigative training programs to Mexican government entities related to cross border crime as well as the illegal trafficking and interdiction of firearms and explosives. Since 2009, ATF has provided training in firearms and explosives identification to 1,568 Mexican law enforcement, military, and intelligence officials, and has trained an additional 345 Mexican officials in post-blast investigation techniques and procedures. Such training efforts have proven valuable as Mexican officials have successfully raised obliterated serial numbers from seized firearms, and properly reconstructed blast scenes leading to the identification and arrest of suspects on both sides of the border. This collaborative work has resulted in the development of many investigative leads and has subsequently enhanced criminal prosecutions. ATF plans to present several additional firearms and explosive training classes in Mexico in 2013.

Mexican and Central American authorities also may request training and associated equipment from DOD, if appropriate under existing programs and agreements. In addition, U.S. law enforcement will continue to host training opportunities in the United States for foreign officials, as well as provide investigative instruction at law enforcement academies in Mexico and Central America. **Action: DOJ/ATF, DOD**

**B. Complete and enhance the deployment of Spanish eTrace capabilities among appropriate Mexican law enforcement agencies**

ATF's eTrace is a paperless firearms trace request submission system and interactive trace analysis module that facilitates firearms tracing and assists ATF's efforts to combat firearms trafficking. eTrace provides the electronic exchange of crime gun incident data in a Web-based environment with a portal to the Firearms Tracing System (FTS) database. The system provides real-time capabilities that allow law enforcement agencies to submit electronic firearms trace requests, monitor the progress of traces, retrieve completed trace results, and query firearms trace-related data in the FTS database.

Firearms tracing through eTrace is the systematic tracking of a firearm from its manufacturer or importer through the chain of distribution, from wholesalers and retailers to the first retail purchaser. In October of 2010, the Government of Mexico signed an MOU with ATF to begin using the eTrace system to comprehensively trace all firearms seized by Mexican authorities. To date, 350 representatives from Mexico's Attorney General's Office have received training in firearms identification and the correct utilization of eTrace. Since the conclusion of the Spanish eTrace deployment and training in Mexico in 2012, the Government of Mexico has greatly increased its capacity and ability to independently achieve comprehensive firearms tracing that would allow them to identify the methods, trends, trafficking patterns, routes and cells responsible for the illegal flow of weapons from the United States into Mexico. The effort has proven successful since, as of March 2012, the Government of Mexico had submitted for tracing 68% of the firearms the government claims to have seized. At the request of the Government of Mexico, ATF will continue to train PGR and Federal police officers in eTrace as requested. **Action: DOJ/ATF, DOS**

**C. Continue to monitor the end-use of firearms legally exported from the United States to Mexico through the Department of State's Blue Lantern Program**

The export of firearms from the United States is regulated by the Department of State's Directorate of Defense Trade Controls (DDTC) via the provision of DSP-5 export licenses. In order to verify that controlled commodities exported out of the United States are being used consistent with the authorization, the Department of State developed the "Blue Lantern" end-use monitoring program. Blue Lantern is a cooperative effort between DDTC, U.S. embassies or consulates overseas, and host governments to monitor the end-user and end-use of U.S. defense exports. ICE HSI maintains a full-time law enforcement liaison position at DDTC that, along with the ICE HSI Office of International Affairs, assists DDTC with de-conflicting and performing end-use verifications. DDTC will continue to target firearms transactions to Mexico for end-use monitoring, and ICE HSI, in coordination with CBP's National Targeting Center (NTC), will work diligently to support State in identifying firearms shipments prior to export and increase the number of end-user verification checks. Primary support on this initiative will be provided by the ICE-HSI DDTC Liaison agents assigned to the ICE HSI attaché offices in Mexico. **Action: DHS/ICE HSI, DOS**

**D. Maintain DEA, FBI, ATF and ICE liaison officers in Mexico**

The Mexico Border Liaison Officer (BLO) program allows FBI, ATF, and ICE to identify and combat cross-border criminal organizations more effectively by providing a streamlined information and criminal intelligence sharing mechanism between U.S. and Government of Mexico law enforcement personnel. In addition, the expansion, in coordination with the Government of Mexico, of permanent FBI, ATF, and ICE HSI investigators working in attaché offices throughout Mexico is critically important for facilitating cross-border coordination of weapons trafficking investigations. The FBI presently has eight Border Liaison Officers (BLOs) in San Diego, Phoenix, Albuquerque, El Paso, Laredo and McAllen, Texas. The BLOs are engaged with their Mexican counterparts in investigations of a cross-programmatic nature. In 2013, ATF will maintain its Border Liaison Officers in select U.S. cities along the Southwest border, and will maintain authorized positions in Mexico, including the Country Attaché and staff in Mexico City, as well as criminal investigators assigned to various U.S. consular offices throughout Mexico. ICE currently has approximately 50 Border Liaison Officers situated along the Southwest border and ICE Attaché personnel in several locations in Mexico. In addition to other office locations throughout Mexico, DEA has five border offices that serve as liaison locations to coordinate bilateral cross border investigations in Mexico and the United States including Tijuana, Ciudad Juarez, Matamoros, Nogales, and Nuevo Laredo.

**Action: DOJ/ATF, DOJ/FBI, DHS/ICE-HSI**

**E. Modernize, expand, and network ballistics imaging technology with Mexican law enforcement agencies**

Integrated Ballistic Identification System (IBIS) equipment allows firearms technicians to acquire digital images of the markings made by a firearm on bullets and cartridge casings for use in comparing and matching ballistic evidence recovered at thousands of crime scenes, casing-by-casing and projectile-by-projectile. ATF and Mexico's PGR are working to establish methods and protocols to confirm matches of cartridge cases and projectiles. The process for linking of ballistics information systems currently deployed in Mexico with those in the United States is underway and should begin in 2013. A modernized National Integrated Ballistics Information Network (NIBIN) system will enable U.S. and Mexican law enforcement to discover links between crimes more quickly. **Action: DOJ/ATF, DOS**

**4. Strengthen domestic coordination on weapons smuggling/trafficking investigations****A. Improve support to state and local law enforcement efforts targeting illegal weapons trafficking**

ICE HSI provides support to state and local law enforcement to target illegal weapons smuggling/trafficking through joint south-bound enforcement operations, its use of Title 19 cross-designation, and through joint operations with the BEST initiative. Additionally, ATF participates extensively in the Joint Law Enforcement Operations (JLEO) program (through the Department of Justice) and has integrated state, local, and tribal law enforcement task force officers (TFOs) into its counter-trafficking efforts nationwide. ATF has established JLEO task forces in strategic locations along the Southwest border and offers training to state and local law enforcement in such areas as firearms identification, firearms trafficking, explosives identification, and post-blast investigation. In addition, ATF continues to provide operational support to state, local, and tribal law enforcement agencies' efforts to stop the illegal

trafficking of firearms in their respective jurisdictions. In FY 2012 ICE HSI-CPI provided export enforcement training concerning arms trafficking to ICE HSI offices across the Southwest border. This training covered statutory authorities, licensing issues specific to the interdiction of cross-border trafficking of firearms and investigative procedures directed towards successful prosecution of weapons smugglers. ICE HSI-CPI is collaborating with the ATF regarding the sharing of foreign e-trace information with the goal of ICE HSI utilizing statutory authorities to pursue international export violations, in concert with ATF's authority to pursue domestic firearms violations. **Action: DOJ/ATF, DHS/ICE HSI, ONDCP/HIDTA**

**B. Increase ATF staffing levels in the Southwest border region**

ATF will maintain the current number of its Border Liaison Officers (BLOs) along the Southwest border in 2013. In 2011-2012, 2 new ATF field offices began operating in Sierra Vista, Arizona, and Brownsville, Texas, with additional offices to be opened as necessary funding becomes available. A total of 9 ATF offices in strategic border locations are currently dedicated to trans-border firearms trafficking interdiction and enforcement. ATF's ability to proactively identify, target and defeat weapons smuggling/trafficking schemes before the firearms can reach the border is a crucial part of the overall U.S. Government strategy to reduce the armed violence occurring in Mexico and the United States. **Action: DOJ/ATF**

**C. Expand the use of the BESTs to disrupt cross-border weapons trafficking networks**

BESTs are designed to leverage Federal, state, local, tribal, and foreign law enforcement and criminal intelligence resources on the border in an effort to identify, disrupt, and dismantle criminal organizations such as those involved in weapons trafficking. These BEST units incorporate personnel from ICE HSI; CBP; the Drug Enforcement Administration (DEA); the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF); the Federal Bureau of Investigation (FBI); the U.S. Coast Guard (USCG); the Coast Guard Investigative Service (CGIS); the U.S. Attorney's Office (USAO); and over 100 key federal, state, local and foreign law enforcement agencies. The task forces are designed to increase information sharing, maximize investigative authorities, and promote collaboration among the participating agencies focusing on the identification, prioritization, and investigation of emerging or existing threats. BEST has now expanded to a total of 34 units (13 along the Southwest border), which are located in 16 states and Puerto Rico, totaling approximately 750 members representing 100 law enforcement agencies working jointly along the southern border, northern border, and at major seaports. **Action: DHS/ICE-HSI**

**D. Continue applying standard proviso on export licenses requiring the provision of serial numbers for firearms exported to Mexico**

By capturing the serial number of firearms when they are exported, U.S. authorities are able to provide foreign law enforcement with immediate and actionable criminal intelligence, such as the date the weapon was exported and to whom the weapon was exported. This gives the foreign government a starting point in their country for an investigation. Capturing serial numbers at the time of export also allows the U. S. Government to rapidly determine if a weapon utilized in a foreign violent crime was smuggled out of the United States or if it was lawfully exported. The Department of State has instituted a policy to require and retain serial numbers on all United States Munitions List Category I, II, and IV firearms that have been granted authorization to be exported from the United States to Mexico. Provisos

placed on these export license applications require applicants to upload serial numbers into the export licensing database prior to shipment. In addition, all such exports to Mexico are generally limited to government entities. **Action: DOS**

### **E. Improve United States Government outreach and coordination with Federal Firearms Licensees (FFLs)**

Outreach to the firearms industry is a key component of ATF's firearms enforcement efforts. To this end, ATF investigates FFL applicants to determine eligibility and to educate them about their recordkeeping responsibilities, conducts compliance inspections of current FFLs, and collaborates with industry on voluntary compliance efforts. ATF Industry Operations Investigators conduct inspections of FFLs to detect diversion, ensure compliance with laws and regulations, and assist with business practices designed to improve compliance with the Gun Control Act. Additionally, ATF's outreach and positive working relationships with the firearms manufacturing and retail industries benefit the U.S. Government's overall effort to elicit cooperation from industry sources and obtain proactive information regarding potential trafficking schemes and threats from trafficking networks. As a result, many potential violators are identified at the initial stages of their illicit activities. Continuing this coordinated outreach will lead to an increase in awareness and cooperation with the firearms industry, as well as an increase in actionable criminal intelligence for law enforcement. **Action: DOJ/ATF**

## **5. Increase successful Federal prosecutions for illegal weapons trafficking**

### **A. Assign Organized Crime and Gang Section prosecutors to the Southwest border**

The Department of Justice's Organized Crime and Gang Section (OCGS) will continue to support trial attorneys working with various Southwest border intelligence centers, strike forces, Mexican law enforcement partners, and United States Attorneys' Offices to develop and prosecute gun smuggling/trafficking cases. Promoting and coordinating criminal intelligence efforts can increase the ability of law enforcement officials to determine the involvement of drug trafficking organizations and gangs in gun smuggling/trafficking and associated violent crime along the border and therefore enhance the prosecutorial merits of trans-border trafficking cases. In addition, OCGS provides litigation guidance regarding charging options and strategies, jury instructions, and statutory construction. **Action: DOJ**

### **B. Target gun trafficking gangs**

In January 1992, the FBI announced the Safe Streets Violent Crime Initiative, which allows each FBI Field Office to address violent street gangs and drug-related violence through the establishment of FBI sponsored, long-term, proactive task forces focusing on violent gangs, violent crime, crimes against children, crimes in Indian Country, and the apprehension of violent fugitives. The Safe Streets Task Forces (SSTF) and Safe Trails Task Forces (STTF) became the vehicle through which all of the Federal, state and local law enforcement agencies joined together to address the violent crime plaguing their community. The FBI's Violent Criminal Threat Section (VCTS)/Safe Streets and Gang Unit (SSGU) developed several national initiatives to enhance the FBI's ability to address violent criminal threats by utilizing new technology, intelligence collection and dissemination, rapid response capabilities, identification and targeting of criminal enterprises and our leadership role in domestic law enforcement efforts. The FBI presently has

160 SSTFs, 15 STTFs, and 37 Violent Crime Task Forces (VCTFs), throughout the US. Additionally, the FBI established the National Gang Task Force (NGTF) which currently operates Transnational Anti-Gang (TAG) Task Forces under the purview of FBI Legal Attachés in El Salvador, Guatemala, and Honduras. The TAG initiative combines the expertise intelligence, and resources of the FBI and law enforcement agencies in the aforementioned countries to counter transnational gang activity in the United States and Central America.

The ICE HSI National Gang Unit oversees the following major operational and programmatic areas: Operation Community Shield; nationally coordinated ICE Specialized Urban Response Gang Enforcement (SURGE) operations; Racketeering Influenced Corrupt Organization investigations; Violent Crimes in Aid of Racketeering investigations; Continuing Criminal Enterprise investigations; and other criminal gang investigations. A large number of gang members are in the United States illegally. Moreover, many members of these criminal organizations have prior criminal convictions or are involved in crimes that have a nexus to the border, making them subject to ICE's broad scope of immigration and customs statutory and administrative enforcement authorities. ICE will continue to partner with Department of Justice's Violent Crime and Gang Unit prosecutors to develop a comprehensive and integrated approach to conducting complex criminal conspiracy investigations, short- and long-term gang SURGE enforcement operations, and other law enforcement efforts to address the threat posed by transnational street gangs. **Action: DOJ/FBI, DHS/ICE HSI, DOJ, ONDCP/HIDTA**





# Chapter 8: Strong Communities

## Chapter 8 Strategic Objective

**Develop strong, resilient communities that resist criminal activity and promote healthy lifestyles**

### Background

The crime and breakdown in public health and safety that affect many border communities has a close nexus with substance use. Substance use—including abuse of alcohol and other drugs—can have a far-reaching effect on the resilience of communities. For communities that face significant challenges, such as poverty, homelessness, gang activity, or high crime rates, substance abuse is an especially difficult problem.

Heavily Hispanic communities along the border have been particularly hard hit. Data from the past 4 years show current drug use among this population has gone from 6.2 percent to 8.4 percent. Hispanic youth also have the highest high school dropout rates. For 2010, the high school dropout rate was 15.1 percent, and 12.4 percent for American Indian/Alaska Native youth (the average dropout rate across all ethnicities was 7.4 percent). These two factors alone would tax a community, but the violence and crime experienced by border communities can worsen the breakdowns in social systems.

The most cost-effective way to address the negative influences in any community is through prevention—stopping drug use, gang involvement, and delinquency among young people to raise healthier adults. Parents, educators, and coalition leaders play a pivotal role in intervening early with youth.

During the consultation process for the *2013 National Southwest Border Counternarcotics Strategy*, ONDCP met with prevention, treatment, and law enforcement professionals to better assess our demand reduction efforts. Participants in these meetings noted that drug trafficking can appeal to members of their rural communities due to the lack of employment, education, and extracurricular opportunities. They described the unique qualities of the border region that make it a challenge to deal with substance abuse, including its vastness, mixed population densities, poverty, health and educational disparities, crime, and cross-cultural trauma. The participants also reconfirmed the need for culturally sensitive drug control programs and policies, stressing the need for investment in Spanish-language service providers.

These issues and the lack of research place particular importance on research programs like “VIDA,” the Vulnerability Issues in Drug Abuse project at the University of Texas at El Paso, funded in part by the National Institute on Drug Abuse. VIDA and projects like it can help provide insight into the social and cultural antecedents of drug abuse that cause certain populations to be more vulnerable to abuse and addiction. More research is needed on preventing and treating substance use along the Southwest border.

Bearing in mind the fiscal restraints across all levels of government and non-governmental organizations, border communities must draw upon existing resources and leverage the dollars already in play in their communities. People in recovery from substance use disorders who live in border communities can serve as a resource for people new to recovery or reentering their communities, and they can deliver

powerful, credible prevention messages. Grant dollars focused in one area can yield positive changes for many sectors. And lessons learned from elsewhere along the Southwest border can be translated into best practices to be shared among all communities.

## Supporting Actions

### 1. Develop strong, resilient communities on both sides of the border that resist criminal organizations and develop a culture of lawfulness

#### A. Improve data collection and two-way information sharing between community members and police

The five regions of the Southwest border HIDTA continue to build on information-sharing successes, working with multiple sectors of the community. All of the regions have met and shared information with the various community coalitions within their area of responsibility, to include several that have been funded through ONDCP's Drug Free Communities (DFC) program. For example the New Mexico Region, in November 2011, assisted in presenting the 1st Annual Doña Ana Teen Court Conference, working with several coalitions to encourage the youth of the communities to make healthy choices and avoid many of the trappings that come with gang activities and/or use of illicit drugs. In South Texas, the HIDTA collaborates with prevention coalitions by expanding its training initiative to educate the communities and the youth on the dangers of gangs, gang violence, and trafficking of drugs. In addition, information is shared with the community on emerging trends, such as drug trafficking organizations recruiting youth to move their illicit drugs because the penalties are less for juveniles. ONDCP will continue to encourage and support this kind of two-way information sharing effort. **Action: ONDCP**

#### B. Enhance tribal, regional, local, and cross-border coalition efforts

Through several initiatives and avenues, ONDCP, DOJ, and the Department of Health and Human Services (HHS) have augmented the efforts of coalitions through messaging and a range of supportive activities on the ground. Additionally, the Drug Free Communities program (DFC) awarded four new grants to communities along the Southwest border in 2012, including one grant to a mentoring coalition. The mentoring coalition will work with a newly-formed nearby coalition that needs assistance in building its capacity and meeting the requirements for DFC funding support. This brings the total number of DFC-funded communities within 100 miles of the Southwest border to 18: seven in Arizona, nine in California, and one each in New Mexico and Texas.

All Federal entities along the border will continue to support and promote drug control activities that support and promote public health and public safety, both in support of formal coalitions and for all communities. **Action: ONDCP, DOJ, HHS**

#### C. Strengthen Federal crime prevention efforts along the Southwest border

While much has been accomplished by the Federal agencies engaged along the Southwest border, there is still opportunity for greater involvement and support. Federal prevention efforts can be further strengthened by placing an emphasis on developing relationships with NGOs and community organizations, to leverage resources and identify the needs of communities.



These groups are created to respond quickly and dynamically to the particular needs of the communities in which they sit, being better situated to recognize, assess, and address the troubles in each community: violence, gang activity, delinquency, substance use, crime, and environmental and health issues. Federal partners should focus on building relationships with these organizations, tapping into the wealth of knowledge and experience in dealing with the specific issues in each community. Reaching out to these organizations can help the Federal Government better plan and execute appropriate programs and activities. **Action: ONDCP**

## **2. Continue development and implementation of evidence-based and culturally appropriate prevention and treatment techniques and strategies**

### **A. Continue to research and disseminate evidence-based, culturally appropriate prevention practices to border communities**

Feedback from border communities tells us that the prevalence of drug activity and violence has caused people living along the border to become desensitized to the drug trade. Although law enforcement actions to disrupt and dismantle drug trafficking organizations remain essential, our response must also include evidence-based public health interventions that serve the needs of border communities. Prevention messaging should focus on changing the norms of communities to help them understand that drugs, gangs, and violence can be stopped and their communities can be safe and healthy again. By providing positive prevention messaging that is responsive to the particular concerns along the border, attitudes and perceptions about drugs can be changed. Federal agencies should craft communications with these populations in mind. The materials, messages, websites, and other resources should be available in both English and Spanish. **Action: ONDCP, HHS, DHS, DOJ**

### **B. Continue to research and disseminate evidence-based treatment practices, such as screening and brief intervention programs, to border communities**

The Merida Initiative is helping to fund a bi-national study to assess the prevalence of substance use disorders and the need for Screening, Brief Intervention, and Referral to Treatment (SBIRT) primary health care clinics in Tijuana and Los Angeles. SBIRT helps healthcare providers in mainstream healthcare settings recognize the signs and symptoms of substance abuse so that individuals can get the support they need. The project includes a bi-national feasibility and pilot study of SBIRT in primary care clinics in Tijuana and Los Angeles that will enable policy makers to make informed decisions when allocating resources to address substance abuse disorders along border communities. HHS should ensure the study is completed in 2013. **Action: HHS**

### **C. Expand the role of peer support for people in recovery**

People in recovery can serve as mentors and help people new to recovery, people being treated for substance use disorders, and people with substance use disorders who are reentering their communities after a period of incarceration. Informal networks build up within communities, and these networks are often made up of people who were raised in those communities and are a part of the culture. In providing

culturally-sensitive services, these peer-to-peer networks should not be underestimated. When these networks are formalized, people in recovery can access housing, transportation, education, and employment assistance. This kind of support can help sustain long-term recovery and can affect recidivism rates for people who were caught up in the criminal justice system because of drug-related crime. The Federal Government should ensure that resources are readily available to assist these organizations and should identify available funding for communities along the border. **Action: HHS, ONDCP**

### 3. Continue to integrate substance use disorder services into mainstream medicine

#### A. Collaborate with rural and community health centers along the border

Additional behavioral health training and resources have been provided to Federally-Qualified Health Centers across the Nation, including those along the Southwest border. ONDCP and HHS will continue working to bring behavioral health care—including screening and treatment and mental health and substance use disorders—to these areas through the provision on training and technical assistance. Reaching rural populations continues to be a challenge, but advances in technology to support treatment of substance use disorders offer hope for greater reach into these underserved communities.

**Action: HHS, ONDCP**

### 4. Improve the quality of care available by ensuring providers are competent

#### A. Enhance professional education and training programs for prevention professionals

Prevention service providers can be found in many community-based settings and are the backbone of the delivery of sound prevention efforts across the Nation. Currently, there are disjointed systems that provide various types of training for prevention professionals, creating inconsistency in knowledge related to science-based prevention practices and effective strategy implementation. The development of a national prevention professional training curriculum would ensure that prevention services are delivered consistently using best practices. Such a program would also allow for a more rapid transfer of research and policy to practice. ONDCP will work with HHS/SAMHSA and other groups to design a national prevention professional training curriculum. **Action: HHS, ONDCP**

#### B. Expand training and certification of community health workers

The Department of Health and Human Services' Office of Minority Health has embraced the use of Community Health Workers, or *promotores de salud*, to promote community-based health education and prevention in a manner that is culturally and linguistically appropriate, particularly in communities and for populations that have been historically underserved and uninsured. Using this model, healthcare providers are able to overcome hurdles to providing care for people in these areas—whether facing language barriers, concerns over seeking care without proper documentation, or cultural norms. *Promotores* may also serve a role working directly in clinics with healthcare professionals. HHS should explore the employment of *promotores* in Federal healthcare settings to act in a supportive capacity for patients. HHS should also seek to expand the use of this model, offering trainings and technical support in other communities along the border. **Action: HHS**

## 5. Interrupt the cycle of drug use, violence, and crime

### A. Continue to support drug courts in border communities

Through close collaboration with non-governmental organizations like the National Association of Drug Court Professionals, the Departments of Justice and Health and Human Services have continued to support drug courts and other problem-solving courts in border communities. Because these alternatives to incarceration offer opportunities not always afforded to incarcerated people—like intensive case management, substance abuse treatment and recovery supports, education and employment assistance, and family involvement—offenders are able to remain a part of their community while learning how to play a more effective role and reject criminal behavior. Of note, there are numerous drug courts in El Paso, Texas; the problem-solving courts comprise a DWI court, family drug court, tribal healing-to-wellness court, and Veterans’ treatment court. Mexico has developed drug courts of its own, including a court in Monterrey, among others. DOJ and HHS will continue to support the development of drug courts along the Southwest border, and ONDCP will continue to promote this model in multilateral settings. **Action: DOJ, HHS, ONDCP**

### B. Support reentry initiatives for offenders with substance use disorders returning to communities

DOJ and other Federal partners continue to support the availability of reentry initiatives for offenders with substance use disorders. Notably, the National Institute of Justice and the Bureau of Justice Assistance launched a project in 2011 to replicate Hawaii’s successful model of probation and enforcement, calling it “Honest Opportunity Probation with Enforcement.” As initial results of these and other reentry and probation programs become available best practices and lessons learned should be shared across the Nation, in English and Spanish, and the program should be adapted as needed for areas with racial and ethnic diversity. Further, when possible, DOJ should encourage reentry programs to seek assistance and support for offenders from the recovery community to facilitate the transition from addiction to recovery. **Action: DOJ, ONDCP**

### C. Share the lessons of youth violence prevention planning

The cities of San José and Salinas, California, have recently taken part in a strategic planning initiative with the Department of Justice’s National Youth Violence Prevention Forum. As part of these activities, these cities have developed action plans for addressing youth violence, aside from turning youth over to the juvenile justice system. Although they are not border communities, San José and Salinas have ethnically-diverse populations, which require planning for culturally-sensitive and -responsive actions. DOJ should work with these communities through the National Youth Violence Prevention Forum to identify specific strategies and actions that can be applied to border communities, and supply the resources to enact these changes. **Action: DOJ**

### D. Replicate successful law enforcement-led efforts in communities along the border

Law enforcement agencies participating in the Washington/Baltimore HIDTA have launched the Richmond Neighborhood Drug Intervention and Prevention Initiative, which brings at-risk, non-violent offenders into contact with law enforcement in a more positive way, realigning them on a more positive

path that includes education and job readiness. The Initiative also aims to improve community-police relations and increase community involvement. Similar initiatives have been executed in other cities across the Nation, including in Rhode Island, where the Providence Police Department's Drug Market Intervention (DMI) dramatically improved the relationship between citizens and law enforcement, building trust and increasing a culture of lawfulness and cooperation.

These efforts could be adopted in border communities. ONDCP should identify best practices and easily transferable activities to share with HIDTA prevention components and other law enforcement agencies along the Southwest border. HIDTA funds are used for prevention activities in many localities, and these activities can be modified depending on the community being served. DOJ's Bureau of Justice Assistance has also been working on a DMI Training and Technical Assistance initiative. DOJ should make this technical assistance available to law enforcement and community organizations along the Southwest border. **Action: ONDCP, DOJ**



# Chapter 9: Cooperation with Mexico

## Chapter 9 Strategic Objective

### Enhance U.S.–Mexico cooperation on joint counterdrug efforts

## Background

The U.S.-Mexican bilateral relationship continues to grow based on strong, multi-layered institutional ties. The commitment of both governments to improve citizen security in both countries is underscored by the Merida Initiative, an unprecedented partnership between the United States and Mexico to fight organized crime and associated violence while furthering respect for human rights and the rule of law. Based on principles of shared responsibility, mutual trust, and respect for sovereign independence, the two countries' efforts have built confidence that continues to transform and strengthen the bilateral relationship in 2013 and beyond.

Since launching the Merida Initiative in 2008, the United States and Mexico have forged strong partnerships to improve citizen safety in affected areas to fight drug trafficking, organized crime, corruption, illicit arms trafficking, money-laundering, and demand for drugs on both sides of the border. Both governments seek to disrupt and dismantle the criminal networks that traffic drugs into the United States and illegal weapons and illicit revenues into Mexico in order to ensure the security and well-being of Mexicans and Americans alike. Stopping the flow of firearms and bulk cash into Mexico is an important component of the larger strategy to secure our borders from the criminal organizations that use those resources to traffic contraband and perpetrate violence.

At the September 18, 2012 meeting of the High Level Group, Secretaries Clinton and Espinosa confirmed the shared commitment to harness the enormous potential of enhanced cooperation between the United States and Mexico, the goals of which are organized within the Four Pillars of the Merida Initiative:

- **Disrupt the operational capacity of organized crime**, including the operational, logistical, and financial structures.
- **Institutionalize the capacity to sustain the rule of law**, including justice sector reform and respect for human rights.
- **Create a 21st century border**, allowing secure and efficient flows of commerce and travel.
- **Build strong and resilient communities**, addressing the root causes of crime and violence.

The U.S. Congress has appropriated \$1.9 billion since the Merida Initiative began in Fiscal Year 2008, and for every dollar of Merida assistance, the Government of Mexico has committed \$10 of security spending in the areas that Merida touches. With this financial commitment, the U.S. and Mexican governments have expanded Mexico's fleet of military and police aircraft, created an operational network of non-intrusive inspection equipment covering the majority of official borders and points of entry in

Mexico, developed information technology systems and databases that detect and link crimes and criminal organizations in real time, and apprehended over 40 high value targets since December 2009.

Building upon these initial successes in disrupting Mexico’s criminal organizations and detecting and interdicting the contraband that they traffic, bilateral efforts are now being accelerated to support Mexico’s justice sector institutions and the rule of law. To evolve in partnership with the needs of the Government of Mexico, U.S. security assistance is undergoing two key transitions of emphasis:

- **Equipment transfers to capacity building assistance:** Merida assistance initially focused on providing large equipment transfers, such as aircraft, to the Government of Mexico. As the Merida process evolves, the United States is moving away from large equipment transfers and emphasizing engagement with Mexico in building stronger justice sector institutions. Today, Merida assistance focuses on training and technical assistance for Mexico’s law enforcement and justice sector personnel, and support for civil society organizations working in partnership with the government in support of Mexico’s efforts to sustain the rule of law and respect for human rights.
- **Federal to state level assistance:** Merida began as a Federal-to-Federal assistance program. Now, the United States is not only helping to enhance the capabilities of Mexican institutions at the Federal level, but also increasingly aiding state and local level law enforcement and justice sector institutions in states identified as security priorities by the Government of Mexico. The United States will continue to engage in bilateral discussions to expand the number of Mexican states receiving Merida assistance.

## Supporting Actions

### 1. Enhance ongoing bilateral efforts to stem the flow of illicit drugs, money, and weapons across our shared border

There are numerous references elsewhere in the *Strategy* to ongoing bilateral efforts, providing some sense of the depth and breadth of the cooperation which occurs daily. The actions listed here are in addition to those listed in earlier chapters.

#### **A. Enhance capacity building and training programs to strengthen Mexican justice sector and law enforcement agencies and institutions**

With the approval and support of Mexico’s next administration, future U.S. assistance will increasingly support Mexico’s professionalization of its law enforcement forces and justice sector reforms as the country transitions to an adversarial system. To ensure coordination, programs will work across various Mexican Federal, state, and municipal government agencies including, but not limited to, the Secretariat of Government (SEGOB), the Office of the Attorney General (PGR), state Attorney General’s offices (PGJR), Customs (SAT), and the judiciary. Much of the work will be performed via training justice sector and law enforcement actors, and working with institutions to create and implement policies and procedures to assist in implementation of reforms and sustainable professionalization.

Justice sector training initiatives will focus on building the capacities of court administrators, judges, attorneys, investigators, forensic experts, and corrections personnel. Technical assistance programs will expand upon existing efforts to encourage the adoption and implementation of revised codes of criminal procedure at the federal and state levels, the effective management of prison inmates and accreditation process of prison facilities, and the use of alternative dispute resolution as a means to increase public access to justice and reduce congestion in the court system. In state jurisdictions that have not yet implemented the reforms to an adversarial system, many of the trainings and workshops are designed to familiarize individuals with the processes of an adversarial system. These activities are meant to prepare actors for the post-transition legal environment and to minimize resistance to the change. Rule of law assistance also seeks to bolster the institutional capacity of Mexican stakeholders so that Merida-funded efforts have platforms to continue in the future.

Law enforcement assistance will emphasize support for Mexico's expanded training requirements for newly created and existing units at the Federal, state, and local levels, and development of regional police training academies. This program creates solid foundations for basic and specialized training, which in turn enhances the professionalization and operational capacity of Mexican law enforcement entities. Training and technical assistance, especially at the Federal level, will often be directly provided by U.S. law enforcement active duty personnel, who will be able to share best practices and standard operating procedures with their Mexican counterparts. The use of active duty agents as instructors, where possible, has the benefit of contributing to the development of closer links between law enforcement entities, and can therefore facilitate closer cooperation and exchanges of information between Mexico and the United States. Training will cover a complete spectrum of basic law enforcement and investigative techniques, criminal intelligence, rule of law, anti-corruption mechanisms, internal controls, human rights, and specialized training for public security personnel, aviators, canine handlers, and operators of non-intrusive inspection equipment. Technical assistance will include working with Federal, state, and local institutions to develop policy and procedural manuals, and to implement systems of uniform standards, personnel administration, management, and evaluations. **Action: DOS, USAID, DOJ, DHS, DOD, Treasury**

### **B. Expand existing bilateral mechanisms**

Both countries have been committed to realizing the full potential of bilateral strategy and implementation mechanisms at all levels of government. Future efforts will involve sophisticating and leveraging the numerous bilateral cooperative mechanisms already in place that help advance this *Strategy*, including:

- The Bilateral Illicit Finance Working Group, to collaborate on trans-border money laundering and asset forfeiture.
- Criminal intelligence and information sharing, to improve the targeting of border threats.
- Operational coordination along the U.S.-Mexico border, to multiply the impact of each country's border interdiction efforts.
- Stationing U.S. law enforcement liaisons in Mexico, to improve the immediacy of coordination with Mexican counterparts.
- Air and maritime cooperation, to support each country's air and sea interdiction operations.

**Action: DOS, USAID, DOJ, DHS, DOD, Treasury**







# Appendix A: Tunnel Strategy

## Chapter 3 Strategic Objective

**Interdict drugs, drug proceeds, and associated instruments of violence between the ports of entry along the Southwest border**

### Overview

The U.S. Southwest border remains vulnerable to cross-border tunnels originating from Mexico. Analysis of tunnel discoveries by law enforcement has identified five high risk areas along the border near the following U.S. POEs: San Ysidro, Otay Mesa, Calexico, San Luis, and Nogales. Transnational Criminal Organizations (TCOs) will likely continue to exploit these areas in order to employ this highly effective method of smuggling.

As of June 2012, 161 tunnel attempts have been discovered nationwide, and all but one tunnel was located along the Southwest border. All areas where sophisticated tunnels are present are fenced and considered under control by CBP for surface traffic. As mentioned in the initial paragraph, areas considered high risk for the construction of clandestine tunnels comprise fifteen miles of Southwest Border and are clustered in five areas: San Ysidro, Otay Mesa, Calexico, San Luis, and Nogales. Another thirty miles is considered a moderate risk and located in California, Arizona, and West Texas. ICE/HSI field offices (San Diego, Calexico, Yuma, Nogales, and El Paso) are actively engaged in counter-tunnel investigations. ICE/HSI has further responded to the tunnel threat by establishing two Border Enforcement Security Task Force (BEST) Tunnel Task Forces (TTF), with Federal, state, and local law enforcement partners, at HSI San Ysidro and HSI Nogales.

While the United States attempts to combat clandestine tunneling, innovative TCOs continue to evolve by employing a technology known as Horizontal Directional Drilling (HDD) to construct cross-border underground conduits. HDD is a steerable, trenchless method of installing underground pipes, conduits, and cables in a shallow arc along a prescribed bore path by using a surface-launched drilling rig, with minimal impact on the surrounding area. As of March 2011, the Government of Mexico had seized four HDD rigs—the first in San Luis Rio Colorado, Sonora and three more in Mexicali, Baja California Norte. U.S. authorities, for the first time, also seized a HDD rig in Calexico, California, in August 2011. While no complete system was seized intact, limited law enforcement reporting suggests compressed air is used to push drugs through the conduit. Reporting suggests TCOs may use a rope to pull drugs through conduit, a simple solution that is used in Nogales, Arizona, where TCOs daisy-chain bundles of drugs to a rope and pull them through spaces too small for a person to crawl, according to CBP.

HDD is optimized to drill under water, opening other Southwest border communities from El Paso to Brownsville, Texas, to increased risk of illicit subterranean activity. This would place another 35-70 miles of Southwest border frontage from Presidio to Brownsville, Texas, at risk, in addition to 45 miles already identified as “high” and “moderate” risk in California, Arizona, and West Texas, specifically El Paso. Most of these areas are situated near POEs, where the most suitable infrastructure is present.

Legitimate HDD reportedly was used to construct conduits under the Rio Grande in South Texas into Mexico on at least three occasions. Commercial crossings such as those found in Laredo, Texas, would be an ideal location to emplace conduits, where TCOs could mask movement of drugs away from the border within dense commercial truck traffic.

Initial warning of tunnel activity currently relies upon traditional U.S. law enforcement source reporting, accidental cave-ins, and some limited detection and monitoring of ground-based sensors specifically designed to detect clandestine tunnel excavation. Sufficient detection capability requires fully developed human intelligence sources and adequate funding to maintain them.

ICE HSI investigates the tunnel-related crimes set forth in the Border Tunnel Prevention Act, codified at 18 U.S.C. § 555. ICE HSI serves as the lead agency for counter-tunnel investigations and utilizes BEST units to target such illicit passageways into our nation. In California Coast and Nogales, specifically designated "BEST Tunnel Task Force" units coordinate the broad investigative authorities of their constituent agencies to disrupt and dismantle the TCOs responsible for exploiting our international land borders via subterranean passageways. Persistent application of basic investigative techniques has proven to be the most effective means of tunnel detection and interdiction supplemented by other intelligence collection methods. Improved passive and persistent warning through sensors designed to detect clandestine tunneling with 24/7 monitoring will provide enhanced tipping and cueing to these investigative efforts. Proper sensor placement and monitoring of the five high risk areas will allow the United States to gain domain awareness through early warning and enhance cueing of investigative and interdiction elements.

The marked increase in the number and sophistication of tunnels along the Southwest border over the last several years is likely a result of increased pressure by Federal, state, and local law enforcement authorities against narcotics traffickers. Continuing enhancements to border security and aggressive enforcement on established overland routes will likely lead Mexican drug trafficking organizations to further increase their tunnel construction as an alternative method to smuggle drugs into the United States.

The length, number, and sophistication of the tunnels, as well as the extensive time and labor that go into their construction, suggest that smugglers consider tunnels to be a useful investment despite the risk of discovery and interdiction. The *2011 National Southwest Border Counternarcotics Strategy* laid out an interagency approach to end the construction and use of tunnels for smuggling illegal contraband into the United States, and the principles of that *Strategy* remain in effect.

## Supporting Actions

### 1. Successfully counter the construction and use of tunnels and subterranean passages for illicit trafficking activities

#### A. Enhance intelligence collection and the sharing of information related to the planning, financing, construction, and use of tunnels

Intelligence collection should focus on identifying and verifying suspicious activities near commercial and private structures adjacent to the border, especially in densely populated areas where legitimate activities can easily mask illicit trafficking activities. **Action: DHS/CBP, DHS/ICE-HSI, DOJ, ONDCP/HIDTA**

#### B. Enhance detection of tunnel construction and smuggling activities

Identifying such suspicious activities and locations through improved intelligence and surveillance will improve the ability of law enforcement to detect and stop tunnel construction activities. Enhanced monitoring and detection of tunnel construction and smuggling activities requires improvements in sensor technologies so law enforcement personnel can detect unexplained voids; acoustic, gravitational, electronic, and/or seismic anomalies; and subtle changes in ground moisture and/or subsidence (sinking), which could confirm the presence of tunnel construction and related activities.

A number of U.S. Government entities are focusing on improving their collective efforts to detect, identify, and investigate tunnel construction activities, as well as the presence and use of tunnels and subterranean passages for the smuggling of contraband.

Interdiction of tunnel construction and prosecution requires coordinated interagency support. Cooperation between governmental agencies will improve interagency collaboration, either by discovering the tunnels prior to completion or when a completed tunnel is discovered, providing the right amount of evidence and witness statements needed for a successful prosecution. **Action: DHS, DOD, DOJ, ONDCP/HIDTA**

## Significant Legislation

The Border Tunnel Prevention Act of 2012 (Act), signed into law by President Obama as Public Law No. 112-127 on June 5, 2012, made several key changes to existing law governing the unauthorized construction, financing, or reckless permitting (on one's land) of the construction or use of a tunnel or subterranean passageway between the United States and another country. In short, while the new amendments have changed important statutes relevant to ICE's work, and while these changes may not affect the day-to-day operations of ICE HSI, the amendments provide ICE personnel and the Assistant U.S. Attorneys who prosecute ICE cases with new tools. The specific provisions include:

- amends 18 U.S.C. § 555 (which criminalizes the construction or financing of unauthorized international border tunnels), adding penalties for attempt or conspiracy to commit the underlying offense;

- adds 18 U.S.C. § 555 to the list of offenses eligible for Title III wiretap interception (18 U.S.C. § 2516);
- amends the criminal forfeiture statute (18 U.S.C. § 982), to include convictions for 18 U.S.C. § 555;
- adds 18 U.S.C. § 555 as a specified unlawful activity (SUA) for money laundering (18 U.S.C. § 1956); and
- adds an annual reporting requirement which instructs DHS to provide a description of (a) the cross-border tunnels along the border between Mexico and the United States discovered during the preceding fiscal year; and (b) the needs of DHS to effectively prevent, investigate and prosecute border tunnel construction along the border between Mexico and the United States.

The law builds on previously existing law, which provided for, in relevant part:

- a 10-year prison term on any person who knowingly or recklessly disregards the construction or use of a tunnel or subterranean passageway on land which that person controls;
- a 20-year prison term on any person who knowingly constructs or finances the construction of a tunnel or subterranean passageway that crosses the international border between the United States and another country, other than a lawfully authorized tunnel or passage known to the Secretary of Homeland Security and subject to inspection by ICE;
- up to twice the penalty that would have otherwise been imposed for persons who use a tunnel or subterranean passageway to unlawfully smuggle an alien, any controlled substance, weapons of mass destruction (including biological weapons), or any member of a terrorist organization, had the unlawful activity not made use of such a tunnel or passage; and
- forfeiture of property for violation of certain immigration offenses relating to border tunnels and passages.

## APPENDIX A: TUNNEL STRATEGY

The San Diego Tunnel Task Force (TTF) works under the auspices of the SWB HIDTA's (California Border Alliance Group) Initiative "Operation Alliance" in southern San Diego. Operation Alliance is a major co-located, multi-agency task force that investigates narcotics smuggling, transportation and distribution groups along the California-Mexico border. The agencies participating in the "Election Day Tunnel", "Thanksgiving Day Tunnel", "Kerns Warehouse Tunnel", and "Operation Tunnel Express" investigations are: ICE/HSI, DEA, CBP/OBP, Cal DOJ, Chula Vista Police Department, the US Attorney's office and the Mexican military.

As a result of Title III intercepts and surveillance operations, TTF agents identified what they believed was another cross border tunnel exit in a warehouse in Otay Mesa, California.

On November 29, 2011, agents followed a tractor trailer leaving the suspected tunnel warehouse in the Otay Mesa, California, area. The agents followed the tractor trailer to a warehouse in the Los Angeles area and discovered approximately 10.5 tons of marijuana within the tractor trailer. The agents then entered the warehouse in Otay Mesa and discovered an additional 15 tons of marijuana as well as the exit to a subterranean tunnel. A Mexican military team was then deployed to locate the Mexican entrance to the cross border tunnel and discovered approximately four tons of marijuana. Agents arrested six individuals associated to the tunnel smuggling interdiction.

On January 17, 2012, intercepted calls indicated that Jose Sanchez-Villalobos, aka Quirino, (hereinafter "Quirino") the manager of the tunnel organization was arrested in Zapopan, Mexico as a result of a \$15 million seizure in Tijuana, Mexico. Agents also determined that Quirino had an arrest warrant out of New York for cocaine distribution. According to the Mexican news reports, Quirino is Joaquin Guzman Loera's, aka "El Chapo's", financial mastermind.

In January 2012, Mexican authorities issued an ARRAIGO hold for Quirino anticipating a provisional arrest warrant (PAW) being issued from the United States. On February 9, 2012, Quirino was indicted in the Southern District of California for 13 different drug smuggling and cross-border tunnel statutes and the PAW package was submitted for Quirino's extradition.

On April 3, 2012, Quirino was issued a PAW prior to the expiration of the ARRAIGO hold and Quirino was transferred to a Mexican maximum security prison to await extradition.





## Appendix B: Resources

At the time of the release of the *2013 National Southwest Border Counternarcotics Strategy*, the FY2014 President's Budget was still under development. After the Budget is released, an annex detailing FY2013 and FY2014 funding in support of this *Strategy* will be available.







## Appendix C: Common Abbreviations

**ACTT** Alliance to Combat Transnational Threats

**ALPR** Automated License Plate Reader

**AMOC** Air and Marine Operations Center

**AMOSS** Air and Marine Operations Surveillance System

**ASTI** Arms and Strategic Technology Investigations

**ATF** Bureau of Alcohol, Tobacco, Firearms and Explosives

**AUSA** Assistant U.S. Attorney

**BCSC** National Bulk Cash Smuggling Center

**BEST** Border Enforcement Security Task Force

**BIA** Bureau of Indian Affairs

**BIFS** Border Intelligence Fusion Center

**BIFWG** Bilateral Illicit Finance Working Group

**BLM** Bureau of Land Management

**BLO** Border Liaison Officer

**BMPE** Black Market Peso Exchange

**BSA** Bank Secrecy Act

**BVIC** Border Violence Intelligence Cell

**CAFÉ** Central American Fingerprint Exchange

**CBETF** Cross-Border Electronic Transmittals of Funds

**CBP** U.S. Customs and Border Protection

**CBP/OAM** U.S. Customs and Border Protection, Office of Air and Marine

**CBP/OBP** U.S. Customs and Border Protection, Office of Border Patrol

**CBP/OFO** U.S. Customs and Border Protection, Office of Field Operations

**CBP.O/OIT** U.S. Customs and Border Protection, Office of Information and Technology

**CBSCN** Cross Border Security Communications Network

**CIA** Central Intelligence Agency

**CCDB** Consolidated Counterdrug Database

**CGCG** Coast Guard Cryptologic Group

**CGIS** Coast Guard Investigative Service

**CIFTA** Inter-American Convention Against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives, and Other Related Materials (1997)

**CMAA** Customs Mutual Assistance Agreements

**COI** Communities of Interest

**CONOPS** Concept of Operations

**COP** Common Operating Picture

**CPOT** Consolidated Priority Organization Target

**CSP** Controlled Substances Program

**CTAC** Counterdrug Technology Assessment Center

**DDTC** Directorate of Defense Trade Controls

**DEA** Drug Enforcement Administration

**DFC** Drug Free Communities

**DFAS** Drug Flow Attack Strategy

**DHS** Department of Homeland Security

**DHS/I&A** Department of Homeland Security Office of Intelligence and Analysis

**DHS/S&T** Department of Homeland Security/Directorate for Science and Technology

**DIA** Defense Intelligence Agency

**DNI** Department of National Intelligence

**DOD** Department of Defense

**DOI** Department of the Interior

**DOJ** Department of Justice

**DOS** Department of State

**EBCU** EPIC Bulk Currency Unit

**ELISA** EPIC Law Enforcement Search and Analysis

**EPIC** El Paso Intelligence Center

**ERDC** U.S. Army Engineer Research and Development Center

**FBI** Federal Bureau of Investigation

**FDL** Forensic Document Laboratory

**FEMA** Federal Emergency Management Agency

## APPENDIX C: COMMON ABBREVIATIONS

**FFL** Federal Firearms Licensee

**FinCEN** Financial Crimes Enforcement Network

**FTE** Full Time Equivalent

**FY** Fiscal Year

**GCA** Gun Control Act of 1968

**GoM** Government of Mexico

**HDD** Horizontal Directional drilling

**HHS** United States Department of Health and Human Services

**HIDTA** High Intensity Drug Trafficking Area

**HSI Intel** Homeland Security Investigations Intelligence (ICE)

**HSTC** Human Smuggling and Trafficking Center

**IAFIS** Integrated Automated Fingerprint Identification System

**IBETs** Integrated Border Enforcement Teams

**IBIS** Integrated Ballistic Identification System

**ICE** U.S. Immigration and Customs Enforcement

**ICE/HSI** U.S. Immigration and Customs Enforcement/Homeland Security Investigations

**ICE/HSI/OIA** U.S. Immigration and Customs Enforcement /Homeland Security Investigations/  
Office of International Affairs

**ICIN** Indian Country Intelligence Network

**IDBF** Identity and Benefit Fraud

**IDENT** Automated Biometrics Identification System

**IFNET** Illicit Financial Network Team

**IOC-2** International Organized Crime Intelligence and Operations Center

**IRS** Internal Revenue Service

**ISC** Investigative Support Center

**IWG-IC** Interagency Working Group on Intelligence Coordination

**JCMU** Joint Collection Management Unit

**JCTD** Joint Capability Technology Demonstration

**JIATF-S** Joint Interagency Task Force South

**JLEO** Joint Law Enforcement Operations

**JTF North** Joint Task Force North  
**JTTR** Joint Tunnel Testing Range  
**LEISI** Law Enforcement Information Sharing Initiative  
**LPR** License Plate Reader  
**MIFC** Maritime Intelligence Fusion Center  
**MIFCLANT** Maritime Intelligence Fusion Center Atlantic  
**MIFCPAC** Maritime Intelligence Fusion Center Pacific  
**MOC-P** Maritime Operations Coordination Plan  
**MOU** Memorandum of Understanding  
**MSB** Money Services Business  
**MVTS** Money Value Transfer Systems  
**NDDS** U.S. Department of Justice Narcotic and Dangerous Drug Section  
**N-DEX** Department of Justice Criminal Justice Information Service National Data Exchange  
**NGB** National Guard Bureau  
**NGIC** National Gang Intelligence Center  
**NIBIN** National Integrated Ballistics Information Network  
**Nlets** International Justice and Public Safety Network  
**NMSI** North American Maritime Security Initiative  
**NPS** National Park Service  
**NSS** National Seizure System  
**NSS** National Security Staff  
**NTC** National Targeting Center  
**OCDETF** Organized Crime Drug Enforcement Task Force  
**ODAG** Office of the Deputy Attorney General  
**OFAC** Office of Foreign Assets Control  
**OFC** OCDETF Fusion Center  
**OFDT** Office of the Federal Detention Trustee  
**OCGS** Organized Crime and Gang Section  
**ONDCP** Office of National Drug Control Policy  
**OPDAT** Office of Overseas Prosecutorial Development, Assistance and Training

## APPENDIX C: COMMON ABBREVIATIONS

<b>ORDCP</b>	Other-Related Drug Control Program
<b>PGR</b>	Office of the Attorney General (Mexico)
<b>PIR</b>	Priority Intelligence Requirement
<b>PMLO</b>	Primary Money Laundering Organization
<b>POE</b>	Port of Entry
<b>PRIDE</b>	Port Radiation Inspection, Detection, and Evaluation
<b>RAID</b>	Real-Time Analytical Intelligence Database
<b>ReCoM</b>	Regional Coordinating Mechanism
<b>RFI</b>	Request for Information
<b>RISNet</b>	Regional Information Sharing System Network
<b>RPOT</b>	Regional Priority Organization Target
<b>SAR</b>	Suspicious Activity Report
<b>SDTF</b>	San Diego Tunnel Task Force
<b>SEGOB</b>	Secretariat of Government (Mexico)
<b>SEMAR</b>	Mexico's Secretaria de Marina
<b>SIPRNET</b>	Secret Internet Protocol Router Network
<b>SLTT</b>	State, Local, Tribal and Territorial
<b>SOD</b>	Special Operations Division
<b>STRAP</b>	Surveillance and Tracking Radar Processor
<b>SURGE</b>	Specialized Urban Response Gang Enforcement
<b>SWB</b>	Southwest border
<b>SWB ESG</b>	Southwest Border Executive Steering Group
<b>SWBICP</b>	Southwest Border Intelligence Campaign Plan
<b>SWIG</b>	Southwest Intelligence Group
<b>SWBIWG</b>	Southwest Border Intelligence Integration Working Group
<b>TAG</b>	Transnational Anti-Gang
<b>TARS</b>	Tethered Aerostat Radar System
<b>TBML</b>	Trade Based Money Laundering
<b>TCO</b>	Transnational Criminal Organization
<b>T-DEx</b>	Texas Department of Public Safety Texas Data Exchange

**TECS** formerly the Treasury Enforcement Communications System

**TEOAF** Treasury Executive Office of Asset Forfeiture

**TFC** Texas Fusion Center

**TIC** The Interdiction Committee

**TLO** Terrorism Liaison Officer

**TTU** Trade Transparency Units

**UAS** Unmanned Aircraft System

**UIF** Unidad de Inteligencia Financiera (Mexico)

**USBP** United States Border Patrol

**USDA** United States Department of Agriculture

**USFA** United States Fire Administration

**USCG** United States Coast Guard

**USCG/ICC** United States Coast Guard/Intelligence Coordination Center

**USDA** United States Department of Agriculture

**USFS** United States Forest Service

**USFWS** United States Fish and Wildlife Service

**USMS** U.S. Marshals Service

**USMS/TOG** U.S. Marshals Service Technical Operations Group

**USNORTHCOM** United States Northern Command

**US-VISIT** United States Visitor and Immigrant Status Indicator Technology

**VCIT** Violent Crime Impact Team

**WVTF** Weapons Virtual Task Force



