

**THE ILLICIT DRUG TRANSIT ZONE IN  
CENTRAL AMERICA**

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**HEARING AND BRIEFING**

BEFORE THE

SUBCOMMITTEE ON  
THE WESTERN HEMISPHERE

OF THE

COMMITTEE ON  
INTERNATIONAL RELATIONS  
HOUSE OF REPRESENTATIVES

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## THE ILLICIT DRUG TRANSIT ZONE IN CENTRAL AMERICA

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WEDNESDAY, NOVEMBER 9, 2005

HOUSE OF REPRESENTATIVES,  
SUBCOMMITTEE ON THE WESTERN HEMISPHERE,  
COMMITTEE ON INTERNATIONAL RELATIONS,  
*Washington, DC.*

The Subcommittee met, pursuant to notice, at 1:30 p.m. in room 2172, Rayburn House Office Building, the Honorable Dan Burton (Chairman of the Subcommittee) presiding.

Mr. BURTON. Good afternoon. A quorum being present, the Subcommittee on the Western Hemisphere will come to order. I ask unanimous consent that all Members' and witnesses' written and opening statements be included in the record, and without objection, so ordered.

I ask unanimous consent that all articles, exhibits, and extraneous or tabular material referred to by Members or witnesses be included in the record, and without objection, so ordered.

I ask unanimous consent that any Member who may attend today's hearing be considered a Member of the Subcommittee for the purposes of receiving testimony and questioning witnesses after Subcommittee Members have been given the opportunity to do so. And without objection, so ordered.

We are pleased to have distinguished witnesses from the U.S. Government and the Colombian Navy with us today to take a closer look at the problems, the challenges, and hopefully some solutions to the Central American drug trafficking transit zone.

The streets of America are still awash in drugs, and have been for a long, long time. More than ever before, greater volumes of illicit drugs from Colombia and the Andean Region are transmitting into Central America, Mexico, and on into the United States.

The Central American transit zone is being exploited like never before, and a Congressional review of policy options to fix the transit zone gaps is underway. We must keep our eye on the ball and work smarter to stem the flow of illicit drugs.

In response to the 9/11 terrorist attacks, many of the military, maritime, and air assets in the drug transit zone were taken out of the interdiction business, and committed to counterterrorism and homeland security. In the war on drugs, we are often left with more actionable intelligence on drug shipments than assets to intercept them.

If one looks at the massive likely drug tracks we have on the chart over there, and an analysis of how many of them we are, in fact, intercepting, you quickly grasp the gravity of the problem.

When I saw that today, it just boggled my mind. All the money we are spending in drug eradication down there, and it looks like it is a steady flow.

I have been told that we are not catching them at the water line in large part because we don't have night vision goggles and equipment to see these people at night before they get on their boats. Once they get on their boats, it is very, very difficult to catch them. So I want to ask some questions about that today.

Whether it is a lack of marine patrol aircraft or critically needed helicopters to intercept these drug flights or disable the drug-laden go-fast boats, today we are often finding ourselves with no assets to act, and we can only watch as the deadly drugs make their way into our country.

It is a tragedy that will cost us much more in crime, health care costs, lost wages, and destruction of our cities and communities than if we fix the transit zone gaps sooner, rather than later.

Despite all of these problems, our military services, the DEA and Colombian partners like the Colombian Navy and the Colombian National Police fight on and do what they can with the limited resources that they have. As an example, the Colombian Navy is approaching a record year of 100 tons in cocaine seizures. Nevertheless, look at that problem.

The Congress has not been idle. We have been working hard to find solutions, like our Committee's proposed DC-3 aircraft for the Colombian Navy's MPA use, or Chairman Mark Souder's efforts to get an oil tanker for refueling our maritime assets in the eastern Pacific.

Today we will be asking hard questions to determine whether we are fully utilizing all the equipment and counter-drug assets we have already put into the region. Why, for example, are 11 Colombian National Police helicopters in Santa Marta on the coast of the Caribbean not able to fly at night, when 95 percent of the illicit drug shipments are transiting at night. That question has to be answered. Night vision equipment would be very helpful on those helicopters and for the people that are flying them to interdict these drug shipments. Why aren't we doing it when we have those helicopters there?

Our hearing today will challenge all of us to get the illicit drug transiting problem back on the front burner so that it gets the attention and assistance it needs to fill the role the American people want the Federal Government to do effectively: keep illicit drugs out of the United States.

The testimony we are going to hear today should help broaden our understanding of the nexus between narcotics trafficking and the threat of terrorism. The spike in narcotics shipments via Central America we ignore at our own peril, as they too could also be carrying deadly terrorists. You look at that map, and you see not only could drug shipments be coming across there, but they could be carrying weapons, terrorists, and other things that could destroy not only the youth of America, but American cities.

Terrorists and suicide bombers are something that we can't tolerate coming in from the southern flank, and that just scares me to death. I should mention that it probably scares anybody on the Committee that has been following this.

It is good having you all with us. We really appreciate it. And I now recognize the Ranking Member, Bob Menendez, for his opening statement.

[The prepared statement of Mr. Burton follows:]

PREPARED STATEMENT OF THE HONORABLE DAN BURTON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF INDIANA, AND CHAIRMAN, SUBCOMMITTEE ON THE WESTERN HEMISPHERE

We are pleased to have two distinguished panels from the U.S. government and the Colombian Navy to take a closer look at the problems, challenges, and hopefully some solutions to the Central American drug trafficking transit zone.

The streets of America are awash in drugs and have been for some time. More than ever before, greater volumes of illicit drugs from Colombia, and the Andean region, are transiting into Central America, Mexico, and on into the United States. The Central American Transit Zone is being exploited like never before and a congressional review of policy options to fix the transit zone gaps is underway. We must keep our eye on the ball, work smarter to stem the flow of illicit drugs.

In response to 9/11, many of the military maritime and air assets in the drug transit zone were taken out of the interdiction business and committed to counterterrorism and homeland security. This often leaves us *with more actionable intelligence on drug shipments than assets to intercept them*. If one looks at the massive likely drug tracks we have on the chart here, and an analysis of how many of them we in fact intercepted, you quickly grasp the gravity of the problem.

Whether it is a lack of Marine Patrol Aircraft (MPA) or critically needed helicopters to intercept these drug flights or disable the drug laden "Go-Fast Boats," today we often find ourselves with no assets to act, and we can only watch as the deadly drugs make their way into our country. It is a tragedy that will cost us much more in crime, health care, lost wages, and destruction of our cities and communities, than if we fixed the transit zone gaps, sooner rather than later.

Despite all of these problems our military services, the DEA and Colombian partners, like the Colombian Navy and National Police, fight on, and do what they can with the limited resources that they have. As an example, the Colombian Navy is approaching a record year of 100 tons in cocaine seizures.

The Congress has not been idle. We have been working hard to find solutions like our committee's proposed DC 3 aircraft for the Colombian Navy's MPA use, or Chairman Mark Souder's effort to get an oiler tanker for refueling our maritime assets in the Eastern Pacific.

We will also be asking hard questions today on whether we are fully utilizing all the equipment and counter-drug assets we have already put into the region. Why for example, are 11 Colombian National Police (CNP) helicopters in Santa Marta on the coast of the Caribbean, not able to fly at night, *when 95% of the illicit drug shipments are transiting at night?*

Our hearing today will challenge all of us to get the illicit drug transiting problem back on the front burner, so that it gets the attention and assistance it needs to fill the role the American people want the federal government to do effectively: Keep illicit drugs out of the United States.

The testimony we hear today may also help broaden our understanding of the nexus between narcotics trafficking and the threat of terrorism. The spike in narcotics shipments via Central America we ignore at our own peril, as they too could also be carrying deadly terrorists, or suicide bombers, who mean us as much harm as the narcotics traders.

Mr. MENENDEZ. Thank you, Mr. Chairman. Mr. Chairman, I understand we are going to have votes in the not-too-distant future here. So in the interest of time and hearing these witnesses, I will just submit my statement to the record. I look forward to hearing the witnesses.

[The prepared statement of Mr. Menendez follows:]

PREPARED STATEMENT OF THE HONORABLE ROBERT MENENDEZ, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW JERSEY

#### INTRODUCTION

I would first like to thank Chairman Burton for holding this hearing on an important and growing problem in Central America.

Central America suffers the geographic misfortune of being sandwiched between the drug producers in South America and the drug consumers in United States. As a result, Central America now faces a growing drug consumption problem and a myriad of problems from drug trafficking.

#### CENTRAL AMERICA'S PROBLEMS

The last thing that Central America needs is a set of new problems. Central America is still struggling with a history of violence and civil war. As we have discussed in many previous hearings, Central America already suffers from high crime rates, poverty, inequality, weak judicial systems, high unemployment, and fragile democracies. Let me give just a few specific examples:

- Nicaragua has just survived a serious democratic crisis and must now work to hold free and fair elections;
- In Guatemala, 75 percent of the population lives below the poverty line; and
- Honduras, Guatemala, and El Salvador have one of the highest murder rates in the world;<sup>1</sup>

#### DRUG TRAFFICKING

Drug trafficking and drug consumption have now been added to this mix creating a potentially devastating combination.

So, I must ask—

What will happen to the people of Central America if two-thirds of the Colombian cocaine continues to pass through Central America to the lucrative market in the United States?

What will happen to the people of Guatemala if 75 percent of the cocaine arriving in the United States continues to pass through Guatemala?

What will happen if traffickers increase the number of drug-laden planes flown to the poorly guarded border area of Guatemala?

What will happen if more “go-fast” boats land in more ports and infect more towns with the disease of drug-consumption and corruption?

What will happen if the maras and the drug-traffickers create an integrated alliance, an effective merger? Right now, the maras are reportedly only involved as mules and not in the organized trafficking of drugs. Will that change?

Will the problems of crime, inequality, poverty, gangs, and violence get worse? Will corruption and the influence of trafficking hurt democracy and destabilize governments?

#### IMPACT ON CENTRAL AMERICA

The truth is—we don't know the full answers to those questions.

But we do know that rural Guatemalans are terrified by the narco-traffickers who stand guard over landing strips waiting for their drug-laden planes.

We do know that drug-traffickers have infiltrated governments and police forces.

We do know that isolated, rural, and poor communities on the coast of Nicaragua are seeing drug-abuse problems in communities which are used by the traffickers.

We do know that people paid in drugs are starting to consume them.

And we do know that we cannot allow an injection of drug trafficking to increase the pain of poor Central Americans.

#### US POLICY RECOMMENDATIONS

Clearly, the time has come for a sober assessment of this problem and that is exactly what we are here to do today in this hearing.

As we move forward, I believe that we must address three key issues:

First, we must improve interdiction in a way that doesn't simply move the problem to another location in the Americas and create a new set of problems.

Second, as I talked about in our hearing on the rule of law, we must tackle weak judicial systems and corruption, which the drug traffickers use to their advantage. I was shocked to learn that the head of the Panamanian anti-drug squad, the person responsible for *stopping* drug-trafficking, was recently arrested for trafficking large amounts of cocaine.<sup>2</sup> We must reduce corruption if we are going to fight drug

<sup>1</sup>Gangs in Central America” CRS Report RS22141, 21 September 2005 <http://www.congress.gov/erp/rs/pdf/RS22141.pdf>

<sup>2</sup>“Panama: Anti Drug czar arrested for drug links”, Latinnews Daily, 13 October 2005.



trafficking. We simply can't continue to let traffickers use corruption against the Central American people.

Third, we must address the social problems associated both with drug-trafficking and drug-consumption. This means dealing with the root problems in Central America—particularly in terms of crime, poverty, inequality, and lack of jobs. But we must also work with the Central American governments to enhance drug-treatment and anti-gang programs.

#### CONCLUSION

As I have said many times before, I believe it is in our national interest and national security interest to invest in Latin America and the Caribbean.

These so called "international" problems are actually our domestic problems here in the United States. The drugs passing through Central America are destined for the streets and children in American cities. The gangs destroying lives and towns in Central America are the exact same gangs hurting our communities here at home. Poverty, lack of economic opportunity, and democratic instability drive people from their homes across our borders.

President Bush has often said we must fight the terrorists abroad so we don't have to fight them here at home. I say, we must fight the problems of crime, gangs, poverty, inequality, and corruption in Central America so we don't have to fight them here at home.

Thank you and I look forward to hearing the testimony from our witnesses.

Mr. BURTON. Thank you. My colleague from Massachusetts.

Mr. DELAHUNT. Thank you, Mr. Chairman. I just feel compelled to take 1 minute and give a warm welcome, particularly to Admiral Hathaway.

I have been making annual visits to observe the InterAgency Task Force that he heads. Let me say this. They do outstanding work in conjunction with the DEA and the INL. And I think, and I would recommend to you, we are fortunate to have sitting on this particular Committee the Ranking Member on another Subcommittee, Ms. Ros-Lehtinen, in whose district is Key West. And I am sure working with JIATF, that she would be more than willing to host a codel.

Because I think it is very important to actually go down there, see what is happening, understand it for several days. Because if we don't invest more assets, they can do everything that they are doing at a level of professionalism that is outstanding, but they are not going to be able to do what we hope to do despite their good work.

Mr. BURTON. We will try to arrange that kind of a codel.

I am sorry, I didn't see the Vice Chairman, Mr. Weller, come in. Mr. Weller.

Mr. WELLER. Thank you, Mr. Chairman. I want to commend you for holding today's hearing on the illicit drug transit zone in Central America. Clearly, narcotics trafficking represents one of the greatest threats to democracy in our own hemisphere.

Under your leadership the Subcommittee has examined the state of democracy in the hemisphere, as well as questions of transparency, rule of law, corruption, and the growing influence of criminal gangs.

Today narcotrafficking unfortunately plays a strong role in destabilizing democracy, fueling gangs, and threatens our mutual efforts to eliminate poverty throughout the region.

Two-third of all the Colombian cocaine coming to the United States passes through Central America and Mexico, with Panama and Guatemala having been designated as major illicit drug-producing and drug-transit countries by the United States.

There have been major successes in curtailing the growth in the flow of narcotics. Colombia alone, 475 tons of drugs were eradicated or seized in 2004, compared with 270 tons in 2003. Nicaragua, cocaine seizures soared 600 percent between 2003 and 2004. However, despite successes, there are significant challenges that continue to confront the region in curtailing the growth in transit of narcotics.

I would note that Nicaragua's challenges with corruption in the judiciary are crossing with the corruption of the drug trade. Nicaragua has a Supreme Court where three sitting judges have had their visas permanently revoked by the United States Government, and recently \$609,000 in funds seized from a convicted Colombian money launderer deposited in an account controlled by the Supreme Court have disappeared.

And further, according to Nicaraguan newspapers, it appears that the signature of the Chief Justice of the Nicaraguan Supreme Court, Jose Manuel Martinez, is reportedly on the check that subtracted the missing money from the Supreme Court's bank account. And further, according to leading newspapers in Nicaragua, this missing narco-related money appears to be connected to Daniel Ortega's Sandinista front.

It appears that the Supreme Court Judge who signed the illegal paper allowing the money to be withdrawn from the bank account, Roger Camilo, is a well-known Sandinista-controlled judge. Perhaps not surprisingly, when the scandal over the \$609,000 first broke in the Nicaraguan newspapers, this judge left Nicaragua and disappeared to Cuba.

In addition, it turns out that the person who actually withdrew the money from the account, Sergio Melendez, was a former member of the infamous Sandinista Secret Police during the 1980s.

I hope, Mr. Chairman, during this hearing we can hear more about this situation in Nicaragua.

Because of the need for regional integration and cooperation on narcotrafficking, money laundering, terrorism and general police operations have also strongly supported the establishment of an international law enforcement academy for the Western Hemisphere.

Deputy Assistant Secretary Farrar is joining us today, and I thank him for his diligence in seeing this project move forward, knowing that the ILEA is being established in El Salvador, and is getting off the ground and running. So I look forward to your update on that, Mr. Secretary.

We can't lose sight of the fact that narcotrafficking is driven by demand. And in closing, we in the United States, where we have 14 million Americans buying illegal drugs and using them at least once a month, that we need to do a better job here at home drying up demand for illegal drugs.

Thank you, Mr. Chairman, for conducting this hearing.

Mr. BURTON. Thank you. I apologize Ms. Ros-Lehtinen. You will have to forgive me, I wasn't aware that you were one of our Subcommittee Members, and I am glad you are. So you are recognized.

Ms. ROS-LEHTINEN. Thank you, Mr. Chairman. And I would like to commend you for holding this important hearing on illicit drug

trafficking in Central America. And thank you for the opportunity to make some opening statements.

And I agree with my good friend, Mr. Delahunt, when he suggests a trip to visit JIATF South, located in Key West. And I congratulate him on his bill.

Rear Admiral Jeff Hathaway, he has done an incredible job in that operation. I have had the opportunity to tour it several times, and I think it is a great suggestion to have Members of Congress go down and see what we have got there. Because the drug trade poses a real threat to the stability of the hemisphere, and we should not, and we must not, underestimate it.

As all of us know, the Latin American and Caribbean regions have made enormous strides over the past two decades with regard to the spread of democracy. Countries such as El Salvador, Honduras, and Nicaragua have emerged from turbulent eighties and nineties—remember those troublesome decades—and now they have got democratic institutions firmly entrenched.

Yet despite this historic progress, several nations will face significant challenges, especially drug trafficking as one of the premier ones that could threaten their political stability.

Following our terrible terrorist attack in September, 2001, our attention to terrorism in Latin America has intensified with an increase in regional cooperation. There has been a growing commitment to fighting terrorism by Latin American nations as they join in solidarity with the United States in this critical endeavor.

Over the years the United States has been concerned about the threats to Latin American and Caribbean nations from various terrorist or insurgent groups that have attempted to influence or overthrow elected governments. And although Latin America has not been the focal point in the war on terrorism, countries in the region have struggled with domestic terrorism for decades. And international terrorist groups have increasingly used the region as an arena to advance their causes.

Central America's strategic location between the drug-producing regions of South America has made it the perfect location for illicit drug trafficking, violence, and money laundering, and the emerging linkage to terrorist financing. Street gangs have become a serious threat to the stability of the region, as they have become more and more involved in drug trafficking.

Their violence not only incites fear in the Central American people, but it also deters investment, development, and economic expansion. So it is therefore important to encourage continued counternarcotics efforts by government officials as part of our political, economic, and security strategy toward Latin America.

In that vein, I would appreciate it if the witnesses would address questions such as, is our State Department considering any revisions to the certification process to integrate counternarcotics with the counterterrorism strategies? Also, how are we integrating efforts through other U.S. agencies and through regional organizations for a comprehensive approach to the drug trade and its far-reaching implications?

Lastly, how are terrorist groups, both indigenous to the hemisphere as well as global terrorists, using the Central American corridor for the arms trade? Specifically, how are they coordinating

with the drug trafficking networks for the financing of terrorist activities in Latin America.

I also welcome Vice Admiral Barrera, the Chief of Naval Operations of the National Navy of Colombia. They have done an excellent job in this fight.

Thank you so much, Mr. Chairman.

Mr. BURTON. Thank you. Ms. Lee, did you have a comment?

Well, we will go to our witnesses now. The first witness is Deputy Assistant Secretary for International Narcotics and Law Enforcement at the U.S. Department of State, Jonathan Farrar. He has testified before this Subcommittee before, and we look forward to his testimony.

Special Agent Michael A. Braun is the DEA Chief of Operations, and is responsible for leading the worldwide drug enforcement operations of the agency across the United States and in 58 countries. That is a big job. He is one of the principal directors of National Drug Intelligence Management, National Drug Strategy, and our nation's war on terrorism. We are pleased to have him with us.

And Rear Admiral Jeffrey Hathaway. He is Director of the Joint InterAgency Task Force South for the United States Coast Guard. Admiral Hathaway served as Director of Interagency Support and Antiterrorism Force Protection Division on the Navy Pentagon staff. He has also served as Director of Operations, Policy for the Coast Guard, responsible for managing a broad array of missions, including maritime law enforcement, maritime security, and defense operations, search and rescue, and other duties. We are very pleased to have you here, as well, Admiral.

Before you start, we would like for you, if possible, to confine your remarks to 5 minutes, because we are going to have some votes on the floor, and we would like to ask you some questions. So would you please rise and be sworn, as is our custom? [Witnesses sworn.]

Mr. BURTON. Be seated. We will start with you, Mr. Farrar.

**TESTIMONY OF MR. JONATHAN D. FARRAR, DEPUTY ASSISTANT SECRETARY, BUREAU FOR INTERNATIONAL NARCOTICS AND LAW ENFORCEMENT AFFAIRS, U.S. DEPARTMENT OF STATE**

Mr. FARRAR. Thank you very much, Mr. Chairman, distinguished Members of the Subcommittee.

My fellow panelists will discuss in detail the flow of illicit drug shipments through the Central American isthmus, and the interdiction of the enforcement efforts to address those threats.

I would like to spend just a few minutes on how we are assisting our partner nations in the region to confront drug trafficking and transnational criminal activity. And I have submitted a written statement for the record.

Today, Central America has become the principal corridor through which transnational drug traffickers move South American cocaine shipments, as well as large amounts of heroin, north to Mexico and into the United States and Canada. While drug trafficking is the more serious threat, Central American Governments also wrestle with trafficking in firearms, alien smuggling, trafficking in persons, and money laundering.

Many also face serious domestic criminal problems. Notably, those related to the growing presence of youth gangs. While these gangs are not yet involved in large-scale drug trafficking, the potential is there. The gangs are astride alien smuggling routes in Central America and Mexico. An effort on their part to make the transition to large-scale drug smuggling can be expected.

INL's interdiction programs in the region focus on enhancing these countries' capabilities. For example, we facilitated the transfer of decommissioned U.S. Coast Guard cutters to Panama, Costa Rica, and Nicaragua, and provided training on operations and maintenance. INL has also assisted each country in the region in strengthening border inspection stations, particularly at key points along the Pan American highway. And we worked with DEA to establish mobile inspection enforcement teams in a number of these countries.

While air smuggling from South America into the region was once the major problem, the 2005 interagency assessment of cocaine movement estimates the air portion of the traffic at about 8 percent last year. The United States has established a hemispheric radar system to track the movement of suspect vessels and aircraft.

Through the Cooperating Nation Information Exchange System, called CNIES, U.S. Southern Command provides this data to appropriate host nation authorities.

Although the systems we have in place are a major step forward, Central American states do not have the aircraft command and control support structure or radar tracking to participate in a robust regional aerial interdiction program.

Through regional projects and training, we maximize our resources and promote regional cooperation. The establishment of the new International Law Enforcement Academy, as Congressman Weller mentioned, in El Salvador will benefit the Government of Central America, and provide us a location for regional training in the isthmus.

I was very pleased to be in El Salvador on September 20 for the signing of our bilateral agreement to establish the ILEA. President Saca has submitted the agreement to the National Assembly for ratification, and we look forward to a successful conclusion to that process.

Corruption inhibits progress in many areas in Central America, including effective law enforcement. We are working on a number of levels to help governments take action against corruption. Where the political will is there, we provide bilateral assistance to help these countries meet their commitments.

While USAID programs provide the bulk of United States assistance in this area, limited INL funding has been used to implement culture of lawfulness programs, and to assist Nicaraguan authorities to pursue anti-corruption cases, including our support for a Department of Justice Anti-Corruption Resident Legal Advisor in Managua.

Another important aspect in the fight against corruption involves denying safe haven to corrupt individuals. As the Chairman mentioned, President Bush issued a Presidential Proclamation in January 2004 to deny entry into the United States for corrupt foreign

officials. The proclamation is a tool to implement the no-safe-haven policy adopted by the OAS.

The proclamation has been useful to target those who are known to be corrupt, but cannot be denied entry to the United States under other legal authorities.

While the United States has traditionally focused on combating transnational criminal organizations based in Colombia and Mexico, we are concerned about the rapid expansion in Central America of the youth gangs. Concerted inter-governmental action needs to be taken to ensure they do not become the next generation of drug cartels.

INL, together with the State Department's Bureau of Western Hemisphere Affairs, is working on an anti-gang strategy for the region, which will include both bilateral and multilateral engagement. Earlier this year we called together our representatives in the region to focus on this issue.

Following that meeting, representatives from INL and DEA conducted country assessments to get a better handle on the situation. These assessments for Guatemala, Honduras, and El Salvador have just been completed. And we expect to be ready to reach out soon to USAID, DEA, FBI, and other agencies involved in the region to complete this strategy.

We are not operating under any illusion that stopping the flow of drugs is going to be easy. The deterioration of public security in the region is putting public pressure on governments to take action against gangs and corruption. We will continue to support measured action to combat criminal gang activity, but with full respect for human and civil rights and the rule of law.

We see genuine commitment at the Presidential level in most of the countries in the region, and we will work to reinforce that commitment.

I will be pleased to respond to any questions you may have. Thank you.

[The prepared statement of Mr. Farrar follows:]

PREPARED STATEMENT OF MR. JONATHAN D. FARRAR, DEPUTY ASSISTANT SECRETARY,  
BUREAU FOR INTERNATIONAL NARCOTICS AND LAW ENFORCEMENT AFFAIRS, U.S.  
DEPARTMENT OF STATE

Thank you, Mr. Chairman, Congressman Menendez, and distinguished Members of the Subcommittee for the opportunity to appear before you today. The Department of State welcomes this hearing as a timely opportunity to discuss the importance of Central America in the international fight against illicit drugs and in the context of U.S. drug control strategy.

My fellow panelists will discuss in detail the flow of illicit drug shipments through the Central American isthmus, emerging trends, key trafficking groups and the interdiction and enforcement efforts to address those threats. I would like to outline how the U.S. Government is assisting our partner nations in the region to confront drug trafficking and transnational criminal activity.

#### INTRODUCTION

In the past month, the United States, Mexico and Central America have suffered devastating blows by the same natural forces of destruction. What many do not realize is that we face an "unnatural" force of destruction as well, the criminal undercurrent moving hundreds of tons of illicit drugs through Central America and its surrounding waters on their way to the United States. Today, Central America, Mexico, and the Western Caribbean have become the principal corridor (using maritime, land and air routes) through which transnational drug trafficking groups move some 92 percent of the South American cocaine shipments that enter the United

States, as well as large amounts of heroin, north to Mexico then into the United States and Canada.

As we have seen around the world, countries on smuggling routes are inevitably plagued by rising drug consumption, increased rates of youth crime and violence, narco-related corruption, and a host of other ills associated with the drug trade.

Central America is a region of small, developing nations, including some of the poorest in the Western Hemisphere. Despite justice sector reform initiatives in several of the states, the region's criminal justice systems are not equipped to address transnational organized crime and are vulnerable to intimidation or corruption. Drug abuse is escalating throughout the region, as we have seen in other drug transit countries around the world. Because these nations have weak border controls generally, as one government increases enforcement in one area, traffickers can too easily shift to neighboring countries and to other means of transport.

Over the past decade, Colombian and other drug syndicates and aspiring local groups have consolidated their dominance of the drug trade in Central America, fueling an increase in overall crime, violence, and corruption that is eroding the region's fragile democratic institutions. With its limited law enforcement capacity and porous borders, traffickers find Central America a relatively low-risk operating environment and a convenient base of operations for pre-positioning shipments to Mexico.

While drug trafficking is the most serious of the transnational crime threats in the region, Central American governments also wrestle with trafficking in firearms, alien smuggling and trafficking in persons, and money laundering. Many also face serious domestic criminal problems, notably those related to the growing presence of youth gangs. While these gangs are not yet involved in large-scale drug trafficking, the potential is there. Central American countries are ill equipped to fight them.

#### CURRENT INTERDICTION PROGRAMS

The majority of the U.S.-bound drug shipments are smuggled directly to Mexico by maritime conveyance—fast boats, fishing vessels and containers. A portion is offloaded in Central America and continues by land through Mexico to the U.S. INL's programs in the region enhance these countries' maritime and land interdiction capacities. For example, we facilitated the transfer of decommissioned U.S. Coast Guard cutters to Panama, Costa Rica and Nicaragua and provided training on operations and maintenance. INL has also assisted each country in strengthening its border inspection stations, particularly at key chokepoints along the Pan-American Highway. Finally, INL trains and equips counternarcotics police and prosecutors to ensure that interdiction operations are followed up with criminal investigations and prosecutions. Prosecutions leading to convictions are the final objective of an effective interdiction program.

In addition, we have signed bilateral maritime cooperation agreements with all of the Central American governments except El Salvador to facilitate operational coordination. Costa Rica, the first in the region to sign a bilateral agreement, later collaborated with the Netherlands to develop a Caribbean Regional Maritime Agreement (signed, but not yet in force). We will pursue a bilateral agreement with El Salvador in the coming year.

#### AIR INTERDICTION

While air smuggling from South America into the region was once the major problem, the 2005 Interagency Assessment of Cocaine Movement estimated that less than eight percent of the cocaine movement in 2004 went by air. However, traffickers continue to make use of air deliveries for cocaine into staging areas in northern Guatemala for overland transport into Mexico, and tracking of unregistered air traffic suggests they may be increasing the use of air routes in 2005. Also, traffickers use air for smuggling heroin, which has a higher value per pound.

The United States has established a hemispheric radar system to track the movements of suspected trafficker vessels and aircraft. Through the Cooperating Nation Information Exchange System (CNIES), U.S. Southern Command (SOUTHCOM) provides this data to appropriate host nation authorities for the detection and monitoring of suspect drug trafficking aircraft and vessels.

These efforts have successfully interdicted drug shipments intended for the U.S. market. For example, Guatemalan law enforcement recently acted on information provided by the U.S. to capture an aircraft carrying 450 kilograms of cocaine. Three suspects were arrested.

Although the systems we have in place are a major step forward, Central American states do not have the aircraft, command and control, support structure, or

radar/tracking infrastructure to participate in a robust regional aerial interdiction program.

#### OTHER PROGRAMS IN THE REGION

Through regional projects and training, we maximize funding and promote better sub-regional cooperation and information exchange. The establishment of the new International Law Enforcement Academy (ILEA) in El Salvador will be of tremendous benefit to the governments of Central America and provide us a location for regional training in the isthmus.

Panama is of particular strategic importance in Central America. Panama is an international transportation hub, home to the Panama Canal and the Colón Free Zone, the world's major "flag state" for ship registry, and a major financial center, making it a desirable venue for laundering drug proceeds. Panama serves as the "bridge" between the Andean producing/trafficking zone and the Central American transit zone. Counternarcotics assistance is provided to Panama under the Andean Counterdrug Initiative (ACI) program.

Central American programs fall under the International Narcotics and Law Enforcement (INCLE) budget. Guatemala is INL's largest INCLE program in Central America and also acts as the regional "hub" that provides technical support to neighboring countries. INL's Guatemala program will provide training, equipment, and other support to the government's counternarcotics and law enforcement efforts. Projects for El Salvador, Honduras, Costa Rica, Nicaragua and Belize are funded out of the INCLE Latin America Regional Account. INL scaled back some of its planned Central American institution building and interdiction programs due to budget priorities elsewhere over the last several years.

#### U.S. GOVERNMENT PROGRAMS

INL seeks to leverage available resources and build on efforts that promote cooperation and communication, and that have a "multiplier effect." To this end, our Central American programs are coordinated closely with other USG and regional initiatives.

Some major program areas include:

- *Anti-smuggling*: INL and DHS have established a series of freight tracking, border inspection systems and port security projects. Once these are linked, the regional governments will be able to effectively track the movement of people, vessels, cargoes, etc.
- *Maritime*: The regional maritime agreement, complemented by INL/USCG-supported maritime programs, should disrupt and eventually deter maritime trafficking.
- *Intelligence and Information Sharing* are critical to the prospects for effective regionalization. INL is reviewing the longstanding Joint Information Coordination Centers (JICC) program to see how it can be improved to meet new needs. The "Center for Drug Information" (CDI), sponsored by the International Drug Enforcement Conferences (IDECs) in Mexico City encourages daily exchange of information.
- *Investigations*: DEA's reorganization of its Central America and Mexico Country Offices, together with the reenergizing of the IDECs, has helped to promote regional investigations. INL complements this effort through support to special investigative units.
- *Anti-Money Laundering*: Working with other U.S. Government agencies and international organizations, INL has mounted a comprehensive program to construct Anti-Money Laundering/Counter Terrorist Financing (AML/CTF) programs in the six Central American countries. INL has funded programs to assist the Central American countries in drafting AML/CFT laws and implementing regulations and in establishing FIUs, and to provide a wide range of AML/CFT training to police and regulatory officials in the region. Five of the six Central American countries have now set up an AML/CFT legal and regulatory framework and functioning Financial Intelligence Units (FIU). Also, our work has led to the removal of Panama and Guatemala from the Financial Action Task Force's non-cooperative countries list in 2001 and 2004, respectively.
- *Demand Reduction*: All of the countries are seeing increases in domestic drug consumption. This is a productive area for inter-governmental collaboration.

Much of INL's training is conducted regionally to develop parallel capabilities and promote networking. This is the approach we plan to take at the International Law



Enforcement Academy (ILEA) in El Salvador. Similarly, we have funded training and a broad array of projects for the region through the Inter-American Drug Abuse Control Commission (CICAD) of the Organization of American States (OAS).

We will explore public-private sector partnerships to address a range of criminal activities from anti-smuggling to youth gangs, encourage joint investigations, and promote regional approaches to demand reduction and drug treatment.

Corruption remains one of the most significant factors inhibiting progress in many areas, including effective law enforcement. While governments throughout the region are now confronting the issue—including prosecution of high-level figures—institutional reforms are essential to an effective solution.

The Administration, including INL, is working on a number of levels to ensure that Central American governments take action against corruption. First, we are ensuring that these governments accept clear international commitments for tackling corruption, and we are working diplomatically to see these commitments moved to action. We are working with the OAS to monitor implementation of the Inter-American Convention Against Corruption and are encouraging governments to adopt and implement the more comprehensive commitments found in the relatively new UN Convention Against Corruption. Panama, Honduras, and El Salvador have already ratified the UN Convention, which enters into force on December 14, 2005, and all other Central American governments, with the exception of Belize, have signed.

Second, where the political will is ripe, we are providing bilateral assistance to help these countries meet their commitments and take effective anticorruption actions. While USAID programs provide the bulk of USG bilateral assistance in this area, limited INL funding has been used to implement Culture of Lawfulness programs and to assist Nicaraguan authorities to pursue anticorruption cases, which includes placement of a DOJ Anticorruption Resident Legal Advisor in Managua since May 2004.

Another important aspect of the fight against corruption involves denying safe haven to corrupt actors. President Bush issued Presidential Proclamation 7750 in January 2004 to deny entry into the U.S. to corrupt foreign officials. The Proclamation is a tool to implement the “No Safe Haven” policy, adopted by OAS leaders at the January 2004 Special Summit of the Americas, and reaffirmed by OAS member states in the Declaration of Quito in June 2004. Hundreds of past and present corrupt actors from Central America and around the world have been denied entry using legal authorities available under various provisions of the Immigration and Nationality Act. The Proclamation has specifically been useful to target those who are known to be corrupt but who cannot be denied entry under any other legal authorities, and whose corruption has been so egregious that it has had a serious adverse effect on key U.S. national interests. In cases where the Proclamation has been utilized in Central America, it has served to get the attention of senior levels of host governments, demonstrate firm U.S. commitment to meaningful anti-corruption measures and underscore the importance of combating corruption to protect fragile legal and law enforcement institutions.

#### REGIONALIZATION

Given the pervasiveness of the drug threat and the lack of resources throughout the region, Central American countries need to work together, share their assets and information, and institute standardized control regimes. To accomplish these goals, countries need to: modernize how they fight crime, remove obstacles to extradition, sustain political will, and build public confidence and support for reform and a strong antidrug effort.

The Central American Regional Integration System (SICA) is a European Commission-like body that includes an array of sub-commissions to address issues ranging from culture to science. The Central American Permanent Commission for the Eradication of Production, Trafficking, Consumption and Illicit Use of Narcotic and Psychotropic Substances, or “CCP,” is the entity charged with coordination on counternarcotics. UN Office on Drug and Crime (UNODC), OAS/CICAD, Spain and the United States are technical advisors to the CCP. By regionalizing their efforts and developing a regional action plan, the governments hope to improve their ability to obtain international financing and donor support. DEA, the United Nations and OAS/CICAD are working to assist the CCP in establishing a Central American regional chemical control system.

There are a number of other sub-regional bodies and programs that can contribute to improving cooperation against narcotics trafficking. Operationally, the Central American Chiefs of Police and the International Drug Enforcement Conference (IDEC) are very much involved in inter-governmental coordination on interdiction and investigations.

## OTHER CRIMINAL THREATS

In the complementary area of justice sector development, INL will focus on the institutional obstacles to law enforcement effectiveness, notably: corruption, lack of legal provisions for use of modern investigative techniques, dysfunctional government personnel systems, entrenched criminal groups, and lack of public support/confidence.

While the United States has traditionally focused on combating the major transnational criminal organizations based in Colombia and Mexico, we are also concerned about the rapid expansion of criminal youth gangs in the United States as well as in Central America. Youth gangs and other loosely organized criminal groups engage in a broad range of activities, from drug distribution, to kidnapping, to contract killings. Because of their structure, their extensive criminal activity, their operation in multiple countries, the large number of minors involved in the groups (laws covering minors limit investigation, prosecution, and penalization options), and other factors, these gangs are very difficult to combat. Concerted inter-governmental action needs to be taken to ensure that they do not become the next generation of drug/crime cartels. Our strategy recognizes that addressing youth gangs effectively in the long-term requires us to support approaches encompassing both law enforcement and prevention, recognizing that countering gang activity is a function of both deterrence and providing other opportunities to youth. Anti-gang training will be highlighted at the new ILEA in El Salvador.

Internally, each country faces a growing culture of crime that is undermining weak democratic institutions and eroding public confidence. Based on a successful model in Mexico and Colombia, El Salvador has launched "Culture of Lawfulness" projects—a school-based program that has been successful in helping teenagers understand the importance of the rule of law, ending corruption and abuse of authority in government, and in resisting the lure of drugs, gangs, and violence. A parallel program for police is also being initiated in Guatemala, and we plan to begin work—together with the OAS—in other countries as well.

## CONCLUSION

The U.S. Government is not operating under any illusion that stopping the flow of drugs by way of Central America to the United States will be easy. Each country faces many obstacles to creating an effective interdiction program and there are even more barriers impeding effective inter-governmental cooperation.

Traffickers continue to grow richer and more powerful at a rate faster than the governments can develop and implement strategies to counter them. They will continue to find Central America a relatively low-risk operating environment.

The deterioration of public security in the region is putting public pressure on governments to take at least some visible action against gangs and corruption. The U.S. will continue to support measured action to combat criminal gang activity, but with full respect for human and civil rights and rule of law.

We see genuine commitment at the presidential level in most of the countries in the region and will work to reinforce that commitment. Ongoing momentum for regionalization will help to encourage counternarcotics cooperation and will also open a window for productive U.S. engagement.

Mr. BURTON. Thank you, Mr. Farrar. Mr. Braun.

**TESTIMONY OF MR. MICHAEL A. BRAUN, CHIEF OF OPERATIONS, U.S. DRUG ENFORCEMENT ADMINISTRATION**

Mr. BRAUN. Members of the Subcommittee, on behalf of DEA Administrator, Karen P. Tandy, thank you for your continued support of DEA.

I am concerned about this area of the world, Central America. Having spent a great deal of time in the region in the early 1990s, when DEA mounted what was referred to as Operation Cadence, targeting air, maritime, and overland smuggling of drugs transiting the northern countries of Central America. This operation had a significant impact on the drug flow throughout the region.

Since then enforcement efforts shifted to other areas, resulting in a reduction of interagency counternarcotics resources in the region.

As resources were repositioned elsewhere, traffickers returned to this region. We believe that to combat drug trafficking in Central America, the United States must establish a sustained, multi-agency approach. DEA's international drug flow prevention strategy is an aggressive plan. With adequate resources DEA believes we can have a significant impact in further disrupting drug trafficking throughout Central America.

Countries in Central America provide a natural conduit for illegal drug trafficking organizations which threaten our national security and influence governments. This region will remain the primary transit zone for United States-bound drugs for the foreseeable future.

With few exceptions, the countries of Central America are ill-equipped to handle the threat of drug trafficking. Many Central American countries are experiencing weak economies, and scarce resources are often allocated for other pressing problems. The corrupting power of illicit drug trafficking organizations on the governmental institutions of Central America significantly increases the difficulties of successful drug interdiction efforts.

Furthermore, both South American and Mexican drug trafficking organizations are linking up with host country transportation organizations. Just like terrorist organizations, today's drug trafficking syndicates are highly compartmentalized. If one member or one cell is arrested, there is minimal impact on the operation, because those arrested have minimal information on the larger picture.

They also rely heavily on the hallmarks of organized crime: corruption, intimidation, and violence. These modern-day drug trafficking syndicates also use the latest in technology, which provides tremendous challenges to law enforcement.

Central America, the Eastern Pacific, and Western Caribbean present unique challenges. Drug smuggling organizations are using various maritime, air, and land conveyances, often a combination of these methods to smuggle narcotics north toward the U.S. From January through June 2005, our best intelligence tells us that 90 percent of the cocaine destined for the United States transitted the Mexico/Central America corridor region via maritime conveyances.

Drug traffickers use Central America's long coastlines for refueling, and weigh stations en route from Colombia to points north, areas that are remote with little or no law enforcement presence. Air smuggling continues to be an important method for transporting cocaine to Central America. Traffickers take advantage of the hundreds of air strips countries such as Guatemala and Belize provide.

South American-produced heroin is also transported into and through Central America by land and by air. Central America is both a transit zone and placement stage for drug cash profits. In Fiscal Year 2004 \$10.2 billion in United States currency in Mexico could not be explained by any legitimate source. During that same period, financial institutions in Guatemala sold \$505.9 million in excess United States currency, which constitutes a 100-percent increase over 2003.

If the governments of Panama and other Central American countries continue to enforce newly-enacted legislation, their appeal as a haven for money laundering will decrease. We are beginning to

see indications of their political will, and are monitoring their progress.

DEA relies heavily on U.S. resources provided by the DOD, the CBP, and DHS. During the past 10 years there has been a decline in U.S. Government counternarcotics assets throughout Central America. In response to the President's national drug control strategy, DEA, working with the interagency counternarcotics community, recently developed a multi-faceted and multi-agency international drug flow prevention strategy.

Operation All-Inclusive 1-2005 is a multi-U.S. agency host country effort which demonstrated unprecedented levels of cooperation, and it was wrapped around the drug flow prevention strategy. This operation was responsible for the seizure of over 40 metric tons of cocaine, nearly 89 kilograms of heroin, and over \$16.1 million in cash, and had a significant impact on the disruption of maritime transportation operations.

I would be happy to brief the Committee on the intelligence successes of this operation in a closed session.

DEA believes we must focus on an offensive in-depth strategy to prevent bulk drug shipments from moving further into the transportation chain where fragmentation often occurs, mostly on the Mexican side of the United States border. We must have the resources that were once available in Central America if we are to be successful.

Thank you, and I look forward to answering any questions at this time.

[The prepared statement of Mr. Braun follows:]

PREPARED STATEMENT OF MR. MICHAEL A. BRAUN, CHIEF OF OPERATIONS, U.S.  
DRUG ENFORCEMENT ADMINISTRATION

Chairman Burton, Ranking Member Menendez, and distinguished members of the subcommittee, on behalf of the Drug Enforcement Administration's (DEA) Administrator Karen P. Tandy, I want to thank for your continued support of the men and women of DEA, as well as for the opportunity to testify today to discuss the illicit drug transit zone in Central America, its impact on the United States, and our efforts to prevent drug movement through that region.

I am particularly concerned about this area of the world; having spent considerable time in the region in the early 1990's combating the cocaine traffickers operating there. At that time, DEA mounted a successful initiative called Operation Cadence that targeted air, maritime, and overland smuggling routes and the traffickers responsible for the flow of drugs transiting the northern-tiered countries of Central America. This operation had a significant impact on the drug flow throughout the area.

Since then, enforcement efforts have shifted to other areas which have resulted in a reduction of interagency counternarcotics resources in the region. As these resources have been repositioned, traffickers have returned to this region. We believe that to effectively combat drug trafficking in Central America, the United States must establish a sustained, flexible, focused, and multi-agency approach. DEA has been working closely with our agency colleagues to address this challenge in the region, under the auspices of the agency's International Drug Flow Prevention Strategy.

THREAT ASSESSMENT

Mexico and countries in Central America lie directly between the drug producing countries in South America and drug consumers in the United States. Geographically, these nations provide a natural conduit for illicit drug trafficking organizations which threaten our national security and influence governments throughout the region. This region will remain the primary transit zone for U.S.-bound drugs produced in Central and South America for the foreseeable future.

Today, all seven Central American countries are actively used by major trafficking organizations to smuggle drugs and money between South America and Mexico. To counter this threat, the DEA focuses on improving the region's counterdrug capabilities via liaison, institutional mentoring with host nation governments, bilateral investigations and by attacking the command and control structures of these drug trafficking organizations.

With few exceptions (notably Costa Rica and Panama), the countries in Central America are ill-equipped to handle the threat of drug trafficking. Many Central American countries are experiencing weak economies, and scarce resources are oftentimes allocated for other pressing problems. Police and other agencies are often under-funded and receive inadequate training. Consequently, some officials are susceptible to enormous bribes that drug traffickers can offer. The corrupting power of illicit drug trafficking organizations on the governmental institutions of Central America significantly increases the difficulties of mounting successful drug interdiction efforts.

Complicating this picture is the increased involvement by major Mexican and Colombian drug trafficking organizations in Central America. These powerful organizations rely on the hallmarks of organized crime to carry out their operations—namely, corruption, intimidation, and violence, thus creating a destabilizing effect on the region. Both South American and Mexican drug trafficking organizations are linking up with host-country transportation organizations and are highly compartmentalized, so that if one member or one cell is arrested, the entire operation is not compromised. Traffickers also use the latest technology such as cell phones, satellite phones, text messaging, HF/UHF/VHF radio communications, global positioning systems, and voice-over-internet protocol. Needless to say, these technical tools provide additional challenges to law enforcement.

#### DRUG TRAFFICKING TRENDS IN CENTRAL AMERICA

Cocaine, marijuana, and heroin are regularly smuggled through Central America. Historically, smuggling operations specialized in one type of drug, but increasingly, we find poly-drug smuggling organizations using various maritime, air, and land conveyances—oftentimes a combination of these methods—to smuggle narcotics north towards the United States.

The volume of the cocaine transiting Central America is enormous: according to the Office of National Drug Control Policy's Interagency Cocaine Movement Assessment (IACM), the majority of cocaine destined for the United States transits the Mexico/Central America corridor, as opposed to the Caribbean corridor. In 2004, according to the IACM, an estimated 92 percent of the cocaine destined for the United States transited this corridor which includes the maritime routes in the Western Caribbean and Eastern Pacific; and for the first six months of 2005, the Consolidated Counterdrug Database (CCDB) indicates that 90 percent of the cocaine destined for the United States transited the Mexico/Central America corridor.

Currently, the majority of the cocaine is believed to be smuggled to or around the Central America region via maritime conveyances. Drug traffickers use Central America's long coastlines, both along the Pacific and Caribbean oceans, for refueling and way stations en route from Colombia to points north. These areas are often remote with little or no law enforcement presence.

Cocaine is also transported by land within Central America, oftentimes via the Pan-American Highway which runs the length of the Isthmus. In addition, smugglers use a number of illegal trails and dirt roads that cross the borders between countries in Central America. Traffickers conceal cocaine in hidden compartments of vehicles, such as tractor-trailers, which are the most commonly used land conveyance.

Air smuggling continues to be an important smuggling method for transporting cocaine to Central America. Traffickers take advantage of the literally hundreds of airstrips located in Central American countries such as Guatemala and Belize. Since 2004, there has been a documented increase in the number of nighttime suspect air tracks originating in Colombia and terminating in northern Central America. From January 1 through September 30, 2005, 26 High-Confidence Suspect Air Tracks have been reported by the Joint Inter Agency Task Force-South (JIATF-S). Of these, two were successfully interdicted resulting in the seizure of over 1,700 kilos of cocaine and the arrest of five individuals.

Aerial photographs provided by U.S. assets reveal an "aircraft graveyard" in the northern Peten area of Guatemala. These photos demonstrate that drug traffickers are successfully flying drug shipments into the area; the area represents the final destination for many of these narcotic laden aircraft, which are either damaged on landing or are intentionally destroyed by the organizations. The area also provides

the traffickers with logistical dominance over host country anti-narcotics police and a quick egress from Guatemala into Mexico via unpaved and unmonitored roadways.

Similar to cocaine, South American produced heroin is also transported into and through Central America via land and air. Unlike cocaine, heroin is often smuggled by people who swallow large numbers of small capsules (50–90), allowing them to transport up to 1.5 kilograms of heroin per courier. This heroin is destined primarily for the United States, but we have also seen incidences of commercial air transportation smuggling continuing on to European countries.

Heroin is often smuggled in bulk, kilogram quantities via maritime vessels and/or overland hidden in vehicles or imbedded in articles of clothing. Seizures range between 10 to 20 kilograms. It is important to note that heroin is typically valued at 8 to 10 times that of cocaine on America's streets.

The Eastern Pacific (EPAC) and the Western Caribbean present unique challenges to detection and monitoring: the EPAC due to its vast size, and the Western Caribbean because of the relatively short duration of go-fast smuggling events and the fact that many occur in or near the territorial waters of the surrounding countries.

Although Central America is primarily a transshipment point for Colombian heroin, Guatemala also grows opium poppy. While opium poppy cultivation in Guatemala is relatively limited compared to major producing areas such as Mexico and Colombia, it is a matter of concern to Guatemalan authorities, and there are indications that opium poppy cultivation within the country may be increasing. Opium gum produced in Guatemala is sent on to Mexico for processing into heroin and final sale in the United States.

Marijuana is cultivated in every country in Central America and is normally consumed within the producing country. Drug intelligence indicates that most of the marijuana is of inferior quality and if exported is transported to neighboring countries in Central America.

While Central America is not a major producer or a significant consumer of precursor chemicals, large quantities of precursor chemicals transit the area, particularly through Panama's Free Zone. It is unclear the extent to which these chemicals are diverted for illicit purposes. We believe that these legitimate chemicals are coming primarily from source countries in Asia.

The main obstacle to precursor chemical diversion interdiction in the region is a lack of host country legislation against trafficking in precursor chemicals. Where such laws do exist they are under-enforced, as most Central American countries and institutions are ill-equipped (manpower, training, and resources) to monitor or control the traffic in precursor chemicals. Most Central American countries maintain that they have some level of chemical control oversight, but their respective enactment, enforcement and effectiveness is unknown. All of the Central American countries are signatories to the 1988 Vienna Convention Against the Illicit Traffic in Narcotic Drugs and Psychotropic Substances, where the signatories agreed to control and help monitor the flow of precursor chemicals.

There has been some success in efforts to encourage the strengthening of Central American countries' regulations regarding these precursor chemicals. For example, in June of this year, Panama President Martin Torrijos signed a Chemical Control Law that assists law enforcement with such oversight. The law assists in the regulation of an array of different activities and chemicals included in the 1988 Vienna Convention, and resulted in the creation of a multi-agency enforcement body namely the "Unidad de Control de Quimicos" to enforce the law. Further, the law institutes registration requirements, record-keeping and permit requirements, and allows for administrative, civil and penal sanctions.

#### MONEY LAUNDERING IN CENTRAL AMERICA

Central America serves as both a transit zone and placement stage for drug cash profits. Most of the cash transiting or placed in financial institutions in Central America leaves the United States via the Southwest Border in bulk.

Just this past October, Panamanian authorities seized \$5.7 million in U.S. currency from a warehouse in the Colon Free Trade Zone in Panama. Initial inquiries have indicated that this cash was shipped overland from Mexico to Panama, thereby transiting several Central American countries. The Government of Panama and the DEA are aggressively investigating these trends at an unprecedented level of cooperation to identify the organizations and money laundering systems that operate behind this movement of drug cash.

As an international financial and commercial center, Panama's institutions remain vulnerable to money laundering and illicit financial transactions. Panama remains on the U. S. State Department's list as a country of "Primary Concern" for

the major money laundering nations. Key factors that facilitate money laundering include an advanced infrastructure and well-developed financial-services sector that offers banking, which is essential to the sophisticated money laundering techniques used by the major drug cartels. There are no reliable estimates that exist on the total amount of money laundering taking place via Panamanian banks or other financial institutions. However, since being listed by the Financial Action Task Force in June 2000, Panama has taken aggressive steps to strengthen its anti-money laundering laws, governmental infrastructure, and private sector outreach, and has become a leader in Central America in the fight against money laundering.

The other Central American countries geographically positioned between Mexico and Panama exhibit varying degrees of vulnerabilities to storage and transportation of bulk drug cash as well as more sophisticated methods of money laundering. In El Salvador, for instance, there has been an increase in the detection of money laundering schemes under the cover of the estimated \$2.7 billion in remittances received in-country from U.S. sources annually. Traditional money laundering schemes usually occur through legitimate wire remitter services such as Western Union. The conversion by El Salvador to a dollar based economy has also made it more attractive for money laundering operations. Guatemala continues to be a placement stage for bulk cash, and like many of its Central American neighbors, Guatemala suffers from weak conspiracy laws as well as a lack of resources and expertise needed to aggressively combat financial crimes.

Several countries including Panama, have taken action to strengthen anti-money laundering legislation. If the governments of Panama and other Central America countries continue to implement and fully enforce newly-enacted legislation, this will substantially decrease their appeal as a haven for money launderers. We are beginning to see indications of their political will and are monitoring their progress.

#### COUNTRY PROFILES

##### *Guatemala*

Guatemala is a major transshipment and storage point for South American drugs en route to the United States. Its Eastern Pacific (EPAC) and Western Caribbean coasts provide the access needed for go-fast and containerized cargo to enter the country. Guatemala's numerous land routes out of the country facilitate drug transportation into Mexico.

In addition to land and maritime transportation, Guatemala is a primary landing zone, via hundreds of airstrips for general aviation aircraft transporting cocaine northward from Colombia. These small aircraft are disposable and are often destroyed (burned) immediately after the unloading process, adding to the "aircraft graveyard," discussed earlier. The lack of host country air assets, the nighttime usage of these airstrips by drug trafficking organizations, and the remote nature of the landing sites have made interdiction operations impossible for the Government of Guatemala.

While Guatemala remains principally a transit location for South American drugs destined for the United States, there are some indications of an increase in opium poppy cultivation within the country. We believe that opium gum that is produced in Guatemala is smuggled across the border and processed in Mexico with the U. S. as a final destination to the United States.

According to limited intelligence regarding the diversion of essential chemicals in Guatemala, it is believed that most of these chemicals enter the country at Puerto Santo Tomas de Castillo (a port on the Caribbean Sea) and are transported inland to Mexico via commercial vehicles.

In June, 2005, I traveled to Guatemala and met with President Oscar J. Berger where I communicated the DEA's support for Guatemala's legal reform. President Berger concurred with the need for a vetted police unit to gather intelligence, conduct undercover operations, and conduct international controlled deliveries. As a demonstration of both the DEA and Guatemalan commitment to this effort, the DEA Guatemala City Country Office has vetted a team of ten men and two women. This team is currently at the DEA's training facility at Quantico, Virginia for a five-week training course that focuses on subjects such as interviewing techniques, evidence handling, and intelligence gathering. The DEA has provided \$50,000 for the initial startup of this unit, and the Narcotics Affairs Section (NAS), Bureau of International Narcotics and Law Enforcement Affairs (INL) of the Department of State has committed additional funding and support for this initiative.

##### *Belize*

Mexican drug trafficking organizations dominate the drug trade in Belize, while Belizean drug traffickers provide logistical support and security. Multi-hundred kilo-

gram quantities of cocaine enter Belize via the Western Caribbean coast, transported from Colombia either by go-fast boats or by airplanes that air-drop the cocaine off the coast for subsequent recovery by small vessels. The majority of cocaine entering Belize is transported by land into Mexico.

A recent example of the scale of go-fast operations in the Western Caribbean involved a seizure that occurred on the Western Tobacco Caye Range, Belize. On September 12, 2005, as part of Operation All-Inclusive 1-2005, the DEA Belize Country Office in conjunction with the Belize Police Department Anti-drug Unit and the Belize Defense Force maritime and air components, seized ninety-nine bales of cocaine weighing a total of approximately 2,376 kilograms. It was later determined that the traffickers, operating from a go-fast, had hidden the drug load to avoid detection. This is the largest single cocaine seizure in Belize's history.

Similar to Guatemala, small and medium-sized aircraft transporting cocaine into northern Belize from Colombia are utilizing numerous airstrips in northern Belize.

Although Belize has had very limited signs of precursor chemical production, the Government of Belize, in keeping with the goals and objectives of the 1988 Vienna Convention Against the Illicit Traffic in Narcotic Drugs and Psychotropic Substances, has an existing precursor chemical program.

#### *El Salvador*

El Salvador attracts Colombian and Mexican trafficking organizations seeking alternate routes to transship cocaine and smaller amounts of heroin to markets in the United States. Although the majority of cocaine passing north through El Salvador are hidden in vehicles transiting from Panama, Costa Rica, and Nicaragua towards Guatemala and Mexico, significant quantities of cocaine is smuggled into El Salvador via go-fast boats. Like Belize, El Salvador is used as a staging area for the transport of drugs north into Mexico and the United States.

Drug traffickers use containerized cargo either originating or transiting in El Salvador to conceal drugs. There has also been an increase in the number of Colombian, Guatemalan, Mexican, and Honduran narcotics and money transporters utilizing the international airport in El Salvador.

Salvadorans operate as independent transporters and frequently provide transportation services for more than one client/criminal organization. In many instances, Salvadoran traffickers are paid for their services in cocaine product that is either distributed for local consumption or smuggled to the United States. However, the majority of the cocaine and heroin transiting El Salvador is controlled by Colombian-based drug groups and supported by Salvadorans and Colombians living in El Salvador. The only controlled chemical produced in El Salvador is sulfuric acid. The Anti-Narcotics Division has the capability to investigate the diversion of chemicals, but the chemical control laws are weak and are being reviewed for legislative reform.

#### *Honduras*

Maritime vessels and land vehicles are the primary conveyances used in drug movement into, and through, Honduras. However, large quantities of drugs are also believed to be flown into Honduras. Go-fast vessels exploit the Moskitia coast (La Moskitia) region located in the northeastern state of Gracias A Dios. It is a remote, underdeveloped area that is sparsely inhabited and with little legitimate police presence.

Drug traffickers move cocaine loads overland from Panama or Costa Rica through Honduras to Guatemala and Mexico via the Pan American Highway for further transshipment to the United States. These shipments are concealed within secret compartments in passenger vehicles and semi tractor-trailers.

Honduras is not a chemical producer, but chemicals are imported from the United States and Europe. The level of accountability and control is limited. The Honduran Ministry of Health is responsible for tracking chemical shipments that come into the country, but no real mechanism for control exists.

#### *Nicaragua*

Historically, drug traffickers have used Nicaragua's long Pacific and Caribbean coasts for refueling and way stations en route from Colombia to points further north. Currently the area of greater concern is the Caribbean side, which is sparsely populated and has very limited police presence. This, along with the region's extremely high unemployment rate and inaccessibility of the coastal areas, makes the region an attractive location for drug traffickers.

Traffickers in this area use go-fast boats, fishing/shrimping/lobster vessels and coastal freighters to move drugs toward Mexico and the United States. Go-fast boats are often utilized to transport the cocaine directly from Colombia or the Island of San Andres to the eastern coastal region of Nicaragua. Fuel is readily available in



the area because of the large, legitimate commercial fishing/shrimping export industry.

Traffickers continue to use the Pan-American Highway, which runs the length of the country, to transship drugs and money through Nicaragua concealed in vehicles with hidden compartments. Tractor-trailers continue to be the most commonly used vehicle. On August 11, 2005, as part of Operation All Inclusive, Nicaraguan counterparts seized \$1.2 million in U.S. currency from a southbound vehicle at the Penas Blancas checkpoint on the border with Costa Rica. Further investigation has revealed that the driver had conducted at least 12 similar bulk currency smuggling transactions over a 3 month time frame.

A unique historical situation and civil conflicts have left Nicaragua with a tradition of armed rural groups—and institutionalized violence—that greatly complicates counterdrug enforcement. The Nicaraguan National Police remains handicapped by a severe lack of resources.

Very little information has surfaced regarding the diversion of legitimate chemicals in Nicaragua. During 2004, at the request of the DEA, the National Police established a Chemical Control Unit. This unit has been tasked with conducting unannounced inspections of companies that hold large quantities of chemicals that are registered with the Nicaraguan Government.

#### *Costa Rica*

Drug traffickers use Costa Rica as a storage and consolidation location for up to multi-ton quantities of cocaine en route north. Smaller kilogram quantities of heroin are also consolidated in Costa Rica prior to being sent via air couriers to the United States.

In 1998, the Colombian government instituted regulations and enforcement operations to halt the use of excess fuel on Colombian and foreign flagged vessels for refueling operations. Following reaffirmation of those regulations in 2001 and with the consent of the Colombian government, U.S. assets began assisting in the enforcement of those regulations by returning vessels to Colombia found to be in violation of these regulations. This contributed to drug traffickers increased use of Costa Rica as a logistical hub for maritime operations. With this change in drug trafficking patterns, there has been a sharp increase in Costa Rica's use as a staging point for refueling vessels.

Costa Rica does not produce controlled chemicals. The Ministry of Health is responsible for chemical control in Costa Rica and legislative statutes controlling the importation, exportation, and internal usage of 46 controlled precursor chemicals have been in effect since 1989. Further amendments in May 1998 strengthened controls and incorporated provisions of the Organization of American States model regulation. All imports of precursor and essential chemicals must be approved by the Drug Department of the Public Health Ministry, and all manufacturers of such substances must register with this ministry and submit samples.

#### *Panama*

Panama's lengthy border with Colombia and the Canal make it a key staging area for smugglers. Additional factors that make Panama an attractive operating location for drug traffickers are limited resources for law enforcement, military, and public security institutions. Moreover, a large sophisticated international banking sector, the Canal Free Zone, and the cargo container port facilities on both ends of the Panama Canal make it a convenient trafficking location. Panama is also an international commercial air hub, with direct or connecting flights to the Americas, Asia, the Caribbean, and Europe.

Colombian, Mexican, Panamanian, and nationals from other Central American countries are active in directing large cocaine shipments to the United States through Panama. Maritime vessels of all types and sizes serve as the principal method of transporting multi-kilogram to multi-ton quantities of cocaine into and through Panama, or along its coasts.

Cocaine, the principal illegal drug transiting Panama, is routinely stockpiled in Panama prior to shipment onward to the United States and other worldwide destinations, particularly Europe. For example, on September 24, 2005, as part of Operation All Inclusive, Special Agents from the DEA Panama Country Office coordinated enforcement efforts with the Panama National Police and seized 3,979 kilograms of cocaine, two AK-47 assault rifles, 80 fifty-five gallon drums of gasoline and arrested nine traffickers. The cocaine and the gasoline were buried approximately two hundred meters from the beach.

Difficult geography and lack of infrastructure have also hindered Panama's efforts to efficiently control its western border and coastal areas. To address these smuggling threats, the United States Government is supporting a Panamanian National

Police Mobile Inspection Team and infrastructure upgrades of the two inspection points.

A recent trend in transporting drug proceeds has escalated at the Tocumen International Airport (TIA) in Panama City, Panama. Bulk currency couriers (mostly Mexican, Colombian, and Haitian nationals) arrive at TIA and declare the currency. Because they declared the currency in compliance with Panamanian Laws regulating the declaration of incoming currency, the passengers are allowed to clear Customs with the currency and exit the airport. From May through December 2004, over \$17,000,000 in U.S. currency was declared and allowed to exit from TIA.

DEA intelligence and investigations have determined that the destination of the majority of the drug cash taken to Panama by these couriers is the Colon Free Trade Zone (CFTZ). This cash is used to pay debts incurred by Colombian businesses in the purchase of commodities from CFTZ companies. The commodities purchased by these Colombian businesses in the CFTZ are then smuggled into Colombia and sold, thereby evading the payment of millions of dollars in customs duties, and various taxes from the Government of Colombia. It is important to note that, at this point in the money laundering cycle, the drug cash is no longer owned by the drug traffickers, but by peso brokers who purchased the currency from the drug trafficking organization at an earlier point in time, and re-sold the cash to their business clientele. DEA is focusing its investigative resources on identifying and interdicting this drug cash earlier in the money laundering cycle, when it is still owned by the drug trafficking organizations, so that the seizure of the drug cash will impact on the drug trafficking organization, rather than the peso brokers and their business clientele.

Due to its geographic position, lax laws regarding chemicals and pharmaceutical controls, and its free trade zone, Panama has been utilized by chemical diverters to conduct their illicit activities. Realizing their lack of legal support, the Panamanian government recently enacted a chemical control law. This legal instrument was implemented to regulate activities relating to chemicals that can be used in the production of illicit drugs.

#### CURRENT DEA OPERATIONS

##### *Challenges*

The DEA Special Agents and Intelligence Analysts assigned to Central American offices work with host country anti-narcotics agents in developing enforcement operations against those drug trafficking organizations with ties to the United States. In order to conduct these operations, the DEA works jointly with and relies heavily on U.S. resources provided by the Department of Defense (DoD), and the Customs and Border Patrol, (CBP), Department of Homeland Security (DHS).

During the past ten years, there has been a decline in U.S. government counter-narcotics assets in Guatemala as the air threat shifted to an overwhelmingly maritime threat. Moreover, previous Guatemalan Administrations, which were riddled with corruption scandals, responded by gutting the Guatemalan military units that had worked effectively in-country. The Ministry of Defense's D-2 Counterintelligence Unit, for example, went from a 50-person team to about five.

Evidence began to appear in 2003/2004 that cocaine traffickers might be returning to flights through Central American and into southern Mexico, mainly because of an increase in the number of unidentified but assumed suspect ROTHRA tracks fading into that region. In the second half of 2004, the number of unidentified but assumed suspect tracks dropped markedly. In 2005, preliminary data indicate that the number of unidentified but assumed suspect tracks is increasing over the 2004 level. The U.S. continues to monitor the situation, but traffickers still utilize maritime for more than 90 percent of the documented cocaine flow moving toward the United States.

El Salvador, Nicaragua, Honduras, Guatemala, and Panama each maintain a small naval contingent with limited resources available for counter narcotic operations. The Coast Guard assets in Belize and Costa Rica face the same resource issues as the other Central American countries. The maritime assets of these countries depend on DEA reimbursement to conduct nighttime operations.

Mobile Inspection Teams (MITs) have been established in each of the Central American countries. These are specialized units trained in identifying false compartments within conveyances, interview techniques, and rapid deployment. However, these MITs are limited in their ability to travel throughout the country due to lack of fuel and subsistence. This has delegated them to one, possibly two, Ports of Entry leading in and out of their country. Specific overland operations, requested by the DEA, occur only if funding is provided by the Bureau of International Narcotics and Law Enforcement Affairs (INL) of the Department of State or the DEA.

*International Drug Flow Prevention Strategy*

In response to the President's National Control Strategy calling for market disruption by attacking the flow of drugs, the DEA developed a multi-faceted and multi-agency International Drug Flow Prevention Strategy (IDFPS). The primary objective of the strategy is to cause major disruption to the flow of drugs, money and chemicals between the source zones and the United States.

Well-coordinated, interagency efforts are crucial to the achievement of this objective because of the limited availability of U.S. resources in the transit zones. Operational stages of the IDFPS consists of identifying the threat at hand; identifying the vulnerability of the threat; developing of operational plans targeting the threat and vulnerabilities; executing of the plan; and finally the assessing of the results.

*Operation All Inclusive I-2005*

Under the auspices of the International Drug Flow Prevention Strategy, the first initiative, Operation All Inclusive I-2005, was developed to target not only the EPAC and Western Caribbean transit zones of Central America, but the land mass of the Isthmus as well. Due to the enormous volume of illicit drugs and money moving within this region and the threat described earlier in this testimony, four areas were established to exploit vulnerabilities in the movement of drugs and monies. These four areas consist of: maritime, overland, commercial air, and private air smuggling.

Operation All Inclusive I-2005 commenced on August 5, 2005 and ended on October 8, 2005. Throughout the operation, participating agencies and the DEA offices in South, Central, and North America, provided immediate feedback through investigative means regarding reactions that traffickers made in response to enforcement operations. Operation All Inclusive was a multi-agency U.S. Government and host country effort, which demonstrated unprecedented levels of cooperation. Overall, this cooperative, interagency effort has had a significant impact. Intelligence clearly identified the disruption of maritime transportation operations. The following are a few examples of its success:

Largest cocaine seizure in Belize—Over 2,300 kilograms

Largest currency seizure in Nicaragua—\$1.2 million

Largest currency seizure in Mexico City \$7.8 million

Significant currency and cocaine seizure in Panama—3.9 metric tons and over \$5.7 million

Significant marijuana seizure as a result of a Mexico road interdiction operation—21 metric tons

Over 40 metric tons of cocaine was seized during this operation.

*Operation Panama Express*

Operation Panama Express (PANEX) is an interagency task force of agents and analysts from DEA, FBI, ICE and the Coast Guard engaged in a long-term investigation targeting the highest levels of traffickers responsible for the financing, production, transportation and distribution of cocaine throughout North America and Europe. PANEX became a proactive investigation in January of 2000. Since that time, this operation has continued to expand by obtaining the intelligence necessary to effect the interdictions of vessels operated by cocaine smuggling organizations. The following are arrest and seizure statistics for Panama Express for fiscal years (FY) 2003, 2004, and 2005. Seizure amounts include loads that were scuttled.

- FY 2003—arrests—216; seizures—63,000 kgs
- FY 2004—arrests—261; seizures—110,109 kgs
- FY 2005—arrests—310; seizures—130,508 kgs

There have been approximately 211 interdictions credited to Operation Panama Express since its inception in 2000.

*Operation Firewall*

The north coast of Colombia is a major embarkation zone for go-fast vessels laden with multi-ton quantities of cocaine destined for the United States via the Caribbean and Central America. It is estimated that several hundred go-fast boats leave the Colombian north coast annually and each go-fast has the capability to transport between 1.5 and 2 metric tons of cocaine. To combat this situation, the DEA Cartagena Resident Office in conjunction with the Cartagena Tactical Analysis Team and JIATF-S developed a maritime interdiction program on the Colombian north coast called Operation Firewall. This program works in tandem with Panama Express and other maritime initiatives to target and maximize interdiction capabili-

ties against Consolidated Priority Organization Targets (CPOTS), as well as Colombian transportation organizations operating in the Caribbean.

Since the inception of Operation Firewall in July of 2003, and through September of 2005, the program has resulted in the seizure in excess of 25,000 kilograms of cocaine.

#### CONCLUSION

Drug trafficking organizations operating within production countries in South America use the Mexico/Central America corridor as the primary transit zone for illicit drugs destined for the United States. These organizations have the ability to overwhelm the limited defenses of these transit zone countries and the illicit funds available to them assists in overcoming the barriers attempted by transit zone countries.

The challenges presented by the drug trafficking organizations in Central America are significant. In comparison to the seizures on the Southwest border of the United States, which are frequently in the 50 kilogram range, drug seizures in the Transit Zone and the Eastern and Western Pacific corridor are often multi-ton in size, indicative of a strategy by traffickers to minimize losses. The DEA is committed to attacking those drug trafficking organizations operating within Central America and recognizes that interagency cooperation and coordination is fundamental to increase the efficiency of our operations in the transit zone. To combat this level of drug smuggling, the DEA strongly believes we must take an offensive approach to prevent the bulk drug shipments from moving further into the transportation chain where fragmentation occurs, in most instances on the Mexican side of the Southwest border. Law enforcement must have the resources that were once available in the Western Caribbean and Eastern Pacific if we are to be successful against these drug trafficking organizations.

Thank you once again for the opportunity to testify here today. I look forward to answering any questions at this time.

Mr. BURTON. Thank you, Mr. Braun. Admiral.

#### **TESTIMONY OF REAR ADMIRAL JEFFREY J. HATHAWAY, DIRECTOR, JOINT INTERAGENCY TASK FORCE SOUTH, U.S. COAST GUARD**

Admiral HATHAWAY. Mr. Chairman, Congressman Menendez, and other distinguished Members of the Subcommittee, good afternoon. It is a pleasure to be here with you today.

First of all, an apology. As you know, you do not have my written testimony. On 24 October, when Hurricane Wilma passed by Key West, we found out that salt water and electronics do not mix. Even as of today, we are still struggling to get our computer networks back up. But I pledge that you will have my written testimony just as soon as we can produce it, but I wanted to ensure that we had the most up-to-date statistics that we could provide from Key West.

First of all, a bit of history. Joint Interagency Task Force South is a Department of Defense command. My boss is General Craddock, the Commander of U.S. Southern Command. As a Coast Guard officer, I am serving at JIATF South in the Coast Guard's Title X capacity as one of the five armed services.

With that said, we are a joint interagency task force. All five armed services from the interagency, and every facet of our U.S. Government that has anything to do with narcotics interdiction is represented and integrated into JIATF South operationally.

And we are also an international task force. We have 11 resident foreign liaison officers, and we have connections to virtually everyone in our joint operating area, which encompasses some 42 million square miles, roughly eight times the size of the continental United States, including Alaska.

As you know, we have been in existence for 16 years. We fill a Congressional mandate by Congress to have Department of Defense take the lead in the detection, sorting, monitoring, and eventual hand-off of illegal drug shipments in the international arena.

One of our core competencies includes all source intelligence fusion that has proven to be resident, alive, and is getting better every day in Key West. The chart that we see here today is a product of JIATF South. I would say it is, if you look at it as the glass half full, three or 4 years ago we could not have produced this chart showing that we have knowledge of those drug shipments, when and where they are traveling. At least today we have that.

Mr. Chairman, as you pointed out, we still struggle somewhat to be able to engage them, even with U.S. and partner nation assets. But at least we have solved part of the puzzle with much better intelligence.

Command and control is a core competency that the Department of Defense brings to JIATF South. We have the ability to command and control assets across the 42-million-square-mile AOR. And we bring a core competency from a Department of Defense point of view for deliberate planning with both our interagency partners and our international partners, in trying to bring a unity of effort and purpose to our counter-drug mission, entails the detection, sorting, and monitoring of drug shipments, primarily the initial movement of cocaine from the source zone toward world markets, with a focus on, of course, the U.S.

What are we seeing today? In calendar year 2005, we expect to see about 570 metric tons moving through the corridor that I call the Eastern Pacific/Western Caribbean corridor that is the focus of today's hearing. This area encompasses the land mass of Central America, where most of those drugs are moving toward United States markets.

Another 110 tons are moving through the central Caribbean, some of that bound for United States markets, some of it bound for European markets. And then another 350 tons, thereabouts, is bound for almost purely European markets. It is moving out of the eastern Caribbean and off of the east coast of South America, bound for the next port of call, either western Africa or Europe proper.

About 90 percent of that initial movement of drugs, cocaine, out of the source zone is moving by maritime means, primarily non-commercial maritime. The other 10 percent is moving by air, and that is an important distinction. Ten years ago, that dynamic was reversed. If traffickers had their way, they would love to move those drugs by air. It is much faster and much more efficient. We have driven them into a maritime conveyance.

Eighty-five percent of the cocaine that transits toward the United States moves through the Western Caribbean/Eastern Pacific corridor, as Mr. Braun pointed out. Most of those drugs are bound for the U.S., but not all.

In the Caribbean about 90 percent of the drugs moved move in what we call a go-fast conveyance, about anywhere from a 40- to 60-foot high-powered vessel, multiple outboard engines. They are just trying to race past any kind of end game, plus they are very

difficult to detect. The other 10 percent of movement in the maritime in the Caribbean is by fishing vessel.

In the Eastern Pacific it is a little bit different. About 60 percent is moved by fishing vessel, the other 35 percent by the go-fast conveyance that I spoke of previously. They use distance as both an ally to be able to get around us—I will speak to that in just a moment—but it also makes them vulnerable, as well.

The air patterns that we see in the Eastern Pacific/Western Caribbean corridor are flights that originate from Colombia and are bound for Belize, northern Guatemala, and southern Mexico. Again, it is about 10 percent by volume.

What do we see working right in JIATF South? First of all, the huge growth in intelligence, and it continues to get better, is something that we got right, and we should all be very, very proud of that.

Having a single commander for detection and monitoring is also something that has been working very well, and continues to drive us in the right direction.

Having conductivity with our international partners. CNIES, the Cooperating National Information Exchange System, has been very, very valuable to us; a way to electronically share a real-time picture with our partners. Vice Admiral Barrera knows this very well. We have several CNIES terminals in Colombia. Every country in Central America now has CNIES conductivity. We can talk to them real-time electronically, we can share a common operating picture with them.

Persistent wide-area surveillance for air tracks is technology that we have today. I can't say that we have that for maritime tracks. It drove traffickers out of the air because they know we could see them.

In maritime we rely on, typically, large four-engine, air-breathing aircraft to provide wide-area surveillance. There is just not enough of that asset to go around.

Finally, I would like to say one more thing that is working well is our collaboration with our Colombian colleagues. Unlike many of their Central American counterparts, there is capability in Colombia, capability and a will, and the capacity to do great things, as Admiral Barrera will talk about in his testimony.

Admiral Barrera's forces very often come under JIATF South tactical control. JIATF South provides assets to Admiral Barrera's forces, specifically maritime patrol aircraft when we can. It is also something that I would say, that Admiral Barrera, if he had more MPA, as well call it, maritime patrol air assets, he could be much more productive in his own waters.

I cannot talk about specific air frames, but more maritime patrol aircraft, censored properly—and Admiral Barrera knows what that means—would mean much more productivity out of the Colombian Navy, that, by the way, received the lowest percentage of the Colombian defense budget. However, from my perspective, seizes more than their share of drugs, given their part of the defense budget.

Mr. BURTON. Admiral, could you sum up? We want to make sure we get some questions before we have to go up.

Admiral HATHAWAY. Yes, I will. I would simply like to say, from the JIATF South perspective, if you go back to the year 2000, JIATF South facilitated the seizure of about 90 tons of drugs. In calendar year 2004, that was up to 220. As of today, we have facilitated the seizure, through cooperative efforts of about 205 metric tons with only 2 months left in this calendar year. And we typically call the next 2 months “the Christmas rush.”

I hesitate to say it, but I am very confident that by the end of 2005, we should all be very proud that we will have yet another banner and record year in terms of taking product out of the system.

Thank you.

[The prepared statement of Mr. Hathaway follows:]

PREPARED STATEMENT OF REAR ADMIRAL JEFFREY J. HATHAWAY, DIRECTOR, JOINT INTERAGENCY TASK FORCE SOUTH, U.S. COAST GUARD

#### INTRODUCTION

Mr. Chairman, thank you for the opportunity to appear before your subcommittee. Joint Interagency Task Force (JIATF) South challenges drug traffickers in the air and on the high seas 24 hours a day, 7 days a week in defense of America's borders. We attack the shipment of illegal drugs and narco-traffickers themselves each and every time we have them in our sights. Our goal is to deny safe haven during any portion of their journey and we work hard in constant support of law enforcement to place the drug traffickers and their drugs in risk of interdiction. Through better intelligence, expanded law enforcement partnerships and the collective efforts of the national and international counterdrug community, JIATF South has been able support ever increasing cocaine disruptions for the last six years, with 2004 being a record all time high—and we are currently on track to set another cocaine disruption record for 2005.

#### JOINT INTERAGENCY TASK FORCE SOUTH IS A NATIONAL TASK FORCE

JIATF South was created to specifically address the south to north flow of drugs towards the United States from South America. Its roots go back to 1989 when the Department of Defense was congressionally directed as ‘the lead agency’ for the detection and monitoring (D&M) of drug trafficking events in support of law enforcement. Over the years, additional but appropriate missions and functions were added to the command's responsibilities. It has taken 16 years to evolve to where we are today, an international, interagency organization that is specifically charged to D&M the flow of illicit trafficking, all executed under a single director.

There are significant strengths that make JIATF South as successful as it is today. Perhaps most noteworthy is that we are optimally designed and organized for success against drug trafficking. The National Interdiction Command and Control Plan (NICCP) created JIATF South as a ‘national task force’ and intentionally not as a department or agency task force. This fundamental premise was reaffirmed when the interagency signed the latest iteration of the NICCP dated 1 September 2005. We are assigned to the Commander, USSOUTHCOM yet we are not a classic military component of the combatant commander. The national task force concept aggressively creates mutually supporting efforts among its diverse personnel, agencies and countries. The JIATF organizational structure embodies the force-multiplier effect of a task force manned and led by personnel from the various agencies and countries with a counterdrug mission.

#### THE THREAT

The drug trafficking threats that JIATF South and our country face are wide ranging. They include the production and movement of drugs and often include the movement of arms for terrorists—which are paid for by the profit from, or the exchange for, drugs.

#### DRUG TRAFFICKING ORGANIZATIONS

Drug trafficking organizations are usually a close-knit group, often involving family members and are exceptionally difficult to penetrate. They are well funded; the U.N. estimates the drug trade to be a \$320 billion a year industry and cocaine ac-

counts for approximately \$70 billion of the total. With funds of this magnitude, they can afford to buy the latest technology and strong political influences within our theater. Finally, drug traffickers have at their disposal the use of various types of conveyances and modalities to smuggle drugs. The concealment of drugs is only limited by their imaginations. Drug trafficking is an asymmetrical threat that challenges our borders and national security in a manner very similar to terrorism.

The tonnage of drugs being moved, especially cocaine, remains immense. While there is considerable interagency discussion on just how much cocaine is moved within any year, all agree that cocaine is still moved in quantities far in excess of what law enforcement forces can interdict. JIATF South examines the movement of drugs from a demand point of view. The premise of this approach is that the drug traffickers will collectively attempt to produce and ship enough drugs to account for drug losses (seizures plus disruptions), the costs of corruption, money laundering, security, services (paid for with bricks of cocaine) as well as enroute consumption to ensure enough cocaine reaches world market end users. Our estimate for calendar year (CY) 2005 of cocaine movement using this 'demand' methodology is that 570 metric tons will transit up the Eastern Pacific, Central America and Western Caribbean corridors (the three corridors comprise a single vector which accounts for about 86% of all cocaine movement to the U.S.); 100 metric tons will transit the Central and Eastern Caribbean corridors to the U.S. and approximately 350 metric tons will initially transit through the Eastern Pacific and the Caribbean to non-U.S. markets. In total, we estimate that approximately 1000 metric tons of cocaine will potentially leave the landmass of South America in 2005.

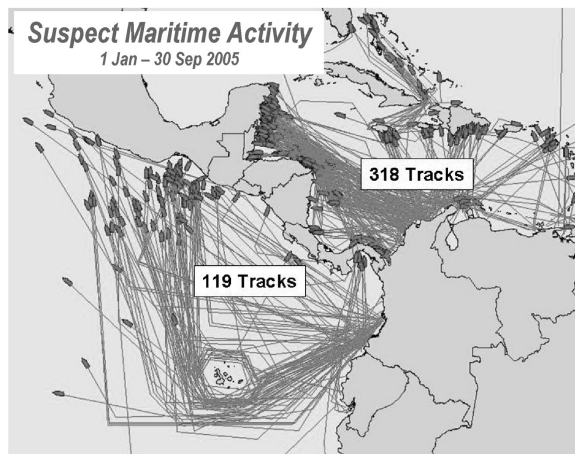
#### DRUG MOVEMENT IN THE TRANSIT ZONE

During CY 2004, the interagency documented 434 maritime non-commercial cocaine smuggling events and 99 aerial events originating in South America (numbers extracted from the interagency Consolidated Counterdrug Database or CCDB). If all of these events were disrupted, it would have totaled about 873 metric tons of cocaine. This amount far exceeds the amount actually disrupted—approximately 236.5 metric tons. Of this disruption total, JIATF South directly supported the disruption of 217 metric tons (an all-time record high for the organization). Put another way, JIATF South supported 92% of all non-commercial primary flow cocaine disruptions in 2004. Viewing the disruptions through another lens, the total world-wide disruption of all cocaine amounted to 353.8 metric tons and the 217 metric tons JIATF South supported represents 61.3% of this world-wide total.

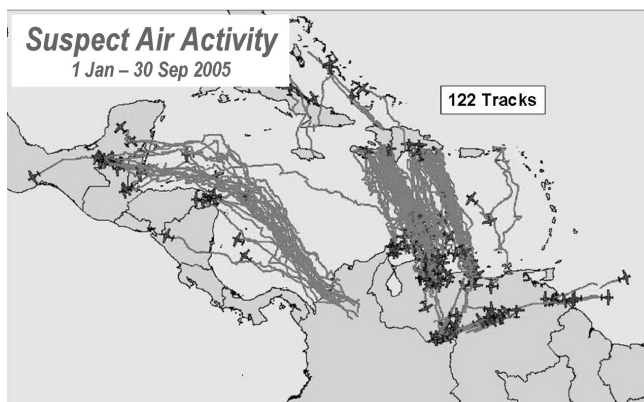
In CY-2005, as of mid-October, there have been over 300 maritime non-commercial events and nearly 70 air events (numbers extracted from the CCDB and from JIATF South records). If all of these events were disrupted, the result would be about 600 metric tons of cocaine lost to the trafficker. As of mid-October, JIATF South has directly supported the disruption of over 197 metric tons which is 13 tons higher when compared to the same time period in CY-2004.

This year's documented movement of cocaine is graphically depicted below. The graphic shows that the vast majority of drug movement towards the United States—as well as most other end-use markets—is a two stage process. As noted earlier, the preponderance of suspected drug trafficking events transit the EPAC and western Caribbean with their initial destination focused on the northern portion of Central America and the southern portions of Mexico.





Note: of the suspect maritime tracks in the graphic above, 60% are Go-Fasts; 35% are Fishing Vessels; and 5% are Other (sailing boats, private yachts, etc).



The two step process drug traffickers use to transit drugs is also reflected in the suspected air traffic:

The above two slides highlight the suspected primary flow of cocaine. The level of knowledge of the secondary flow—how the traffickers continue to move the cocaine after making initial landfall—is not well known.

#### MISSION

There is no ambiguity in what we are charged to do. Our mission statement fully supports the D&M of illicit trafficking events. The major components of our mission:

- Detect & monitor illicit air and maritime targets;
- Conduct intelligence fusion (to include targeting narco-terrorists);
- Conduct multi-sensor correlation (radar inputs);
- Handoff the suspected drug trafficking target (air or maritime) to law enforcement agencies/ partner nation militaries;
- Promote security cooperation & regional initiatives and;
- Provide sensor surveillance support to the southern approaches to the United States,

## INTERAGENCY AND INTERNATIONAL PERSONNEL

The personnel structure of the JIATF South team is unique and a major contributor to our successes. We are as much international as we are interagency in composition. We have representatives from the Air Forces of Argentina, Colombia, Ecuador, Peru and Venezuela; the Navies of Colombia, France, El Salvador, Mexico, and the United Kingdom; and a representative from the Brazilian Intelligence Agency. In the near future, we expect to add a liaison officer from the Spanish Guardia Civil and potentially Trinidad and Tobago. We have representatives from all Services of Department of Defense; Homeland Security provides U.S. Coast Guard and Customs and Border Protection personnel; and DEA and FBI personnel represent the Justice Department contribution. Additionally, all the three letter intelligence codes from Washington, D.C. to include NSA, DIA, CIA, NGA, and the NRO have operational personnel embedded in the JIATF South team—and each bring robust, unique communications equipment in order to quickly reach-back to their respective agencies/offices. Invaluable components are the DOD civilians and contract personnel—all subject matter experts with immense qualifications—that provide the continuity and backbone for our efforts. This broad spectrum of skill sets come together with one common objective: supporting our D&M mission. It is important to note that the interagency has personnel here not only in senior liaison officer positions, but also in positions that are fully integrated into the staff and empowered to make decisions to execute our D&M mission. To cite a few examples, the US Coast Guard provides the Director, a Vice Director is from CBP, our Deputy Director for Intelligence is from DEA and our Deputy Director for Operations is from Customs and Border Protection. Our 24x7 watch floor is manned with DOD, USCG, CBP and contract personnel.

## INTELLIGENCE

Intelligence is the crown jewel of our national task force and it would not be immodest to say—for the entire counterdrug community. There is no other counterdrug intelligence organization anywhere that has the breadth, depth, singular focus and synergy found at JIATF South. All-source intelligence fusion and analysis drives our operations and scheme of maneuver. We have a great many sources of information but our most critical input comes from U.S. Law Enforcement. The information is fused with all-source intelligence, analyzed and sanitized as necessary, then aggressively disseminated to our tactical forces—U.S. and our allies.

It is of particular importance to note the extraordinary contribution of the JIATF South Tactical Analysis Teams (TAT's). Located in many of the U.S. Embassies, the TAT personnel work closely with the Drug Enforcement Agents within the respective country to glean the tactically actionable information needed to cue the D&M forces. A TAT is modest in size, typically composed of two members. There are currently TATs deployed to 16 countries. In Central America, there are permanent TAT's in Guatemala, Honduras, El Salvador, and Panama. Costa Rica, Nicaragua and Belize have temporary TATs. The U.S. Country Teams recognize the extraordinary value of this resource and the demand for them is very high. We have approval to expand existing TAT support in three countries, to send a TAT to four new countries, and have pending requests from yet another seven country teams. Funding constraints will dictate how quickly additional TATs can be deployed. Additionally, JIATF South operates the Intelligence Analysis Center (IAC) in Mexico City, Mexico. Similar in function to the TATs, it is more robust and addresses the international air and maritime illicit targets entering Mexico. The TAT/IAC program is a model where a very modest investment of personnel pays big dividends for everyone.

Another program that has paid extraordinary dividends is the HUMINT program Panama Express (PANEX). Operating from two locations in Florida, PANEX North and South focuses on the Caribbean and Eastern Pacific respectively. Each component has representatives from all of the U.S. Law Enforcement Agencies and concentrates on leveraging the information from convicted drug traffickers to better cue our efforts. It is no accident that we have had successively increasing disruptions totals over the last 6 years—PANEX has been fundamental to JIATF South's continued disruption successes.

Our intelligence is good and getting better by the day. The creative and innovative application of all our intelligence resources is absolutely cutting-edge. However, cueing us that a drug trafficking event is about to take place is not the same as having the fore-knowledge of when and where the drugs departed, what route the traffickers will take, the speed and direction they will travel or the final destination of the drugs. It is quite rare that we have this level of detail on a drug movement.

Thus, best case / excellent intelligence of a pending drug movement (a solid location, date and time) does not at all equate to being able to detect the movement. Once the traffickers depart their load location, they are criminals who are taking every opportunity, tactic, technique and procedure to evade detection and capture. It is worth noting that even the trafficking organizations can't ensure the departure, speed, direction, and delivery of their shipments. While we are at times able to ingeniously use technical intelligence to generally locate targets, the sizable area that we need to monitor still makes this a challenging task.

Herein lies the crux of the problem to be solved; the ability of the United States and its allies to D&M (find, sort, track, and handoff for interdiction) the initial movement of cocaine in the air (representing about 10% of the total volume) and on the high seas (representing about 90% of the total volume) in order to effectively disrupt the drug's transit. These estimations can be translated into expected drug trafficking events. For CY 2005, in total, we expect 231 to 273 smuggling events by go-fast vessels, 105 to 134 fishing vessel events, and 73 to 89 aircraft flights. A go-fast boat is by far the hardest target to find and collectively they represent our greatest maritime threat. Only a modest fraction of their total movement is detected due to the paucity of maritime surveillance capabilities.

#### COMMAND AND CONTROL

The next core competency I would like to address is our ability to command and control our assigned and apportioned forces through a tremendously large Joint Operating Area of approximately 42 million square miles. We are nationally tasked to coordinate and de-conflict counterdrug operations. On any given day, we are controlling the U.S. and international contributions of 10 to 12 ships and 6 to 10 air sorties. This all takes place in our Joint Operations Center (JOC). The JOC has communications with all assets under our tactical control. Additionally, the JOC fuses multiple sources of radar, such as Relocatable Over-The-Horizon Radar (ROTHR), U.S. and allied ground based radars (GBR) located in both the source and transit zones and radar data from U.S. and allied ships and aircraft to form a single, fully integrated air picture. This radar picture is then exported to a great number of customers within the United States military and law enforcement agencies and as appropriate, to our allies.

Conducting effective operations with forces this diverse requires a common set of standing operating procedures (SOP). One of the most powerful, but often unseen aspects of this command is that all of the contributing services, agencies and countries leave their respective asset employment doctrine at the door as they enter the building. Over the years, the interagency and international partners at JIATF South have established and continually refine a common set of mutually agreed tactics, techniques, and procedures to ensure all forces are fully coordinated, integrated, synchronized and employed to the best possible effect.

The common operating picture, or COP, previously mentioned is also very important. We utilize real time location inputs from all of the U.S. assets and those from our allies in order to generate a complete picture of all friendly forces operating within our JOA. The COP also highlights the current targets of interest being tracked. The COP is disseminated over various secure communication systems to U.S. military and law enforcement forces and as appropriate, to our allied forces. It is with the COP that we ensure that all participants have a clear understanding of the current operational picture.

#### DELIBERATE PLANNING

The last core competency I would like to address is deliberate planning. JIATF South is nationally chartered to provide regional counterdrug planning support to the interagency and partner nations; we expend considerable effort meeting this important requirement. The breadth and depth of the counterdrug skill sets on our planning staff are found nowhere else. Our planning staff works directly with Ambassadors and our country teams downrange. Through the country teams, we integrate partner nations' counterdrug efforts with JIATF South. At any one time throughout the year, one or two bilateral or multilateral counterdrug operations is underway within JIATF South's JOA—which uniquely encompasses the entire SOUTHCOM AOR, as well as portions of the AORs of EUCOM, PACOM, and NORTHCOM. We host a semi-annual conference where all members from the counterdrug community within Central and South America, the Caribbean, Mexico and the United States meet at JIATF South to review the efforts, results and lessons learned from the previous six months; then discuss new initiatives and proposals and initiate planning, coordination and synchronization of counterdrug operations for the next six to nine months. As a result of this process, the entire

counterdrug community has an opportunity to be heard and understood; their respective efforts orchestrated to best overall effect.

#### TRANSIT ZONE CHALLENGES

The over-arching impediment to increasing our support to Transit Zone interdiction is the lack of D&M resources in the maritime arena, which represents about 90% of all drugs trafficking movement. The lack of persistent maritime surveillance is our number one problem now and for the near future. While we continue to improve intelligence, predictive analysis and tactical cuing, our limited maritime surveillance capabilities make it a challenge to locate cued targets once they are in the vast open ocean. The air portion of D&M effort is marginally better as we utilize ROTH, mentioned earlier, to be able to conduct air surveillance over a substantial portion of our JOA at any one time. While we detect a major portion of all air traffic, we remain challenged to fully sort them all in order to identify drug flights. We lack sufficient ability to put 'eyes on' the suspect aircraft.

#### DETECTION SHORTFALLS

Overall, we see the glass as being half-full regarding the assets assigned or apportioned to the command. Notwithstanding the fiercely competing demands on scarce resources—which in turn impacts on the forces available for the conduct of counterdrug operations—DOD, the interagency and international community has made a tremendous effort to provide what we need.

The best example of the international community stepping up to the plate is the Colombian Navy. While having the smallest portion of the Colombian defense budget, they continue to have their country's highest seizure rate, due in part to their committing two CASA 235's in support of littoral MPA. In spite of being critically short of littoral MPA, the Colombian Navy has initiated several significant initiatives to leverage their MPA and improve the effectiveness / interoperability of their forces with the U.S. They have trained and implemented a "HITRON like" capability to employ warning and disabling fire from their helicopters, committed a second frigate under the tactical control of JIATF South, continue to fully support U.S. agencies to develop and maintain a coordinated joint effort along the North Coast, provide highly qualified LNO's to JIATF South, continue to integrate new interceptor boats into interdiction operations and they meet regularly with JIATF South to review maritime lessons learned in order to improve interoperability.

The EPAC is increasingly difficult area to conduct D&M operations. The traffickers are continually moving deeper into the EPAC in order to out-distance our D&M capabilities. More and more time is spent by our air and maritime assets in transit from their respective logistic centers in order to get to / return from the operational areas. An Oiler to refuel our ships at sea will significantly mitigate the transit time we are experiencing. If an Oiler were integrated into our force structure, it is projected that there would be a much as a 25% increase in on-station time. With an Oiler, 60 on-station ship days jumps to 75 days and the additional on-station days equate to about a 22% increase in seizures, removal and interdiction events.

Additionally, the Oiler provides for better operational security. With fewer runs to port for fuel, the traffickers have a much less chance of knowing where our forces are operating.

There is however, one area we noted earlier that deserves special attention, maritime surface surveillance. JIATF South is challenged to adequately detect maritime vessels, especially the go-fast boats so commonly used. Between 1 Jan through 15 October 2005, the interagency documented 396 go-fast events within the transit zone. Of the 396 documented events, 281 were not detected while in transit. That leaves 115 that were detected and of this number, 86 were successfully interdicted. Regarding the 29 events detected but not successfully interdicted—in 79% of the detected events, no surface asset was available to conduct the interdiction. The bottom line: We detect fewer than 3 of 10 go-fast events that we have knowledge of and documented as taking place; of those we do detect, almost 3 out of 4 are successfully interdicted—the traffickers are put in handcuffs and are destined to enter the U.S. (or Partner Nation) judicial system for prosecution.

#### THE IMPORTANCE OF MPA

Of all our asset shortages, maritime patrol aircraft (MPA), which currently provide long range surface maritime surveillance, is in critically short supply. MPA flying in support of ships significantly increases the probability of detection. To elaborate, we typically use a search box that is 75 x 150 nautical miles to find a go-fast. A ship on patrol within this box has about a 9% chance of detecting a go-fast boat

as the ship's radar does not 'see' over the immediate horizon. However, if the ship has a helicopter, it can extend the horizon from the ship and increase the probability of detection to approximately 20%. If we are able to provide a maritime patrol aircraft to help cue the ship and helicopter, the probability of detection increases to approximately 70%. The value of MPA and its contribution to our success rate can not be overstated. When we compare the level of MPA support provided to the command in 2004 to that of 2005 (same time frames), we experienced nearly a 30% decrease in 2005. To assist the efficiency of the MPA aircraft, we will often use the U.S. Air Force E-3 Sentry (AWACS) or the Customs and Border Patrol P-3B AEW to help cue the MPA. Flying very high, these assets have the capability to surveil large areas of the ocean, and in turn provide accurate locations of suspect ships for the MPA to further investigate. The MPA then flies from point to point and does not commit flying hours searching for surface targets. Without an asset cueing the MPA, the MPA is required to fly a search pattern then investigate each surface contact as it is found—a far less efficient use of its on-station air hours.

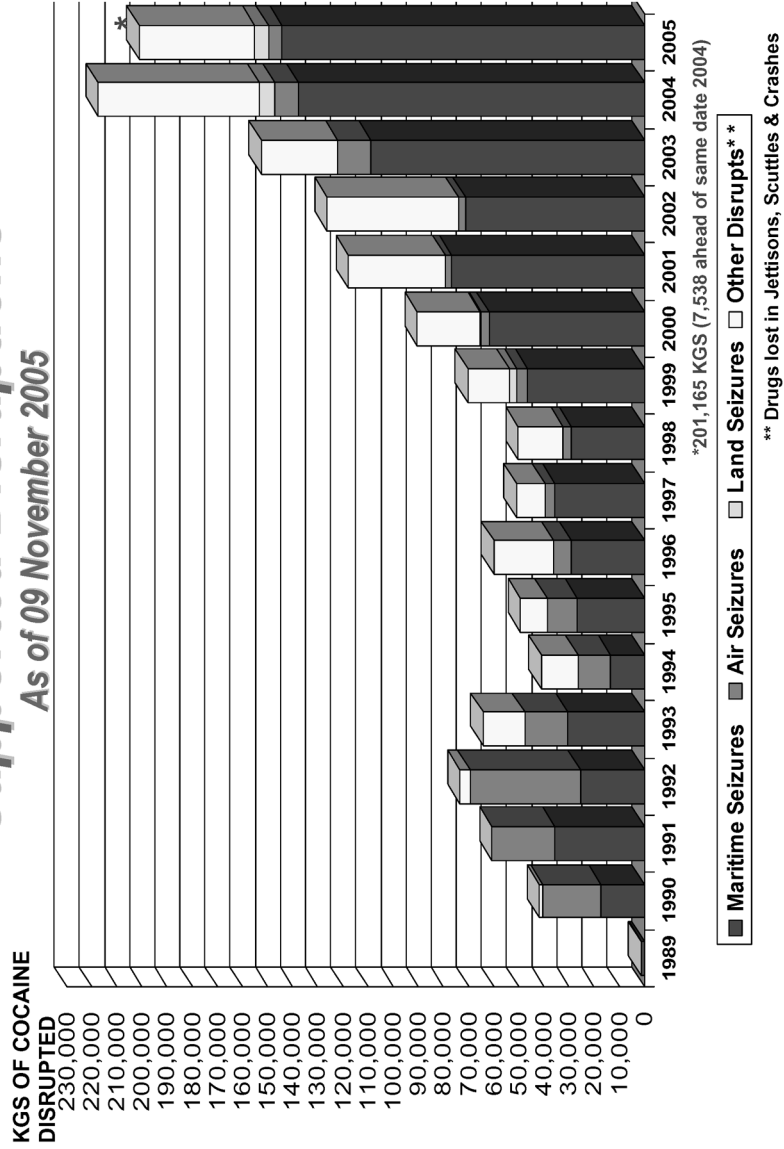
While ROTHF supports the aircraft D&M effort 24x7, the capability to continuously surveil and detect surface maritime targets in a similar manner does not exist. Until a long term, all weather persistent surface surveillance solution is put in place, we will continue to rely heavily on long range maritime patrol aircraft, whose numbers and flight hours are rapidly decreasing. Clearly, we must solve our maritime detection shortfalls to ensure we can find maritime targets.

#### CLOSING

This year, JIATF South continually demonstrated its agility and flexibility by evacuating Key West due to inbound hurricanes and jump its entire operation to safe haven locations throughout Florida all the while remaining fully functional and capable of executing the D&M mission. During Hurricane Wilma we conducted remote operations for just over two weeks and supported the disruption of 10.2 metric tons of cocaine. In spite of our challenges—weather and the lack of resources—we continue to be successful for two primary reasons. First, is Unity of Command—the entire JIATF South team works with a common vision and a common purpose. The second is Unity of Effort. The tremendous caliber of people who dedicate their professional talents to safeguarding America's citizens by interdicting the drug traffickers far from our borders is simply extraordinary. This strategically important endeavor warrants our continued best efforts.

# Supported Disruptions

As of 09 November 2005



Mr. BURTON. Thank you, Admiral. We all know since 9/11 that there has been a diversion of some of the assets that would have been used down there for other purposes, for homeland security. So that is something that we probably ought to rectify.

Let me ask you this. What percentage of drug shipments leaving South America get to the United States? Does anybody have any idea . . . 10 percent, 20 percent, 50 percent?

Admiral HATHAWAY. I will answer that from my part of the world, sir. In the Caribbean, do you see that almost solid red line? Well, we estimate that we are successful in interdicting through United States and partner nation, probably 20 to 25 percent of that Caribbean vector. In the Eastern Pacific, it is more on a consistent basis at about the 35-percent level.

Mr. BURTON. Okay. So 25 to 35 percent are being interdicted, which means that 65 to 75 percent are getting through. And one of the things that is very troubling, when I looked at that map earlier today is, not only are we facing a real drug problem, but we are facing the potential of terrorists coming in on those same routes and getting into the United States with weapons that could destroy large parts of cities.

I guess one of the questions I would like to ask, maybe I should start with Mr. Farrar, why is it that we don't have night vision equipment on these helicopters and get them up at night? Because 95 percent of the drug shipments, and possibly terrorists coming into the United States, are moving via the sea at night. And it seems to me only logical, if you have got the helicopters down there, you would have night vision equipment on there to spot them.

And we are going to see in a few minutes up here what happens when you can spot them, and you can blow them out of the water. But you can't do it if you can't see them. So can you explain that to me?

Mr. FARRAR. Let me try to do so. We have, I believe it is 11 helicopters in Santa Marta.

Mr. BURTON. Right.

Mr. FARRAR. They are Bell-212 helicopters, which we are in the process of rewiring so that they will be night vision capable.

Mr. BURTON. Well, why hasn't it been done up to now? I mean, they have been down there for a while.

Mr. FARRAR. They have been there for a while, that is true. The other part of the equation is that we will also need to train more pilots to be able to fly those at night. Part of the problem in the past has been that pilots have been taken off of night vision missions for daytime missions, and that disrupts their ability to carry out night missions.

Mr. BURTON. So you are saying that we don't have enough pilots. That seems like to me that could be rectified rather quickly, you know, if we knew about it. Congress, I am sure would authorize getting more, and the President would authorize getting more pilots down there.

If 95 percent of the drug trafficking is being done at night on the seas, and you can't see them, it seems to me only logical the first thing you would do is get the night vision equipment on there, and get the pilots on there so you can track them.

And how long has this been going on?

Mr. FARRAR. We are in the process of doing that. It will require training of Colombian pilots, so we will be looking to our Colombian partners in this to make sure we have enough pilots assigned to do this, and that they are not drawn off into other missions. These helicopters do have other missions that they have to perform during daylight hours.

So we have started it. It took a while, but we do have a program in progress to get these wired up. The first ones should be finished by mid-2006. It will take about another year to get all of them—

Mr. BURTON. Pardon me, Mr. Farrar. We have been hearing for years that night vision goggles and equipment was going to be utilized, and it hasn't. And I guess we can't figure out, you know, we have been pouring a lot of money into Colombia down there for drug eradication and for the equipment. We just asked for these DC-3s. And I just can't understand why, if we have been asking for years for this equipment, why it hasn't been done before now.

Mr. FARRAR. Okay, yes. We do have night vision capability on some assets down there, but not on these particular ones in Santa Marta, you are correct on that.

Mr. BURTON. Well, it is going to be done.

Mr. FARRAR. Yes, sir.

Mr. BURTON. and it is going to be done quickly.

Mr. FARRAR. Yes.

Mr. BURTON. And you are going to train the pilots quickly.

Mr. FARRAR. We are going to start in the spring of next year, so they will be ready when the first helicopters are ready.

Mr. BURTON. Why are you waiting until the spring of next year? This is November.

Mr. FARRAR. Well, it is just phased so that they will be ready when the helicopters are ready.

Mr. BURTON. Okay. Would even a few or half a dozen end game police or military helicopters help on the aerial drug-laden flights going into Central America? And could they also help on the maritime interdiction end, as well? Mr. Braun? Your microphone is not on.

Mr. BRAUN. Yes, Mr. Chairman, I believe they would help. And that is the big problem that we have got throughout Central America right now, is we have got loads of drugs that are coming into Point B, and we have got cops staged at Point A, and we simply can't get them there.

As I mentioned in my opening statement, I spent a lot of time in the northern-tiered countries of Central America, especially during the early 1990s, and have recently revisited the area, spent some time on the ground there. Where these drugs are moving inland, in places like the Peten of Guatemala, Peten area, very remote, up on the southern border with Mexico, into Belize, into Honduras and elsewhere, they are extremely remote.

So currently we simply lack the capacity to get the cops into the fight, and get them there as quickly as we possibly can.

Mr. BURTON. Do you think we will ever get the reduced purity and quantity of cocaine with this neglect that seems to be apparent in Central America?



Mr. BRAUN. I believe we will. But we are not going to do it with the existing capability.

Mr. BURTON. You need more money and more assets.

Mr. BRAUN. We need to be able to move the cops very quickly, and get them into the—

Mr. BURTON. Well, what do you need?

Mr. BRAUN. We need a capacity that, I mean, we currently lack.

Mr. BURTON. Okay, but what do you need? I mean, do you need more helicopters? Do you need more money? What do you need?

Mr. BRAUN. We need additional resources, and we can certainly get back with you on that.

Mr. BURTON. We would like to have a list. One of the things the Speaker of the House is very interested in is Colombia knowing how to deal with the interdiction of drugs coming into the country. He has made this one of his top priorities.

And so I think it is really important that you give us specifics on what you need. The Admiral, you, Mr. Farrar, we really need to know. And we will get that message to the leadership of the House, and we will try to find you the money and the assets that you need to get the job done.

Mr. Menendez.

Mr. MENENDEZ. Thank you, Mr. Chairman. Admiral, did I hear you correctly? Are you not operating as a result of the hurricane?

Admiral HATHAWAY. No, sir, we are operating. And during Hurricane Wilma, when we actually evacuated Key West, JIATF South has what we call a COOP location, a continuity of operations location, at the Naval Station in Mayport, Florida. So all of our operational crew was up there, and we were able to actually maintain command and control of all of our assets down-range.

Today, I would say that we are about 80 percent back to where we were. Our problem is that a lot of the great intelligence fusion that we do with all the very talented people has been very hindered by having had to move folks around while we clean up from Hurricane Wilma, and also our lack of access to some of our electronic systems that originates from Key West.

But we are 80 percent up and running. And even during the height of Hurricane Wilma, we were making and facilitating some great seizures in our joint operating—

Mr. MENENDEZ. Do you have what you need to get back to full strength?

Admiral HATHAWAY. We do.

Mr. MENENDEZ. Okay. Let me ask you a question, Mr. Secretary. We don't touch on this topic directly, but it seems to me it is an integral part of your ultimate plan for success here, and that is corruption in Central America.

According to a *New York Times* article recently, corruption was quoted as the greatest weapon drug traffickers have. Smugglers use bribes to pay off sources that tell them how state interdiction is working, and successfully monitor state efforts to carry out their trafficking. The Panamanian official responsible for anti-narcotics enforcement was recently arrested for trafficking cocaine.

According to Transparency International, three Central American countries received a corruption perception index score which indicates widespread belief among public officials that there is

rampant corruption. And Guatemala's top anti-narcotics official resigned after only 6 months in office because of lack of institutional support.

So while we try to get the DEA and the Admiral all the help they need, what are we doing as a policy to address the governments' institutional weaknesses and general corruption in Central America? And what is the Administration doing to strengthen the rule of law? And a third question, what are we doing to make sure that state intelligence is not getting into the hands of traffickers?

Mr. FARRAR. Sure. We work in a number of areas that are directly relevant to this. Starting from sort of the bottom up, we do fund cultural lawfulness programs which are designed to work with school-age children, high schools, to teach them what to expect from a society and a government where rule of law prevails.

Moving up from that, we of course work with DEA with vetted units, so that we can deal with the question of reliability of officials and safeguarding intelligence.

We also have worked with all of these countries in areas such as money laundering, to get them to pass anti-money laundering legislation. We have had success in every country so far, except for Nicaragua, where we have put aside \$500,000 this year to work through the OAS CICAD to help them pass money laundering legislation this year.

And we have had some successes. Panama and Guatemala have come off of the list of non-cooperating countries maintained by the FATF, the Financial Action Task Force. So there have been some successes there. Certainly it is a continuous struggle, but there have been some successes.

Mr. MENENDEZ. Well, let me just say that while I applaud teaching future generations of Central Americans what to expect, that is a long-term effort, but certainly worthwhile.

But in the short term, even if you pass money laundering statutes, it still depends upon the public officials who are going to enforce these laws. And so it seems to me that if the core of the corruption issue is what we do with the administration of justice in these countries, how do we incentivize them both in a positive way, as well as through consequences if they don't move in a direction that improves the administration of justice, so that we can begin to penetrate the level of corruption that obviously exists by the statements of individuals or the prosecutions of individuals within those countries?

So it seems to me that we have to have a much more robust effort. I know that Mr. Delahunt has, beyond Central America, a broader plan in this regard, and I would urge the Administration's consideration of it. It actually seeks to be much more pro-active in the rule of law.

Let me ask you, Mr. Braun. With reference to the significant increase in trafficking through Central America, is this occurring now because Plan Colombia has failed to reduce the amount of drugs flowing to the United States? Or does the shift happen because our interdiction efforts were effective, and the traffickers have had to shift routes? And if that is the case, will we have another hearing next year in which we have shifted the routes, if we can succeed at giving you the resources that you say you need and

we will just shift the routes maybe to the Caribbean? What are we doing to ultimately get to the crux of the problem, which is not just shifting the course of where the trafficking takes place?

Mr. BRAUN. Well, let me say this. And Congressman Menendez, the DEA has successfully relied on what we refer to as an organizational attack strategy for years. We are constantly dealing with these shifts.

We hit drug traffickers in one area; they adapt very quickly, and their means and methods by which they operate and, you know, they will shift gears on us and move into another area. Or they will rely on some other means by which to move their drugs forward.

Which is one of the things that I think bothers me the most right now with Central America, is because we have had and experienced tremendous successes out on the deep blue water, so to speak. And my concern is that look, they can only take so many of those hits, and they are going to have to adapt to prevent those losses from happening. And they are going to move inland, or they are going to rely on containerized cargo to move their drugs. They are going to reestablish or reconstitute the air bridge through Central America, but they are going to be doing something different. So that is something that we are looking at very closely. And we are working with JIATF South, constantly assessing what drug traffickers are doing.

In getting back to this organizational attack strategy, we believe that the most effective way that we can significantly disrupt, and hopefully ultimately dismantle, major drug trafficking organizations is to basically identify the hierarchy within these syndicates, and to cut the head off. And if we can bring them to justice in the U.S., which is the last place any of them want to face justice is in the United States. If we can't get them into the United States, then get them to some other competent jurisdiction, you know, in some other country.

But I mean, I can tell you that we have seen shifts throughout history, and we are going to continue to see shifts. You know, the major syndicates are able to adapt very quickly, and to move drugs in different ways to prevent major losses.

Mr. MENENDEZ. One last question. With reference to the Maras, the gangs in Central America, we see them being used as low-level mules. Do you see a merger between the organized trafficking and the gangs? And if so, how does that change the nature of our strategy?

Mr. BRAUN. Congressman Menendez, here is how I view the gangs that have really got a foothold throughout Central America right now. I see them as the future drug traffickers. If you think back, I will use Pablo Escobar as the perfect example. I mean, the guy started out stealing cars. He started out as a low-level street thug, and he worked his way up. And it is the survival of the fittest kind of a mentality.

That is what scares me about gangs in Central and South America right now. These are the future drug traffickers, and they are far worse than anything that we are confronting today.

Mr. MENENDEZ. Thank you.

Mr. BURTON. Mr. Weller, Vice Chairman.

Mr. WELLER. Thank you, Mr. Chairman. And again, I appreciate this opportunity.

My first question I would like to direct most to both Mr. Farrar and Mr. Braun. I had mentioned earlier my statement. You know, clearly we see examples of how narcotrafficking is corrupting institutions in society. And I gave the example in Nicaragua of the \$609,000 in funds that have been seized from a Colombian narcotrafficker, placed in the Supreme Court bank account. And then those funds, that \$609,000, were withdrawn, and apparently the legal papers allowing the withdrawal were signed by a Sandinista Supreme Court Justice, a Rogers Callimilo. And the individual who actually drew the money out of the account, a Sergio Melendez, who is a former member of the Sandinista Secret Police.

This scandal, of course, has been front page news in Nicaragua, rocking society there for the last several weeks. But in this case, it is commonly accepted that the judicial system in Nicaragua is controlled by the Sandinista Party, controlled by Daniel Ortega.

And I was wondering, can you share with the Subcommittee what, if anything, is known about the relationship with narcotraffickers with the Sandinista front, or members of that particular political organization?

Mr. BRAUN. Congressman Weller, I would be more than happy to get back with you on that. I don't have any specific information that I can share right now. I just don't have it.

Mr. WELLER. Mr. Farrar?

Mr. FARRAR. I don't have information on that specific case. But as you know, we have been fairly aggressive in terms of Nicaragua with using the Presidential Proclamation to revoke visas. And I can't talk about specific cases, but I can tell you that we do see that as a very important tool that we have used, and will continue to use in the future.

Mr. WELLER. Well, Mr. Braun and Mr. Farrar, as you get back to us, not only the narcotrafficking, the money laundering, and the arms trafficking. We would be interested in knowing any ties with that particular political organization.

Admiral Hathaway, you know, as Chairman Burton noted, we on this Committee certainly want to work with you to make sure you have the resources, tools, and support here in the Congress to do your job.

I know over the last couple years you have been looking at ways to expand marine air patrol, particularly along the Caribbean and the Pacific Coast of Central America. And that review and analysis has been going on over the last couple years.

I am just wondering, what is the status of that? And are you prepared to make a recommendation as a result of that review?

Admiral HATHAWAY. Well, Mr. Weller, that is a very good question. And let me say that maritime patrol aircraft is a manifestation of a base requirement in the maritime world for persistent wide-area surveillance. When intelligence cues us to something, we need to go look. Intelligence is not always that specific.

And as I said earlier, typically for us that has meant a need for large four-engine air-breathing aircraft. That is not the only way to get persistent wide-area surveillance, and we continue to look at every avenue we can to try to meet that requirement. In fact, we

are working with the Air Force through SOUTHCOM right now to see if perhaps Global Hawk, which is a high-demand, low-supply asset today, can it help in that persistent wide-area maritime surveillance requirement that we have.

The fact of the matter is today, even when we incorporate our foreign partners, there are not enough maritime patrol aircraft to go around to feed the better intelligence that we are having.

What I can say is that we are making the smartest use possible of that aircraft. We are not wasting 1 hour that we have. Unfortunately, some things have conspired against us.

The Navy is experiencing a more rapid than expected deterioration of their P-3 fleet. We relied on them as the backbone for MPA. And so we have gone from 750 hours a month support down to 175. That is just a fact of life. They have not pulled out of that; we were impacted no more than any other mission area that the Navy P-3s fly against.

The Dutch, in a cost-savings move—

Mr. WELLER. Admiral, I have a limited amount of time here. And I guess the question I am trying to get, and I understand we have been doing a lot of analyzing here and studying. But when does that end? And when are you going to make a request to those of us in the Congress to provide you the resources to expand that capability and get you the aircraft you need?

Admiral HATHAWAY. We have a standing requirement, it is generated out of JIATF, that will tell you that you can expect this level of success for this level of investment. It exists today. It has been predicated historically on how we use those aircraft. It is truly just a matter of investment.

What I am telling you is that the aircraft don't exist today in the world inventory, unless we reprioritize what I would say away from what our—

Mr. WELLER. And Admiral, if Congress were to provide the funds, how quickly would we be able to acquire these new aircraft and put them in place?

Admiral HATHAWAY. Sir, that is a question I can't truly answer. I am just not sure how fast you can generate those assets.

Mr. WELLER. We will be starting the new process for next year soon.

Admiral HATHAWAY. Yes, sir.

Mr. WELLER. So we would certainly urge you to come to a decision, and make the requests you need to make.

Mr. Chairman, I just have one short question which I think is important to ask. I am going to direct that to Mr. Farrar.

You have made comments regarding that there are no excess Plan Colombia provided Huey-2 helicopters from the Colombian Army that we might be able to use in Central America, in end game interdiction efforts in places like Guatemala and elsewhere. But some of these countries merely have one helicopter, and the Colombian Army has dozens.

Are you sure that there are no surplus Plan Colombia helicopters that could not be shifted to some of these other countries for use as part of the air interdiction?

Mr. FARRAR. Sir, we would be very reluctant to shift any assets at this point in time out of Colombia. We see Colombia as the cen-

ter of gravity in this fight, and we would be very reluctant at this time to do that.

Mr. WELLER. So every one is being utilized? There is none that are not being utilized?

Mr. FARRAR. We are using them all to the best of our ability, sir.

Mr. WELLER. Okay. Thank you, Mr. Secretary.

Mr. BURTON. I just want to follow up on what the gentleman said.

Admiral, we have suggested DC-3s which could be flown at \$400 an hour, and they could be ready for use in about 6 months. You haven't mentioned those.

Admiral HATHAWAY. Well, sir, I don't normally talk about specific air frames. However, if it is an adequate resource to meet the base requirement of a specific maritime surveillance that we of JIATF South could productively utilize as an asset, it is our hope that Vice Admiral Barrera would tell you that he could productively utilize that same MPA in his—

Mr. BURTON. Well, we have been told that they can be very helpful, and we hope that you will utilize them.

Mr. Delahunt. I just really have three votes, just for your information, three votes on the floor. And hopefully we can get to you and Ms. Ros-Lehtinen.

Mr. DELAHUNT. Thank you, Dan. I would just reinforce the request that was made by the Chairman. And I think it is specifically directed to you, Mr. Braun, and you, Admiral Hathaway.

You know, go back. You don't have to run through all of the traps. This is a request coming from the Committee at jurisdiction about sending us your wish list. We want to know that.

Because maybe I can sum up by saying, and you can tell me whether I am correct or not, the tragedy is—and let me be specific about maritime interdiction—we have the intelligence that tells us that there is a load coming up the Caribbean or in the Western Pacific. We have that information. We know that drug is being transported. But we don't have the necessary assets to consummate the interdiction. Am I correct on that? Say yes or no.

Admiral HATHAWAY. The answer is yes, not all the time.

Mr. DELAHUNT. Not all the time. So in effect, what we are doing, you have developed I think an outstanding strategy; it makes sense. To use the term fusion intelligence, it is the future, an extraordinary job.

But the frustration that these people on the ground are feeling when they know there is a large shipment of drugs that is coming, but because of the lack of assets, that they can't interdict, that just doesn't make any sense at all.

And let me, I think it was the Chairman that alluded to what we should be doing with the monies going through Plan Colombia. You know, to be perfectly candid, I have reservations about the long-term effectiveness of eradication. And I think, Mr. Chairman, we ought to think about diverting some of those funds to interdiction, into providing the assets, the maritime assets. They need a fleet down there. They need more aircraft. They need those kind of assets to do the interdiction.

And I concur with Admiral Hathaway when he speaks to the effectiveness of the Colombian Navy. The Navy in Colombia ought to

be getting a larger share of the assets for interdiction purposes than they are currently getting. With that, I will yield back.

Mr. BURTON. Thank you, Mr. Delahunt. Ms. Ros-Lehtinen.

Ms. ROS-LEHTINEN. Thank you, Mr. Chairman. And thanks again for the hearing.

For Admiral Hathaway, it is my understanding that the great midnight express interdiction boats we have provided to the Colombian Navy and Coast Guard, like the police helicopters in Santa Marta, lack night vision capacity. This is like putting your team on the field at halftime instead of playing the game when the enemy is doing so at night. Why is that happening?

Admiral HATHAWAY. Well, ma'am, it is a step at a time. First of all, I would like to say that there is no better place for JIATF South to be than Key West, Florida, where we are doing great work.

I will ask that Admiral Barrera speak to this. I am sure he was going to mention how effective those assets are going to be, and we have got the game plan down.

The next step for those midnight express interceptors, and Admiral Barrera I am sure will agree with this, is to make them fully capable into the night, as they are during the day. And I am sure that that is on his list.

Ms. ROS-LEHTINEN. Thank you. And just a quick question about the State Department. If we are considering, as I said in my statement, any revisions to the certification process to integrate counter-narcotics with the counterterrorism endeavors. Because with respect to Colombia, for example, funding allocations addresses the relationship between narco-trafficking threat and the terrorist threat in that country.

But we don't seem to have developed a process by which we can link United States assistance on the drug front and certification of cooperation on that front, with our programs and efforts to address current and emerging terrorist activities in Central America and the rest of the region. Our current approach appears to be focused on both the priorities separately. Is there any thought to integrating them?

Thank you, sir.

Mr. FARRAR. Thank you. We do have an interagency process underway right now looking at the certification legislation. But I would say it is focused right now more on trying to incorporate the synthetic drugs into the certification process.

So I would be glad to take that suggestion back, though. And we will look at it.

Mr. BURTON. Thank you. I appreciate the panel being here with us today. And I want to make clear from what we have heard in testimony that we have a major problem that needs urgent correction with both helicopters and maritime patrol aircraft, to control both the Eastern Pacific and the Caribbean drug trade.

These gaps are undercutting Plan Colombia, and our eradication efforts in the Andean Region. A good drug policy includes an array of strategies, from eradication interdiction to mobilization, and reintegration of ex-combatants, alternative development and effective use of resources.

For our leadership in the Executive Branch officials here today, including SOUTHCOM and the Drug Czar's office, as well as the White House, you can't expect support for all of the monies that we are spending on eradication under ACL if the Central American transit zone gaps are neglected.

I want to see, and I think my colleagues want to see, you can hear from their questions today, we want to see action now and in the first wartime supplemental up here, targeted monies included to close this gap, including modest DC-3s for the Colombian Navy.

Thank you very much, and I hope you will take this information or questions that we have given you to heart. And let us know your wish list. We want to help you.

Thanks a lot. We will be back in about 15 minutes for the second panel. Thank you for your patience. [Recess.]

Mr. BURTON. Vice Admiral, have a seat. We don't swear in foreign dignitaries because if we have a foreign dignitary that doesn't tell us the truth, first of all, shame on them, and second, we can't do anything about it.

So we are going to go ahead and start. And we want to thank you very much for being here. We really appreciate all the hard work you do in helping us fight the war against drugs.

I have been down there and visited with you. I still don't understand how that one new boat that you have works, the one that turns around. You are going to have to explain that to me when we have more time.

But in any event, would you please go ahead and give us the briefing that you came to give us? And I hope we are joined by more of my colleagues. But there is a lot of things going on in other Committees, so they may wandering in and out.

Before we start, we have a video we would like to show which shows some of the things that you have been doing to try to interdict the drugs. [Video]

Mr. BURTON. That is very interesting, Admiral. I was just told by my right hand up here, the silver fox on the staff, that sometimes the drug runners will put their bodies on top of the motor, so that the helicopter won't shoot them.

And my question is, why don't they shoot them anyhow? I am not being facetious. If they are trying to use their bodies to protect the engines so they can bring drugs into the country, it seems to me that they ought to be dealt with very harshly.

Anyhow, go ahead.

**BRIEFING BY VICE ADMIRAL GUILLERMO E. BARRERA, CHIEF OF NAVAL OPERATIONS, NATIONAL NAVY OF COLOMBIA**

Mr. BARRERA. Thank you very much, Mr. Chairman. This is a challenging effect for me, because after attending a location in the United States for over 4 years, speaking in English is going to be a challenge for me today.

First of all, I have to say thank you, in the name of the military forces of Colombia. I think this is the first time that the military come to Congress of the United States to give an indication of how we are working together.

I have to start saying that narcotrafficking is the word for terrorism in Colombia. Therefore, the war on narcoterrorism for us is



a matter of survival, of freedom, and democracy. Because of that, we are in this war against narcotraffic and narcoterrorism.

And we are working in two main strategic areas. First of all, eradication. The main goal or the main institution working on eradication is the police, with the help of the Army in some areas. And interdiction. And interdiction is mainly on the shoulders of the Navy in Colombia.

Forty-four million of Colombians and foreign citizens that work or live in Colombia are expecting that we will be able to do our job. And also, hundreds of thousands of millions of youngsters in the United States and the world.

I would like to say that the strategy of cooperation between the Colombian Navy and the United States Marine Forces is expressing the bilateral maritime agreement signed in 1997. The interdiction success achieved has been the most successful ever obtained in combined operations against drug trafficking.

Our collective success is evidenced by the seizure of 435 tons, metric tons of cocaine between January, 1997 and October, 2005. Sixty-three percent of these seizures are the results of combined operations; 30.5 percent seized exclusive of Colombian Navy operations; and 6.5 seized in joint operations with the Colombian Armed Forces including the police.

The operation of labor has increased the average daily rate of seizures from around 51 kilos per day in 1997 to 322 per day in 2005. This impressive quantity of drugs seized in this 9-year period has an estimated street price in the American open market of \$17.4 billion. Similarly, this volume is equal to approximately 2,174 million personal doses, representing a street value that exceeds \$65 billion.

Eighty-four percent of this captured volume has been the result of maritime interdiction operations, and some joint Colombian Navy and police operations in our coastal zones. The remaining percentage corresponds to the riverine seizure operations. This shows the importance of combined operations at sea.

However, if properly resourced, we could do much more in joint and combined operations as one of the most cost-effective forces in the fight.

I have to tell you, Mr. Chairman, that in the last years we increased from 2002 to 2003, in 25 percent seizures. That year we put in working the two MPA we already have. Next year, in 2004, we had the Coast Guard stations in Santa Marta with the help of the United States, a 10-percent increase in the seizure of cocaine. In 2005, 38 percent stations in Tomarco and the midnight express boats.

Each year, if we could have the priority to have MPAs, kilos, plus all the other things we could increase something like 30 to 35 percent. This year probably we will break the 100-ton barrier, and we will be able to improve our achievements.

The cost of using Colombian ships and airplanes is significantly less than using United States ships and planes near Colombian waters. Due to the distances which they must operate from their home ports and bases, and because of the time required to be deployed.

The magnitude of the trip constitutes a significant challenge to the caballitas of the Colombian Navy. For this reason, the Colom-

bian Navy has concentrated a substantial part of its operational, logistical intelligence and budget for detection and maritime interdiction of these narcoterrorist threats to the Colombian seas.

These are specific points of opportunity that we have discovered and already had found in the seas, are in the area of the Archipelago of San Andres and Providence, the southern area of Cartagena to the border with Panama, and also in the Pacific from Buenaventura to the south.

Maritime interdiction events basically evolve in three phases: intelligence, detection, and interdiction or seizure. This approach works in two areas, the coastal areas and the high seas.

In the coastal areas we have everything together; small boats, large boats, airplanes. In the high seas, we actually have very little. Patrol aircraft increases the probability of detection from 5 percent when using only surface-detection vessels, to 70 percent probability of detection, including capability of using helicopters. If there is a significant investment in the Colombian Navy capabilities to increase and sustain interdiction operations at sea, we estimate that we will increase our seizures by up to 65 yearly average during the next 5 years, based upon our increasing seizure average for the last 9 years.

The impact of increased seizure at sea combined with our successful eradication and seizures by the Colombian National Forces will rapidly and significantly reduce the overall time necessary to eliminate drug and trafficking from Colombia. Further, we will rapidly be eliminating the main source of funding for terrorism in Colombia.

Without a doubt, the operational effort of the Colombian Navy over the past several years has surpassed capabilities of any other naval forces with similar restricted resources. Despite the physical wounds and death of our sailors and marines receive from narcoterrorists and their organizations, our Navy demonstrates daily its undeniable commitment to the eradication of drugs, other illicit substances and organizations from our seas and rivers.

Our daily effort results in removing one kilogram of cocaine from circulation every 4 minutes, every day. With modest investments, this success rate will surely and rapidly be increased.

After being the Commandant of the Caribbean Forces for 3 years, I could say that the Colombian Navy and the police and the armed forces are very happy that they can save the life of one youngster everywhere in the world, and the United States. We in Colombia have scarce resources, and we would like to see that the reallocated money stays the way it is right now. That will help.

And I have to finish, and I would like to finish, saying that without the help of the Congress of the United State and the United States, it would be very difficult for us to sustain democracy in Colombia.

Thank you, Mr. Chairman. I am ready for questions.  
[The prepared statement of Mr. Barrera follows:]

**REPUBLIC OF COLOMBIA  
COLOMBIAN NAVY**



**CONTRIBUTION BY THE COLOMBIAN NAVY IN THE WAR  
AGAINST NARCOTRAFFICING**

**“Problems in the Caribbean and Pacific zones of illicit drug trafficking:  
challenges and the need for opportune solutions”**

**Document presented to the House International Relations Committee  
of the United States Congress**

**November 9<sup>th</sup>, 2005**

Presented by the Colombian Navy to the U.S House International Relationships Committee.

VICE-ADMIRAL GUILLERMO BARRERA HURTADO

CHIEF OF NAVAL OPERATIONS (N3), COLOMBIAN NAVY

NOVEMBER 9<sup>TH</sup> 2005

PRESENTED TO: HOUSE INTERNATIONAL RELATIONS COMMITTEE, CONGRESS OF THE UNITED STATES OF AMERICA

***“Problems in the Caribbean and Pacific zones of illicit drug trafficking: challenges and the need for opportune solutions”***

The strategy of cooperation between the Colombian Navy and the United States Maritime Forces is expressed in the Bilateral Maritime Agreement signed in 1997<sup>1</sup>. The interdiction success achieved under this Agreement has been the most successful ever obtained in joint operations against drug trafficking in the recent history of the global fight against this crime. Our collective success is evidenced by the seizure of 435,800 kilograms of cocaine between January 1997 and October 2005<sup>2</sup>. 63% of these seizures are the results of combined operations with 30.5% seized in exclusive Colombian Navy operations, and 6.5% seized in joint operations with Colombian Armed Forces<sup>3</sup>. The operational effort against this global threat has increased the average daily rate of seizure from around 51 kilos/per day in 1997, to 322.4 kilos/per day in 2005<sup>4</sup>. This impressive quantity of drugs seized in this 9-year period has an estimated bulk price in the American open market of US \$17.43 billion dollars<sup>5</sup>. Similarly, this volume is equal to approximately 2,174 million personal doses<sup>6</sup> representing a street value that exceeds USD \$65.38 billion<sup>7</sup>.

84%<sup>8</sup> of this captured volume has been the result of Colombian Navy-only maritime interdiction operations and, some combined Colombian Navy and police operations in our costal zones and on our high seas. The remaining percentage corresponds to riverine seizure operations against production centers on shore. This shows the importance of combined operations at sea in the drug war, as a very suitable tool to neutralize the illicit drug business. However, if properly resourced, we could do much more in joint and combined operations as the most cost-effective force in this fight. This is true because the cost to process the above noted amounts of coca base is approximately USD \$652.2 millions. Correspondingly, the loss that the drug traffickers will have by the seizure of equivalent quantity of cocaine in laboratories and zones of transportation on land corresponds approximately to only 6% of the loss that they incur by our seizures at sea<sup>9</sup>.

<sup>1</sup> Bilateral Maritime Agreement among the Government of Republic of Colombia and the Government of the United States of America to suppress illicit traffic by sea.

<sup>2</sup> Source: Naval Operations Department, Colombian Navy.

<sup>3</sup> Ibid. 2. facts from 2003- 2005.

<sup>4</sup> All seizure numbers are defined as of October.

<sup>5</sup> Source: information from “An analytic assessment of US drug policy” by Boyum and Reuter – 2005/ analysis from DDIN – ARC. This source estimates the value of the wholesale distribution on cocaine in USD\$ 40.000.

<sup>6</sup> Distribution price minimum per 200mg dose based upon bulk price of USD\$ 150.000/Kg.

<sup>7</sup> Ibid. 3. The source estimates detailed distribution of cocaine in 200 mg doses in USD\$ 150.000/Kg.

<sup>8</sup> Source: Naval Operations Department, Colombian Navy. The remaining 9% corresponds to seizure operations in the coastal shipping and storage, specially in the South Pacific areas of the Colombia.

<sup>9</sup> Source of value: facts from “An analytic Assessment of US drug Policy” by Boyum and Reuter – 2005/ and analysis of DDIN - ARC. The source estimates the price of cocaine in transit between USD\$ 15.000 and USD\$ 25.000 depending on the route taken.

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Nevertheless, the estimates from intelligence organizations and agencies provided by other countries verify that this narcotics interdiction struggle in recent past years has only resulted in the seizure of approximately 13% to 15% of the total cocaine that is transported through the Caribbean and East Pacific ocean. While the majority of this cocaine departs from the Colombian coasts, an ever increasing volume of cocaine is now departing from other countries in South America<sup>10</sup>. Although the current strategy of interdiction combined with eradication of cultivation and the destruction of laboratories has been moderately successful, given the current growth rate of cultivation and processing of coca base, this strategy, continued at current resource levels, demonstrates that total elimination cannot be achieved for more than a decade. For this reason, continuing current bilateral cooperation and *increasing* patrol and interdiction capability is fundamental to our success and, an essential strategy to reduce the time that is necessary to completely eliminate this threat in the Colombian territories and its influence of maritime areas.

However, by comparison, the use of Colombian naval assets is a more financially effective use of interdiction resources in the execution of the strategy against the illicit drug traffic. Simply stated, this is true because the cost of using Colombian ships and airplanes is significantly less than using United States ships and planes in near Colombian waters due to the distance which these asset must operate from their homeports and bases and, because of the periods of time required deployed away from these bases.

Transportation by sea has become the most favored scenario for illicit drug trafficking that originates in the South American countries, destined for markets in North American, the Caribbean and in Europe. An analysis of the drug routes<sup>11</sup> estimates that the principal convergence point is Mexico where most maritime routes of illicit traffic meet. Just like Colombia is the main point of embarkation, Mexico is the main point of transit for cocaine, coming from the south of the continent moving north to enter the United States.

The magnitude of this threat constitutes a significant challenge to the capabilities of the Colombian Navy. For this reason the Colombian Navy has concentrated a substantial part of its operational, logistics, intelligence capabilities and budget in the detection and maritime interdiction of this narcoterrorist threat throughout the Colombian seas. This effort has proven to be a somewhat effective response to the asymmetric narco-terrorism threat in Colombian waters because we share maritime borders with 9 different countries in the Caribbean basin. In the crime of maritime trafficking, there are critical areas for loading and setting sail, routes of navigation and points of convergence that are well known and recurring. If we can regain domination and control of our seas, our national security and that of the region will immediately improve. It is here that all the agencies with international cooperation need to redouble the effort against narcoterrorism.

It is estimated that 70% of the global market demand for cocaine comes from Colombia<sup>12</sup> through identified maritime corridors: the "Mexican – Central America" and the "Caribbean". Nevertheless, these flows are very dynamic, hard to interdict and are determined by the behavior of different variables.

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<sup>10</sup> Different agencies present different facts about the actual production of cocaine in Colombia. The truth is that there are at least 3 variables that determine this estimate: the quantity of coca plantations, the loss in the resources, and the loss of the finished product (cocaine).

<sup>11</sup> Bureau of International Narcotics and Law Enforcements Affairs, International Narcotics Control Agency Report, 2003, March 2004.

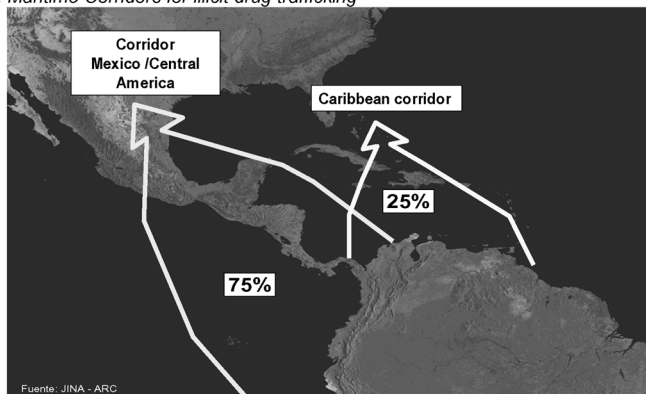
<sup>12</sup> US National Drug Control Strategy 2004.

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The "Mexico – Central America" corridor is primarily used for illicit trafficking to reach Mexican shores. Based on valid information from the first semester of 2004, 75% of the cocaine originates in South America<sup>13</sup>. This maritime corridor is divided into two major sea routes. The first is the Western Caribbean where the traffic volume is estimated at 36% - primarily originating along the Caribbean coast of Colombia. The other half of the Mexico-CENTAM corridor is the through the Colombian East Pacific and, from Ecuadorian and Peruvian coasts. These routes lead toward Mexico, moving 70% of the shipment volume arriving in the United States across the terrestrial boundaries between Mexico and the U.S<sup>14</sup>.

In the second maritime corridor, cocaine flows from the coasts of Panama, Colombia, Venezuela and the Guyanas, toward the Antilles, with intermediate destinations in order to transfer or consolidate the drugs for further shipment - mainly to North America but, increasingly to Europe. This trafficking is estimated at 25% of the total according to valid documents from 2004 and the first semester of 2005<sup>15</sup>. According to reports, cocaine destinations are 4% toward Jamaica and the Bahamas, 6% toward Haiti and Dominican Republic; 2% toward the Virgin Islands; 2% towards the East Caribbean and minor Antilles; 1% reaches directly to the United States and a final significant percentage reaches Cuba, Puerto Rico, Central America and Europe directly.

Figure 1. *Maritime Corridors for illicit drug trafficking*



The geographical breadth of jurisdiction in Colombian waters, roughly equal territories in the Caribbean as in the Pacific, creates natural navigation routes or focal zones in these corridors. Because many of the intermediate destinations of the drugs are to countries of Central America with maritime borders, go-fast boat refueling points and load consolidation/transfer points for an estimated 60% of the traffic volume moving at sea must take place in Colombian waters. These are the main focal zones that require additional investment and fortification.

<sup>13</sup> Interagency Assessment of Cocaine Movement – (IACM), Document produced by 12 US Government agencies, enclosed South Command and JIAT-S, 2003 – Update by JINA- ARC October 2005.

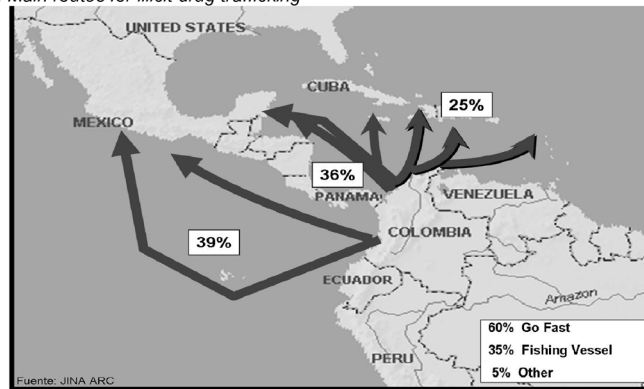
<sup>14</sup> Ibid 8.

<sup>15</sup> Ibid 10. Updated by JINA-ARC October 2005.

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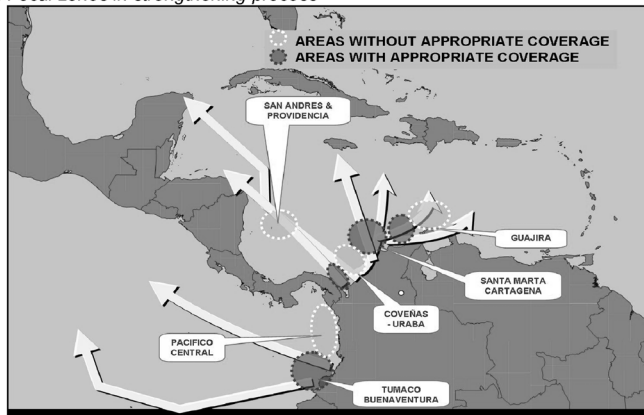
These specific points of opportunity are located in the Caribbean Sea in the area of the Archipelago of San Andres and Providence, in the southwestern area of Cartagena to the border with Panama and, in the northeastern area from San Marta to the Peninsula of Guajira. In the Pacific Ocean, the zones of greater influence are located from Buenaventura toward the south to the border with Ecuador, and from Bahia Solano toward the northwest. See Figure 2.

Figure 2. *Main routes for illicit drug trafficking*



Of Colombia's 2900 Kilometers of coast, close to 50% of this coastal expanse does not have the communications infrastructure necessary to support counter-narcoterrorism operations and, prevents civil control of the territories. As a result, these coastal areas have become the territory where illicit organizations store, consolidate and ship illicit drugs, arms and laundered money. These areas are shown in Figure 3.

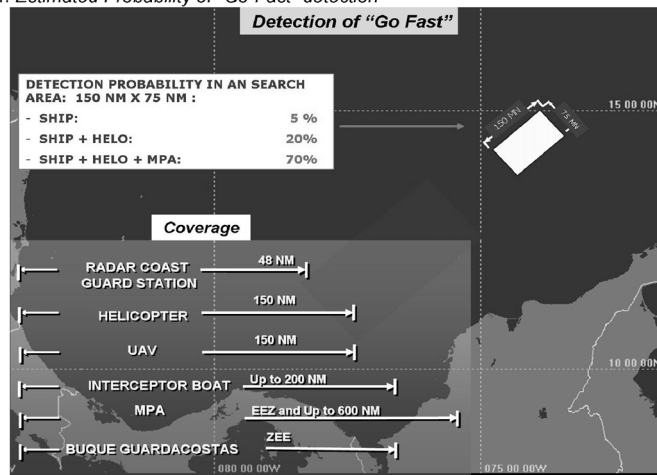
Figure 3. *Focal zones in strengthening process*



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Maritime interdiction events basically evolve in three phases; intelligence, detection and interdiction or seizure. This approach works for both coastal areas and on the high seas. In the interdiction end game, detection near the coast is the most effective. However this requires maritime patrol air assets, mainly Maritime Patrol Aircraft (MPA) and Overseas Patrol Vessels (OPV), Colombian Coastal Patrol Vessels, submarines and, surface surveillance radars located at Coast Guard Stations. Today, the coverage of radars in Coast Guard Stations in Colombia is 58%<sup>16</sup> (7 Coast Guard Stations). Detection and interdiction on the high seas is much more challenging and can only be effective when using MPA. Patrol aircraft increase the probability of detection from 5% when using only surface detection vessels to a 70% probability of detection<sup>17</sup>. Our current estimates are that the Colombian Navy has only 30% of the air detection capabilities required to cover the focal zones mentioned above - two basically outfitted CASA - 235 aircraft. Further, the second phase of an interdiction operation is much more likely to succeed if maritime patrol aircraft in the air are augmented by end-game or take-down assets such as ship launched helicopters and surface interceptor vessels. The Coast Guard of the United States has defined with clarity the procedures and need of employment of these assets to put in practice their interdiction operations strategy "New Frontier". To achieve such a strategy under the current circumstances in Colombia, the Colombian Navy will need to increase capabilities 74% in interceptors vessels, grow our helicopter capability by 75% and increase by 50% our oceangoing patrol vessel fleet (OPV's). Further, all of these assets are limited by maintenance and operating costs. Figure 4 details this analysis.

Figure 4. Estimated Probability of "Go-Fast" detection



At the moment, the Colombian Navy does not possess the necessary asset base to increase our detection capability. Further, our capability to take the detection of a potential narco target to the

<sup>16</sup> Estimate coverage does not corresponds to the total coastal area, but strategic interest points as ports.

<sup>17</sup> A type MPA or 235 "casa" allows an approximate area of coverage of 24.000 MN<sup>2</sup> in 8 hours and costs approximately USD\$ 10.000 per day.

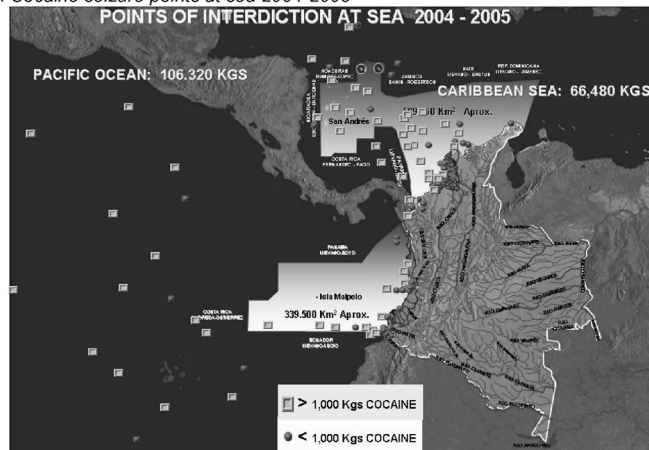


Presented by the Colombian Navy to the U.S House International Relationships Committee.

seizure point of an interdiction scenario is limited by lack of sufficient assets, as noted above. The necessary combination of assets - radar, MPA, helicopters and interceptors is our greatest weakness interdicting drug trafficking at the sea. And, while we often have assets from the United States and occasionally from other nations participate in interdiction operations supporting Colombia, they do not possess the adequate capability mix nor quantity of assets to advance operations to a point where we are interdicting *more* northbound loads *more regularly*. The Maritime Agreement with the United States has permitted the development of exceptionally complementary employment of such assets as may be available from the Colombian Navy and the US Coast Guard. However, it is essential to increase the Colombian asset base and operational capability, as this type of investment will provide the greatest returns on a dollar-for-dollar basis. Further, increasing operations from Colombian bases in Colombian waters is certainly less expensive than operating USN and USCG vessels and aircraft for extended periods at sea away from U.S. homeports. We strongly desire to continue our close operating relationships with our U.S. counterparts. Increasing our capabilities will only reinforce the exceptional bonds which already exist between our maritime services.

Should there be a significant investment in Colombian Navy capabilities to increase *and sustain* interdiction operations at sea, we estimate that we will increase our seizures by up to 65% during the next 5 years based upon our increasing seizure averages from the past 9 years<sup>18</sup>. The impact of increased seizures at sea combined with our successful eradication and inland seizure efforts by other Colombian national forces will rapidly and significantly reduce the overall time necessary to eliminate drug production and trafficking from Colombia. Further, we will rapidly eliminate the main source of funding for the forces of terrorism in Colombia.

Figure 5. Cocaine seizure points at sea 2004-2005



An analysis of the maritime interdictions in the Pacific Ocean and in Caribbean Sea from 2003 to 2005 shown in Figure 5 above, provides a glimpse of the Colombian Navy maritime territory and

<sup>18</sup> Calculation made by Development Office – Colombian Navy, based on impact of assets acquisitions on drug seizure at sea. October 2005.

Presented by the Colombian Navy to the U.S House International Relationships Committee.

maritime borders for the confiscation of drugs at sea. The increase of confiscations in the Pacific is an important indication of a partial relocation of traffic towards our western coast, away from the Caribbean Sea routes. However, considering that combined US-CO detection and interdiction efforts are somewhat similar between both coasts, there is insufficient evidence to believe that the Pacific coast traffic is a result of greater surveillance or interdiction effort. They are however, reflective of the existing facilities and infrastructure in place on the Caribbean coast and, are key to the decision making process of the narcotics trafficking decision makers.

In the early years of interdiction efforts and before increased international responsibility for the interdiction began to become effective, the Colombian Navy was a most active participant in the interdiction effort. However, regardless of international aid received nationwide, the Navy benefited the least in terms of international investment in improved capabilities and infrastructure. Surprisingly, despite the lack of other-than-national investment, the Colombian Navy has been the most successful organization in the coastal and maritime interdiction of cocaine, heroin, marijuana and war related materials traffic. Further, the Colombian Navy has been a key leader in the Caribbean basin, working closely with the international community and with neighboring nations.

The interdiction results by the Colombian Navy are evident as are our continued and increasing work with the international community. In the past three years, the Navy has benefited from slightly increasing investments from abroad - *especially* from the United States. But, there is more work to be done to improve and increase our interdiction capabilities. Specifically, we must improve our maintenance and modernization efforts linked to our existing Coast Guard assets and infrastructure. We must invest in more, and more modern maritime air and sea patrol assets. We also need to improve the training and outfitting of our personnel and we need greater opportunity to achieve interoperability with other navies and to gather actionable intelligence.

Before we can defeat the narco-terrorist, the short term needs of the Colombia Navy are relatively simple and rapidly achievable. First, we need to strengthen our capabilities by the acquisition of Maritime Patrol Airplanes (4), Medium Naval Helicopters(8), Interceptors Boats (28), Oceanic (4) and Coastal patrols vessels (4), and the construction of Coast Guard Stations at San Andres/Providencia, Covenas and at Bahia Solano in the Pacific. Secondly, we must invest in improving our capabilities to gather and act upon intelligence - our own and that provided by others. Thirdly, we must invest in the training of our frontline sailors, guardsmen and marines. And, finally, we must invest in increasing international combined operations and training exercises.

Without a doubt, the operational effort of the Colombia Navy over the past several years has surpassed capabilities of any another naval force with similar restricted resources. In spite of the threats, the physical wounds and death that our sailors, guardsmen and marines receive from narcoterrorists and their organizations, our Navy demonstrates daily its undeniable commitment to the eradication of drugs, other illicit substances and organizations from our seas and rivers. Our daily effort results in removing one kilogram of cocaine from circulation, every four minutes, every day. With modest investment as detailed above, this success rate will surely and rapidly increase.

Thank-you for this opportunity to provide you with this statement.

Mr. BURTON. Thank you, Admiral. We appreciate you coming all the way up here. I know you have got a lot of things that you have to be dealing with down there, and for you to come up and testify today is an honor for us, and we really appreciate all your hard work.

You know, one of the things, Admiral, that we have been talking about for some time was additional marine air patrol craft, like those DC-3s. Would that improve your level of detection? And if so, how?

Mr. BARRERA. Well, actually we have two MPAs. And those two MPAs are something like 25 to 30 percent of the needs we have to be able to cover our sea. That means that yes, we need MPAs as soon as possible, because the time passes. And if you were looking and saying about that figure, we have to make sure that that kind of figure will reduce consequently year by year, until the near future.

Mr. BURTON. Let me ask you, we were talking about the 11 helicopters that are at San Marta. And we have been talking for a long time about equipping those with night-flying technology, night vision technology. And our State Department said well, they are working on it. But we have been talking about that for a long time.

And since 95 percent of the drug trafficking appears to be done at night because it is hard to detect them, especially without night vision equipment.

What can we do? I mean, how long have you been asking for night vision equipment? Have you been asking for it for a long time?

Mr. BARRERA. For our helos, yes. I know that the police have been doing the same for the equipment they have up there, but the Navy, yes. And actually, hopefully this coming year—well, actually this year that has started in March and October, then maybe we will be able to have that capability at sea.

Mr. BURTON. What about the number of pilots? They said today that there weren't enough Colombian pilots that have the ability to fly those helicopters at night with night vision equipment. That seems kind of unusual to me. Because if they can fly a helicopter in the daytime, it seems to me, with night vision equipment, they could be trained relatively quickly to fly at night.

Mr. BARRERA. Yes, they have to be trained. And also the time of flying is less during the night because the using of night goggles reduces the time in the air.

But they have to be trained. And it is not the same to fly during daytime than nighttime, so they have to be trained.

But as soon as we have the goggles, we will train them, and they are ready to go. And I should say also that the helos we have in the Navy, they are equipped with night vision goggles.

Mr. BURTON. How many are there? How many do you have?

Mr. BARRERA. We have three.

Mr. BURTON. Twenty-three?

Mr. BARRERA. Three.

Mr. BURTON. Three?

Mr. BARRERA. Three.

Mr. BURTON. And there are 11 helicopters that fly in the daytime at San Marta, police helicopters. And they are not equipped with the night vision equipment.

Mr. BARRERA. I cannot answer exactly that question, because I don't have all full information about the police.

Mr. BURTON. Okay, let me ask you this. The night vision equipment, the goggles, you say they don't have them. Have you asked for those over a long period of time? How long has it been since you have asked for them?

Mr. BARRERA. Yes. In my experience we have been receiving the night goggles not only for our helos, because they know we have to fly during the night starting from the decks of the frigate at sea. But also, we have been receiving goggles for the special forces that are working against narcotraffickers, and especially narcotraffickers in the coastal areas. Those are equipment that we have been receiving from the United States.

Mr. BURTON. How long does it take to train a helicopter pilot to fly one of those things at night with night vision equipment, do you know?

Mr. BARRERA. I would say no more than 2 weeks, probably less.

Mr. BURTON. Is anybody from the State Department still here? I mean, we have been talking about this issue for three or four—how many years now? Three or 4 years. And they said well, they are going to get to it, and they hope to have it started by spring.

I want to write a letter to those guys. And I want to tell them that we have been told that they could be trained to fly with night vision equipment in 2 or 3 weeks. And ask them why they are not getting on the stick.

Mr. BARRERA. One else I have to say. Not only the night vision goggles, they have to adapt the whole frame in order to be visible without the normal light. Because if they use the normal light on the board, they will be blind.

Mr. BURTON. Well, how long does it take to do that? That doesn't sound like it would take much time, it is just an equipment change.

Mr. BARRERA. No. The helo that has been equipped by the U.S. for us could take a couple of weeks, also, altogether.

Mr. BURTON. Oh, so we are still talking about 2 or 3 weeks.

Mr. BARRERA. Yes.

Mr. BURTON. So what you need is the equipment and the training.

Mr. BARRERA. The equipment, especially designed for that helo. And that probably is the most cost.

Mr. BURTON. Well, I will talk to the Speaker about that, and I will write a letter to our leaders to see if we can't speed that process up. Especially in the view of the fact that they testified a few minutes ago that 65 to 75 percent of the narcotics that are trafficking gets to the United States, or to their destination. So they are only interdicting 25 to 35 percent, which is a lot, don't misunderstand. But with this kind of equipment, it seems like to me they could do a better job, and would help you do a better job.

Mr. BARRERA. Absolutely.

Mr. BURTON. Good. Now, the DC-3 seems like a multi-purpose marine air patrol aircraft to improve your detection rate. And even

with the disablement rate, it would really help in the disablement of those real fast drug boats.

Mr. BARRERA. Of course. That is one of the good things that the air frame has, because it is not pressurized. So they can open the doors and fire against the engines.

Mr. BURTON. Well, how about anybody that is laying on top of the engines?

Mr. BARRERA. We will persuade them to take off of there.

Mr. BURTON. Okay. I will have to talk to you about that sometime when we are having a beer or something.

What kind of cooperations are you getting from Mr. Chavez's government in Venezuela?

Mr. BARRERA. Hard question, sir. We have an agreement, the first agreement we signed in the past was in 1991 with Venezuela, with the Venezuelan Navy. And since then we have had very good communication with the Venezuelan Navy.

But let me put it in these terms. In the recent past, because of the bilateral agreement with the other nations, the success has been more, more important that with Venezuela.

Mr. BURTON. Well, you know, when I was down there, I talked to President Chavez. I was down there to see him in Caracas. And I saw him in New York, as well. And I showed him a map that showed the increase in flights emanating from Venezuela, and he kind of laughed that off.

But has there been an increase in drug trafficking coming through and out of Venezuela?

Mr. BARRERA. I would say that narcotraffic is a business that looks for the best place where they can bring their things. And it could be Venezuela, or it could be anywhere.

But let me say that yes, they use all territories.

Mr. BURTON. Well, we saw that increase, and I would just like to know, have you personally, or your navy or your military, have you seen an increase in activity coming out of Venezuela regarding drug trafficking?

Mr. BARRERA. Well, we don't have statistics that could tell us the narcotraffic coming. We see only those figures.

Mr. BURTON. I see, okay.

Mr. BARRERA. And so we have to work with them.

Mr. BURTON. So our intelligence agencies would be the one to get that information from, who are using satellite technology.

Mr. BARRERA. I would say yes. Because we don't have information actually from operations at sea that could tell us if they are coming out or not from their shores. We have no assets that go there.

Mr. BURTON. Recently our Committee's staff was down in Colombia, with your excellent navy. And when we were down there, when they were down there, both of your CASA marine patrol aircraft were down for maintenance. What happens when they are down for maintenance like that? Does that give the drug traffickers a free run?

Mr. BARRERA. Yes. Of course, they don't know we have them landed. We try to bring them to somewhere else where we can make the maintenance, so they don't know exactly they are not in the area. And we keep moving the airplanes. But if we don't have

the capability, and sometimes we have had the intelligence, but we have been not able to have the airplane there to detect them.

Because as I was saying, 70 percent of probability of detection with an MPA. With one single ship or boat, it is only 5 percent.

Mr. BURTON. Well, let me ask you, how many aircraft would you need? Do you need more for this surveillance?

Mr. BARRERA. Absolutely.

Mr. BURTON. How many do you need?

Mr. BARRERA. Oh, well, I would say at least four.

Mr. BURTON. Four more, or two more?

Mr. BARRERA. Yes, four more.

Mr. BURTON. Four more.

Mr. BARRERA. In order to have three assets in Pacific and three in the Caribbean. That means that you can have one MPA 24 hours, 7 days a week.

Mr. BURTON. I see. Are these DC-3s? These are the DC-3 frames that you are talking about, air frames? The DC-3 aircraft?

Mr. BARRERA. Well, they could very well do the job.

Mr. BURTON. Okay. Do you have a list of other things that you think you need, that you don't have, that I could get access to?

Mr. BARRERA. Well, yes. First of all, the capability of being able to have helos, because naval helos are prepared in a different way than the normal land helos. For example, they have to have safety features like flotation, and the capability to fly with radar and by themselves with different kind of equipment.

Mr. BURTON. You are talking about in addition to the 11 that are at San Marta?

Mr. BARRERA. Well, those helos, we cannot use them at sea, because of their equipment. They could be used in the shore area. And we have been working with them in the past.

Mr. BURTON. I see. Do you have any helicopters that can work at sea?

Mr. BARRERA. Yes. Well, not any, but there have to be 54.

Mr. BURTON. How many do you have that can work at sea now?

Mr. BARRERA. Well, right now we have only one. But hopefully by the end of the year we will have three more. But they are very few.

Mr. BURTON. How many do you need?

Mr. BARRERA. I would say eight. In my statement are the numbers, sir. The statement in the—

Mr. BURTON. Okay, we were told it is in your testimony. What we will do is we will go through that, and we will meet with our leadership and see what we can do to augment or get additional equipment that will help you in this war against drugs.

Mr. BARRERA. Also, as you can see, the figure over there, most of the traffic goes through the areas where we have the islands of San Andres and Providence. And those are islands where we have no means of, no capabilities of detection, and practically nothing there. Because that is a very important area for refueling for the go-fasts.

And we have the plans for building there one of the Coast Guard facilities, with radar and other capability for detection. That could improve that very much.

Mr. BURTON. If you had the facility there, how much would that help with the interdiction?

Mr. BARRERA. About 8 percent of the whole thing. But everything has to be put in together. As I would mention with the little things we have been improving the last 4 years, we have increased the average 20 percent every year. And we want to make a significant jump up to 55, 60 percent every year.

If we keep the things the way they are, the war against narcotraffic could endure over 10 years. If we have more assets to be able to do the job, and we have been proving that we are able to do it, we will reduce that to four or 5 years.

Mr. BURTON. Would the Colombian Navy, if we can get you some of this aircraft we are talking about, be able to fly and maintain these craft, and do so jointly with the Colombian Air Force and Police, which also have DC-3s? I mean, do you work—

Mr. BARRERA. Of course.

Mr. BURTON. You can work with them.

Mr. BARRERA. In fact, the two MPAs we have, the air CASA, and we are maintaining them with the Air Force. In this case we will have more opportunities because the Police and the Air Force will have the capabilities to maintain those airplanes.

We are not going to build special capabilities for maintenance of these air frames, because they already work with the Air Force and the Police. And for example, to set an example, our pilots, we don't train them any more in initial phases. We train them with the Police or the Air Force.

And after, when they are ready, they will make the final training with helos or fixed-wing airplanes at sea with us. We only have that capability.

Mr. BURTON. What I will do, and I will get my colleagues who aren't here, we will draft a letter. We will talk to the Speaker of the House, and we will see what we can do to get additional equipment that you need.

This is a very difficult time here because we have so much in expenditures with the Katrina Hurricane and other things like that, and we are trying to cut spending. But the war against drugs is very, very important to Members in the House, including the Speaker. And we will take your list of things that you need, and we will see if we can't get some of them for you to help out.

And when you go back, would you tell the President and tell the people in the military and the police down there how much we appreciate the sacrifices they are making, and you are making, to help save our kids and our country from the scourge of drugs? We really, really appreciate it.

Mr. BARRERA. We couldn't do it without the help of the United States.

Mr. BURTON. Well, thank you. We are a good team. We are a good team. Thank you, sir.

And with that, we stand adjourned.

[Whereupon, at 3:43 p.m., the Subcommittee adjourned.]





# A P P E N D I X



MATERIAL SUBMITTED FOR THE HEARING RECORD

LETTER SUBMITTED FOR THE RECORD BY THE HONORABLE DAN BURTON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF INDIANA, AND CHAIRMAN, SUBCOMMITTEE ON THE WESTERN HEMISPHERE

**Congress of the United States**  
Washington, DC 20515

October 19, 2005

The Honorable Jerry Lewis  
Chairman  
Committee on Appropriations  
H-218, The Capitol  
Washington, D.C. 20515-6015

The Honorable Frank Wolf  
Chairman  
Subcommittee on Science, State, Justice,  
Commerce, and Related Agencies  
Committee on Appropriations  
H-309, The Capitol  
Washington, D.C. 20515

The Honorable Jim Kolbe  
Chairman  
Subcommittee on Foreign Operations,  
Export Financing and Related Programs  
Committee on Appropriations  
Washington, D.C. 20515

The Honorable David R. Obey  
Ranking Member  
Committee on Appropriations  
H-218, The Capitol  
Washington, D.C. 20515-6015

The Honorable Alan B. Mollohan  
Ranking Member  
Subcommittee on Science, State, Justice,  
Commerce, and Related Agencies  
Committee on Appropriations  
H-309, The Capitol  
Washington, D.C. 20515

The Honorable Nita M. Lowey  
Ranking Member  
Subcommittee on Foreign Operations,  
Export Financing and Related Programs  
Committee on Appropriations  
Washington, D.C. 20515

Dear Chairmen and Ranking Members:

We are writing to ask for your support and to provide an update regarding the important drug interdiction issues that we have previously identified in our letter to you of September 28, 2005. We would hope the funds to address these issues can be found in non-Andean Counterdrug Initiative appropriations for FY 2006.

A staff delegation recently returned from Colombia, and verified several key interdiction issues. It is with this new, updated information, that we again request your support.

The Department of State, the Drug Enforcement Administration (DEA) and the Colombian Navy all verified our concern that narcotics smuggling organizations continue to avoid U.S. drug interdiction efforts by transiting deep into the Eastern Pacific, well beyond the capabilities of employed U.S. ships. The traffickers have developed their own sophisticated refueling system using support ships and can now simply bypass U.S. interdiction forces.

A maritime refueling vessel in the Eastern Pacific Ocean will greatly improve drug interdiction capabilities. All parties at the briefing agreed with Joint Interagency Task Force South's (JIATF South) assessment that having an oiler in the Eastern Pacific transit zone would improve the on-station time of JIATF South interdiction assets by 25 percent.

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While in Bogota last week, the staff delegation was advised by the U.S. Embassy's Military Group that the Department of Defense's Southern Command (SOUTHCOM) is expected to sign an agreement soon with the Government of Chile. The agreement will essentially contract a Chilean oiler ship to support U.S. interdiction efforts in the Eastern Pacific and solve our problem. The Chilean Navy operates an oiler that has regularly supported U.S. ships during multinational naval training exercises, and this development appears to be the most logical and economical solution. At this time, we have been unable to confirm exactly when the agreement will be finalized. We request your assistance in confirming that SOUTHCOM will soon finalize the agreement with Chile to manage and support an oiler for the Eastern Pacific ocean.

We would request your support for another critical drug interdiction "gap" identified during last week's staff delegation visit, and on which the House has already spoken regarding H.R. 2601, the Foreign Relations Authorization Act, Fiscal Years 2006 and 2007.

Meetings and briefings with U.S. Embassy, DEA, Colombian Navy, Colombian Marine Corps and Colombian National Police officials all identified a clear gap in maritime patrol aircraft, or lack thereof, operating in the departure and transit zones near Colombia.

Currently, the Colombian Navy operates only two Marine Patrol Aircraft (MPA), one assigned to the northern Caribbean coast, and the other assigned to the western Pacific coast. These two Casa 235 aircraft alone are not capable of effectively patrolling the near-shore maritime zones due to the length of both coasts, the heavy licit and illicit maritime traffic, and regularly scheduled maintenance. Because there are currently only two naval aircraft capable of performing the MPA mission, there are enormous holes in coverage along the Colombian coasts. Neither of the two Casa aircraft was operating when the staff delegation visited Colombia last week. The gap in MPA prevents Colombia and JIATF South from detecting illicit drug smugglers as they depart with drugs destined for U.S. shores, and requires urgent action. This gap cannot continue and requires urgent action.

We recommend that any available funds be used to purchase three MPA aircraft for the Colombian Navy. Through extensive research and discussions, we have learned that the DC-3 aircraft appears to be the ideal tool to fill the gap in MPA, and solves other multiple problems in Colombia as well.

The DC-3 is very economical to operate (\$400/hour) and relatively easy to maintain. The Colombian Navy has expressed strong support for the initiative and proposed that all DC-3 training, supply and maintenance arrangements be combined with the existing programs run by the Colombian Air Force, which already operates seven DC-3 aircraft, and the Colombian National Police who own and operate five DC-3 aircraft. We are not introducing a new, unsustainable air frame into Colombia with this proposal.

The DC-3 aircraft proposed for the MPA mission are fully refurbished and "zeroed-out," meaning that, although they are more than 20 years old, all structural members and mechanical systems are newly installed and fully operational.

Research indicates that the proposed DC-3 aircraft are available for \$5.5 million per aircraft, plus the cost of surface-search and forward-looking infra-red radar (FLIR) radar systems, and an intelligence gathering package to perform the maritime search mission. The total cost of three DC-3 aircraft with appropriate sensors packages is \$25 million. This is a substantial savings when compared with the brand new Casa 235 aircraft, which are available for approximately \$28 million each and which cost \$2000 per hour to operate, and, additionally, would not be available for five (5) years.

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Operationally, the DC-3 appears to be ideally suited to support both drug interdiction missions and other logistical missions required by the Colombian Navy, as well as by the Colombian Marines and our own DEA, particularly when it is necessary to transport DEA agents and Colombian prosecutors to a major coastal drug seizure location. When the aircraft is not performing a maritime search mission, the palletized sensors can simply be removed from the aircraft, so that the Marines or DEA can be supported by a very capable logistical aircraft. The DC-3 is capable of carrying between 3.5 and 4 tons of cargo, or 24 passengers from Bogota, and additional passengers at sea level. This unique capability is much needed, and will serve all U.S. partners operating in Colombia.


Additionally, because the DC-3 is not pressurized, the aircraft can be armed with precision weapons to disable drug-laden fast boats headed to the U.S. and will be capable of performing maritime interdiction missions along the Colombian coasts.


We believe it is time that U.S. agencies and our Colombian partners be provided the right tools to respond to this unique opportunity to stop smugglers in the maritime transit zones.


Thank you for your attention to these important issues. We hope that you will join us in supporting this vital program, which requires action now for FY 2006.

Sincerely,

  
HENRY J. HYDE  
Chairman  
Committee on International Relations

  
TOM DAVIS  
Chairman  
Committee on Government Reform

  
DAN BURTON  
Chairman, Subcommittee on the  
Western Hemisphere  
Committee on International Relations

  
MARK E. SOUDER  
Chairman, Subcommittee on Criminal  
Justice, Drug Policy and Human Resources  
Committee on Government Reform

cc: The Honorable C.W. Bill Young  
Chairman  
Subcommittee on Defense  
Committee on Appropriations

The Honorable John P. Murtha  
Ranking Member  
Subcommittee on Defense  
Committee on Appropriations

