



**Committee on Transportation and Infrastructure
U.S. House of Representatives**

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April 25, 2014

SUMMARY OF SUBJECT MATTER

TO: Members, Subcommittee on Coast Guard and Maritime Transportation and Subcommittee on Western Hemisphere
FROM: Staff, Subcommittee on Coast Guard and Maritime Transportation and Subcommittee on Western Hemisphere
RE: Hearing on “Confronting Transnational Drug Smuggling: An Assessment of Regional Partnerships”

PURPOSE

On April 29, 2014, at 10:00 a.m. in 2172 Rayburn House Office Building, the Subcommittee on Coast Guard and Maritime Transportation and the Subcommittee on Western Hemisphere will hold a joint hearing to examine the federal government’s efforts to confront transnational drug smuggling and stem the flow of illegal drugs to the United States. The Subcommittees will hear from the State Department’s Bureau of International Narcotics and Law Enforcement (INL), the United States Coast Guard, and the United States Southern Command (SOUTHCOM).

BACKGROUND

Illicit drug trafficking continues to threaten the safety, security, and public health of Americans and citizens throughout the world. Central and South American countries that have experienced an increase in trafficking have also suffered from increased violence, crime, and corruption. That violence has directly impacted Americans as Mexican drug cartels are allegedly responsible for the kidnapping and murder of hundreds of United States citizens over the last decade. Finally, illegal drugs place significant strain on our Nation’s health care and criminal justice systems, costing U.S. taxpayers hundreds of billions of dollars annually.

In an effort to combat the adverse impact of drugs and coordinate the federal government’s drug control activities, Congress established the Office of National Drug Control Policy (ONDCP) as part of the Anti-Drug Abuse Act of 1988 (P.L. 100-690). Section 1705 of title 21, United States Code, requires ONDCP to submit to Congress a National Drug Control

Strategy (NDCS) on an annual basis. The latest NDCS, released in April 2013, outlines the policies the Obama Administration is undertaking to reduce the consumption of illegal drugs in the United States and the societal consequences of such consumption. The NDCS can be broken down in three parts:

1. Domestic Activities – policies and programs related to domestic demand reduction, including federal drug treatment and prevention programs, as well as domestic law enforcement;
2. International Activities – policies and programs undertaken by the United States in cooperation with foreign nations to eradicate drug crops, seize drugs, arrest and prosecute major traffickers, destroy processing capabilities, develop and promote alternative crops to replace drug crops, and promote the involvement of other nations in efforts to control the supply of and demand for drugs; and
3. Interdiction Activities – policies and programs designed to intercept and disrupt shipments of illegal drugs and their precursors en route to the United States from abroad.

Efforts to confront transnational drug smuggling and stem the flow of illegal drugs to the United States are covered under International Activities and Interdiction Activities. This memo includes information on Interdiction Activities. Information on International Activities is covered in the attached memo from the Subcommittee on Western Hemisphere.

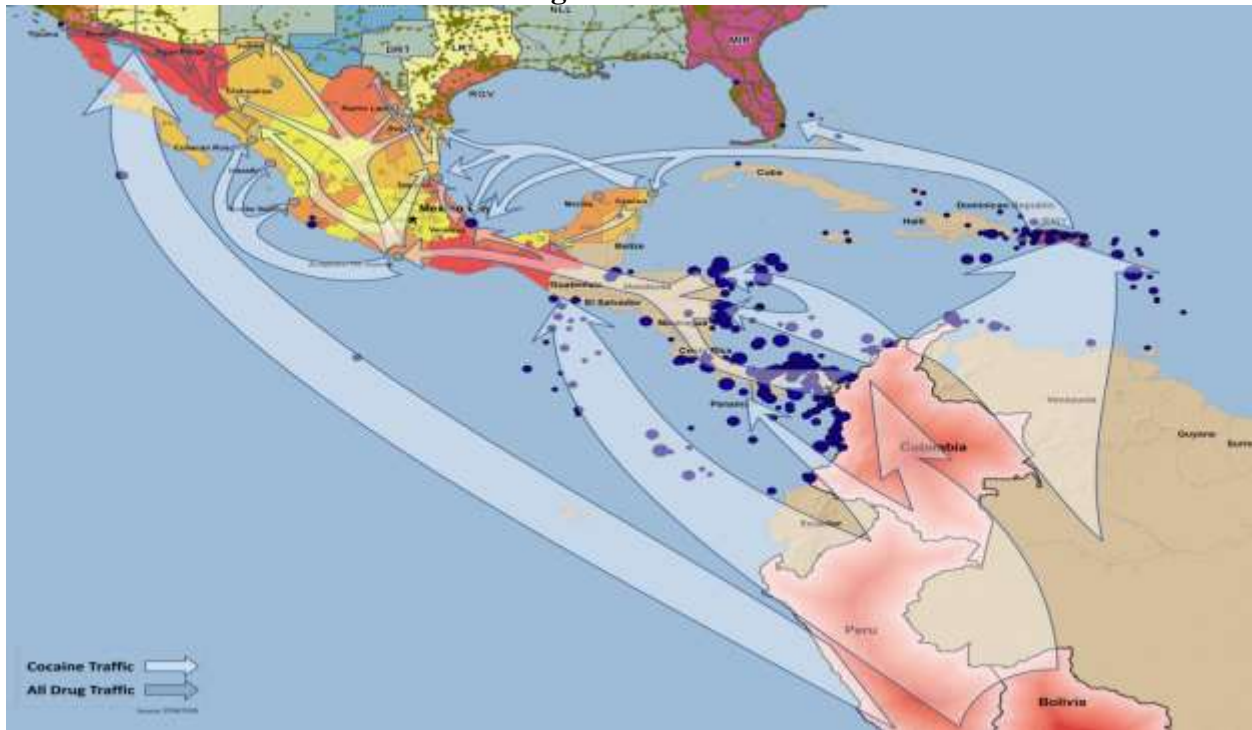
Interdiction Activities

The majority of illegal drugs entering the United States come from South American countries. For instance, Colombia is the source of 95 percent of the cocaine consumed by Americans. The drugs pass through a seven million square-mile area called the Transit Zone, roughly twice the size of the continental United States. The Transit Zone includes the Caribbean Sea, the Gulf of Mexico, and the Eastern Pacific Ocean.

Typically, in the Eastern Pacific Ocean, fishing vessels carrying multi-ton loads of cocaine depart Colombian and Ecuadorian ports for delivery points along the Central American or Mexican coast. In the Caribbean, high-speed “go-fast” vessels, hauling as much as two metric tons of cocaine at a time, leave Colombia's north coast for points along the Central American and Mexican coastlines, or to island nations such as the Dominican Republic. Smugglers have also used semi- and fully- submersible vessels to move large shipments of cocaine and marijuana from South America to distribution points in Central America.

Once the drugs land in Central American nations, they are broken down into multiple smaller packages for transshipment to the United States. Although Mexican drug cartels have recently been using panga boats (small, open-air, outboard-powered fishing boats) to move drugs into the United States, the vast majority of the drugs enter through the United States- Mexico land border. Interdicting these smaller packages at the Mexican border is extremely difficult, so the NDCS focuses on interdicting bulk shipments of drugs in the Transit Zone.

2010 - 2012 Drug Flows in the Transit Zone



Note: Blue dots indicate the location of drug interdictions

Agency Roles and Responsibilities

The National Defense Authorization Act for Fiscal Years 1990 and 1991 (P.L. 101-189) designated the Department of Defense (DoD) as the lead agency for the detection and monitoring of aerial and maritime trafficking of illegal drugs into the United States. The Coast Guard is designated as the lead agency for the interdiction and apprehension of illegal drug traffickers on the high seas. The interdiction effort in the Transit Zone is coordinated by the Joint Inter-Agency Task Force South (JIATF-South). A subordinate of SOUTHCOM, JIATF-South is led by a Coast Guard Rear Admiral (currently RADM Stephen E. Mehling) and composed of representatives from the DoD, Department of Homeland Security (DHS), Department of Justice, and Department of State. Canada, Great Britain, France, the Netherlands, and Spain provide ships, aircraft, and liaison officers. A number of Central and South American countries have also assigned liaison officers to JIATF-South. To provide JIATF-South with the ability to effectively conduct its mission, the State Department has negotiated maritime counterdrug bilateral agreements or operational procedures with 45 foreign nations to coordinate detection, monitoring, interdiction, and apprehension activities.

A typical JIATF-South interdiction operation begins with the collection of actionable intelligence on drug trafficking activities. Next, Customs and Border Patrol, Coast Guard, DoD, or allied nation maritime patrol aircraft (MPA) are launched to detect and monitor the suspect vessel(s). The MPA will then contact a nearby Coast Guard, Navy, or allied nation's surface asset, which will launch a small boat or an armed Coast Guard helicopter manned with Coast Guard Law Enforcement Detachment personnel to disable the vessel(s), seize the drugs, and

arrest the crew. Operation Martillo (Hammer) is the name of the current JIATF-South interdiction operation.

Goals and Performance

The national interdiction goal, as set forth by the NDCS, establishes a removal rate for all agencies involved in interdiction of 40 percent of the documented flow of cocaine destined for the United States by fiscal year (FY) 2015. The 10-year average removal rate is approximately 25 percent. However, in FY 2012, the removal rate dropped to approximately 23 percent. Since FY 2009, the Coast Guard has set its own annual performance target for cocaine removal from noncommercial vessels in the Transit Zone. The average annual performance target is 16 percent. The Service has achieved its performance target only once since FY 2009.

Of the 702 potential drug shipments targeted in the Transit Zone in FY 2013, JIATF-South was able to interdict 149 (or 21 percent). Those interdictions resulted in the removal of 132 metric tons of cocaine in FY 2013, 20 metric tons (or 13 percent) less than were interdicted in FY 2012. Marijuana interdiction reported by the Coast Guard fell 29 percent from 124,500 pounds in FY 2012 to 88,000 in FY 2013.

Factors Impacting Performance

Several factors impact the ability of JIATF-South to meet drug interdiction performance targets, including continuously changing modes, tactics and routes by drug smugglers; the inability of allied nations to consistently commit assets; and the availability, quality, and timeliness of actionable intelligence. However, according to the leaders of the Coast Guard and SOUTHCOM, the largest factor in the recent decline and ongoing failure to meet drug interdiction performance targets has been the decreased availability of ships and aircraft due to cuts in funding available to support operations, as well as increased rates of asset failures.

1. Cuts in Funding - The FY 2013 sequester had a significant impact on the ability of the SOUTHCOM and Coast Guard to meet drug interdiction performance targets. Sequestration cut approximately \$200 million from the Coast Guard's training, operating, and maintenance accounts which limited the availability of assets. As a result of sequestration, the Coast Guard reduced its commitment of forces to JIATF-S. Specifically, planned ship deployments fell by more than 30 percent, from an original FY 2013 target of 1,460 major cutter days to 986. The Coast Guard also reduced planned MPA support to JIATF-S to 3,207 hours, from a FY 2013 target of 4,700 hours.

In March 2013, as the result of sequestration, the Navy removed the two frigates it had assigned to SOUTHCOM in support of JIATF-South operations. In August 2013, the Navy was able to provide one frigate to replace the two that were removed five months before.

2. Asset Failures - The age of Coast Guard vessels and aircraft, coupled with an increased tempo of operations in recent years, have led to increased rates of failure among the assets' parts and major systems. These factors, in turn, reduced resource hours, which

have negatively impacted operational readiness and mission performance. In its August 2012 report entitled “Legacy Vessels’ Declining Conditions Reinforce Need for More Realistic Operational Targets” (GAO-12-741), the Government Accountability Office found that the Service’s legacy fleet of vessels was not able to achieve operational targets for either percent time free of casualty, or underway hours. In September 2013, the DHS Inspector General reported that the primary cause of the failure of the Service to meet its FY 2012 drug interdiction performance target was due to decreased asset availability from aging and deteriorating assets (OIG 13-122).

In recent testimony before the House Armed Service Committee, SOUTHCOM Commander General John F. Kelly stated:

“Irrespective of sequestration cuts, we face a sharp downturn in availability of large surface assets such as U.S. Navy frigates and U.S. Coast Guard High Endurance Cutters, which face decommissioning or are approaching the end of their expected lifespan”.

WITNESS LIST

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