



# NATIONAL SOUTHWEST BORDER COUNTERNARCOTICS STRATEGY

Office of National Drug Control Policy

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# Introduction: Current & Emerging Threats

Criminal activity along the Southwest Border (SWB) poses a significant national security threat for the United States. The almost 2,000-mile border that separates the United States and Mexico includes major population centers, transportation hubs, and large tracts of uninhabited desert. Criminal organizations have used that vast area to engage in cross-border drug trafficking, human smuggling, weapons trafficking, money laundering, and other associated illegal activities.

The U.S.-Mexico border is the primary entry point into the United States for all major illicit drugs, with the exception of controlled prescription drugs and certain new synthetic drugs. Mexican Transnational Criminal Organizations (TCOs) operating primarily on the Mexican side of the U.S.-Mexico border supply the majority of the heroin, methamphetamine, cocaine, and foreign-produced marijuana available in U.S. illicit drug markets. These drugs are also smuggled into the United States across other land, sea, and air frontiers, but not on the same scale as the substances transported across the SWB.<sup>1</sup>

The threat posed by heroin in the United States is serious and continues to intensify. Heroin seizures on the SWB almost tripled over the past five years, from 1,080 kilograms in 2010 to 3,158 kilograms in 2015.<sup>2</sup> Heroin is smuggled by Mexican TCOs across land ports of entry (POE) at or near major cities or border areas with access to interstate highways that connect to key U.S. markets. It is also smuggled between POE and through tunnels.

Many of the same organizations that traffic drugs into the United States are also involved in the out-bound flow of illicit drug proceeds and illegal weapons. The smuggling, trafficking, and illegal export of weapons from the United States into Mexico are a threat to the safety and security of both countries and continue to fuel violence along the SWB and in the interior of Mexico. Weapons smuggled into Mexico often end up in the hands of the TCOs or other smuggling organizations, where they can be used against law enforcement officers and civilians.<sup>3</sup> On its shared border with the United States, Mexico continues to experience elevated rates of crime and violence due to the intense competition among Mexican TCOs to dominate these lucrative smuggling corridors.

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1. 2015 National Drug Threat Assessment Summary, Drug Enforcement Administration (DEA), DEA-DCT-  
DIR-008-16, Oct 2015, page 1.

2. National Seizure System Extract 2/19/2016.

3. U. S. Bureau of Alcohol, Tobacco, Firearms and Explosives: based on firearms trace data of firearms recovered and successfully traced in Mexico during January 1, 2014, through December 31, 2014.

## 1. Current Drug Situation

### A. Major Trafficking Groups and Methods

Mexican TCOs supply the greatest quantity of drugs to the United States, and no other organized criminal groups are currently positioned to challenge them.<sup>4</sup> As previously noted, Mexican poly-drug organizations traffic heroin, methamphetamine, cocaine, and marijuana across the SWB and throughout the United States, using established transportation routes and distribution networks. Mexican TCOs are constantly adjusting drug production and smuggling operations to increase the amount of drugs they can smuggle into the United States. Although cross-border smuggling routes and methods run the gamut of air, sea, and land (above ground and below ground) operations, once the illicit drugs arrive in the United States, onward transportation activities are conducted primarily in vehicles transiting the U.S. highway system.<sup>5</sup>

Law enforcement and military action and inter-cartel conflict over the past two years have created an increasingly dispersed cartel landscape in Mexico.<sup>6</sup> Currently, however, eight Mexican TCOs are widely recognized as having a dominant presence in various areas within Mexico: Sinaloa, Los Zetas, Gulf, Juarez, Beltran-Leyva Organization, La Familia Michoacana (the Michoacán Family, Los Caballeros Templarios (the Knights Templar), and Cartel de Jalisco Nueva Generacion (the New Generation Jalisco Cartel, CJNG).<sup>7</sup> These major transnational drug trafficking organizations are fluid, dynamic, for-profit entities that are increasingly fragmented. Although alliances of convenience still exist, an increasing number of independent (non-cartel aligned) TCOs operate in Mexico. The Sinaloa, Juarez, CJNG, Zetas, and Gulf drug trafficking organizations (DTOs) maintain dominant positions along specific SWB smuggling corridors. However, other Mexican TCOs are allowed to smuggle illicit drug shipments through their border corridors with the payment of a tax, or access fee. All of these TCOs have flexible drug distribution networks at various locations in the United States which act as wholesale suppliers for local and regional street gangs that conduct retail-level distribution operations.<sup>8</sup>

### B. Heroin

In recent years, heroin availability and use have increased. Since 2007, deaths involving heroin have risen 340 percent, from 2,402 in 2007 to 10,574 in 2014,<sup>9</sup> when 47,055 drug overdose deaths were reported.<sup>10</sup> According to the 2015 Drug Enforcement Administration (DEA) National Drug Threat Survey, 38 percent of respondents reported heroin was the greatest drug threat in their area.<sup>11</sup> Increased use of heroin is driven by increasing availability of heroin in the U.S. market, aggressive marketing of the drug by retail

4. 2015 National Drug Threat Assessment Summary, DEA, DEA-DCT-DIR-008-16, Oct 2015; Drug Enforcement Administration Office of Intelligence; Department of Homeland Security Office of Intelligence and Analysis.

5. <http://www.justice.gov/archive/ndic/pubs38/38661/movement.htm>

6. Stratfor Global Intelligence, "Mexico's Drug War Update: Tamaulipas-Based Groups Struggle," April 16, 2015; and "Mexico's Drug War: A New Way to Think About Mexican Organized Crime," January 15, 2015.

7. 2015 National Drug Threat Assessment Summary, DEA, DEA-DCT-DIR-008-16, Oct 2015, page 1.

8. Ibid.

9. Centers for Disease Control and Prevention, National Center for Health Statistics. Multiple Cause of Death, 1999-2014 on CDC WONDER Online Database, released 2015. Extracted by ONDCP from <http://wonder.cdc.gov/mcd-icd10.html> on December 9, 2015.

10. <http://www.cdc.gov/media/releases/2015/p1218-drug-overdose.html>.

11. 2015 National Drug Threat Assessment Summary, DEA, DEA-DCT-DIR-008-16, Oct 2015, page 26.

distribution groups, and, to a limited extent, by persons with prescription opioid use disorders.<sup>12</sup> U.S. Customs and Border Protection (CBP) seizure data indicate that San Diego, California; Tucson, Arizona; and the Rio Grande Valley, Texas, corridors are the primary heroin smuggling routes.<sup>13</sup>

**HEROIN:** The latest heroin production estimates and forensic analyses indicate that although Afghanistan is the world's largest producer of opium, the majority of heroin headed toward markets in the United States comes from Mexico.<sup>14</sup> Estimates of Mexico's potential production of heroin rose from 42 metric tons in 2014 to about 70 metric tons in 2015.<sup>15</sup> Both the Mexican and Afghanistan governments are working to address this threat through efforts to target drug labs, disrupt trafficking organizations, and reduce opium cultivation.

The increased role of Mexican heroin manufacturers and traffickers is altering previously established trafficking patterns. More heroin is entering the United States through the SWB; consequently, the western states' roles as heroin transit areas are increasingly significant.<sup>16</sup> DEA and local law enforcement reports from several western states indicate heroin is transiting those areas in greater volumes and in larger shipment sizes.<sup>17</sup> Mexican TCOs are expanding their operations to gain a larger share of the lucrative eastern U.S. heroin markets.<sup>18</sup> The heroin market in the United States historically has been divided along the Mississippi River, with western markets using Mexican black tar and brown powder heroin and eastern markets using white powder (previously Southeast and Southwest Asian, but over the past two decades predominantly South American) heroin.<sup>19</sup> Mexican TCOs have been able to leverage relationships with cocaine, methamphetamine, and marijuana distribution networks in the eastern United States to distribute large quantities of Mexican and South American heroin. Although precise estimates are not available at this time, it is believed that Mexican heroin producers are now manufacturing increasing amounts of high-purity white heroin.<sup>20</sup>

The heroin crisis is being compounded by the reemergence of fentanyl, a powerful Schedule II synthetic opioid analgesic more potent than morphine or heroin.<sup>21</sup> Fentanyl is sometimes used as an adulterant and mixed with lower-grade heroin to increase its effects or mixed with diluents and sold as "synthetic heroin," with or without the buyers' knowledge.<sup>22</sup> Fentanyl used for illicit purposes comes from several

12. Muhuri, PK, SAMHSA/CBHSQ, Associations of Nonmedical Pain Reliever Use and Initiation of Heroin Use in the United States, Aug 2013.

13. 2015 National Drug Threat Assessment Summary, DEA, DEA-DCT-DIR-008-16, Oct 2015, 35.

14. U.S. Government illicit crop estimates, 2015.

15. U.S. Government estimates, 2015/2016.

16. 2015 National Drug Threat Assessment Summary, DEA, DEA-DCT-DIR-008-16, Oct 2015, 36.

17. 2015 National Drug Threat Assessment Summary, DEA, DEA-DCT-DIR-008-16, Oct 2015, 37.

18. 2015 National Drug Threat Assessment Summary, DEA, DEA-DCT-DIR-008-16, Oct 2015, 2. Review Map 2, in particular, to consider the areas of major Mexican TCO influence and expanded interests, perhaps in part to bypass "traditional hubs in the southeastern United States due to law enforcement pressure."

19. 2015 National Drug Threat Assessment Summary, DEA, DEA-DCT-DIR-008-16, Oct 2015, 30.

20. 2015 National Drug Threat Assessment Summary, DEA, DEA-DCT-DIR-008-16, Oct 2015, 38. Another interpretation may be the use of the term "China White" as a marketing tool to imply Mexican heroin is high-purity. In some areas of New York State the term is also used in reference to fentanyl and heroin mixed with fentanyl.

21. Zuurmond WW, Meert TF, and Noorduyn H. (2002). Partial versus full agonists for opioid-mediated analgesia--focus on fentanyl and buprenorphine. *Acta Anaesthesiol Belg*, 53(3):193-201.

22. DEA. Strategic Intelligence Section. 2015 National Heroin Threat Assessment. DEA-DCT-DIR-039-15.

sources, including pharmaceutical fentanyl diverted from legal medical use, which accounts for a small percentage of the fentanyl in the illicit market, and clandestine fentanyl that is manufactured in Mexico or China and smuggled into the United States through a variety of means.<sup>23</sup> Fentanyl is extremely dangerous and can be deadly. Between 2013 and 2014, at least 700 deaths in the United States were attributed to fentanyl and its analogues,<sup>24</sup> although the actual number of deaths is likely higher.

### C. Methamphetamine

Seizure data, law enforcement reporting, and localized treatment information indicate that methamphetamine trafficking and use continue to increase within the United States. According to the 2015 National Drug Threat Survey, 33 percent of responding agencies indicated methamphetamine was the greatest drug threat in their areas. Also, 42 percent of responding agencies indicated that methamphetamine is highly available, meaning the drug is easily obtained at any time. As in previous years, use and availability are much higher in the western United States.<sup>25</sup>

The majority of methamphetamine available in the United States is high-grade and Mexico-produced, with average purity at approximately 96 percent and average potency around 88 percent.<sup>26</sup> In 2014, 16,152 kilograms of Mexican methamphetamine were seized along the SWB, and 17,356 were seized in 2015.<sup>27</sup> This is on top of significant increases in methamphetamine seizures in the past several years: 8,478 kilograms in 2011, 12,562 in 2012, and 14,577 in 2013. Of the methamphetamine seizures in Calendar Year (CY) 2014, 62 percent occurred in California, followed by Texas, with 23 percent.

The concealment of methamphetamine in liquids is also increasing along the SWB.<sup>28</sup> “Methamphetamine in solution” refers to finished methamphetamine that has been dissolved in a liquid solvent such as water or alcohol. Methamphetamine in solution is hidden in various consumer products, including liquor bottles, detergent bottles, and other commercial product containers that appear to be factory-sealed. Most frequently, methamphetamine in solution is concealed in bottles of non-alcoholic beverages, such as soft drinks, sports drinks, juices, and water. Another method of concealment is storing the solution in areas of a vehicle typically used to hold liquids, such as radiator overflows, windshield washer fluid reservoirs, and fuel tanks. This smuggling technique presents a detection challenge for law enforcement, as the odor of the “parent” liquid does not change with the addition of the methamphetamine.

### D. Cocaine

TCOs smuggle the majority of U.S.-bound cocaine across the SWB. Mexican TCOs obtain multi-ton shipments of cocaine from South American source countries, primarily Colombia. These shipments are smuggled north, primarily via noncommercial maritime conveyances, through the Mexico/Central America Corridor and then transshipped via land routes along the SWB.<sup>29</sup> In Fiscal Year (FY) 2014, the U.S. counterdrug community, in cooperation with foreign partner nations, recorded 1,352 cocaine

23. DEA. Strategic Intelligence Section. 2015 National Heroin Threat Assessment. DEA-DCT-DIR-039-15.

24. U.S. Department of Justice, DEA, Detroit Field Division reporting, 2014.

25. 2015 National Drug Threat Assessment Summary, DEA, DEA-DCT-DIR-008-16, Oct 2015, 45.

26. Meth Profile Report for CY2015q2, July 2015.

27. U.S. Border Patrol Fiscal Year 2013 Sector Profile and U.S. Border Patrol Fiscal Year 2014 Sector Profile.

28. Department of Homeland Security, Intelligence Assessment: “Dramatic Increase in Liquid Methamphetamine Smuggling from Mexico to the United States”, 5 June 2014.

29. 2015 National Drug Threat Assessment Summary, DEA, DEA-DCT-DIR-008-16, Oct 2015, 61.

smuggling events (totaling 1,081 metric tons) that departed South America toward U.S. markets. This recorded total includes events in which the counterdrug community has high confidence—those that resulted in seizures or were otherwise corroborated—as well as lower-confidence, suspected events that the community cannot confirm.<sup>30</sup> Once these large loads reach transshipment points in Mexico or Central America, they are broken down into small, difficult-to-detect loads and smuggled over the SWB into the United States. While cocaine smuggling, availability, and consumption in the U.S. are down compared to the historically high levels in the mid-2000s,<sup>31</sup> the latest increases in Colombian potential cocaine production estimates<sup>32</sup> portend a resurgence of the cocaine threat to the United States:

- In 2006, the number of cocaine-involved overdose deaths peaked at 7,448. From 2009 through 2013, there were fewer than 5,000 cocaine-involved overdose deaths annually. Recently, the number of cocaine-involved overdose deaths jumped 10 percent, from 4,944 in 2013 to 5,415 in 2014.<sup>33</sup>
- Coca cultivation in known Colombian grow areas increased 40 percent between 2014 and 2015 to 159,000 hectares. This is on top of a 39 percent increase from the 80,500 hectares in 2013 to 112,000 hectares in 2014. This translates to a potential 121 percent (185 metric tons to 420 metric tons) increase in metric tons produced over the past two years.<sup>34</sup>
- In the first half of 2014, maritime cocaine removals in the Mexico/Central America Corridor totaled 66 metric tons of cocaine. By midyear 2015, maritime cocaine removals increased 60 percent to 105 metric tons removed.<sup>35</sup> A major factor in these increased removals was increased coca production in Colombia and greater cocaine movement toward the United States.
- While cocaine seizures on the SWB had decreased in recent years, this trend has now reversed due to greater Colombian cocaine production and cocaine movement through the transit zone up to, and then through, the SWB. This greater flow is reflected in SWB cocaine seizures being on track to increase 20 percent from 8.1 metric tons in 2014 to 9.7 metric tons in 2015.<sup>36</sup>
- The estimated population percentage using cocaine in the past month in the United States has remained stable at 0.6 - 0.7 percent over the past six years, according to the National Survey on Drug Use and Health.<sup>37</sup>

POEs in San Diego, California; Nogales, Arizona; and Brownsville, Texas, serve as the main smuggling corridors because of their proximity to U.S. transportation hubs and urban centers. Mexican TCOs now typically send smaller cocaine shipments at higher frequencies to decrease the risk of interdiction along the border.

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30. 2014 Interdiction Performance Assessment, pg. 25: These statistics represent CCDB all-confidence (Confirmed, Substantiated, High Confidence Suspect (1P), Low Confidence Suspect (2P)) primary movement in the Western Hemisphere Transit Zone.

31. DEA Office of Intelligence; Department of Homeland Security Office of Intelligence and Analysis; U.S. Immigration and Customs Enforcement Homeland Security Investigations.

32. US Government estimates, 2015.

33. Centers for Disease Control and Prevention, National Center for Health Statistics, *Multiple Cause of Death 1999-2014*.

34. US Government estimates, 2015.

35. Consolidated Counterdrug Data Base.

36. National Seizure System (NSS) SWB Seizure Data.

37. The National Survey on Drug Use and Health (NSDUH), Sept 2015.

## E. Marijuana

Marijuana is the most commonly used illicit drug in the United States. More people use marijuana than all other illicit drugs combined, and there has been an increase in emergency room visits stemming from injuries or health issues incurred while under the influence of marijuana.<sup>38</sup> Marijuana-related emergency department visits between CY 2004 and CY 2011 increased 62 percent, second only to cocaine in 2011 for drug-related emergency department visits.<sup>39</sup> Although a number of states have passed initiatives that permit production of marijuana for medical conditions or for personal use, Mexico-produced marijuana continues to be transported into the United States across the SWB in large quantities. Marijuana seizures by CBP remained stable at 1.3 to 1.4 million kilograms per year along the SWB between CY 2010 and CY 2013. However, in CY 2014, CBP seized almost 985,000 kilograms of marijuana at the SWB, a 24 percent decrease from CY 2013.<sup>40</sup>

Seizures of Mexico-produced marijuana are typically larger than domestic marijuana seizures.<sup>41</sup> Mexico-produced marijuana is smuggled into the United States primarily between POEs and by other means, including subterranean tunnels, shipping containers, hidden compartments in commercial and private vehicles, and carried by people.<sup>42</sup>

## 2. Current and Emerging Counter-Narcotic Border Challenges

### A. Human Smuggling

Alien smuggling organizations operate extensively throughout the SWB region and facilitate the movement of undocumented migrants into the United States by circumventing immigration enforcement efforts and coaching migrants on how to act if caught. These organizations range in sophistication from largely independent “coyotes” guiding groups of migrants through the desert, to highly organized international smuggling networks, which rely on fraudulent document providers and influence in Latin American immigration systems to move migrants from around the world to the United States.

### B. Financial

The 2015 National Money Laundering Risk Assessment (NMLRA) found that drug trafficking and human smuggling are among the largest money laundering threats to the United States, and that illicit funds associated with these crimes continue to move across the SWB much as they always have via bulk cash smuggling and transfers through the formal financial system. The NMLRA found that criminals use every feasible money laundering method available to them, exploiting opportunities as necessary. This means that in practice, different money laundering methods are used simultaneously or sequentially, or are alternated in response to actions taken by law enforcement and financial supervisors.<sup>43</sup>

38. <http://www.samhsa.gov/data/sites/default/files/NSDUH-FRR1-2014/NSDUH-FRR1-2014.pdf>, see Table A.1B and Table A.11B.

39. Drug Abuse Warning Network (DAWN).

40. 2015 National Drug Threat Assessment Summary, DEA, DEA-DCT-DIR-008-16, Oct 2015, 71.

41. National Seizure System (NSS) SWB Seizure Data.

42. 2015 National Drug Threat Assessment Summary, DEA, DEA-DCT-DIR-008-16, Oct 2015, 71. Border Operations Sector Assessment, Sept 4, 2015, Controlled Unclassified Information, unpublished.

43. <https://www.treasury.gov/resource-center/terrorist-illicit-finance/Documents/National%20Money%20Laundering%20Risk%20Assessment%20%E2%80%93%2006-12-2015.pdf>.

According to the NMLRA, criminals constantly seek opportunities to create new money laundering (ML) methods, including through new payment technologies such as virtual currency, but the underlying ML vulnerabilities have remained largely the same over time. This relatively static ML risk environment is due to anti-money laundering (AML) regulations and law enforcement techniques keeping pace with emerging ML risks. For example, prosecutors have been able to rely on existing money services business (MSB) and AML statutes to build a strong track record of successful prosecutions against the illicit use of virtual currencies and other new payment methods. Law enforcement agencies meet quarterly in the Virtual Currency and Emerging Threats group to discuss trends in the virtual currency industry.

### 1) Bulk Currency

Bulk cash smuggling involves moving currency in bulk quantities to a location in another country. It is the most prevalent method of moving drug proceeds out of the United States. Throughout the United States, but particularly along the SWB, Mexican DTOs collect and consolidate large quantities of cash drug proceeds, which are eventually transported across the border into Mexico. These DTOs then use Mexico-based banking institutions and money services to transfer these proceeds into financial systems throughout the world.<sup>44</sup> In 2010, after enactment of more stringent financial reporting requirements under Mexican law, U.S. law enforcement officials noted a new trend. DTOs began moving cash back into the United States and declaring the funds at the border as required under the U.S. Bank Secrecy Act provisions, claiming the cash was from legitimate sources. This method of laundering illicit proceeds, often called reverse bulk cash smuggling, is becoming more prevalent along the SWB.<sup>45</sup>

While the illicit movement of bulk cash does remain the most prevalent method of moving drug proceeds, there has been a decline in the amount of bulk cash seized by law enforcement either at the SWB or purportedly destined to the SWB. Illicit movements of currency across U.S. borders cannot be precisely measured for several reasons. By definition, illicit implies clandestine, and the best estimates of border security agencies and U.S. law enforcement indicate that less than 1 percent of illicit revenues primarily derived from drugs, arms, human trafficking, and other illicit activities is interdicted before migrating across U.S. borders. This is a fluid estimate, derived from the objective metric of annual total seizures reported by U.S. law enforcement, which is a known quantity, as a function of the estimated value of revenue derived from demand within U.S. markets, particularly for illicit narcotics.

In a 2014 white paper addressing the topic of Mexico's drug wars, the Council on Foreign Relations cited the U.S. Department of Justice in stating that more than 90 percent of cocaine now travels through Mexico into the United States, up from 77 percent in 2003. Based on these metrics, officials estimate that the drug trade alone makes up three to four percent of Mexico's \$1.2 trillion annual Gross Domestic Product – totaling as much as \$30 billion, with a majority of these proceeds derived from the U.S. demand for illicit drugs. Money laundering through the physical transportation of cash, organized criminal activity, including drug trafficking, organized immigration crime, corruption and weapons trafficking has led to a significant growth in the volume of cash smuggling across the U.S. Mexican border. Recent estimates by academics, accountancy and audit firms, and the Mexican government as to the scale of the issue range from \$6 billion to \$36 billion annually. Both the U.S. and Mexican government assess

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44. <http://www.justice.gov/archive/ndic/pubs22/22796/22796p.pdf>, 9-10.

45. U.S. Department of the Treasury; Department of Justice Organized Crime Drug Enforcement Task Force.

that, despite there being other methods available for moving criminal proceeds across the border, bulk cash smuggling is still used for the great majority of the proceeds.

## 2) Trade-Based Money Laundering

Trade-based money laundering (TBML) involves the use of drug cash to acquire goods for cross-border trade. TBML almost always involves a complicit merchant and/or importer who helps get the drug cash into the financial system and disguises the money laundering activity as legitimate trade transactions.<sup>46</sup>

TCOs involved in TBML exploit free trade zones that facilitate a high volume of international trade and commodity traffic as part of regular day-to-day commerce. It is estimated that TCOs launder billions of dollars annually through TBML schemes, which range from simple to complex.<sup>47</sup> TBML can involve merchants commingling licit and illicit money in their daily deposits to place drug proceeds in the financial system. It can also involve over-invoicing and under-invoicing commodities that are imported or exported around the world, thus robbing governments of tax revenue and reducing duties collected. One of the more common schemes is the Black Market Peso Exchange (BMPE), which involves money brokers making local currency available in Latin America and Asia for drug dollars in the United States and using actual trade (or false documents to create the appearance of trade) to transfer value from one country to another.<sup>48</sup>

## 3) Funnel Accounts

A funnel account is an account at a bank with a national presence that allows drug purchasers to make cash deposits into an account in one city and the trafficker to make withdrawals from the same account in another city. Funnel accounts are also used in the same way to transfer drug proceeds from around the country to one or more accounts at banks along the SWB for consolidation, withdrawal, and eventual transfer into Mexico. U.S. investigators began encountering this money laundering technique as law enforcement applied increased scrutiny to money transmitters, which had been used in a similar way to consolidate at the SWB illicit proceeds generated around the United States. Now drug traffickers and other criminal organizations are taking advantage of interstate banks, making deposits at multiple bank branches in their areas of operation, and making withdrawals elsewhere in the country, including along the SWB border. Typically, the financial transactions are structured in multiple smaller transactions in an attempt to circumvent the bank currency transaction-reporting requirement.<sup>49</sup>

## 4) Virtual Currencies

U.S. law enforcement officials are encountering drug traffickers who use virtual currency, sometimes referred to as “crypto-currency,”<sup>50</sup> in an attempt to disguise illicit criminal proceeds. Though still not a mainstream form of commerce, virtual currencies such as Bitcoin are evolving as economic tools and are becoming increasingly accepted by large international businesses. The continued growth and

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46. Ibid.

47. Ibid.

48. Ibid.

49. Ibid.

50. Ibid.

acceptance of virtual currencies has attracted criminals looking to exploit the often unregulated and decentralized virtual currency markets to launder illicit proceeds.

### C. Weapons

Mexico's TCOs are routinely the recipients of prohibited firearms crossing the U.S. SWB into Mexico.<sup>51</sup> TCOs require a steady supply of firearms and ammunition to defend their turfs, eliminate rivals, enforce illegal business relationships, challenge law enforcement operations, and control their membership.

A significant portion of the firearms and ammunition smuggled into Mexico from the United States are acquired through organized "straw purchasing" networks and secondary firearm markets and transported overland into Mexico using various methods. Based on current and past firearms trafficking investigations worked jointly with Homeland Security Investigations (HSI) and discussions at the last SWB meeting, a recent firearm parts trafficking trend is the manufacture of ArmaLite (AR) type firearms utilizing unfinished AR lower receivers. The unfinished lower receivers, along with sophisticated Computer Numerical Control (CNC) machines, hand drills, and/or drill presses, can be utilized to manufacture AR015 type firearms. The unfinished AR receivers are typically referred to in the firearm industry as "80 percenters" or "blanks." Also available in the U.S. domestic markets are the unfinished Avtomat Kalashnikova. (AK) type firearm receivers, generally referred to as "flats" in the firearm industry. Metal pressing machines are used to bend the stamped metal pieces of unfinished AK-type receivers to complete the process. The "AK flats" and "AR 80 percenters" (both classified as Unfinished Lower Receivers or ULRs) are readily available for purchase in retail markets and internet sites, which include step-by-step assembly instructions along with a complete tools and parts list.

The unfinished lower AR receivers are being encountered and recovered more frequently along the SWB and in Mexico.

According to an intelligence report from the El Paso Intelligence Center (EPIC), in 2014, a CNC machine being used to manufacture lower receivers was seized in a warehouse in Guadalajara, Jalisco, Mexico. The warehouse was linked to the CJNG. In a press release, Jalisco's Attorney General stated that this CNC machine was the first of its kind discovered in Mexico.

### D. Communications and Surveillance Technology

One of the challenges faced by U.S. law enforcement is DTO use of communications technology in their smuggling operations. DTOs use radio communications and electronic devices for counter-surveillance operations against U.S. and Mexican law enforcement. Additionally, smartphone technology provides DTOs access to sophisticated encryption programs and social media platforms that assist in planning and coordinating cross-border smuggling activities.

### E. Unmanned Aerial Systems

The illicit use of unmanned aerial systems is an emerging technological threat on the SWB. U.S. law enforcement has been monitoring the potential exploitation of this new technology by Mexican DTOs. The January 2015 seizure of an unmanned aerial system that crash-landed in the parking lot of

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51. [www.borderlandbeat.com/2014/10/atf-and-pgr-dismantles-clandestine-ar.html](http://www.borderlandbeat.com/2014/10/atf-and-pgr-dismantles-clandestine-ar.html); U.S. Bureau of Alcohol, Tobacco, Firearms and Explosives ATF NForce (ATF's official case repository).

a supermarket in Tijuana, Mexico—less than a half-mile from the U.S.-Mexico border—while carrying six kilograms of methamphetamine, is the first confirmation that Mexican TCOs are attempting to use these systems to transport illicit drugs into the United States.<sup>52</sup> Although unmanned aerial systems will not soon replace current trafficking methods, the expanded use of this technology by DTOs is a concern for U.S. law enforcement, given the range of potential surveillance and payload applications unmanned aerial systems may provide.

## F. Tunnels

Illicit cross-border tunnels allow smugglers to move marijuana and, to a lesser extent, other drugs, weapons, currency, people, and other contraband illegally across the border. More than 170 illicit cross-border tunnels have been discovered in the United States since 1990.<sup>53</sup> These tunnels have been found near POEs, where traffic and noise conceal tunneling activities.

CBP and U.S. Immigration and Customs Enforcement (ICE) have delineated four types of cross-border tunnels. The type of tunnel constructed depends heavily on the region's soil.<sup>54</sup>

- Rudimentary tunnels are crudely constructed and travel a short distance. Shoring, machinery, electrical power, and ventilation are not used in their construction.
- Interconnecting tunnels link at least one purpose-built section to preexisting underground infrastructure. The purpose-built section is usually crudely constructed.
- Sophisticated tunnels may use shoring, ventilation, electricity, railroads, or water pumps, and can move large quantities of drugs, humans, currency, or firearms across the border. They typically link to private homes or warehouses in the United States and Mexico, even over long distances.
- A fourth type of tunnel has been identified within the past five years in which traffickers employ horizontal directional-drilling equipment to construct a small-diameter tunnel in as little as two weeks. Attempts to construct these tunnels are infrequent.

Marijuana comprises the overwhelming majority of illicit drug seizures from tunnels. Smuggling cocaine, heroin, and methamphetamine through POEs is easier than moving marijuana due to the relatively smaller size of shipments.

The following chart from the Department of Homeland Security's (DHS) Office of Intelligence and Analysis (I&A) depicts the number of illicit cross-border tunnels discovered from FY 2000 to FY 2014:

52. 2015 National Drug Threat Assessment Summary, DEA, DEA-DCT-DIR-008-16, Oct 2015, 53.

53. Department of Homeland Security Office of Intelligence and Analysis; Immigration and Customs Enforcement Homeland Security Investigations.

54. Ibid.

| CURRENT TUNNEL BREAKDOWN |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
|--------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Border Patrol            | FY 00 | FY 01 | FY 02 | FY 03 | FY 04 | FY 05 | FY 06 | FY 07 | FY 08 | FY 09 | FY 10 | FY 11 | FY 12 | FY 13 | FY 14 | TOTAL |
| Blaine                   | 0     | 0     | 0     | 0     | 0     | 1     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 1     |
| El Centro                | 0     | 0     | 0     | 1     | 1     | 1     | 1     | 0     | 1     | 1     | 0     | 0     | 0     | 0     | 0     | 6     |
| El Paso                  | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 1     | 0     | 0     | 0     | 0     | 1     |
| San Diego                | 0     | 0     | 2     | 3     | 3     | 0     | 13    | 5     | 1     | 4     | 5     | 4     | 8     | 1     | 4     | 55    |
| Tucson                   | 4     | 2     | 3     | 3     | 1     | 3     | 4     | 10    | 14    | 21    | 7     | 13    | 7     | 6     | 7     | 110   |
| Yuma                     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 1     | 0     | 1     | 0     | 1     | 1     | 0     | 0     | 4     |
| TOTAL                    | 4     | 2     | 5     | 7     | 5     | 5     | 18    | 16    | 16    | 27    | 13    | 18    | 16    | 7     | 11    | 177   |

### 3. Outlook

The Centers for Disease Control and Prevention (CDC) reported that 47,055 people in the United States died of a drug overdose in 2014, the most recent year for which this information is available. Opioid medications were involved in 20,808 deaths, heroin was involved in 10,574, and an opioid of any type was involved in 28,647 deaths (a single death can involve one or more drugs). Medications of any kind were involved in 25,760 deaths and 5,415 involved cocaine.<sup>55</sup> Drug overdose deaths have become the leading cause of injury death in the United States, surpassing the number of deaths by motor vehicle crashes and by firearms every year since 2009. Overdose death rates, particularly those involving prescription opioid medications and heroin, have reached epidemic levels. With the exception of controlled prescription drugs (CPDs) and new psychoactive substances (NPSs), the vast majority of the primary illicit drugs of use in the United States—heroin, methamphetamine, cocaine, and marijuana—enter the United States across the SWB.<sup>56</sup>

A small percentage of non-medical users of opioid medications are initiating heroin use, thus contributing to the increased demand for and use of heroin. Opioids (including opioid medications and heroin) were involved in more than half of U.S. drug overdose deaths in 2014 and are currently ranked as the most significant drug threat to the United States.<sup>57</sup> Although fentanyl is often used in the same manner as heroin (or mixed with heroin), it is much more potent.<sup>58</sup> Methamphetamine distribution and use significantly contribute to violent and property crime rates in the United States.<sup>59</sup> Marijuana remains the most widely available and commonly used illicit drug in the United States.

- Mexican TCOs remain the greatest criminal drug threat to the United States. These Mexican poly-drug organizations traffic heroin, methamphetamine, cocaine, and marijuana throughout the United States, using established transportation routes and distribution networks. They control drug trafficking across the SWB and are moving to expand their share of U.S. illicit drug markets, particularly heroin markets. U.S. national-level gangs and neighborhood gangs continue to form relationships with Mexican TCOs to increase profits for the gangs through drug distribution and transportation, for the enforcement of drug payments, and for protection of drug transporta-

55. CDC/NCHS, WONDER, Dec 2015.

56. Department of Homeland Security Office of Intelligence and Analysis; Immigration and Customs Enforcement Homeland Security Investigations; Drug Enforcement Administration Office of Intelligence and Analysis.

57. 2015 National Drug Threat Assessment Summary, DEA, DEA-DCT-DIR-008-16, Oct 2015, v.; CDC/National Center for Health Statistics. Multiple Cause of Death, 1998-2014 on CDC WONDER Online Database, released 2015.

58. Ibid.

59. Ibid.

tion corridors from use by rival gangs. Many gangs rely on Mexican TCOs as their primary drug source of supply, and Mexican TCOs depend on street-level gangs, many of which already have a customer base, for drug distribution.<sup>60</sup>

- Given recent trends, heroin use and overdose deaths are likely to continue to increase in the near term. Mexican traffickers are making a concerted effort to increase heroin production in order to supply U.S. markets.<sup>61</sup> The drug's increased availability and relatively low cost make it attractive to the large number of opioid users (both prescription pain medicine and heroin) in the United States.<sup>62</sup>
- Fentanyl will continue to remain available in limited quantities but will most commonly be consumed unknowingly, mixed with heroin or other drugs. Fentanyl will remain a significant threat to law enforcement personnel and first responders, as minute amounts—equivalent to a few grains of salt—of fentanyl can be lethal and, visually, can be mistaken for cocaine or white powder heroin.<sup>63</sup>
- Methamphetamine availability will continue to increase as Mexican TCOs adapt to restrictions placed on precursor chemicals and are able to continue producing large amounts of high-purity, high-potency methamphetamine.<sup>64</sup> Methamphetamine use and treatment admissions will likely increase in the near term, especially if Mexican TCOs maintain access to the precursor chemicals required to produce the drug on an industrial scale. Mexican TCOs will continue to adapt their methods of concealment, and seizures of methamphetamine in solution will likely increase, as this method has proven successful in the past. Mexican TCOs will continue to control wholesale distribution, and although Mexican TCOs are involved in retail distribution, other independent criminal groups will likely increase their involvement in the methamphetamine market.<sup>65</sup>
- We are concerned about the potential for an increase in cocaine availability.<sup>66</sup> Mexican TCOs will continue to dominate the transportation of cocaine throughout the United States, as evidenced by the significant percentage of the cocaine available in the United States that transits the Mexico/Central America corridor. Mexican TCOs continue to operate in the primary cocaine production countries: Colombia, Peru, and Bolivia. At the present time, no other TCOs control enough of the drug trafficking infrastructure to challenge Mexican TCOs.<sup>67</sup>
- Marijuana will remain abundant in the United States. State legalization and the shifting of law enforcement priorities in many localities may allow small-scale domestic criminal organizations to cultivate and traffic marijuana with more freedom than in the past. Mexican TCOs will

60. 2015 National Drug Threat Assessment Summary, DEA, DEA-DCT-DIR-008-16, Oct 2015, 1.

61. Department of Homeland Security Office of Intelligence and Analysis; Immigration and Customs Enforcement Homeland Security Investigations; DEA Office of Intelligence and Analysis.

62. 2014 NSDUH and 2014 CDC mortality data.

63. 2015 National Drug Threat Assessment Summary, DEA, DEA-DCT-DIR-008-16, Oct 2015, 41.

64. 2015 National Drug Threat Assessment Summary, DEA, DEA-DCT-DIR-008-16, Oct 2015, 45.

65. Department of Homeland Security Office of Intelligence and Analysis; Immigration and Customs Enforcement Homeland Security Investigations; DEA Office of Intelligence and Analysis.

66. 2015 National Drug Threat Assessment Summary, DEA, DEA-DCT-DIR-008-16, Oct 2015, 55.

67. Department of Homeland Security Office of Intelligence and Analysis; Immigration and Customs Enforcement Homeland Security Investigations; DEA Office of Intelligence and Analysis.

## INTRODUCTION: CURRENT & EMERGING THREATS

continue to cultivate and traffic marijuana into the United States and may attempt to cultivate higher-quality marijuana to meet U.S. demand.<sup>68</sup>

Mexican TCOs are able to maintain their dominant role in U.S. illicit drug markets through their control of smuggling routes across the SWB. Although Mexico remains the primary production zone for heroin, methamphetamine, and marijuana entering the United States, Mexico-based TCOs are also responsible for shipping the majority of South American cocaine into California, Arizona, New Mexico, and Texas for distribution throughout the Nation. In aggregate, the cross-border counter-narcotics threats involving drug trafficking, alien smuggling, weapons trafficking, and money laundering highlight some of the national security implications of criminal activity along the SWB.

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68. 2015 National Drug Threat Assessment Summary, DEA, DEA-DCT-DIR-008-16, Oct 2015, 77.





# Chapter 1: Enhancing and Expanding Criminal Intelligence and Information Sharing

## Strategic Objective

**Enhance intelligence and information sharing capabilities and processes associated with the SWB.**

## Background

Since the release of the 2013 *National Southwest Border Counternarcotics Strategy*, law enforcement agencies have strengthened cooperative efforts to address the range of challenges along the SWB. Some of these challenges include drug and human smuggling into the United States; transit of arms and bulk cash from the United States into Mexico; and associated violence in border communities. These cooperative efforts have led to substantial improvements in the combined intelligence capabilities of Federal, state, local, tribal, territorial, and international partners along the SWB.<sup>69</sup> Progress in information sharing has paralleled an increase in capabilities and improved technology and data-sharing protocols. Secure dissemination mechanisms have expanded collection, analysis, and intelligence dissemination/sharing among partners at all levels, while utilizing processes that ensure the protection of privacy and civil liberties through data and privacy laws, regulations, policies, and processes.

As the United States implements its vision for a 21st century border, accurate, actionable, and timely information and intelligence are vital to creation of a border that allows for the secure, efficient, rapid, and lawful movement of goods and people. Criminal intelligence and information sharing are also important for countering organizations associated with illegal activities along the SWB.

With the help of SWB partners, law enforcement agencies continue to create tactical, operational, and strategic criminal intelligence products that inform decision-making, coordination, planning, and capacity-building requirements to combat transnational threats. They will also continue to improve the timely dissemination of integrated products—such as the El Paso Intelligence Center’s *Intelligence Tippers, Notes and Bulletins* and the Organized Crime Drug Enforcement Task Forces’ Fusion Center’s drug and related financial intelligence reports—and expand information sharing to relevant Federal, state, local, tribal, territorial, and private sector entities.

This chapter outlines criminal intelligence programs and activities that enhance support of investigations and operations related to the SWB. The following supporting actions are designed to improve the quality, breadth, and timeliness of intelligence gathered against criminal organizations associated with the SWB. This intelligence supports the efforts of partner nations as well as those of Federal, state, local, tribal, and territorial efforts along the land, air, and maritime domains of the SWB. These actions

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69. 2013 *National Southwest Border Counternarcotics Strategy*, p. 11.

align with the National Strategy for Information Sharing and Safeguarding and with other national intelligence priorities and strategies, as appropriate.

On the international and national level, production and sharing of information and intelligence is vital and requires a continuous interagency effort that ensures the optimum integration of government-wide capabilities while eliminating duplication. The more effectively the U.S. Government leverages existing centers and communication mechanisms, the more effective we will be in effectively and efficiently combating the threat from illicit drugs and proceeds that cross the SWB.

## Supporting Actions

### 1. Increase the quality, quantity, breadth, and accessibility of information for use by Federal, state, local, tribal, and territorial law enforcement partners for tactical, operational, and strategic planning, operations, and decision-making.

#### A. Increase information accessibility through federally operated intelligence, investigative, and information sharing entities that serve domestic law enforcement.

Federally operated intelligence, investigative, and information sharing entities (referred to as “national level intelligence entities” in this Strategy), as well as task forces and strike forces across the Nation, expedite the pace of intelligence and information sharing. A 2014 DHS survey of 41 federally operated intelligence, investigative, and information sharing entities found that each entity may contain intelligence and information that can be used to improve security along the SWB.

A range of entities collect, analyze, fuse and share information, and coordinate actions along the strategic, operational, and tactical spectrum to counter the broad array of illicit drug threats that impact the SWB (see Appendix 1 for a list of these entities). The multiple agencies that participate within these entities will continue to refine and standardize processes, expand capabilities, and leverage resources among law enforcement, Department of Defense (DoD), and Intelligence Community organizations to serve the field more effectively and have a greater impact countering illicit activity. **Action: DOJ/DEA, DOJ/OCDETF, DOJ/ATF, DHS/USCG, DHS/CBP, DHS/ICE, DHS/SBACP JTFs, ONDCP/ SWB HIDTA, DOJ/RISS, DoD**

#### B. Improve the accessibility of information among Federal, state, local, tribal, and territorial law enforcement partners.

State, local, tribal, and territorial law enforcement partners gather information on counterdrug activities on a daily basis. It is important to ensure this information is accessible, especially for use in joint investigations. Unpublished administrative data from Department of Justice (DOJ) Organized Crime Drug Enforcement Task Force (OCDETF) notes that in 2014, 92.6 percent of OCDETF investigations included state and local participation.

Improved access to relevant intelligence among law enforcement agencies at all levels will enhance their understanding of the impact of SWB activity on counternarcotics cases throughout the United

States. Improved access will also allow for greater opportunities for synchronized enforcement activities. For example, state and major urban-area fusion centers serve as focal points for the receipt, analysis, gathering, and sharing of threat-related information among Federal, state, local, tribal, territorial, and private sector partners. DHS I&A deploys dedicated Intelligence Community professionals to fusion centers across the SWB region to provide information sharing and intelligence analysis support to state, local, tribal, territorial, and private sector partners. DHS I&A personnel assist fusion center personnel in developing a comprehensive threat picture, utilizing unique state and local data to enhance the capabilities of state, local, and tribal officials (including law enforcement) to assess local implications of intelligence and thus protect their communities more effectively.

Federal law enforcement will continue to deepen and expand partnerships, such as developing relationships with regulatory agencies, which bring additional authorities and resources to the counterdrug effort. Federal law enforcement will also continue to integrate technical and non-technical collection capabilities in accordance within authority limitations and to integrate information capabilities more effectively to increase the amount of state and local information shared. **Action: DOJ/DEA, DHS/I&A, DHS/SBACP JTFs, DOJ/OCDETF, EPIC, DOJ/ATF, DHS/USCG, DHS/CBP, DHS/ICE, BIA-OJS, ONDCP/SWB HIDTA, DOJ/RISS**

### C. Improve the quality of information accessible through national-level information systems and repositories.

In addition to national-level intelligence entities, task forces, and strike forces, the U.S. Government has established a number of information systems that house information on interdiction and investigative activities. For example, the National Seizure System (NSS) contains data on seizures of illicit drugs and other illicit materials that have occurred across the United States. Systems like the Regional Information Sharing Systems (RISS), High Intensity Drug Trafficking Areas (HIDTA) program, NSS, and Deconfliction and Information Coordination Endeavor (DICE) are accessible to Federal, state, local, tribal, and territorial law enforcement partners and other government entities. Other systems, such as OCDETF's Management Information System, gather performance measurement data in order to monitor progress, improve efficiency, and identify field resource needs. These nationally accessible systems will continue to be improved by increasing the quantity, quality, and accessibility of information. Improvements in access via secure portable device applications will increase utilization and input, specifically at the tactical law enforcement level. **Action: DOJ/DEA, DOJ/OCDETF, DHS/JRC, EPIC, ONDCP/HIDTA, DOJ/RISS**

### D. Enhance partnerships with the private sector.

Partnerships with the private sector to collect information on suspected trafficking can improve the scope and speed with which law enforcement counters drug, firearms, and money movements across the SWB. For example, information provided by private entities in the maritime shipping, trucking, and rail industries can provide actionable leads for law enforcement to interdict or investigate a drug trafficking event.

Partnerships with scholarly institutions and policy and research institutes will continue to be expanded. These partnerships will inform and provide cutting-edge technical solutions, models, analytics, and cultural and historical insights that enhance the U.S. Government’s ability to address illicit SWB threats.

**Action: DHS/CBP, DHS/ICE, DHS/Science and Technology (S&T)/I&A/Southern Border and Approaches Campaign Plan (SBACP) Joint Task Forces, DOJ/DEA, DOJ/OCDETF, EPIC, ONDCP/HIDTA, DOJ/RISS**

## **2. Enhance criminal information deconfliction, analysis, and coordination among Federal law enforcement agencies, the Department of Defense, the U.S. Intelligence Community, national-level intelligence entities, state, local, and tribal law enforcement, and international partners.<sup>70</sup>**

### **A. Build on current successful technological and sharing models utilized by national-level intelligence entities.**

The U.S. Government has expanded information sharing among intergovernmental intelligence centers and law enforcement agencies at all levels. Discussed below are the programs and initiatives used by Federal, state, local, tribal, and territorial partners to share information and intelligence on illicit trafficking operations.

DICE, deployed in January 2010, is an investigative data deconfliction tool for HIDTA, state, local, tribal, and Federal law enforcement use that is designed to exploit information from communication and related sources. Investigative data deconfliction involves the identification of matching or overlapping investigative information contained in areas such as communication and related data that alerts investigators to commonalities in cases. All DOJ components, DHS, and state and local law enforcement entities use DICE to deconflict telephone numbers, push-to-talk numbers, email addresses, license plates, financial accounts, and Uniform Resource Locator (URL)/Internet Protocol (IP) addresses and, as a result, find links to SWB investigations. In FY 2014, 86,433 DICE queries were submitted. These queries contained 336,571 items, resulting in 14,084 overlaps with other inquiries or investigations.<sup>71</sup>

Deployed in June 2004, the National Virtual Pointer System (NVPS) is an automated system that connects existing investigative target deconfliction pointer systems into one virtual pointer system. Investigative target deconfliction is the deconfliction of significant investigative information (target name, date of birth, and gender) that pertains to active investigative targets. NVPS provides participating Federal, state, local, and tribal law enforcement agencies access to all participating agency investigative target deconfliction pointer databases through any one of the participants or participating systems. It currently includes the DEA/National Drug Pointer Index (NDPIX) System, HIDTA, the International Justice and Public Safety Network (NIlets), RISS, National Alliance of State Drug Enforcement Agencies (NASDEA), and the Missouri Statewide Police Intelligence Network (MoSPIN) of the Missouri State Highway Patrol.

Event deconfliction is the process of determining when law enforcement personnel are conducting events in close proximity to one another at the same time. Events include law enforcement actions such

70. Chapter 4 provides additional detail related to supporting mechanisms and incentives intended to increase and improve coordination among law enforcement agencies in support of investigation and prosecution activities.

71. DEA Office of Intelligence.

as raids, undercover operations, surveillance, and executing search warrants. When certain elements (e.g., time, date, or location) are matched between two or more events, an event conflict is identified. Immediate notification is then made to the affected agencies or personnel regarding the identified conflict. Event deconfliction is supported by three primary regional systems: the RISS Officer Safety Event Deconfliction System (RISSAFE), the Secure Automated Fast Event Tracking Network (SAFETNET), and Case Explorer. RISSAFE is managed by the RISS Program, and SAFETNET and Case Explorer are managed by HIDTA. The three systems are now connected, further strengthening deconfliction among agencies, enhancing officer and citizen safety, and improving information sharing.

At DEA's El Paso Intelligence Center (EPIC), systems such as the Law Enforcement Inquiry and Alerts (LEIA) and EPIC System Portal are available for use by Federal, state, local, and tribal law enforcement and the DoD and Intelligence Community.<sup>72</sup> CBP's Air and Marine Operations (AMO), Air and Marine Operations Center (AMOC) will make information available to Federal, state, local, and tribal law enforcement. This information is used to interdict flights carrying illicit cargo. These coordinated efforts will be included in the EPICLink project.

Since the 2013 iteration of this Strategy was released, DOJ/DEA and DHS/CBP have expanded the availability of their License Plate Reader (LPR) programs. DEA's National License Plate Reader Program (NLPRP) is a federation of independent Federal, state, local, and tribal law enforcement license plate readers linked into a cooperative system and is one facet of the DOJ's Nationwide Deconfliction system, with more than 13,000 users in all 50 states, the District of Columbia, and Puerto Rico.<sup>73</sup> DEA has focused its readers along the SWB, while also incorporating other-agency readers in the SWB region and the southeast and northeast corridors of the United States. NLPRP is an investigative tool designed to enhance the ability of law enforcement agencies to interdict drug traffickers, money launderers, and other criminal activities on drug- and money-trafficking corridors and other public roadways throughout the United States. The LPR Program promotes information sharing and coordination through a real-time deconfliction mechanism that notifies the appropriate parties when common links are identified across multiple investigations. The EPIC 24/7 Watch supports the NLPRP and provides real-time notification and coordination when the system alerts to a license plate upon which an officer has placed a tactical alert. The NLPRP is available to all DEA personnel through the DEA Analysis and Response Tracking System (DARTS) and to all Federal, state, local, and tribal law enforcement officers through the online DEA DICE, as well by contacting the EPIC Watch.

Operated under DHS's ICE/HSI, the Law Enforcement Information Sharing Initiative (LEISI) Program Management Office (PMO) manages the Department's information sharing capabilities. Information is shared with state, local, Federal, tribal, and international law enforcement partners. ICE HSI will expand information sharing agreements as needed.

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72. The EPIC System Portal (ESP) enables vetted users to remotely and securely share intelligence, access the National Seizure System, conduct data analytics, and obtain information in support of criminal investigations or law enforcement operations. Law Enforcement Inquiry and Alerts (LEIA) allows for a federated search of 16 Federal law enforcement databases. Vetted users can access LEIA directly through the EPIC System Portal or via EPIC's General Watch. LEIA and the EPIC System Portal are available for use by Federal, state, local, and tribal law enforcement and members of the Intelligence Community. Information assurance is controlled through a role-based access management solution that ensures users have access only to information they are authorized to receive or view.

73. Ibid.

The OCDETF Program brings together Federal, state, local, and tribal law enforcement agencies and prosecutors to investigate and prosecute sophisticated national and international DTOs and money laundering operations. OCDETF forms prosecutor-led, multi-agency task forces to conduct intelligence-driven, fully coordinated investigations and prosecutions. In support of these efforts, the OCDETF Fusion Center (OFC) is a multi-agency intelligence center with a repository of Federal law enforcement case investigation data from its 19 Federal and foreign law enforcement member agencies. OCDETF will continue to encourage use of the OFC by its law enforcement member agencies.

Efforts to improve information sharing processes, procedures, and technology among Federal, state, local, tribal, and international partners will continue to expand the scope, quality, and timeliness of actionable and strategic information. Institutionalizing this progress and further standardizing information sharing processes may require new agreements or updating existing agreements. Agencies are committed to improving coordination and communication among all existing fusion centers over the next 24 months. **Action: DOJ/DEA, DOJ/OCDETF, EPIC, DHS/USCG, DHS/SBACP JTFs, DHS/I&A, DOJ/ATF, BIA-OJS, ONDCP/SWB HIDTA, DoD, DHS/CBP, DHS/ICE**

**A. Employ criminal intelligence and information sharing interagency working groups to address shared threats and challenges and ensure the best use of strategic resources and capabilities.**

Agencies will continue to share information with interagency working groups, including National Security Council Interagency Policy Committees and the Threat Mitigation Working Group; OCDETF Strike Forces; DEA-led task forces; and HSI-led Border Enforcement Security Task Forces (BESTs), and with state and major urban area fusion centers. These work groups allow for agencies with different authorities and resources to work jointly to create a common operating picture, identify resource and capability gaps, address common concerns, and leverage resources. In addition, the EPIC Board of Directors will continue to meet twice a year to identify actions to further promote collaboration. These meetings provide agencies opportunities to present and receive input on agency initiatives to combat illicit trafficking on the SWB.

The Criminal Intelligence Coordinating Council (CICC) will continue to share intelligence with state, local, and tribal law enforcement and homeland security agencies in support of public safety and national security. The CICC, established in May 2004, is made up of members representing law enforcement and homeland security agencies from all levels of government and is an advocate for state, local, and tribal law enforcement and their efforts to develop and share criminal intelligence for the purpose of promoting public safety and securing the Nation. The CICC operates at the policy level – setting priorities, directing research, and preparing advisory recommendations. The Institute for Intergovernmental Research serves as the technical assistance provider for the CICC and provides project coordination activities, research and analysis services, policy/recommendation development assistance, meeting coordination, and Web site development and maintenance. The Global Justice Information Sharing Initiative (Global) is CICC’s parent organization. Global serves as a Federal Advisory Committee and advises the U.S. Attorney General on justice information sharing and integration initiatives. Global was created to support the broad-scale exchange of pertinent justice and public safety information. It promotes standards-based

electronic information exchange to provide the justice community with timely, accurate, complete, and accessible information in a secure and trusted environment.

DHS' SBACP also created three DHS-specific joint task forces—West (JTF-W), East (JTF-E), and Investigations (JTF-I)—to unify Departmental efforts to counter threats along the SWB, including those posed by illicit drug trafficking organizations. The U.S. Government will continue to cultivate interagency groups that support intelligence and information sharing initiatives. This will include meetings between fusion center directors, RISS Directors, HIDTA Directors, and Federal representatives to discuss new and innovative methods for sharing criminal intelligence. **Action: DOJ/DEA, DOJ/OCDETF, EPIC, DHS/I&A, DHS/USCG, DHS/CBP, DHS/ICE, DHS/SBACP JTFs, DOJ/ATF, ONDCP/ SWB HIDTA, DoD, DOJ/JMD, DOJ/RISS**

### **B. Enhance coordination of criminal intelligence and information sharing with Mexico, including information provided to and received from Mexican agencies.<sup>74</sup>**

Intelligence and information sharing between Mexico and the U.S. Government allows both countries to gain a more complete understanding of the tactical, operational, and strategic environments used to disrupt and dismantle trafficking organizations. Federal agency components and national-level intelligence entities have developed relationships with corresponding Mexican agencies to share intelligence and information on trafficking activities and organizations. The U.S. Government will continue to build and strengthen these relationships.

The DEA will continue to cooperate with the Mexican Government to combat narcotics production, trafficking, and associated activities. The strong partnership between DEA and the Mexican Government includes information and criminal intelligence exchange, joint investigative efforts, and training. Additionally, the U.S. Government and Mexican Government have engaged in multiple bilateral meetings to curtail the production and trafficking of precursor chemicals and heroin.

The DHS ICE/Enforcement and Removal Operations established the Criminal History Information Sharing Program with the Secretariat of Governance of the United Mexican States (SEGOB) in 2010. This program provides SEGOB with criminal history information on foreign nationals being repatriated to Mexico.

Since 2012, CBP has produced joint strategic threat assessments with its Mexican counterparts. This includes threat assessments for four corridors along the SWB: Sonora-Arizona, Tamaulipas-South Texas, Juarez-El Paso, and Baja California-San Diego. These assessments have enhanced information exchange between U.S. and Mexican partners and aided in identifying drug smuggling groups operating along the border. **Action: DOJ/DEA, DOJ/OCDETF, EPIC, DHS/CBP, DHS/ICE, DHS/USCG, DOJ/ATF, ONDCP/ SWB HIDTA, DHS/SBAC JTFs, DoD**

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74. Chapter 5 covers additional efforts regarding the sharing of financial investigative information with the Mexican Government, specifically through joint strategic products and as related to anti-money laundering efforts, international tax administration, and financial crime.

### 3. Provide increased intelligence analysis at tactical, operational, and strategic levels to Federal, state, local, tribal, territorial, and international partners for investigation and interdiction activities.

#### A. Enhance intelligence production at individual agency levels.<sup>75</sup>

Intelligence and information gathered to meet agency-specific requirements remain the primary drivers for swift law enforcement action. Each agency will continue to enhance the quality and timeliness of tactical, operational, and strategic intelligence to meet its own needs and help meet the needs of its partners. **Action: DOJ/DEA, DOJ/OCDETF, DHS/CBP, DHS/ICE, DHS/USCG, DOJ/ATF, EPIC, ONDCP/SWB HIDTA, DoD, DOJ/RISS**

#### B. Enhance the quality and relevance of analysis completed at federally operated intelligence, investigative, and information sharing entities.<sup>76</sup>

Improved and expanded information collection and analysis among Federal, state, local, and tribal partners is critical to disrupting and dismantling DTOs that transit the SWB. Therefore, federally operated intelligence, investigative, and information sharing entities will continue to improve the access, timeliness, and quality of national-level intelligence; will seek new partnerships; and will leverage information that can meet multiple agency needs. **Action: DOJ/DEA, DOJ/OCDETF, DHS/USCG, DOJ/ATF, DoD, DHS/SBAC JTFs, EPIC**

### 4. Provide timely analysis through “push and pull” systems for both targeted and wider analytical consumers.

#### A. Continue to enhance Federal, state, local, tribal, and territorial partner accessibility to agencies’ and national-level centers’ intelligence and analysis.<sup>77</sup>

As agencies refine internal information and intelligence gathering processes and analytical products against trafficking organizations, they will endeavor to enhance “push and pull” processes and policies to allow for greater access to information among state, local, and tribal partners, interdicting components, investigative components, the intelligence community, military components, and public and private sector leaders. **Action: DOJ/DEA, DOJ/OCDETF, DHS/USCG, DHS/CBP, DHS/ICE, DHS/I&A, SBAC JTFs, DOJ/ATF, EPIC, ONDCP/SWB HIDTA, DOJ/RISS, DoD**

75. As detailed in Chapter 5 of this *Strategy*, efforts will be made to target third-party money laundering that supports DTOs and TCOs. These efforts will focus on illicit use of money service businesses involved in the movement of funds across the SWB and on monitoring and analysis of the illicit use of new payment systems utilized in money laundering.

76. Additionally, as detailed in Chapter 4, national-level intelligence entities provide analytical insight on the financial infrastructures of DTOs operating across the SWB.

77. As detailed in Chapter 4, dissemination will be utilized to assist in providing information related to disrupting and dismantling DTOs and TCOs on the SWB and to provide analytical insight on the financial infrastructures of DTOs operating across the border. Chapter 5 details efforts to share financial investigative information, including bulk currency information and criminal intelligence through interagency centers and other mechanisms.

**B. Leverage information sharing mechanisms to aid the integration of interdiction and investigation efforts.**

As described in Chapters 2 and 4 of this *Strategy*, and in alignment with the *2014 Caribbean Border Counternarcotics Strategy* and *U.S. Coast Guard Western Hemisphere Strategy*, mechanisms among interdictors and investigatory agencies will be enhanced, expanded, and interconnected to improve information sharing and coordination. Investigation information provides interdicting agencies with vital insights to maximize interdiction resource planning and execution and aid in anticorruption efforts. Similarly, additional and timely interdiction derived information and operational coordination will enhance investigative agencies' efforts to disrupt and dismantle trafficking organizations. The HIDTA Domestic Highway Enforcement program, EPIC, and the OCDETF Fusion Center will continue to develop relationships and refine processes and products to provide timely access to information and intelligence and ensure privacy and civil liberties are protected through technical and business processes, data and privacy laws, regulations, and policies. **Action: DOJ/DEA, DOJ/OCDETF, EPIC, DHS/USCG, DHS/SBAC JTFs, DOJ/ATF, ONDCP/HIDTA**





## Chapter 2: Securing the Border

### Strategic Objective

**Reduce the flow of drugs, drug proceeds, and associated instruments of crime that cross the SWB including at the land border with Mexico, at airports with flights arriving from Mexico, at seaports with vessels arriving from Mexico, and in the air and maritime approaches.**

### Background

To protect the U.S. border, the United States must continue to enhance interdiction activities at and between the POEs along the SWB and throughout the United States. Since the release of the 2013 *National Southwest Border Counternarcotics Strategy*, significant progress has been made to enhance the tools, strategies, and partnerships to disrupt and dismantle DTOs and TCOs that threaten the United States. By utilizing timely intelligence and coordinating efforts, law enforcement and intelligence agencies are able to target criminals and illicit products.

TCOs actively move drugs and other illicit products from Mexico and Central and South America through the air, land, and maritime domains. Information sharing is critical to the successful targeting, interdiction, disruption, and dismantlement of organizations that move drugs from the border to destinations throughout the United States. Once drugs enter the United States, they are shipped to communities across the country through commercial conveyances or privately owned aircraft and vehicles. As a result, Federal, state, local, and tribal agencies must constantly maintain awareness, exchange information, identify targets, and coordinate and de-conflict operations. Relationships among all of law enforcement are essential to the complementary goals of protecting national security and preventing illegal activities while facilitating the flow of legitimate trade and travel.

Border seizures should not be the primary indicator of effective enforcement activity. In fact, when targeted enforcement increases, seizures often drop as smugglers adjust their methods of operation. Seizures generally reflect production trends rather than changes in interdiction practices. Smugglers and traffickers frequently change their routes and, unfortunately, continue to find innovative ways to elude border enforcement.

There are several reasons that seizures are not an ideal measure of overall drug enforcement effectiveness. First, seizure rates are an output measure and not an outcome measure; they do not reflect the impact of counternarcotics activities on the availability, cost, or purity of drugs in the United States. Second, the line of the border is not the only focus of U.S. Government interdiction efforts—much effort and resources are expended to stop illicit drugs before they reach the SWB—making seizure rates on the SWB potentially misleading if they are not put into the broader context of where law enforcement continues to encounter and seize significant quantities of illegal drugs.

Large amounts of Mexican heroin and South American cocaine continue to be encountered and seized throughout the United States and the Caribbean.<sup>78</sup> Coordinated interdiction activities in the Western Hemisphere Transit Zone and at and between the POEs, including the many airports and seaports that receive aircraft and vessels directly from Mexico and Central America, complement and support law enforcement operations closer to home.

Ultimately, one of the most important factors in protecting the Nation from foreign threats is the integrity of U.S. Government personnel working to secure the border. In conjunction with action item 4.5 of this Strategy, the personnel who perform the duties spelled out in this chapter must do so with the utmost integrity.

## Supporting Actions

### 1. Land, Airports, Inland Waterways, and Ports.

#### A. Increase the production and use of domestic drug flow intelligence as a means of driving interdiction operations at the border.

Federal agencies learn a great deal from what they catch at the border; however, they can learn more from what they miss. Some of the most significant drug threats to the United States, such as cocaine and heroin, are not produced in the United States. Therefore, all cocaine and heroin discovered inside the United States must have crossed the border at some point. Every day, state troopers interdict drugs as they move via highways, railroad police interdict drugs as they move via rail, and local officers and deputies seize drugs from street gangs and dealers in major cities and small towns across the United States. Analysis of domestic drug seizures helps law enforcement agencies identify gaps in border security and leads to the development of better targeting criteria that may be employed by frontline officers and agents at the border.

CBP, ICE, and the U.S. Coast Guard (USCG) will continue to collaborate with established integration centers, such as EPIC, HIDTAs, OCDETF, RISS, the National Gang Intelligence Center (NGIC), and state and major urban area fusion centers, to refine targeting and enforcement operations at the border. Success will be measured by the increased use of domestic drug flow intelligence to help close gaps in border enforcement. **Action: EPIC, DHS/CBP, DHS/ICE, DHS/USCG, DHS/I&A/SBAC JTFs, DOJ/OCDETF, DOJ/DEA, DOJ/FBI, DOJ/NGIC, ONDCP/HIDTA, DOJ/RISS**

#### B. Align SWB counterdrug operations with the priorities of other National Strategies.

The United States has one border. It includes the physical land border with Canada and Mexico, and the maritime border surrounding the states and territories of the United States. It also includes all functional equivalents of the border, such as airports and seaports that receive aircraft and vessels from other countries. Anything that affects one part of the border affects the entire border. Counterdrug activities that take place along the SWB may drive TCOs to attempt to smuggle their products through other locations, including the Northern Border, the Caribbean, and into airports and seaports. For this reason, the *National Southwest Border Counternarcotics Strategy* must be synchronized with the *Northern Border*

<sup>78</sup>. Customs and Border Protection Primary Source Data.

*Counternarcotics Strategy, Caribbean Border Counternarcotics Strategy, Central American Land Interdiction Strategy, National Drug Control Strategy, and Heroin Availability Reduction Plan (HARP).*<sup>79</sup>

Drug traffickers have diversified beyond drugs into other illicit markets. Traditional DTOs are now venturing into illicit activities such as identity theft, cybercrime, intellectual property rights violations, TBML, human smuggling, and human trafficking.<sup>80</sup> Therefore, this *Strategy* must be aligned with the *Strategy to Combat Transnational Organized Crime*.

The SWB Executive Steering Group (SWB-ESG), which consists of representatives from each National Drug Control Program agency, The Interdiction Committee, Threat Mitigation Working Group, Office of National Drug Control Policy (ONDCP), and National Security Council Interagency Policy Committees, will ensure that all national plans and strategies are aligned to maximize efficiency and unity of efforts along the border. The SWB-ESG will meet at least twice annually to set courses of action and milestones for measuring successful integration. Action: ONDCP, all SWB-ESG participants

### C. Conduct integrity awareness training for U.S. law enforcement agencies working along the SWB.

Agencies will conduct and reinforce integrity awareness training for the SWB law enforcement workforce. This training ensures that each employee is aware of the responsibility to report allegations of misconduct or corruption to the Federal Bureau of Investigation (FBI) Border Corruption Task Forces and/or affected agencies' internal affairs components. **Action: DOJ/FBI, DHS/ICE, DHS/CBP, DOJ/DEA, DOJ/ATF, BIA/OJS, department and agency inspectors general (or equivalent)**

### D. Increase investigative efforts and collaboration with railroads operating along the SWB.

Law enforcement agencies will work with all railroads that operate along the SWB—both in the United States and Mexico—to reduce the transportation of illicit goods, promote a layered security approach, and develop best practices on rail security operations. Strengthening law enforcement collaboration with the rail transportation sector also secures the supply chain for licit goods. **Action: EPIC, DHS/CBP, DHS/ICE, DHS/TSA, DOJ/OCDETF, DOJ/DEA, DOJ/FBI, DOT/FRA, ONDCP/HIDTA**

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79. The National Heroin Coordination Group (NHCG) within the Office of National Drug Control Policy (ONDCP), develops, in close coordination with the NSC staff, a Heroin Availability Reduction Plan (HARP) of actions, goals, and measures to provide a roadmap to guide and synchronize interagency activities against the supply of heroin in the U.S. market.

The HARP will be a five-year plan, partitioned into six-month time periods, focused on significantly reducing the number of heroin-involved deaths in the United States due to a disruption in the heroin and fentanyl supply chains, a detectable decrease in the availability of those drugs in the U.S. market, and the complementary effects of international engagement, law enforcement, and public health efforts.

80. Ibid.

## 2. Air Approaches.

### A. Continue to develop air domain awareness to enhance interdiction of illicit air traffic in areas with an SWB nexus.

The increasing effectiveness of land domain enforcement<sup>81</sup> has caused TCOs to expand into areas where they can continue to move their illicit cargo across the border into and out of the United States. TCOs are known to use private aircraft and ultralights to transport narcotics and are also experimenting with unmanned aircraft vehicles to transport narcotics into, and within, the United States.<sup>82</sup> Air domain awareness will be critical to preventing the trafficking of illicit cargo across the U.S. border and is critical to obtaining valuable intelligence that can be utilized by law enforcement to counter the transport of narcotics by air, both across the border and within the United States.

Awareness of the air domain is achieved through the use and integration of intelligence, surveillance and sensor inputs, reconnaissance, navigation systems, flight and navigational data, and other sources. Bolstering domain awareness is achieved through the employment of integrated sensor packages, including land-based, airborne, elevated radar, and electro-optical (night, infrared, day) systems. These technologies, augmented by the fusion of investigative information and criminal intelligence, provide the air and maritime domain awareness needed to enable interdictions, facilitate criminal investigations, and achieve successful prosecutions. Although current air domain awareness efforts are effective, they must continue to be resourced with the appropriate personnel and sensor systems. U.S. law enforcement will continue to use these sensor systems and seek to ensure their continued operation and effectiveness. Additionally, law enforcement will apply analytic capabilities to exploit information and intelligence gleaned from these systems. **Action: DHS/CBP, DHS/USCG, DHS/SBAC JTFs, EPIC, DoD, ODNI**

### B. Improve air intercept capabilities to improve the likelihood of interdiction of illicit general aviation traffic along the SWB.

Although air domain awareness is a vital component of preventing TCOs from exploiting the air domain for illicit use, there must also be an end-game that disrupts that illicit activity. The primary mechanism that Federal law enforcement utilizes to identify and track illicit air targets is operated by CBP's AMO and AMOC, a state-of-the-art law enforcement radar surveillance center that uses data gathered by radar, air, and maritime platforms that is fed into the Air and Marine Operations Surveillance System. The AMOC uses this information to detect, identify, sort, track, and direct interdiction actions. Once identified, air intercept is one way to ensure that TCOs are not exploiting the air domain for the transportation of illicit narcotics.

Currently, U.S. law enforcement has a range of interceptor aircraft capable of identifying and tracking air targets of interest. Identifying and tracking illicit air traffic requires significant coordination among Federal, state, local, and tribal law enforcement to achieve an effective interdiction at the final destination. By combining AMOC's detection and tracking abilities with the information dissemination and communications capabilities of EPIC, actionable intelligence related to illicit air activity can be shared

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81. Ibid.

82. 2015 National Drug Threat Assessment Summary, DEA, DEA-DCT-DIR-008-16, Oct 2015, 4.

directly with state, local, and tribal law enforcement agencies for use in interdiction activities. **Action: DHS/CBP, DHS/USCG, DOJ/DEA, EPIC**

### 3. Maritime Approaches.

#### A. Prevent the illicit flow of drugs and precursor chemicals into Mexico.

Cocaine trafficked across the SWB into the United States originates in South America, flows primarily by sea through the Western Hemisphere Transit Zone, moves into the Northern Triangle countries of El Salvador, Guatemala, and Honduras, and then moves into Mexico.<sup>83</sup> TCOs involved in cocaine trafficking have undermined the stability of the Northern Triangle countries, created significant security challenges for the Mexican Government, and continue to threaten the security and public health of the United States.<sup>84</sup>

Precursor chemicals for methamphetamine production are shipped with legitimate cargo to Mexican ports. They are either transshipped to the United States or used to manufacture methamphetamine in Mexico,<sup>85</sup> which is then smuggled across the border. Like cocaine, the trafficking of methamphetamine precursor chemicals creates significant problems for the Mexican Government and threatens the security and public health of the United States.

U.S. Government agencies will also work to stop the flow of illicit drugs and precursor chemicals at sea—before they reach Mexico or Central American nations—to ease the burden on their governments and to reduce the flow of drugs across our SWB. The collective, synchronized efforts of the DEA, DoD, CBP, ICE, USCG, and the intelligence community are critical to keeping cocaine and precursor chemicals out of Mexico and Central America. These efforts will require collecting information from shippers and requiring them to certify what chemicals they have on board before entering Mexico, Central American nations, or the United States. Federal agencies will make recommendations to the SWB-ESG on stopping the flow of precursor chemicals through the maritime domain. **Action: DOJ/DEA, DoD, DHS/CBP, DHS/ICE, DHS/USCG, ODNI**

#### B. Deny smugglers the use of maritime routes across the border.

Although the maritime border along the coasts of Texas and California has long been used to traffic drugs and circumvent land-based border security, those same shipments are often linked to traffickers ashore in both Mexico and the United States.<sup>86</sup> The DHS Southern Border and Approaches Campaign Plan synchronizes the efforts of CBP, ICE, and USCG to shut down the border to TCOs. Building on the work of the DHS Southern Border and Approaches Campaign Plan, Federal agencies will integrate the activities of the new DHS Joint Task Forces with the ongoing efforts of other Federal agencies responsible for investigating and stopping criminal enterprises that traffic illicit goods across the border. **Action: DHS Policy, DHS/CBP, DHS/ICE, DHS/USCG, DHS/SBAC JTFs, DOJ/DEA, DOJ/OCDETF, DoD, EPIC, ONDCP/HIDTA**

83. CBP Primary Source Data.

84. CBP Primary Source Data.

85. Ibid.

86. Ibid.





# Chapter 3: Strengthening Communities

## **Strategic Objective:**

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

## **Background**

Drug trafficking brings violence and crime to communities and erodes public safety. Stronger, more resilient communities are better able to prevent drug use and its consequences. Resilience is determined by the level and quality of communication, coordination, and collaborative planning among individuals and social institutions across key sectors of community life. Institutions must reach out to each other to develop and drive a common agenda that will more rapidly and strategically address the complex needs of border communities. Such coordinated efforts must be done at a scale that will achieve a level of collective impact necessary to make lasting changes. Public health, health care, education, law enforcement, recreation, and other relevant sectors, at the local, tribal, state, Federal, and binational levels will need to be developed if a meaningful level of collective change is to take hold.

This chapter identifies key actions and objectives to build and bolster resilient and strong communities, and offers examples of current successful collaborations and activities. Federal, state, local, governmental and non-governmental entities, and tribal governments and organizations must act with renewed urgency.

## **Supporting Actions**

**1. Continue to support/enhance coalition building, empowering communities to address drugs and associated criminal gang activities and violence.**

**A. Improve data collection and two-way information sharing between community public health and public safety sectors.**

Data collection and information sharing among law enforcement, public health, and other sectors provides a comprehensive understanding of the role criminal drug activity plays in communities and enables the identification of strategic actions to address local issues. As an example, the Santa Cruz County, Arizona, HIDTA Investigative Task Force partnered with a National Guard Counterdrug Civil Operations Specialist to strengthen ties with local anti-drug coalitions. These community partners shared data, identified and analyzed neighborhood trends, and crafted joint approaches. Through the development of a local information sharing system, a community survey was created to evaluate local responses to HIDTA activities (see box below). The surveys were written in English and Spanish to serve the border towns and non-English speaking community members more effectively. They will serve as

a model for neighboring communities and coalitions in Nogales, Sonora, Mexico. Moreover, to support continued collaboration, trained analysts will be assigned to coalitions; civil operations specialists and criminal analysts will be cross-trained; and civil operations specialists will be placed in law enforcement agencies to support prevention strategies. **Action: HIDTA, DoD, DOJ/DEA, DHS/ICE, HHS/SAMHSA, CADCA**

**CANDY STORES:** In September 2014, the Arizona HIDTA addressed a community concern regarding drug sales at “candy stores”—houses where residents sell personal-use amounts of drugs to the public. The Task Force pioneered a 12-question Nogales Adult Sidewalk Survey to gauge residents’ attitudes toward candy stores. As a result of the Task Force efforts, the HIDTA broke up six candy stores operating in Santa Cruz County, Arizona, including four in Nogales and two in Rio Rico. The Sidewalk Survey was again used to evaluate the community impact of their removal. Community members noted that children were able to play safely away from criminal activity and without fear of crime or of being run over by automobile traffic caused by the candy store.<sup>87</sup>

**B. Enhance Federal, regional, state, local, tribal, and cross-border coalition efforts.**

Many Federal agencies have established partnerships with regional, state, local, tribal, and territorial entities on both sides of the border. These partnerships can be leveraged to maximize resources to address drug use and gang violence in communities.

Funded by ONDCP, the Drug-Free Communities (DFC) Support Program is a Federal grant program for community-based coalitions to prevent youth substance use. DFCs are an integral component of the Nation’s drug prevention efforts and are based on the premise that local problems require local solutions. DFC coalitions bring together various members of the community, including youth, parents, schools, law enforcement, local government, and other agencies, to address youth substance use. In FY 2014, 29 out of 680 DFC grantees served SWB communities, including 5 in California, 13 in Arizona, 5 in New Mexico, and 6 in Texas.<sup>88</sup> ONDCP will share information about best practices from these border region coalitions (see box) through DFC’s Federal Partners, HIDTA Directors, and other ONDCP stakeholders.

**Action: ONDCP/DFC, HIDTA**

87. [http://www.nogalesinternational.com/news/task-force-targets-candy-stores/article\\_0d9627a4-0c30-11e4-96d4-001a4bcf887a.html](http://www.nogalesinternational.com/news/task-force-targets-candy-stores/article_0d9627a4-0c30-11e4-96d4-001a4bcf887a.html).

88. Drug-Free Communities Support Program 2014 National Evaluation Report.

**COALITION ACTIVITIES:** The ONDCP-funded DFC coalition, the Cinco de Mayo con Orgullo Coalition in San Diego, California, is addressing challenges related to its proximity to the SWB. San Diego County witnessed a 300 percent increase in methamphetamine seizures at California POEs in the past five years, and deaths caused by methamphetamine use increased by 55 percent.<sup>89</sup> Federal agents noted that teens were being recruited by drug cartels and to participate in drug smuggling. To address this challenge, the Cinco de Mayo con Orgullo Coalition is collaborating with the Homeland Security Outreach Team to warn parents and students about the risks related to the region's drug smuggling trends and to create awareness about the impact on their families and community. The coalition is also partnering with the U.S. Attorney's Office to implement a grassroots campaign to educate youth and parents about methamphetamine use. Along with emphasizing methamphetamine use prevention, the coalition is also implementing a "Parent Academy" to inform parents about the most effective ways to discourage youth substance use in their community.

In another example, the Liberty Partnership/Kino Neighborhoods Council in Tucson, Arizona, faced a similar challenge of youth being recruited by Mexican cartels to transport and sell drugs. They are addressing this issue through intensive community education efforts and by providing information to parents and families in English and Spanish.

The U.S.-Mexico Border Health Commission (BHC) is a binational Federal entity whose mission is to optimize the health and quality of life along the U.S.-Mexico border. Through collaboration with ONDCP, Paso del Norte Health Foundation, the Substance Abuse and Mental Health Services Administration (SAMHSA), Pan American Health Organization (PAHO), and local organizations, the BHC provided mental health training, including substance use prevention, to more than 200 promotores in 10 U.S. border cities.<sup>90</sup> In addition, the Department of State (DOS) is providing assistance to help build and expand anti-drug community coalitions in Mexico. Action: BHC, DOS, CADCA

The Indian Health Service (IHS) Methamphetamine and Suicide Prevention Initiative is a demonstration project with 130 IHS, tribal, and urban Indian health programs that supports the use and development of evidence-based and practice-based models. All models are culturally appropriate prevention and treatment approaches to methamphetamine use and suicide. The Methamphetamine and Suicide Prevention Initiative projects are in communities along the U.S. SWB and are dedicated to improving community awareness of suicide and methamphetamine prevention methods through education and outreach. They also are committed to building stronger relationships with other state and local government agencies and within their communities. Action: HHS/IHS

### A. Strengthen crime prevention efforts along the SWB.

Federal-local/tribal partnerships can be extremely effective in preventing crime. Save our Streets, a coordinated homicide-reduction initiative that identifies effective investigative strategies to apprehend

89. [http://www.sandag.org/uploads/publicationid/publicationid\\_1790\\_16754.pdf](http://www.sandag.org/uploads/publicationid/publicationid_1790_16754.pdf).

90. *Promotores* are also known as community health workers, peer leaders, patient navigators, or health advocates. They play an important role in promoting 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.

and indict gang homicide suspects, is supported by the FBI. This initiative was piloted in Los Angeles and is now also being utilized in Oakland, California. Future collaborations with national and community partners, such as DFC-funded community coalitions, will assist in identifying additional locations to replicate this effort. Action: DOJ/FBI, ONDCP/DFC

Implemented in July 2012, the Border Community Liaison (BCL) program forges lasting and positive relationships with residents of communities served by CBP. BCLs enable CBP to assist state, local, and tribal agencies, non-governmental organizations, and community stakeholders to gain a greater understanding of CBP’s mission and culture. The use of a community-policing model permits direct communication, outreach, and engagement with local stakeholders. This, in turn, provides stakeholders with an understanding of the complex policymaking and operational environments related to border security, travel, and trade facilitation. BCLs also provide border community stakeholders with a single point of contact at Field Offices, Sectors, and Air and Marine Branches. BCLs routinely meet with key stakeholders across the United States and interact with other liaisons and related programs within CBP. The program’s diverse contact footprint ensures that the views of communities are represented, appropriate expectations are set, and consistent messaging is delivered. Because many areas along the SWB are sparsely populated, border management can be augmented in and around remote POEs by integrating border residents into more aspects of the border security mission. Through effective messaging and outreach, community members learn the vital role they play in border security and how they can serve as law enforcement’s eyes and ears. With clear parameters to the community related to their role, “border-wide community watch” enhances the effectiveness of limited law enforcement resources. Agencies will collaborate to continue and/or expand such practices in SWB communities.

**Action: ONDCP, DHS/CBP, DHS/ICE, DHS/USCG, DOJ/DEA, DOJ/FBI**

## **1. Expand culturally appropriate and evidence-based prevention, early intervention, treatment, and recovery services into community health services.**

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

Prevention, the cornerstone of public health, is critical to building community resilience. Federal agencies developed and implemented prevention messaging campaigns and initiatives in English, Spanish, and in some cases other languages in an effort to reach broader audiences about the dangers of drug use and its consequences. These resources include printed materials, websites, and awareness activities such as SAMHSA’s National Prevention Week and the Administration’s National Substance Abuse Prevention Month. In addition, SAMHSA updated the National Standards for Culturally and Linguistically Appropriate Services in Health and Health Care.<sup>91</sup> These prevention campaigns will continue to be implemented by a range of agencies and community institutions, including law enforcement, public health, and service providers. Action: HHS/SAMHSA

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91. A compilation of SAMHSA resources in Spanish is available at [http://www.samhsa.gov/sites/default/files/samhsa-spanish-resources\\_0.pdf](http://www.samhsa.gov/sites/default/files/samhsa-spanish-resources_0.pdf).

Since the early 1980s, alcohol-related traffic deaths have declined by half.<sup>92</sup> To obtain this information, fatally injured drivers were tested for alcohol and the results were entered into the Department of Transportation Fatality Analysis Reporting System. The availability of this data enabled an objective evaluation of State laws and programs that ultimately empowered local officials to adjust their policies and reduce fatalities. Similarly, with the increasing use of marijuana and prescription drugs, expanded testing and reporting is critical to evaluating the impact of marijuana and drugged driving laws and modifying policies to reduce use and fatalities. Additional testing and reporting will also provide insight into the effects of alcohol and drug policies on intentional and unintentional injury and overdose deaths. Efforts will be made to implement these testing and reporting strategies in the SWB states and elsewhere, as appropriate. Action: HHS/CDC, DOT

**B. Continue to research and disseminate evidence-based treatment and early intervention practices to border communities.**

The U.S.-Mexico Binational Screening, Brief Intervention, and Referral to Treatment (SBIRT) study,<sup>93</sup> funded by the National Institute on Drug Abuse (NIDA) and ONDCP, characterized rates of drug use on both sides of the border and piloted the integration of SBIRT into routine community health care practice. The study examined a model for self-administered patient screenings—through the use of tablet computers in both English and Spanish—for substance use disorders in low-income primary-care patient settings. Investigations are also being conducted to develop a better understanding of the involvement of TCOs in human trafficking and interrelationships among the drug trade, sex trafficking, substance use, and disease transmission. A collaborative study supported by the CDC, NIDA, and PAHO will collect empirical data in these areas of interest. Data from studies like these will form the basis for the future development and dissemination of evidence-based interventions. Action: HHS/CDC, HHS/NIDA

**2. Encourage collaboration between law enforcement and health service providers to enhance community planning and programming.**

In April 2013, under a Memorandum of Agreement between Mexican police and the University of California at San Diego, Tijuana police officers were trained in public health and safety practices related to injection drug use and human immunodeficiency virus (HIV), with an emphasis on treatment referral for offenders with substance use disorders. Praised by the mayor of Tijuana, this unprecedented cooperation is becoming a model for similar collaboration elsewhere along the border. Efforts will be made to expand this approach to additional institutions. Action: HHS/NIDA

SAMHSA Drug Treatment Court and Offender Reentry program grants are available to border communities for expanding and/or enhancing substance use disorder services to enable criminal justice involved individuals to be successful, either after a period of incarceration or as an alternative to incarceration. There are multiple problem-solving courts along the border, including courts in Webb, El Paso, Hidalgo, and Cameron counties in Texas; Doña Ana and Luna counties in New Mexico; Cochise and Yuma counties in Arizona; and San Diego County in California. These problem-solving courts include newly formed

92. <https://report.nih.gov/NIHfactsheets/ViewFactSheet.aspx?csid=24>.

93. Gelberg L, Natera G, Andersen RM, Bojorquez I, Yacenda-Murphy J, Arroyo M, Arangua L, Vahidi M, Gonzalez M. Prevalence of Drug Misuse in the U.S.-Mexico Binational Quit Using Drugs Intervention Trial (Binational QUIT). Society for Prevention Research 22nd Annual Conference, Washington, DC, May 30, 2014.

Veterans Treatment Courts—drug courts with an emphasis on military/veteran culture and ties to the Veterans Health Administration (VHA) as a service provider. Since 2010, approximately 220 Veterans Treatment Courts have been established.<sup>94</sup> Agencies will continue to expand these programs to the extent possible. Action: HHS/SAMHSA, DOJ, VA/VHA

Office of Justice Programs (OJP) Second Chance Act programs provide funding, training, and technical support to the reentry field to help facilitate the successful reintegration of previously incarcerated individuals. These programs emphasize stakeholder collaborations with state and local government agencies that oversee services related to health, mental health, housing, child welfare, education, substance use, victims, child support, employment, and local law enforcement. Since 2009, more than \$300 million has been awarded nationwide to state and local government agencies, federally recognized tribes, and nonprofit organizations for a variety of adult and juvenile reentry service activities. In 2014 alone, 15 grant awards went to SWB states, including 8 in California, 4 in Arizona, and 3 in Texas.<sup>95</sup> OJP will seek to continue and extend these initiatives to the extent possible. Action: DOJ/OJP

The Federal Interagency Reentry Council continues to expand opportunities for people reentering their communities from the justice system. Established in 2011, the Reentry Council represents more than 20 Federal agencies working to make communities safer by reducing recidivism and victimization, assisting those who return from prison and jail in becoming productive citizens, and saving taxpayer dollars by lowering the direct and collateral costs of incarceration. This critical work will continue over the next 24 months, with an enhanced focus on the SWB. **Action: DOJ**

### 3. Support training and education of peers and professionals in evidence-based practices to prevent, treat, and support recovery from substance use disorders.

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

NIDA currently supports a cross-border program that integrates training at two U.S. and four Mexican universities in an effort to increase research capacity in the border region. The U.S.-Mexico Drug Abuse Prevention Research Fellowship will continue to provide 12 months of postdoctoral drug use prevention research training for Mexican researchers with an established NIDA-supported scientist at a U.S. institution. **Action: HHS/NIDA**

Through its National Drug Court Initiative, the Bureau of Justice Assistance (BJA) drug court program is training new teams on the importance of using Medication-Assisted Treatment (MAT) and surveying effective practices for treating heroin and opioid use disorders. This training is provided at the state, regional, and local level, including within SWB regions. **Action: DOJ/BJA**

SAMHSA's Center for the Application of Prevention Technologies (CAPT) provides state-of-the-science prevention training and technical assistance to states, tribes, jurisdictions, and communities supported under SAMHSA's Substance Abuse Prevention and Treatment Block Grant (SABG), and to SAMHSA's discretionary Programs of Regional and National Significance (PRNS). All states along the border receive

94. <http://justiceforvets.org/vtc-history>.

95. <http://ojp.gov/fbnp/reentry.htm>.

SABG funding and are either eligible to apply for or are receiving PRNS funding from SAMHSA and, thus, can benefit from prevention training offered by the CAPT. **Action: HHS/SAMHSA**

SAMHSA is working with the PAHO to identify and train public health professionals and public health outreach workers, or “promotores de salud,” in conducting assessments, referrals, and brief interventions for those experiencing mental and substance use disorder problems. Two trainings for promotores have taken place: one in El Paso, Texas, and one in Ciudad Juarez, Mexico, and trainings for primary care providers and nurse practitioners are being planned for Ciudad Juarez and the greater El Paso area. The trainings are based on the World Health Organization’s Mental Health Gap Action Program Intervention Guide and SAMHSA’s Screening, Brief Intervention, and Referral to Treatment training materials. **Action: HHS/SAMHSA**

### **B. Include law enforcement professionals in evidence-based training on substance use disorder prevention, treatment, and recovery through evidence-based strategies.**

Law enforcement officers are playing an increasingly important role in preventing drug overdose. For this reason, appropriate representatives from law enforcement agencies are now being included in training on substance use, prevention, treatment, and recovery support services. A focus of this training will be administering the opioid antidote naloxone for opioid overdoses and helping to link individuals to appropriate evidence-based treatment. **Action: HHS/NIDA**

### **C. Expand access to recovery support services and provide training and technical assistance to states and tribes to support individuals in medication-assisted recovery.**

A vibrant and engaged recovery community contributes to the development of strong and resilient communities. Health professionals and the recovery community will contribute to efforts to overcome the unhelpful and unfair stigmatization of MAT and of the individuals accessing those services. MAT is often misunderstood as a replacement of one addiction with another. However, medications prescribed by medical professionals for a substance use disorder should be seen as any other medically necessary prescription drug. Inaccurate views of MAT diminish our capacity to reduce the elevated rates of opioid use and overdose. Communities can obtain funding for recovery support services and MAT activities through SAMHSA Recovery Community Services Program grants, the Statewide Network program, and Targeted Capacity Peer-to-Peer grants. Technical assistance can be obtained through the Addiction Technology Transfer Centers. To expand access to recovery support services, training and technical assistance, the Southwest Addiction Technology Transfer Centers and the Pacific Southwest Addiction Technology Transfer Centers will continue to work closely with SWB states and tribal organizations. **Action: HHS/SAMHSA**

### **D. Expand training and certification of community health workers.**

Community health workers/promotores de salud are an integral part of the Nation’s workforce and provide health education and prevention within their respective communities in a culturally and linguistically appropriate manner. With health financing arrangements and policies increasingly encouraging alternative health care workers, expanding the numbers of community health workers trained in prevention and early intervention is a forward-looking approach for reducing substance use

and substance use disorders. The U.S. Department of Health and Human Services Office of Minority Health is leading the National Promotores de Salud Initiative and will convene a Steering Committee of promotores leaders to assist in identifying gaps, challenges, and successes in programs and policies across the country. Action: HHS/OMH



# Chapter 4: Investigations and Prosecutions

## Strategic Objective:

**Disrupt and dismantle TCOs operating along the SWB.**

## Background

Today, a significant number of TCOs, including the Gulf Cartel, Los Zetas Cartel, Juarez Cartel, Sinaloa Cartel, BLO, Los Caballeros Templarios, La Familia Michoacana, and Cartel de Jalisco Nueva Generacion, operate throughout Mexico and control the flow of drugs across the SWB.<sup>96</sup>

Smaller criminal organizations continue to establish alliances with Mexican TCOs and carry out illicit operations in several hundred U.S. cities.<sup>97</sup> It remains imperative for U.S. and Mexican law enforcement to conduct bilateral investigations and prosecutions to disrupt and dismantle these criminal organizations. This effort will require coordinated, agile action between law enforcement and the regulatory and intelligence communities at the state, local, tribal, and national levels.

In March 2002, the Attorney General asked law enforcement agencies to compile a unified list of the most significant international drug trafficking and money laundering targets. As a result, in September 2002, participating agencies from OCDETF jointly produced the first Attorney General's Consolidated Priority Organization Target (CPOT) list. Since the issuance of the initial CPOT list,<sup>98</sup> law enforcement agencies and prosecutors have focused their efforts on disrupting and dismantling the means by which DTOs control the drug market. The CPOT list allows Federal law enforcement to focus on the biggest traffickers of illegal drugs into the United States.

Targeting these criminal organizations through investigations, prosecutions, and seizures will continue to reduce the supply of illicit drugs that transit the SWB as well as increase the costs of the drugs and reduce the availability and purity of the drugs at the retail level. U.S. law enforcement and criminal intelligence agencies will continue to enhance their capacity to assist with investigation and prosecution efforts. Additionally, U.S. and Mexican law enforcement and criminal intelligence communities will work to better coordinate their bilateral efforts to disrupt, dismantle, and prosecute criminal organizations responsible for the movement of illicit drugs, firearms, and drug proceeds across the SWB.

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96. Department of Homeland Security Office of Intelligence and Analysis; Department of Justice Organized Drug Enforcement Task Force (OCDETF); DEA Office of Intelligence.

97. Ibid.

98. <http://www.justice.gov/criminal/organized-crime-drug-enforcement-task-forces>.

## Supporting Actions

### 1. Enhance mechanisms and incentives intended to increase and improve coordination among U.S. law enforcement agencies.

#### A. Use joint and coordinated U.S. law enforcement efforts to disrupt and dismantle DTOs that transit the SWB.

Criminal organizations that transit the SWB are not bound by geography or jurisdiction. Prosecution of these networks requires nimble, adaptive, and innovative inter-agency partnerships that leverage finite resources. Existing mechanisms such as HIDTAs and OCDETF Task and Strike Forces increase the ability of the U.S. and Mexican governments to target the financial infrastructure and operations of major trafficking organizations. In an effort to improve the success of interdictions, forfeitures, investigations and prosecutions, the enhanced use of operational support centers—including the Special Operations Division, OCDETF Fusion Center, International Organized Crime Intelligence and Operations Center (IOC-2), ICE/HSI-Bulk Cash Smuggling Center (BCSC), the ICE/HSI National Targeting Center Investigations, EPIC, FBI Southwest Intelligence Group, and other national and local de-confliction centers and task forces, such as the Border Enforcement Security Task Force (BEST)—will be emphasized. **Action: DOJ, DHS/SBAC JTFs, ONDCP (HIDTA)**

#### B. Tighten the seam between interdictions and law enforcement investigations.

Closer cooperation and better sharing of information among agencies with interdiction and investigative roles will improve strategic planning, aid in the development of strong criminal cases, and provide intelligence indicators for future law enforcement operations. DOJ and DHS will develop initiatives that promote collaboration between interdiction and law enforcement agencies. **Action: DOJ/OCDETF, DOJ/Criminal Division, DHS/ICE-HSI, DHS/SBAC JTFs**

### 1. Focus the investigative and prosecutorial resources dedicated to cases relating to Mexico and the SWB.

#### A. Continue Support for USAOs handling SWB drug investigations and prosecutions.

Five U.S. Attorneys' Offices (USAOs) are located on the SWB: 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. The Justice Department will strive to ensure that USAOs are staffed with sufficient OCDETF and non-OCDETF Assistant U.S. Attorneys to handle SWB drug trafficking organization prosecutions. USAOs also require support resources, including paralegals, support staff, equipment, office space, and document translation services. Additionally, in many USAOs, Special Assistant U.S. Attorneys (SAUSAs) significantly enhance the capacity of those offices to manage large caseloads effectively. Law enforcement agencies, including ICE and CBP will continue to collaborate with USAOs to determine where the programmatic and technical expertise of SAUSAs will provide the greatest benefit to managing caseloads. **Action: DOJ/EUSA, DOJ/OCDETF, DHS/SBAC JTFs**

## B. Investigative agencies and the USAOs will tighten their focus on the financial infrastructure of SWB DTOs.

Law enforcement must assess the entire financial infrastructure of a targeted organization and attack its assets and proceeds. In order to meet this goal, law enforcement will initiate financial investigations and utilize EPIC, OCDETF Fusion Center, Special Operations Division, and the NSS for seizure-related data. Additionally, ICE/HSI's BCSC can be used to exploit any obtained criminal intelligence data. The U.S. Marshals Service (USMS) will be consulted early in an investigation, as it can assist in identifying and seizing assets.

Law enforcement will continue to examine the use of Funnel Accounts in U.S. financial institutions involved in TBML of narcotic proceeds. To combat this trend, ICE/HSI has initiated an operation that adds funnel account investigations to human smuggling and narcotics actions. By identifying funnel account activity related to drug trafficking, HSI and other participating agencies will add a new complementary dimension to disrupt and dismantle TCOs. **Action: DOJ/FBI, DOJ/USMS, DOJ/OCDETF, DHS/ICE, DHS/SBAC JTFs, DOJ/DEA, DOS, Treasury/IRS-CI**

## 3. Improve law enforcement and prosecution coordination with tribal leadership to target drug trafficking in Indian Country.

Drug trafficking in Indian Country remains a significant problem. Marijuana, prescription drugs, heroin, and methamphetamines are often readily available on many reservations. With the exception of marijuana, illicit drugs available in Indian Country are not normally manufactured on the reservations, but are transported there by independent dealers in nearby cities who are supplied by the Mexican TCOs that control the markets in those cities.<sup>99</sup>

Mexican DTOs utilize Indian Country as an entry point to smuggle illicit drugs. For example, the Sinaloa Cartel smuggles drugs through the remote Tohono O'odham Nation (TON) in southern Arizona, which shares approximately 75 miles of border with Mexico. The TON is a principal entry point for bulk marijuana smuggled into the United States from Mexico. These activities affect the quality of life in tribal communities.<sup>100</sup>

In response, the TON Police Department (TOPD) has partnered with ICE/HSI in Sells, Arizona, CBP, and the FBI to establish the Native American Targeted Investigation of Violent Enterprise (NATIVE) drug task force. NATIVE is a HIDTA initiative intended to combat the full spectrum of drug activity occurring in the TON. NATIVE is housed at HSI/Sells and includes the HSI Shadow Wolves Unit. The HSI Shadow Wolves are composed of Native American officers who conduct interdiction and enforcement operations on the TON. Additionally, DEA, ICE, CBP, and the TOPD have partnered in Operation Southern Impact to investigate trafficking along the Arizona-Mexico border of the TON.

The TOPD has an authorized staffing level of approximately 100 personnel. The U.S. Department of the Interior, Bureau of Indian Affairs (BIA), Division of Drug Enforcement, has three investigators assigned to southern Arizona who cover the TON, the Pascua Yaqui Reservation near Tucson, and other reservations.

99. Department of Homeland Security Office of Intelligence and Analysis; Department of Justice Organized Drug Enforcement Task Force (OCDETF); DEA Office of Intelligence.

100. Ibid.

The BIA Office of Justice Services has also implemented a Mobile Enforcement Team (MET) of investigators in southern Arizona. They provide drug enforcement training to tribal officers and gather evidence to develop criminal cases against drug enterprises operating in Indian Country. Cross-deputation of tribal and BIA law enforcement officers will be expanded.

Current initiatives and strategies to reduce drug-related violent crime in Indian Country include the FBI's Safe Trails Task Forces and USMS's inclusion of tribal leadership in fugitive task forces. The Safe Trails Task Forces federally deputize local, state, and tribal partners to serve as a force multiplier and provide a mechanism to collaborate more effectively to address the threat of drugs in Indian Country. The 15 FBI sponsored Safe Trails Task Forces in Indian Country have and will continue to provide a platform for cooperation in addressing drug distribution networks in Indian Country while eliminating some of the complex jurisdictional questions which can arise throughout Indian Country and surrounding areas. The task forces target violent criminals and drug distribution networks while sharing intelligence and best practices throughout Indian Country. An example of one such Intelligence Network is the information-sharing network established by five tribal law enforcement agencies in Arizona. Tribal leadership, Federal law enforcement, and other law enforcement partners will continue to work together on criminal intelligence-gathering, investigations, prosecutions, and prevention programs to curtail and mitigate the effects of drug trafficking in Indian Country. **Action: DOJ/USMS, DOJ/DEA, DOJ/OCDETF, DHS/ICE, DHS/CBP, ONDCP/HIDTA, BIA-OJS**

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

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

U.S. law enforcement agents and prosecutors must continue to find ways to partner effectively with their Mexican counterparts and build upon our successful collaboration. The DEA remains the U.S. point of contact for drug-related matters and coordinates all interagency and bilateral counternarcotics efforts with the Mexican Government. The USMS operates an active fugitive and prisoner program with the Mexican Government through the Mexico Investigative Liaison Program, fugitive task forces, and multiagency OCDETF task forces along the border.

FBI's Criminal Investigative Division Assistant Legal Attaché program promotes collaboration with Mexican law enforcement, military officials, and the Office of the Attorney General of Mexico (PGR). The Criminal Investigative Division's Legal Attaché continues to support drug-related investigations outside of the United States, with all investigative activities coordinated with the FBI Legal Attaché (Legat) office and DEA, including extraterritorial informant and agent travel from the United States, and pertinent liaison contact with the Mexican Government and other U.S. law enforcement representatives in Mexico. This program and others have fostered a stronger U.S. partnership with Mexican law enforcement and heightened collaboration with Mexican prosecutorial agencies with the plan to apply simultaneous investigative and prosecutorial pressure on both sides of the border. **Action: DHS/ICE, DHS/CBP, DHS/SBAC JTFs, DOJ/DEA, DOS, DOJ**

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

The extradition relationship between the United States and Mexico has been growing. Mexico now provides the second-highest volume of extraditions to the United States after Colombia. In September 2015, the Mexican Government successfully extradited Jorge Costilla-Sanchez, an alleged former leader of the Gulf Cartel and Los Zetas, to the United States. At the same time, the Mexican Government also extradited Edgar Valdez Villarreal and Carlos Montemayor, who allegedly were high-level members of the Sinaloa and Beltran-Leyva Cartels. U.S. prosecutors will continue to work with DOJ's Office of International Affairs and the Mexican Government to understand the legal and practical requirements of extradition. Additionally, the extradition offices in the justice departments and foreign ministries of both countries will continue to work together to expedite the extradition process. **Action: DOJ, DOS**

### 5. Ensure U.S. law enforcement agencies working along the SWB 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 U.S. Government. The mission of the FBI's Border Corruption Task Force is to identify, investigate, and prosecute government and law enforcement officials who have engaged in criminal or corrupt conduct, including helping individuals gain illegal entry into the United States or the illegal passage of cargo across the border. Border corruption intelligence and criminal complaint information will be made available immediately to the FBI for analysis. The information is used by the FBI to determine the nature and extent of the corruption and whether it poses a national security threat.

In addition, the FBI is the lead agency for violations of Federal civil rights statutes. Therefore, all border corruption intelligence that relates to human trafficking will be shared with the FBI and its Border Corruption Task Force for further investigation. To meet partnership obligations concerning border corruption, national security, and other related criminal threats, all stakeholder agencies will share intelligence and information across the executive branch in a manner that is consistent with current interagency agreements. **Action: DHS/ICE, DOJ/FBI, DOJ/DEA, DOJ/ATF, DOJ/OCDETF, DHS/CBP, Department OIGs**

### 6. Explore ways to address the poly-criminal threats posed by Mexican cartels.

#### A. Develop additional preventive and reactive solutions to the high number of drug-related kidnappings of U.S. persons in Mexico.

The FBI and other law enforcement partners are seeking to implement a Hostage Fusion unit to focus on kidnapping prevention, security for U.S. citizens in Mexico, and effective resolution of hostage situations. The FBI has created hybrid task forces with participation from DEA, HSI, and other Federal agencies, as well as state, local, and tribal officers to enhance its efforts to confront the kidnapping challenge. **Action: DHS/ICE-HSI, DOJ/FBI, DOJ/DEA, DOJ/ATF, DHS/CBP, and USMS**

**B. Prosecutors will be encouraged to consider Racketeer Influenced Corrupt Organizations, asset forfeiture, money laundering, and other charges consistent with the wide range of criminal activity committed by Mexican cartels.**

Mexican criminal groups on both sides of the border often engage in criminal activity involving weapons trafficking, money laundering, human trafficking, kidnapping, and street violence that violate United States law. Federal charges in the United States will be consistent with that wide range of activity on a case-by-case basis. Prosecutors will also consider Office of Foreign Assets Control (OFAC) sanctions against foreign targets, when appropriate. **Action: DHS/ICE, DOJ/FBI, DOJ/DEA, DOJ/ATF, DOJ/EOUSA, DOJ/Criminal Division, DOJ/OCDETF, DHS/CBP, Treasury**



# Chapter 5: Collateral Challenges

## 5A – Money

### Strategic Objective

**Stem the flow of illicit proceeds across the SWB.**

### Background

TCOs move money, hide assets, and conduct transactions throughout the world. Among the various methods used to launder their illicit proceeds are bulk cash smuggling, TBML, use of funnel accounts, and misuse of emerging payment systems. Criminals exploit vulnerabilities in the financial system and conduct financial transactions to circumvent regulatory scrutiny, which presents difficulties for authorities attempting to distinguish between licit and illicit use of the financial system.

Over the past decade, the United States has developed the capability to target illicit financial activity through various tools—including interagency investigations, targeted financial sanctions, and direct engagement with at-risk financial institutions and jurisdictions. U.S. anti-money laundering laws and regulations require customer identification, recordkeeping, and reporting obligations for covered financial institutions that help deter criminals from placing illicit proceeds into the financial system. These preventive measures also create valuable evidentiary trails for law enforcement to investigate. The U.S. Government can use these tools to deprive criminals of revenue, discourage new actors from engaging in illicit activity, reduce the corruptive influence of illicit funds, and take appropriate action to eliminate the service of professional money launderers.

### Supporting Actions

#### **1. Stem illicit financial flows of funds and trade goods transiting through the SWB.**

##### **A. Enhance multi-agency operations along the SWB through existing initiatives, centers, and task forces to target bulk cash movements.**

In 2006, OCDETF initiated a Bulk Currency Money Laundering Initiative involving Federal, state, local, and tribal authorities to increase analysis of bulk currency seizures along the SWB. The initiative shares intelligence and exploits leads that enable prosecution of CPOT and Regional Priority Organization Targets (RPOT). It also helps authorities understand and identify trends in bulk cash transportation.

The ICE/HSI BCSC develops investigative lead material through the production of operational intelligence. It assists HSI in identifying and disrupting bulk cash smuggling activities around the world and provides law enforcement officers access to financial investigative expertise that helps in tracking and seizing illicit proceeds.

EPIC provides round-the-clock real-time tactical support for monitoring vehicles, boats, planes, and locations used for transporting or storing bulk cash drug proceeds. EPIC also provides Federal, state, local, tribal, and territorial law enforcement with coordinated training in bulk-cash concealment detection and information on current and emerging concealment trends.

Agencies will continue to utilize interagency centers to coordinate action against bulk cash movements.

**Action: DOJ/OCDETF, DOJ/DEA, DHS/ICE-HSI, DHS/SBAC JTFs, ONDCP/HIDTA**

### **B. Update sentencing statutes and penalties to deter bulk cash courier activities.**

Title 31, U.S. Code, Section 5332 (Bulk Cash Smuggling) makes it a crime to knowingly conceal more than \$10,000 in currency or other monetary instruments on the person or in any conveyance, article of luggage, merchandise, or other container, and transports or transfers or attempts to transport or transfer such currency or monetary instruments from a place within the United States, or from a place outside the United States to a place within the United States, with the intent to evade the reporting requirements under 31 U.S.C. 5316 (Reports on exporting and importing monetary instruments). DOJ will examine the feasibility of updating Federal sentences for bulk cash smuggling. Action: DOJ, DHS/ICE

### **C. Utilize sanctions and other regulatory tools to disrupt, dismantle, and deter the financial networks of drug trafficking operations that transit the SWB.**

The Department of the Treasury's Office of Foreign Assets Control (OFAC) continues to aggressively target narcotics traffickers pursuant to the Kingpin Act, including those found to be tied to the Sinaloa Cartel, Los Zetas, and other significant Mexican DTOs. U.S. law enforcement agencies continue to share critical criminal intelligence and evidence with OFAC in support of OFAC's Kingpin and 13581 (TCO) program.

Working in close coordination with ICE and CBP, the Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) renewed on August 7, 2015, a Geographic Targeting Order (GTO) currently in place for armored cars and other common carriers of currency at two border crossings in Southern California, and issued a new, similar GTO applicable to carriers crossing the border at eight major POE in Texas. The GTO requires transporters of currency, including armored car services, to submit Report of International Transportation of Currency or Monetary Instruments (CMIR) filings upon crossing the land border between Mexico and the United States. The reports must be submitted regardless of the existing exemption for certain currency overland shipments and must identify the currency's originator and ultimate recipient.

The GTOs' reporting and recordkeeping requirements are designed to enhance the transparency of cross-border money movements and prevent the attempted exploitation of reporting exemptions by some carriers suspected of moving dirty cash for Mexican DTOs. Information gathered pursuant to the GTO will provide U.S. law enforcement unprecedented ability to identify precisely who is moving cash into and out of the United States. GTOs are powerful tools that address illicit financial activities without affecting commerce or business routines. Agencies will continue to use all available tools to disrupt the financial networks of DTOs. **Action: Treasury, Treasury/OFAC, Treasury/FinCEN, Treasury/IRS-CI, DHS/CBP, DHS/ICE-HIS**

## D. Increase collaboration with Mexican Customs to stem illicit trade along the SWB.

Mexican Customs has one analyst at the CBP National Targeting Center as part of a targeting fellowship program. Additionally, ICE/HSI has embedded, full-time Mexican Customs liaisons from the “Servicio de Administracion Tributaria” (SAT—Mexico’s Tax Authority) at the Intellectual Property Rights Coordination Center and 5 ICE/HIS offices along the SWB—McAllen, El Paso, and Laredo, Texas; and San Diego and Los Angeles, California—who actively facilitate the exchange of customs information between the two countries. SAT has participated in bilateral customs initiatives and enforcement actions in coordination with ICE/HSI offices along the SWB. Additionally, SAT recently signed a memorandum of understanding (MOU) that re-establishes bilateral cooperation through the Trade Transparency Unit Program. Agencies will continue to increase exchanges with Mexican Customs to stem illicit trade. **Action: DHS/ICE-HSI, DHS/CBP, DHS/SBAC JTFs**

## 2. Identify, investigate, and prosecute professional money laundering networks.

### A. Target third-party money laundering networks that support the financial infrastructure of TCOs.

Targeting the financial infrastructure that supports the operations of TCOs is an important part of the effort to disrupt and dismantle them. These TCOs are often aided by Third Party Money Launderers (3PMLs) who serve as “gatekeepers” between the international financial system and criminals. The 3PMLs may be a legitimate corporate entity, such as a major international bank, may be an individual operating a legitimate or illicit business, or may be a professional facilitator, such as an attorney or accountant. They may engage in illicit financial activity on behalf of a single criminal or criminal organization, or may provide services to a multitude of criminal entities engaged in numerous criminal activities.

In 2013, the Department of the Treasury’s Executive Office for Asset Forfeiture (TEOAF), in partnership with the Treasury Forfeiture Fund member agencies, launched a 3PML Initiative targeting the money laundering networks used by major DTOs and TCOs. TEOAF provides funding to support operational activities and the infrastructure needed for successful investigation and prosecution of major 3PML targets. As part of this initiative, TEOAF funds and administers a multi-year contract that provides forensic accountants to law enforcement task forces and groups conducting complex financial investigations with a 3PML nexus. In particular, the forensic accountants assist HSI agents in the field to analyze voluminous financial and business records. This infusion of the forensic accountants has resulted in significant developments in several investigations and identification of high value assets previously undetected among illicit proceeds. Separately, since 2013, OFAC has designated, pursuant to the Kingpin Act and EO 13581, dozens of individuals and entities that formed money laundering networks responsible for laundering hundreds of millions of dollars on behalf of DTOs.

OCDETF’s SWB Gatekeeper Initiative was developed to identify and dismantle 3PML networks that control and facilitate drug smuggling for major cartels and CPOTs along the SWB. The Gatekeeper Initiative has established multi-district OCDETF investigations of major 3PMLs and their organizations and uses this information to indict facilitators working on behalf of DTOs and TCOs.

Through this 3PML Initiative, Internal Revenue Service–Criminal Investigations (IRS-CI) will maintain investigative resources and assist in the prosecution of 3PML networks. IRS-CI currently has a liaison assigned to FinCEN to identify 3PML networks. FinCEN supports law enforcement investigations by analyzing Bank Secrecy Act (BSA) data and identifying illicit finance networks. If there is an ongoing investigation, information is shared with the OCDETF Fusion Center, and trend information is also shared at OCDETF national and regional level meetings. Agencies will continue to enhance efforts against 3PML. **Action: Treasury, Treasury/IRS-CI, DOJ/OCDETF, IOC-2, DHS/ICE-HIS**

### **B. Target the illicit use of money services businesses involved in the movement of funds across the SWB.**

Federal agencies will continue to coordinate efforts to exploit Suspicious Activity Reports and other relevant data pointing to the use of registered and unregistered Money Services Businesses (MSBs) as illicit conduits. IRS-CI currently supports four Financial Crime Task Forces (FCTFs) located in key cities along the border (El Paso, Laredo, Phoenix, and San Diego) and specifically targets the illicit use of MSBs involved in moving money across the border. Additionally, the IRS Small Business and Self Employed (SB/SE) office contains two fully staffed SWB Groups working on SWB MSB-related issues. FinCEN has delegated authority to IRS SB/SE-BSA to conduct BSA compliance examinations of non-financial trades and businesses operating an MSB that fall within FinCEN’s regulatory authority. **Action: Treasury/FinCEN, Treasury/IRS-CI, DHS/ICE-HSI, DHS/SBAC JTFs, DOJ/DEA, DOJ/FBI, DOJ/OCDETF**

### **C. Continue to monitor and analyze the misuse of new payment systems, including virtual currencies and mobile and online payment systems.**

U.S. law enforcement and regulatory agencies continue to monitor evolving trends in money laundering, such as the potential conversion of cash through virtual currencies, and other new payment methods. New payment systems, particularly mobile payments, are emerging as important tools to promote financial inclusion but also represent opportunities for money laundering abuse by DTOs and TCOs.

During FY 2014, FinCEN produced a number of analytic reports<sup>101</sup> detailing the workings of emerging payment systems, such as virtual currency. In addition, FinCEN analyzed virtual commerce platforms, such as darknet marketplaces, where drugs and other illicit goods and services are increasingly sold. FinCEN shared its findings with law enforcement and regulatory customers who received copies of the reports via the FinCEN BSA access portal. FinCEN also provides in-person and webinar training on these subjects to its law enforcement and regulatory customers on the SWB and worldwide. Agencies will analyze the misuse of new and emerging payment systems. **Action: Treasury/FinCEN, DHS/ICE-HSI, DOJ/DEA, DOJ/FBI**

### **D. Investigate and prosecute the use of Trade-Based Money Laundering schemes.**

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. Among other factors, this trend can be attributed to the Mexican Government’s restrictions on U.S. dollar cash deposits that were

101. Financial Crimes Enforcement Network, SAR Stats Technical Bulletin, July 2014; [https://www.fincen.gov/news\\_room/rp/strategic\\_analytical.html](https://www.fincen.gov/news_room/rp/strategic_analytical.html).

implemented in 2010 and the increase in use of trade-based money laundering schemes, which do not require U.S. dollar cash deposits by Mexican TCOs. In May 2015, FinCEN issued an advisory on TBML and funnel accounts (See Section E, below).

The Trade Transparency Unit Program is ICE/HSI's direct response to the threat posed by TBML schemes that exploit global trade and financial systems. Through the Trade Transparency Unit Program, ICE/HSI develops international partnerships with foreign counterparts to share and compare trade data in order to identify anomalies indicative of TBML. ICE/HSI works with inter-agency and foreign partners to detect trade discrepancies and investigate criminal violations focusing on TBML. During FY 2014, ICE/HSI re-established its partnership with Mexico Customs by signing an MOU that encourages the exchange of information related to imports and exports of merchandise between the United States and Mexico. The exchange of information will assist in detecting, investigating, and prosecuting TBML. Agencies will continue to investigate the use of TBML along the SWB. In addition, BSA data will be shared throughout the law enforcement, intelligence, and other appropriate U.S. agencies. **Action: DHS/ICE, DHS/CBP, DOJ/OCDETF, Treasury**

**CASE HIGHLIGHT:** Operation Fashion Police is a multi-agency OCDETF investigation related to narcotics and TBML operations occurring in the Los Angeles Fashion District. The operation targeted Mexico-based DTOs responsible for the smuggling of cocaine and methamphetamine into the United States and the subsequent laundering of narcotics proceeds returned to Mexico as salable goods. Utilizing Mexican peso brokers, DTOs laundered money through Black Market Peso Exchange (BMPE) schemes via garment stores located throughout the L.A. Fashion District.

Through multiagency cooperation, Operation Fashion Police led to the identification of money couriers, consolidators, and various Los Angeles Fashion District businesses involved in the BMPE operations to launder money for drug cartels. Investigations revealed BSA violations were pervasive throughout the L.A. Fashion District.

At the request of the USAO for the Central District of California, and in conjunction with DEA, ICE-HSI, IRS-CI, and FBI, FinCEN issued a GTO covering more than 2,000 businesses within the L.A. Fashion District. To address rampant TBML and prevent violations of the BSA's reporting requirements for bulk cash transactions, the GTO imposed additional reporting and recordkeeping obligations on certain trades and businesses. The operation has been successful in identifying and prosecuting 3PMLs operating within the L.A. Fashion District and in seizing significant amounts of drug cash belonging to DTOs and TCOs. This is an example of the success that can be achieved when law enforcement and regulatory agencies collaborate on operational activities.<sup>102</sup>

102. <http://www.justice.gov/usao-cdca/pr/large-scale-law-enforcement-effort-targets-downtown-los-angeles-businesses-linked-money>.

### E. Identify and investigate the use of funnel accounts to move funds or value across the SWB.

U.S. law enforcement is working closely with major U.S. financial institutions to identify funnel accounts. In May 2014, FinCEN issued an advisory informing financial institutions of increased use of funnel accounts by criminal actors. The advisory<sup>103</sup> provided “red flags” to aid financial institutions in identifying and reporting suspicious funnel account activity. Additionally, the advisory asked financial institutions to strengthen their due diligence regimens to identify and prevent potential criminal exploitation. Agencies will investigate the use of funnel accounts to move funds across the SWB. **Action: Treasury/FinCEN, DOJ/DEA, DOJ/FBI, DOJ/OCDETF, DHS/ICE**

## 3. Enhance the sharing of financial investigative information and criminal intelligence across departments and agencies.

### A. Continue to utilize existing interagency centers and systems to share investigative information.

As discussed in previous chapters, interagency centers facilitate the sharing of investigative information involving cases focused on SWB activities. Departments and agencies will continue to leverage these centers for collaborative efforts, but will also utilize them to share financial information involving SWB cases. **Action: DOJ/OCDETF, DOJ/DEA, DOJ/FBI, DHS/ICE, DHS/SBAC JTFs**

### B. Rapidly share financial seizure information.

OCDETF’s “31:21 Initiative” identifies sophisticated money laundering among CPOTs, RPOTs, and other DTOs by comparing financial and law enforcement databases. The 31:21 Initiative is working to disrupt the operations of money laundering networks by developing high-quality intelligence on CPOT and RPOT organizations operating around the SWB.

Through EPIC’s NSS, all participating Federal agencies have the capability to rapidly share bulk currency seizure information. EPIC shares this information by disseminating bulk currency seizure analysis to Federal, state, and local law enforcement agencies, and providing real-time tactical support for various investigations, including those monitoring vehicles, boats, planes, and locations utilized to transport or store bulk drug proceeds. Agencies will continue to share information related to financial seizures. **Action: DOJ/OCDETF, DOJ/DEA, DOJ/FBI, DHS/ICE, EPIC**

### C. Build U.S. Government capacity to conduct counter-illicit finance investigations and prosecutions.

The U.S. Government can spur financial investigations by building the capacity for investigators to share information (see chapter 1) and leverage available training. OCDETF and its component agencies conduct training on financial investigative techniques, money laundering, and asset forfeiture statutes throughout the country. Additionally, IRS-CI, in conjunction with OCDETF USAO, provides training to prosecutors and Federal, state, local, and tribal investigators along the SWB. Agencies will continue to

103. Advisory, Update on U.S. Currency Restrictions in Mexico: Funnel Accounts and TBML, [https://www.fincen.gov/statutes\\_regs/guidance/pdf/FIN-2014-A005.pdf](https://www.fincen.gov/statutes_regs/guidance/pdf/FIN-2014-A005.pdf).

build capacity for financial investigations via training and other initiatives. **Action: DOJ/OCDETF, DOJ/USAO, DHS-HSI, Treasury/IRS-CI**

#### 4. Share financial investigative information with Mexico.

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

As part of multilateral and bilateral strategic initiatives over the past year, FinCEN has engaged the Mexican Financial Intelligence Unit (UIF) to share information on individuals and entities potentially involved in drug trafficking or money laundering activities. FinCEN will continue to engage Mexico's UIF on a wide range of initiatives. **Action: Treasury/FinCEN**

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

The United States and the Mexican Government have worked closely to understand interconnections among their financial sectors and anti-money laundering/finance of terrorism regimes. For example, the two countries launched the Strategic Dialogue on Illicit Finance, a policy group that seeks to identify best practices to reduce and prevent the flow of illicit proceeds between the United States and Mexico. Both U.S. and Mexican authorities have expressed a strong commitment to using financial crimes enforcement to attack DTOs and related criminal organizations operating along the U.S.-Mexico border.

IRS-CI's Mexico Attaché office is actively involved in investigative activities along the SWB. Under the Mérida Initiative, IRS-CI continues to provide various technical training to Mexican law enforcement. In its efforts to increase coordination with Mexico on anti-money laundering efforts, international tax administration, and financial crime, IRS-CI has previously sent instructors to provide Mexican prosecutors and law enforcement personnel with training in these areas. The Treasury Department maintains attaché positions in 18 countries, including Mexico. The attaché in Mexico City represents Treasury on illicit finance issues with both public and private sector institutions and non-governmental organizations. The attaché seeks to facilitate information sharing, encourage regulatory and enforcement actions as necessary, and assist in the maintenance and development of anti-money laundering/countering the financing of terrorism (AML/CFT) capacity. The attaché also works to deepen and expand Treasury's dialogue with finance ministries, central banks, and the private sector on macroeconomic policy, financial stability, and development. Federal agencies will continue to work closely with Mexican counterparts on financial crime-related issues. **Action: Treasury, Treasury/FinCEN, Treasury/IRS-CI, DOS**





## 5B – Weapons

### Strategic Objective

#### **Stem the flow of illegal weapons across the SWB into Mexico.**

### Background

Mexican TCOs are the primary beneficiaries of cross-border firearms trafficking. TCOs require a constant supply of firearms and ammunition to eliminate rivals, enforce business dealings, and challenge government operations. This has resulted in the proliferation of U.S.-based illegal firearms and explosives trafficking.

Weapons that criminal organizations illegally traffic from the United States are primarily transported overland into Mexico using the same infrastructure and methods employed when smuggling bulk cash south and drugs north. Within the United States, TCOs typically rely on straw purchasers—individuals who can legally purchase a firearm but will not be the true buyers or users of the weapon—to acquire firearms from Federal Firearm Licensed Dealers, to include gun shops (retail store fronts), home dealerships, and pawnshops. Secondary markets, particularly gun shows, flea markets, classified ads, and private-party Internet postings, serve as common acquisition sources for firearms traffickers. TCOs have also been known to use associations with U.S.-based prison and street gangs to facilitate the smuggling of firearms across the border.<sup>104</sup>

Critical steps have been taken to increase the capabilities of the U.S. Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) to identify, disrupt, and dismantle organized efforts to traffic firearms from the United States to Mexico. The deployment of the Spanish version of e-Trace has enabled the Mexican government to implement and maintain a comprehensive firearms tracing program. This program helps both Mexican and U.S. law enforcement agencies identify firearm trafficking routes, trends, patterns, and sources from the United States into Mexico.

Combatting the TCOs engaged in cross-border firearms trafficking requires a layered multi-national and multi-agency approach. ICE/HSI and CBP forge strong, cooperative relationships with state, local, tribal, territorial, Federal, and international partners to enforce Federal laws governing border control, customs, trade, and immigration. ICE/HSI and CBP utilize their broad customs authorities, including “border search authority,” to identify, interdict, investigate, and prosecute individuals and TCOs involved in the smuggling and illegal export of U.S.-origin weapons into Mexico.

### Supporting Actions

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

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.

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104. U.S. Bureau of Alcohol, Tobacco, Firearms and Explosives Primary Source and Case Data.

However, there is no national database in the United States that comprehensively records and maintains firearm seizure information and other relevant information. Therefore, firearm tracing remains a key law enforcement tool in the fight against illegal firearms trafficking and could provide valuable data to identify trends, patterns, and suspects involved in illegal firearms activity.

CBP conducts a monthly “State of the Border” conference call that provides current firearms seizure data from POEs. This timely sharing of information and criminal intelligence allows for early identification of trends and patterns of firearms trafficking along and across the border. DoD provides analytical support related to captured military weapons and ordnance. However, Mexican seizure data is primarily collected from open source information. Currently, there is no dedicated conduit through which the Mexican Government 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.

The Export Enforcement Coordination Center (E2C2), an interagency center established pursuant to Executive Order 13558, coordinates, de-conflicts, and enhances Federal export enforcement. The E2C2 detects, investigates, and prosecutes violations of U.S. export control laws, including the international trafficking and smuggling of firearms, explosives, and ammunition. Administered by DHS/HSI, the E2C2 consists of 18 Federal agencies and 12 intelligence agencies tasked with developing standard operating protocols to coordinate and enhance U.S. export enforcement efforts. Since its establishment in November 2010, E2C2 has de-conflicted more than 3,500 investigative submissions from 16 Federal agencies involved in export enforcement and international arms trafficking investigations.<sup>105</sup> Of those submissions, more than 53 percent resulted in at least one other agency having relevant information pertaining to the investigative inquiry.<sup>106</sup> Beyond de-conflicting enforcement actions between law enforcement agencies, the E2C2 also facilitates information exchanges among law enforcement, the intelligence community, and the export licensing agencies.

The ATF National Tracing Center conducts firearms tracing for Federal, state, local, tribal, and foreign law enforcement agencies to produce investigative leads. The firearm tracing system contains information submitted by law enforcement agencies on firearms seized in their respective jurisdictions, provides results of the trace, and provides trend and pattern analysis on firearm seizure and trafficking activity. However, specific statutory and appropriations laws currently limit the collection, dissemination, and use of firearms tracing data. Therefore, the records contained in the firearm tracing system are not universally searchable.

In order to provide better operational access and utility to law enforcement agencies, the U.S. Government will continue to utilize the law enforcement interagency criminal intelligence center at EPIC. It provides criminal intelligence derived from U.S. law enforcement and Mexican Government on illicit weapons seizures.

ATF’s trans-border trafficking investigations continue to utilize the EPIC Firearms and Explosives Intelligence Unit for the collection, analysis, and dissemination of investigative leads derived from Federal, state, local, tribal, and international law enforcement agencies. ATF, through the Firearms and

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105. Ibid.

106. Ibid.

Explosive Intelligence Unit, disseminates criminal intelligence advisories and bulletins to law enforcement agencies across the United States. These advisories contain information on trafficking patterns, recent seizures, seizure analysis, and suspect tactics and techniques for concealing south-bound weapons. In September 2013, ATF added a CBP analyst to the Intelligence Unit who, along with the ICE/HSI analyst, is dedicated to weapons-related intelligence and analytical support.

ATF is committed to sharing weapons seizure information and criminal intelligence from the Headquarters level to the Field Office level. In addition to EPIC's Firearms and Explosives Intelligence Unit, ATF collects and maintains weapons seizure information using the Treasury Enforcement Communication System, the National Tracing Center, Violent Crime Analysis Branch, the U.S. Bomb Data Center, and eTrace. ATF also shares weapons seizure information and firearms trafficking intelligence through its participation in OCDETF Strike Forces and HIDTA initiatives, including at four SWB ATF Field Divisions. Additionally, with the newly created position of the ATF Southwest Border Coordinator (SWBC), ATF has taken another measure to ensure firearms information/intelligence is being disseminated appropriately. This will be accomplished through constant communication among ATF entities (EPIC, the four ATF SWB Divisions, the ATF Mexican Attaché Office, and the ATF SWBC) and ATF's Federal, state, and local partners. Agencies will continue to share intelligence on weapons trafficking and seek ways to improve the timeliness of reporting on weapon seizures. **Action: DOJ/DEA, DOJ/ATF, DOJ/OCDETF, DHS/ICE, DHS/CBP, DHS/SBAC JTFs, ONDCP/HIDTA, EPIC, DoD**

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

A primary focus of ICE/HSI's BESTs is to stop TCOs trafficking weapons from the United States into Mexico. BEST units employ a threat-based and risk-mitigating investigative task force model that evaluates threats faced in volatile environments along the border. As part of this initiative, DHS and the Mexican Government have collaborated in bilateral interdiction, investigation, and criminal intelligence-sharing activities to identify, disrupt, and dismantle criminal networks engaged in weapons smuggling and trafficking.

ATF's Mexico Country Attaché also collaborates with the Mexican Government to identify, disrupt, and dismantle criminal networks engaged in firearms trafficking. Similarly, CBP supports U.S. efforts to stop arms smuggling and trafficking by analyzing and sharing firearms and weapons-related data and by participating in coordinated operations. ATF and CBP intelligence analysts work collaboratively at the UIF to compile and disseminate information and intelligence related to firearms activity. Over the next 24 months, agencies will maximize their interdiction efforts using enhanced intelligence generated through joint and agency-specific investigations. **Action: DOJ/ATF, DHS/ICE, DHS/CBP, DHS/SBAC JTFs, DOJ/FBI, ONDCP/HIDTA, EPIC**

## 2. 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 offered to more officials, and curricula are evolving to keep pace with current trends and needs. ATF and ICE/HSI provide numerous investigative training programs to Mexican government entities on cross-border crime, illegal trafficking, and interdiction of firearms and explosives. Additionally, ICE/HSI has developed a 40-hour block of instruction on DHS counternarcotics enforcement efforts for law enforcement and military officials from Mexico, Central America, and South America. This program is administered in cooperation with DoD's Western Hemisphere Institute for Security Cooperation. Eight classes have been conducted by HSI since 2001.

In FY 2014, ATF provided training to 1,837 Mexican law enforcement, military, and intelligence officials in firearms and explosives identification and post-blast investigation techniques and procedures.<sup>107</sup> As a result of these classes, Mexican officials have raised obliterated serial numbers from seized firearms and reconstructed blast scenes. These efforts have led to the development of investigative leads and the arrest and prosecution of suspects on both sides of the SWB. ATF plans to present several additional firearms and explosive training classes in Mexico in 2016.

Mexican and Central American authorities can request training and equipment from DoD and DOS. These requests must conform to existing programs and agreements. In addition, U.S. law enforcement will continue to host training opportunities for foreign officials and provide investigative instruction at law enforcement academies in Mexico and Central America. Action: DOJ/ATF, DHS/ICE, DHS/SBAC JTFs, DoD, DOS

### B. Continue to improve Spanish eTrace capabilities and training among appropriate Mexican law enforcement agencies.

ATF's eTrace is a firearms trace request submission system and interactive trace analysis module that assists ATF's efforts in combating firearms trafficking. The eTrace enables the electronic exchange of criminal gun incident data in a Web-based environment through a portal linked to the Firearms Tracing System 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 database.

Since 2010, the Mexican Government has been using the eTrace system to comprehensively trace all firearms seized by Mexican authorities. To date, more than 350 representatives from the Procuraduría General de la República (Office of the Attorney General of Mexico) (PGR) have received training in firearms identification and use of eTrace.<sup>108</sup> Since the conclusion of the Spanish eTrace deployment and training in 2012, the Mexican Government has increasingly used it to identify methods, trends, trafficking

107. U.S. Bureau of Alcohol, Tobacco, Firearms and Explosives.

108. Ibid.

patterns, routes, and cells responsible for the illegal flow of weapons from the United States into Mexico. At Mexico's request, ATF will continue to train PGR personnel in the use of eTrace. 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 DOS Directorate of Defense Trade Controls (DDTC). As defense articles on the U.S. Munitions List, firearms may be exported only by an exporter registered with and licensed by DDTC. In order to verify that controlled commodities exported out of the United States are being used in accordance with an export license, DOS developed the Blue Lantern End-Use Monitoring Program. Blue Lantern is a cooperative effort among 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 at DDTC to assist with de-conflicting and performing end-use verifications. DDTC will continue to target firearms transactions to Mexico for end-use monitoring. Additionally, ICE/HSI, in coordination with CBP's National Targeting Center, will continue to identify 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 DDTC. All activity will be coordinated with ICE/HSI Attaché offices in Mexico. **Action: DHS/ICE, DOS**

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

The Border Liaison Officer (BLO) Program was designed to facilitate cooperation and collaboration among FBI, ATF, and ICE personnel and their Mexican Government counterparts. The program provides a streamlined information and criminal intelligence sharing mechanism between U.S. and Mexican Government law enforcement personnel. In addition, having permanent FBI, ATF, and ICE/HSI investigators in attaché offices throughout Mexico is critically important to facilitating cross-border coordination of weapons trafficking investigations. The FBI presently has eight BLOs in San Diego, California; Phoenix, Arizona; Albuquerque, New Mexico; and El Paso, Laredo, and McAllen, Texas.

ATF will maintain the Country Attaché and staff in Mexico City and criminal investigators assigned to various U.S. consular offices throughout Mexico. DEA has five border offices that serve as liaison locations to coordinate bilateral cross-border investigations in Mexico and the United States. These offices are located in Tijuana, Ciudad Juarez, Matamoros, Nogales, and Nuevo Laredo. ICE has six offices in Mexico (Mexico City, Hermosillo, Monterrey, Tijuana, Ciudad Juarez, and Matamoros) that serve as liaisons to coordinate bilateral cross-border investigations. Agencies will seek to maintain and expand liaison offices in Mexico. **Action: DOJ/ATF, DOJ/FBI, DOJ/DEA. DHS/ICE, DOS**

### E. Continue to conduct joint criminal investigations pertaining to firearms smuggling with the Government of Mexico.

ICE/HSI and Mexico Federal Police established a Transnational Criminal Investigative Unit (TCIU) to conduct joint criminal investigations within HIS's investigative responsibilities, to include weapons smuggling. **Action: DHS/ICE, DOJ/ATF**

### 3. Strengthen domestic coordination on weapons smuggling/trafficking investigations.

#### A. Improve support to state, local, and tribal law enforcement efforts targeting illegal weapons trafficking.

ICE/HSI coordinates joint operations with state, local, and tribal law enforcement to target illegal weapons trafficking.

ATF participates in the Joint Law Enforcement Operations program (through DOJ). The Joint Law Enforcement Operations (JLEO) Program provides accountability and a clear set of policies and procedures and is designed to complement and support all ATF joint law enforcement operations, including task forces. ATF has established task forces in strategic locations along the SWB and offers training to state, local, and tribal law enforcement on 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 in their respective jurisdictions. ATF also participates in weapons trafficking investigations through OCDETF Strike Forces and HIDTA initiatives.

ICE/HSI-CPI is collaborating with the ATF to use foreign e-Trace information to investigate international export violations and domestic firearms violations. **Action: DOJ/ATF, DOJ/OCDETF, DHS/ICE, DHS/SBAC JTFs, ONDCP/HIDTA**

#### B. Expand the use of BESTs to disrupt cross-border weapons trafficking networks.

BEST units employ a threat-based/risk mitigation investigative task force model. BESTs incorporate personnel from ICE/HSI, CBP, DEA, ATF, FBI, USCG, the USCG Investigative Service (CGIS), USAO, and more than 100 other Federal, state, local, tribal, and foreign law enforcement agencies. These partnerships enable each unit to apply a comprehensive approach toward combating TCOs while recognizing the circumstances and threats facing its distinctive border environment. HSI BEST currently has 37 units (14 along the SWB) located in 16 states and Puerto Rico. Agencies will aggressively coordinate and pursue cross-border crimes, such as the international trafficking of firearms, ammunition, and explosives.

**Action: DHS/ICE**

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

By recording the serial numbers of firearms when they are exported, U.S. authorities are able to provide foreign law enforcement with immediate and actionable criminal intelligence. Recording serial numbers at the time of export also allows the U.S. Government to rapidly determine whether a weapon used in a foreign violent crime was smuggled or lawfully exported.

DOS has instituted a policy to retain serial numbers on all U.S. 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**

## 4. Increase successful Federal prosecutions for illegal weapons trafficking.

### A. Organized Crime and Gang Section attorneys assist efforts to stem gun violence on the SWB.

DOJ's Organized Crime and Gang Section (OCGS) will continue to support trial attorneys working with various SWB intelligence centers, strike forces, Mexican law enforcement partners, and USAOs to develop and prosecute gun trafficking cases. In addition, the OCGS section provides litigation guidance on charging options and strategies, jury instructions, and statutory construction. **Action: DOJ**

### B. Target TCOs trafficking firearms.

In 2005, ICE/HSI initiated Operation Community Shield (OCS), an international law enforcement initiative that utilizes HSI's statutory criminal and civil enforcement authorities to combat transnational criminal street gangs, prison gangs, and outlaw motorcycle gangs throughout the United States. With assistance from state, local, tribal, and foreign law enforcement partners, the initiative helps ICE/HSI locate, investigate, prosecute, and remove foreign gang members. There are currently 11 OCS Task Forces: 9 domestic units and 2 international units in Kingston, Jamaica, and Tegucigalpa, Honduras.

The National Gang Unit oversees ICE/HSI's expansive transnational gang portfolio. It develops uniform enforcement and intelligence-sharing strategies designed to disrupt illicit activity at both the organizational and local levels.

ATF will continue to utilize its frontline business model to assess the threat posed by TCOs along the SWB and across the United States. ATF will adapt its criminal investigative strategies to the ever-changing schemes employed by TCOs. ATF will continue to work with Federal, state, local, and tribal law enforcement partners to investigate and prosecute TCOs, criminal gangs, and firearms traffickers. Additionally, ATF will continue to interdict firearms illegally diverted to the unlawful markets. **Action: DHS/ICE, DOJ/ATF, DOJ, ONDCP/HIDTA**

### A. Continue to improve collaboration, coordination, and cooperation between ICE/HSI and ATF in the investigation and prosecution of firearms traffickers.

ICE/HSI and ATF collaboration, coordination, and cooperation are detailed in a 2009 MOU. This MOU formalized a partnership to utilize each agency's investigative authorities to promote effective, coordinated, and collective law enforcement efforts.

In September 2014, an SWB Summit was held between ICE/HSI and ATF in San Antonio, Texas. At the summit, a joint presentation on the MOU addressed the unique tools each agency possesses to expand firearms trafficking investigations involving TCOs along the SWB. Additional training on the MOU and its requirements will be provided to each agency's criminal investigative components.

The ATF SWBC will continue to meet with HSI representatives regularly along the SWB in attempts to ensure a collaborative effort between both agencies in stemming the flow of weapons into Mexico. It is anticipated that ATF SWBC will plan and organize a yearly SWB summit between ATF and HSI to discuss firearms trafficking trends along the SWB as well as ensure the understanding of the MOU. **Action: DHS/ICE, DOJ/ATF**





## 5C – Hazardous Materials

### Strategic Objective

**Stem the flow of illicit hazardous chemicals across the SWB.**

### Supporting Actions

#### **1. Increase the capabilities and capacity of law enforcement personnel at the border to detect and interdict narcotics that are dissolved in, or disguised as, hazardous chemicals.**

Chemicals used in the production of synthetic narcotics can pose significant dangers to law enforcement personnel and the public. Illicit laboratories, both large and small, convert chemicals into methamphetamine and other drugs. The conversion process itself and the waste products are hazardous to communities and harmful to the environment. Increasingly, drug traffickers are also dissolving narcotics in solvents and disguising them as liquor, fuel, vehicle fluids, or hazardous materials.<sup>109</sup> These “narcotics in solution” are extremely difficult to detect. Additionally, other hazardous liquids can be confused with narcotics in solution, which can lead to the mishandling of these hazardous solutions and compromise officer safety.

To address the threats of hazardous chemicals, Federal agencies will continue to evaluate new technologies, improve information and intelligence sharing, and train personnel to detect and interdict such chemicals. **Action: DHS/CBP, DHS/USCG, DOJ/DEA, DOT/PHMSA, DOI, EPA, DoD**

#### **2. Provide assistance to Mexico and Central American nations to interdict, safely handle, and properly dispose of hazardous chemicals, including those used to produce methamphetamine**

As in the United States, hazardous chemicals present challenges to Mexico and Central American nations where illicit laboratories convert large quantities of such chemicals into methamphetamine and other drugs. The interdiction and handling of chemicals require specialized training and equipment, and the disposal of such chemicals can be dangerous, costly, and harmful to the environment.

Under this *Strategy*, Federal agencies will provide assistance to Mexico and Central American nations to complement their capabilities to interdict, safely handle, and properly dispose of hazardous chemicals. Assistance may include information sharing, training, equipment, and guidance for commercial disposal. Success will be measured by the host nations’ demonstration of hazardous materials handling capabilities, consistent with 29 CFR 1910.120, and their increased capacities to dispose of illicit chemicals. **Action: DOS/INL, DHS/CBP, DHS/USCG, DOJ/DEA, DOT/PHMSA, EPA, DoD**

<sup>109</sup>. Department of Homeland Security, Intelligence Assessment: “Dramatic Increase in Liquid Methamphetamine Smuggling from Mexico to the United States,” 5 June 2014.





# Chapter 6: Engaging Mexico & Central America

## Strategic Objective:

**Enhance U.S.-Mexican-Central American cooperation on joint counterdrug efforts.**

## Background

The U.S.-Mexican bilateral relationship continues to grow based on strong, multi-layered institutional ties. 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. The commitment of both governments to improve citizen security is underscored by the Mérida Initiative, a partnership between the United States and Mexico to fight TCOs and reduce associated violence. This partnership is important because it is based on principles of shared responsibility, mutual trust, and respect for sovereign independence.

Since launching the Mérida Initiative in 2008, the United States and Mexico have collaborated to improve citizen safety and fight drug trafficking, organized crime, kidnapping, corruption, illicit arms trafficking, money laundering, and human trafficking.<sup>110</sup> The two countries have also worked together to reduce the demand for drugs by strengthening anti-drug coalitions and expanding the use of drug treatment courts in Mexico. The U.S. Government has noted the increased production of heroin in Mexico and trafficking to the United States and plans to work with the Mexican government to deepen bilateral cooperation focused specifically on this serious challenge.

As Mexico continues to apply pressure on its domestic drug cartels, Mexican traffickers have expanded into Central America. Mexican DTOs increasingly collaborate with criminal organizations in Central America to traffic illicit drugs, precursors, and weapons.<sup>111</sup> These activities also undermine the stability of these Central American nations. Consolidated Counterdrug Database data show that traffickers move cocaine through Central America before continuing through Mexico.<sup>112</sup> This makes Central America the primary trans-shipment point for South American cocaine. The precursor chemical trade in Central America has also increased substantially over the past few years as a result of Mexico's strict regulations on the importation of precursors.<sup>113</sup>

The U.S. Government will seek avenues to enhance, expand, and improve existing initiatives that complement and support the Mérida Initiative and the U.S. Strategy for Engagement in Central America while

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110. <http://photos.state.gov/libraries/mexico/310329/july15/MeridaInitiativeOverview-Jul15.pdf>.

111. Department of Homeland Security Office of Intelligence and Analysis; Drug Enforcement Administration Office of Intelligence.

112. [http://www.usma.edu/cnrcd/cnrcd\\_library/modeling%20illicit%20networks.pdf](http://www.usma.edu/cnrcd/cnrcd_library/modeling%20illicit%20networks.pdf).

113. <http://www.state.gov/j/inl/rls/nrcrpt/2013/vol1/204046.htm>.

incorporating, coordinating, and de-conflicting U.S. foreign policy and engagement in the region and Mexico.

## Supporting Actions

### 1. Advance the Rule of Law/Justice Sector Reform.

The U.S. Government will continue to help build Mexican government criminal justice sector capacity and strengthen the rule of law through assistance to Mexican Federal, military, state, and local justice sector officials. The priority is supporting Mexico's transition to an oral accusatorial justice system by the June 2016 deadline.

U.S. Government programs will also focus on training prosecutors, investigators, judges, and court personnel and will help equip Mexican courtrooms to host oral trials. The United States will provide training to Federal and military prosecutors in areas such as prosecutorial capacity building, evidence preservation, and chain of custody. Additionally, Mexican courtrooms will be properly equipped for hosting oral trials.

The U.S. Government will reinforce the rule of law within the military through programs that promote respect for human rights in the conduct of counternarcotics operations.

The U.S. Government will continue implementing Federal and state-level forensics programming. Additionally, it will assist the Federal Police (PF) and PGR laboratories to enhance their capabilities to collect and analyze evidence in accordance with international standards.

The U.S. Government is expanding the training of Mexican prison officials through partnerships with U.S. state correctional systems, and will continue to provide technical assistance and equipment donations to help Mexican prisons monitor and interdict TCO activities and implement internationally accepted policies and procedures. **Action: DOS/INL, DOJ/OPDAT, DOJ/ICITAP, USAID, DoD**

### 2. Support the Strengthening of Security Agencies and Institutions.

The U.S. Government will help dismantle the capacity of TCOs operating in Mexico and Central America by professionalizing security forces and building law enforcement capabilities in information collection and analysis. It will also continue conducting investigations against transnational criminal activities such as money laundering, arms trafficking, and human trafficking.

The U.S. Government will work with the Mexican Secretariat for the National System for Public Safety to strengthen and implement minimum standards for police recruiting, selection, training, and career management. These standards will apply to all Mexican police forces at the Federal, state, and municipal level.

Mérida programming will expand assistance for Mexican states to establish local inter-agency joint intelligence task force (JITF) centers composed of PGR officials and Mexican state and local police. JITFs have increased their ability to combat drug cartels through improved information sharing, interagency cooperation, and actionable intelligence.

Mérida funding will also assist Mexican Federal and state agencies to strengthen and create new internal affairs units to investigate corruption within their respective agencies. Additionally, the U.S. Government will continue to support *Control de Confianza* centers that seek to prevent the hiring of personnel with a criminal background or a history of misconduct or corruption. Mérida also provides polygraph equipment, training, and technical assistance to expand existing vetting capabilities and improve vetting procedures and standards.

Working collaboratively, DOJ's DEA, ATF, and FBI, and DHS/ICE/HSI, will support programs that improve the ability of the Policia Federal (PF), PGR, and select state police units to combat transnational organized crime, drug production and trafficking (with an increased focus on heroin and methamphetamine), arms trafficking, money laundering, human smuggling, trafficking in persons, kidnapping, and extortion.

The United States provides the Mexican Government's Financial Intelligence Unit (UIF) with equipment and technical training to enhance its capacity to identify and prosecute financial crimes. It will also offer courses on how to investigate and prosecute money laundering and bulk cash investigations. **Action: DOS/INL, DOJ/ATF, DOJ/DEA, DOJ/FBI, DOJ/OPDAT, DOJ/ICITAP, DHS/CBP, DHS/ICE, DoD, CNC, Treasury/FinCEN, Treasury/IRS-CI, OTA**

### 3. Continue to Enhance Border Security.

The Mexican Government is seeking substantial assistance from the United States to heighten security and control along its southern border. Building upon the Mexican Government's own investment in equipment and border security infrastructure, the Mérida Initiative will continue to strengthen border security that facilitates the flow of commerce and travel, while reducing the movement of illicit narcotics, currency, weapons, explosives, black market goods, and undocumented migrants. Mérida funding will continue to provide Mexico with non-intrusive inspection equipment, maintenance, and related detection devices for use at Mexico's checkpoints, border crossings, and POEs.

Mérida and other U.S. Government assistance will continue to support the training of Mexican officials on the use of technology, operational skills, and analytical ability to detect illegal trafficking at POEs and internal checkpoints. The United States will provide training, technical assistance, and equipment to support PF, Servicio de Administración Tributaria (Aduanas) (Mexico's Tax Administration Service (Customs)) (SAT), PGR, and state law enforcement agency canine units to enable the Mexican government to detect narcotics, currency, explosives, weapons, and human remains.

The U.S. Government will also modernize the technology available to Mexican and Central American customs and immigration authorities and provide capacity-building support to border security agencies. In Mexico, the U.S. Government will provide the National Institute for Migration (INM) with training, technical assistance, and equipment donations to assist with border management.

In northern Mexico, Mérida and other available U.S. Government funding will provide the Mexican Government with training, communications equipment, and technical assistance to enable CBP and the PF to conduct coordinated patrols of the shared border. The U.S. Government will also continue to support implementation of the Cross-Border Secure Communications Network and Cross-Border Coordination Initiative to facilitate direct communication between U.S. and Mexican officials. **Action: DOS/INL, DOJ/ATF, DOJ/DEA, DHS/CBP, DHS/ICE, DoD, DHS/SBAC JTFs, CNC**





# APPENDIX 1: Federally Operated Intelligence, Investigative, and Information Sharing Entities

| Agency        | Center   |
|---------------|--|
| DoD           | Civil Aviation Intelligence Analysis Center                |
| DoD           | National Maritime Intelligence-Integration Office          |
| DoD           | Joint Interagency Task Force - South                       |
| DoD           | Joint Task Force - North                                   |
| DoD           | Joint Interagency Task Force - West                        |
| DHS           | State and Major Urban Area of Fusion Centers               |
| DHS/CBP       | Air and Marine Operations Center                           |
| DHS/CBP       | National Targeting Center                                  |
| DHS/CS&C      | National Cybersecurity & Communications Integration Center |
| DHS/DNDO      | Joint Analysis Center                                      |
| DHS/FEMA      | National Response Coordination Center                      |
| DHS/FEMA      | National Watch Center                                      |
| DHS/ICE       | Border Enforcement Security Task Force                     |
| DHS/ICE       | Cyber Crimes Center  |
| DHS/ICE       | Export Enforcement Coordination Center                     |
| DHS/ICE       | Human Smuggling and Trafficking Center                     |
| DHS/ICE       | Law Enforcement Information Sharing Service                |
| DHS/ICE       | Law Enforcement Support Center                             |
| DHS/ICE       | National Bulk Cash Smuggling Center                        |
| DHS/ICE       | National Intellectual Property Rights Coordination Center  |
| DHS/ICE       | National Targeting Center Investigations                   |
| DHS/IP        | National Infrastructure Coordinating Center                |
| DHS/OHA       | National Biosurveillance Integration Center                |
| DHS/OPS       | National Operations Center                                 |
| DHS/TSA       | Transportation Security Operations Center                  |
| DHS/USCG      | Intelligence Coordination Center                           |
| DHS/USCG      | Maritime Intelligence Fusion Center Atlantic               |
| DHS/USCG      | Maritime Intelligence Fusion Center Pacific                |
| DHS/USCG      | National Response Center                                   |
| DHS/USCG/CGIS | Coast Guard Investigative Service                          |
| DOJ/ATF       | National Tracing Center                                    |

NATIONAL SOUTHWEST BORDER COUNTERNARCOTICS STRATEGY

|            |  |
|------------|--|
| DOJ/ATF    | U.S. Bomb Data Center  |
| DOJ/DEA    | El Paso Intelligence Center                                      |
| DOJ/DEA    | Special Operations Division                                      |
| DOJ/IOC2   | International Organized Crime Intelligence and Operations Center |
| DOJ/OCDETF | Organized Crime Drug Enforcement Task Force Fusion Center        |
| DOJ/OCDETF | Multi-Agency Task Forces   |
| DOJ/OCDETF | Multi-Agency Strike Forces                                       |
| DOJ/OCDETF | Regional/Consolidated Priority Organization Targets Program      |
| DOJ/FBI    | Internet Crime Complaint Center                                  |
| DOJ/FBI    | National Center for the Analysis of Violent Crime                |
| DOJ/FBI    | National Cyber Investigative Joint Task Force                    |
| DOJ/FBI    | National Gang Intelligence Center                                |
| DOJ/FBI    | National Joint Terrorism Task Force                              |
| DOJ/FBI    | Strategic Information and Operations Center                      |
| DOJ/FBI    | Terrorist Explosive Device Analytical Center                     |
| DOJ/FBI    | Terrorist Screening Center                                       |
| DOJ/FBI    | National Border Corruption Task Forces                           |
| ODNI       | National Counterterrorism Center                                 |
| ODNI       | National Media Exploitation Center                               |
| ODNI       | Open Source Center   |
| ONDCP      | High Intensity Drug Trafficking Areas                            |
| DOT        | Financial Crimes Enforcement Network                             |



