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DRUG CONTROL

U.S. Assistance Has Helped Mexican Counternarcotics Efforts, but the Flow of Illicit Drugs into the United States Remains High

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Highlights of [GAO-08-215T](#), a testimony before the Subcommittee on the Western Hemisphere, Committee on Foreign Affairs, House of Representatives

Why GAO Did This Study

The overall goal of the U.S. National Drug Control Strategy, which is prepared by the White House Office of National Drug Control Policy (ONDCP), is to reduce illicit drug use in the United States. One of the strategy's priorities is to disrupt the illicit drug marketplace. To this end, since fiscal year 2000, the United States has provided about \$397 million to support Mexican counternarcotics efforts. According to the Department of State (State), much of the illicit drugs consumed in the United States flows through or is produced in Mexico. GAO examined (1) trends in Mexican drug production and trafficking since calendar year 2000 and (2) U.S. counternarcotics support for Mexico since fiscal year 2000. This testimony is based on a recently issued report (GAO-07-1018) that addresses these issues.

What GAO Recommends

In the recent report, GAO recommended that ONDCP and the U.S. counternarcotics community coordinate with Mexico before completing the Southwest Border Strategy's implementation plan to (1) help ensure Mexico's cooperation with any initiatives that require it and (2) address the cooperation issues GAO identified. ONDCP concurred with the recommendation and has since assured GAO that the interagency community is engaged with its Mexican counterparts.

To view the full product, including the scope and methodology, click on [GAO-08-215T](#). For more information, contact Jess T. Ford at (202) 512-4268 or fordj@gao.gov.

DRUG CONTROL

U.S. Assistance Has Helped Mexican Counternarcotics Efforts, but the Flow of Illicit Drugs into the United States Remains High

What GAO Found

According to the U.S. interagency counternarcotics community, hundreds of tons of illicit drugs flow from Mexico into the United States each year, and seizures in Mexico and along the U.S. border have been relatively small in recent years. The following illustrates some trends since 2000:

- The estimated amount of cocaine arriving in Mexico for transshipment to the United States averaged about 290 metric tons per year. Reported seizures averaged about 36 metric tons a year.
- The estimated amount of export quality heroin and marijuana produced in Mexico averaged almost 19 metric tons and 9,400 metric tons per year, respectively. Reported heroin seizures averaged less than 1 metric ton and reported marijuana seizures averaged about 2,900 metric tons a year.
- Although an estimate of the amount of methamphetamine manufactured in Mexico is not prepared, reported seizures along the U.S. border rose from about 500 kilograms in 2000 to highs of about 2,800 kilograms in 2005 and about 2,700 kilograms in 2006. According to U.S. officials, this more than fivefold increase indicated a dramatic rise in supply.

In addition, according to State, corruption persists within the Mexican government and challenges Mexico's efforts to curb drug production and trafficking. Moreover, Mexican drug trafficking organizations operate with relative impunity along the U.S. border and in other parts of Mexico, and have expanded their illicit business to almost every region of the United States.

U.S. assistance since fiscal year 2000 has helped Mexico strengthen its capacity to combat illicit drug production and trafficking. Among other things, extraditions of criminals to the United States increased; thousands of Mexican law enforcement personnel were trained; and controls over chemicals to produce methamphetamine were strengthened. Nevertheless, cooperation with Mexico can be improved. The two countries do not have an agreement permitting U.S. law enforcement officers to board Mexican-flagged vessels suspected of transporting illicit drugs on the high seas; an aerial monitoring program along the U.S. border was suspended because certain personnel status issues could not be agreed on; State-provided Vietnam-era helicopters have proved expensive and difficult to maintain and many are not available for operations; and a State-supported border surveillance program was cut short due to limited funding and changed priorities.

In 2006, in response to a congressional mandate, ONDCP and other agencies involved in U.S. counternarcotics efforts developed a strategy to help reduce the illicit drugs entering the United States from Mexico. An implementation plan was prepared but is being revised to address certain initiatives recently undertaken by Mexico. Based on our review of the plan, some proposals require the cooperation of Mexico; but, according to ONDCP, they had not been addressed with Mexican authorities at the time of our review.

October 25, 2007

Mr. Chairman and Members of the Subcommittee:

I am pleased to be here to discuss GAO's recent report on U.S. drug control assistance to Mexico since 2000.¹ Today, I will discuss (1) the illicit drug threat posed by Mexican drug production and trafficking to the United States since 2000 and (2) U.S. agencies' programs to support Mexico's counternarcotics efforts since fiscal year 2000.

The overall goal of the U.S. National Drug Control Strategy is to reduce illicit drug use in the United States. One of the strategy's priorities is to disrupt the illicit drug marketplace. According to the U.S. interagency counternarcotics community,² most of the cocaine destined for the United States comes through Mexico, and Mexico is a major supplier of heroin as well as the principal foreign source of marijuana and methamphetamine. Over the years, U.S. counternarcotics policy has sought to support and strengthen the institutional capability of the Mexican government to combat the production and trafficking of illicit drugs. Since fiscal year 2000, the United States has provided about \$397 million to support Mexican counternarcotics efforts. In October 2007, the Director of the White House Office of National Drug Control Policy (ONDCP) released a summary of a Southwest Border Strategy aimed at disrupting the flow of illegal drugs into the United States, and cited recent cooperation with the government of Mexico as leading to a substantial disruption of illegal drug flow into the United States.

¹GAO, *Drug Control: U.S. Assistance Has Helped Mexican Counternarcotics Efforts, but Tons of Illicit Drugs Continue to Flow into the United States*, [GAO-07-1018](#) (Washington, D.C.: Aug. 17, 2007).

²The U.S. interagency counternarcotics community includes the Central Intelligence Agency's Crime and Narcotics Center; the Department of Defense Intelligence Agency's Counternarcotics Trafficking Office, Defense's Joint Staff, and the Deputy Assistant Secretary of Defense for Counternarcotics; various Department of Homeland Security entities, including Customs and Border Protection, the U.S. Coast Guard, Office of Intelligence and Analysis, Office of Counternarcotics and Enforcement, and the U.S. Interdiction Coordinator; the Department of Justice's Drug Enforcement Administration, Federal Bureau of Investigation, Narcotic and Dangerous Drug Section, National Drug Intelligence Center, and the Organized Crime and Drug Enforcement Task Force; the National Security Agency; the White House Office of National Drug Control Policy; the Department of State's Bureau for International Narcotics and Law Enforcement Affairs; and the Department of Treasury's Internal Revenue Service and Office of Foreign Assets Control.

My statement today is based on our August 2007 report on U.S. counternarcotics assistance to Mexico. Over the course of that work, we reviewed and analyzed congressional budget presentations, and other reports and related information, and met with officials from the Departments of Defense, Homeland Security, Justice, State, and Treasury, as well as the U.S. Agency for International Development (USAID) and ONDCP. In addition, we traveled to Mexico to meet with U.S. embassy officials responsible for implementing U.S. programs and activities in Mexico and with government of Mexico officials at the federal, state, and local levels. To address trends in the drug threat, we reviewed various estimates of illicit drug production and seizures and disruptions prepared by the interagency counternarcotics community.³ We determined that, despite shortcomings outlined in prior work,⁴ the data were sufficiently reliable to provide an overall indication of the illicit drug trade. We conducted our work for the Mexico report from May 2006 through July 2007, and for purposes of this statement, we updated certain data in accordance with generally accepted government auditing standards.

Summary

The U.S. interagency counternarcotics community reports that each year hundreds of tons of cocaine, heroin, marijuana, and methamphetamine flow into the United States from Mexico, while seizures in Mexico and along the U.S.-Mexico border have been relatively small in recent years. The following illustrates some trends since 2000:

- The interagency counternarcotics community estimated that about two-thirds of the cocaine that departed South America toward the United States was destined for transshipment through Mexico in 2000; this estimate rose to 90 percent in 2006. Accounting for seizures along the way, an estimated 220 metric tons of cocaine arrived in Mexico in 2000, and between about 300 and 460 metric tons arrived in 2006. The estimated amount of cocaine arriving in Mexico for transshipment to the United

³Seizures are defined as taking physical possession of the illicit drug. Disruptions are defined as forcing individuals suspected of transporting the drugs to jettison or abandon their cargo. For purposes of this testimony, we refer to both events as seizures.

⁴GAO, *Drug Control: Agencies Need to Plan for Likely Declines in Drug Interdiction Assets, and Develop Better Performance Measures for Transit Zone Operations*, [GAO-06-200](#) (Washington, D.C.: Nov. 15, 2005).

States averaged about 290 metric tons per year.⁵ Reported seizures in Mexico and along the U.S.-Mexico border averaged about 36 metric tons a year—with a low of 28 metric tons in 2003, and a high of 44 metric tons in 2005.

- The estimated amount of export quality heroin produced in Mexico ranged from a low of 9 metric tons in 2000 to a high of 30 metric tons in 2003—averaging almost 19 metric tons a year. Reported seizures in Mexico and along the U.S.-Mexico border averaged less than 1 metric ton a year, or less than 5 percent of the export quality heroin produced in Mexico since 2000.
- The estimated amount of marijuana produced in Mexico ranged from a low of 7,000 metric tons in 2000 to a high of 13,500 metric tons in 2003—averaging about 9,400 metric tons a year. Reported seizures averaged less than 2,900 metric tons, or about 30 percent a year.
- Reported seizures of methamphetamine produced in Mexico and along the U.S.-Mexican border rose from a low of 500 kilograms in 2000 to highs of almost 2,900 kilograms in 2005 and about 2,700 kilograms in 2006. Although the U.S. interagency counternarcotics community has not estimated the amount of methamphetamine manufactured in Mexico, it noted that the more than fivefold increase in seizures indicated a dramatic rise in supply.

In addition, although Mexico has undertaken various initiatives to deal with corruption, including reorganizing its federal police and conducting aggressive investigations, according to State, corruption persists within the Mexican government and challenges Mexico's efforts to fight organized crime and curb drug trafficking. Moreover, according to the U.S. interagency counternarcotics community, Mexican drug trafficking organizations (DTO) operate with relative impunity in certain regions of Mexico, including areas along the U.S.-Mexican border; expanded their illicit drug business to almost every region of the United States; and become increasingly sophisticated and violent in their activities.

⁵In response to certain methodological issues, the interagency counternarcotics community reported low and high ranges of cocaine flowing toward the United States for 2004, 2005, and 2006. To calculate the average for the period 2000-2006, we used the midpoints of the ranges.

Although the United States did not accomplish its goal of stemming the flow and production of illicit drugs destined for the United States, assistance to Mexico since fiscal year 2000 has produced some positive results. For instance,

- The United States and Mexico are collaborating more to extradite drug traffickers. In 2006, Mexico extradited 63 criminals to the United States and, as of mid-October 2007, has extradited 68, including several major drug traffickers.
- The two countries are also cooperating more to counter money laundering, although Justice officials report that Mexico lacks a legal framework to allow aggressive seizure of drug traffickers' assets.
- With U.S. technical support, Mexican states are implementing more transparent and open criminal trial systems to strengthen the rule of law, and Mexico has strengthened controls over imports and marketing of chemicals used in the production of methamphetamine.
- U.S. infrastructure support and training are strengthening the capacity of Mexican law enforcement entities to interdict illicit drugs.

While U.S.-supported programs have strengthened some Mexican counternarcotics efforts, cooperation and coordination between the two countries can be improved. For example,

- Although the Mexican Navy has acted on U.S.-provided information regarding maritime vessels suspected of carrying illicit drugs, it is limited in its ability to act on some suspected vessels because it cannot go more than 200 nautical miles from shore without special authorization. In many cases, the United States cannot take action before evidence is destroyed or the vessel is scuttled because the existing requirement that Mexico authorize boarding on a case-by-case basis is too time consuming.
- An aerial surveillance program along the U.S.-Mexico border was suspended because the United States and Mexico could not reach agreement on certain personnel status issues. In the absence of this program, U.S. law enforcement officials have reported indications of increased drug trafficking.

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- Vietnam-era helicopters provided to the Mexican Attorney General's Office have proved expensive and difficult to maintain.⁶ Furthermore, Defense is phasing out support for this aircraft. As a result, the Attorney General's Office will increasingly have difficulty transporting law enforcement officers to interdiction sites.
 - A helicopter border surveillance program apparently did not meet the needs of the Mexican Attorney General's Office. State halted the program after the delivery of 12 out of 28 planned aircraft.

In March 2006, ONDCP and the interagency counternarcotics community developed a Southwest Border Strategy,⁷ which we reviewed in June 2007. In July 2007, we also reviewed a classified implementation plan, which was being revised to respond to recent Mexican government initiatives. Our review highlighted a number of initiatives requiring Mexican government cooperation, but ONDCP told us that the strategy and plan had not yet been addressed with Mexican authorities at the time of our review. Therefore, we recommended that the Director of ONDCP, as the lead agency for U.S. drug policy, and the departments and agencies in the U.S. counternarcotics interagency community, coordinate with the appropriate Mexican officials before completing the strategy's implementation plan to (1) help ensure Mexico's cooperation with any efforts that require it and (2) address the cooperation issues we identified. ONDCP assures us that these efforts have begun.

Background

According to ONDCP and other officials in the interagency counternarcotics community, the 2,000-mile U.S.-Mexico land border presents numerous challenges to preventing illicit drugs from reaching the United States. With 43 legitimate crossing points, the rest of the border consists of hundreds of miles of open desert, rugged mountains, the Rio

⁶We note that this is not a new issue. In 1998, we reported that similar helicopters provided to the Mexican Army were not being properly maintained, and they eventually were returned to the United States. See GAO, *Drug Control: U.S.-Mexican Counternarcotics Efforts Face Difficult Challenges*, [GAO/NSIAD-98-154](#) (Washington, D.C.: June 30, 1998).

⁷The Office of National Drug Control Policy Reauthorization Act of 2006, enacted in December 2006, states that not later than 120 days after the act's enactment and every 2 years thereafter, ONDCP will submit to the Congress a Southwest Border Strategy that, among other things, identifies specific resources required to implement the strategy. According to ONDCP, the strategy—although not its implementation plan—was completed in March 2006, 9 months prior to the enactment of this legislation.

Grande, and other physical impediments to surveillance, making it easy to smuggle illegal drugs into the United States.⁸

Since the 1970s, the United States has collaborated with and provided assistance to Mexico for counternarcotics programs and activities. The goal over the years has been to disrupt the market for illegal drugs, making it more difficult for traffickers to produce and transport illicit drugs to the United States. Specifically, the United States has provided Mexico with assistance for a range of projects, including interdicting cocaine shipments from South America; stemming the production and trafficking of opium poppy,⁹ as well as marijuana; and, more recently, controlling precursor chemicals used to manufacture methamphetamine.

In the past, Mexico has chosen to combat drug trafficking with reduced assistance from the United States, and Mexican sensitivity about its national sovereignty has made it difficult for the two countries to coordinate counternarcotics activities. However, beginning in the mid-1990s, cooperation began to improve, culminating in 1998 in the signing of a Bi-National Drug Control Strategy. Since then, the two countries have continued to cooperate through meetings of a U.S.-Mexico Senior Law Enforcement Plenary, among other contacts.

Illicit Drug Production and Trafficking by Mexican Drug Organizations Have Continued Virtually Unabated

Mexico is the conduit for most of the cocaine reaching the United States, the source for much of the heroin consumed in the United States, and the largest foreign supplier of marijuana and methamphetamine to the U.S. market. According to U.S. and Mexican estimates, which vary from year to year, more cocaine flowed toward the United States through Mexico during 2006 than in 2000, and more heroin, marijuana, and methamphetamine were produced in Mexico during 2005 than in 2000. In addition, although reported seizures of these drugs within Mexico and along the U.S. southwest border generally increased, according to the U.S. interagency counternarcotics community, seizures have been a relatively small percentage of the estimated supply.

As we have reported previously, acknowledged shortcomings in the illicit drug production and seizure data collected and reported by various U.S.

⁸GAO, *Border Security: Security Vulnerabilities at Unmanned and Unmonitored U.S. Border Locations*, GAO-07-884T (Washington, D.C.: Sept. 27, 2007).

⁹Opium poppy is used to make heroin.

government agencies mean that the data cannot be considered precise.¹⁰ However, they can provide an overall indication of the magnitude and nature of the illicit drug trade. Based on the available data, the following describes the trends since 2000 on the amount of cocaine arriving in Mexico for transshipment to the United States; the amounts of heroin and marijuana produced in Mexico; and reported seizures of these illicit drugs and methamphetamine in Mexico and along the U.S.-Mexico border. (See app. I for a more detailed table of the data.)

Cocaine: Virtually all the cocaine consumed in the United States is produced along the South American Andean ridge—primarily, in Colombia. The U.S. interagency counternarcotics community prepares an annual assessment (the *Interagency Assessment of Cocaine Movement* [IACM]) that, among other things, estimates the amount of cocaine departing South America toward the United States. From 2000 to 2006, the IACM reported an increase in the estimated amount of cocaine flowing through Mexico to the United States—from 66 percent in 2000 to 77 percent in 2003 and 90 percent in 2006.

- Between 2000 and 2002, the cocaine estimated arriving in Mexico rose about 23 percent—from 220 to 270 metric tons. In 2003, it declined over 60 metric tons, or about 22 percent. For 2004-2006, the IACM did not provide “point” estimates for cocaine flow because of certain methodological concerns; rather, a range was provided for each year. The midpoint of the IACM range of cocaine estimated arriving in Mexico during 2006 (about 380 metric tons) was about 160 metric tons more than the estimate for 2000. Using the midpoint of the IACM ranges, the amount of cocaine estimated arriving in Mexico during 2000-2006 averaged about 290 metric tons per year.
- Despite the apparent increases in cocaine arriving in Mexico, the amount of cocaine reported seized in Mexico and along the U.S.-Mexico border for 2000-2006 did not increase proportionately, with 43 metric tons reported seized in 2000, a low of 28 metric tons seized in 2003, and a high of 44 metric tons in 2005. Reported seizures for 2000-2006 averaged about 36 metric tons a year, or about 13 percent of the estimated amount of cocaine arriving in Mexico.¹¹

¹⁰See [GAO-06-200](#).

¹¹The 13 percent figure is based on using the midpoint of the IACM ranges for the years 2004-2006.

Heroin: During 2000-2005, the estimated amount of heroin produced for export in Mexico averaged almost 19 metric tons a year—ranging from a low of 9 metric tons in 2000 to a high of 30 metric tons in 2003. Although the estimated amount of heroin produced declined in 2004 and 2005, the 2005 estimate (17 metric tons) was nearly double the estimated amount produced in 2000. Reported heroin seizures in Mexico and along the U.S.-Mexico border averaged less than 1 metric ton or less than 5 percent a year of the estimated export quality heroin produced in Mexico between 2000 and 2005.

Marijuana: During 2000-2005, the estimated amount of marijuana produced in Mexico each year averaged about 9,400 metric tons—ranging from a low of 7,000 metric tons in 2000 to a high of 13,500 metric tons in 2003. Although estimated production declined to 10,100 metric tons in 2005, this was over 3,000 metric tons more than the estimated production in 2000. Reported seizures of marijuana in Mexico and along the U.S.-Mexico border ranged from about 2,150 metric tons in 2000 to nearly 3,500 in 2003—averaging less than 2,900 metric tons a year, or about 30 percent of the annual production estimates.

Methamphetamine: Neither the United States nor the government of Mexico prepares estimates of the amount of methamphetamine produced in Mexico. However, U.S. officials told us that the large increases in reported methamphetamine seizures from 2000 through 2006 point to significantly greater amounts being manufactured. On the basis of the reported data, seizures along the U.S.-Mexico border rose more than five times—from an estimated 500 kilograms in 2000 to almost 2,900 metric tons in 2004 and over 2,700 kilograms in 2006.

Corruption Persists within the Mexican Government

In 2001, State reported that pervasive corruption within the government of Mexico was the greatest challenge facing Mexico's efforts to curb drug trafficking. Since then State has reported on the Mexican government's efforts to reduce corruption. Nevertheless, increasing illicit drug proceeds from the United States—estimated by the National Drug Intelligence Center at between \$8 billion and \$23 billion in 2005¹²—has afforded

¹²According to the National Drug Intelligence Center, drug proceeds in Mexico in 2005 ranged from: \$2.9 billion to \$6.2 billion for cocaine (including Central America), \$324 million to \$736 million for heroin, \$3.9 billion to \$14.3 billion for marijuana, and \$794 million to \$1.9 billion for methamphetamine. Mexican drug traffickers also grow marijuana in the United States; therefore, the amount of proceeds returned to Mexico is likely greater than the reported estimates.

Mexican DTOs considerable resources to subvert government institutions, particularly at the state and local level. U.S. and Mexican government officials and various other observers, including academics, investigative journalists, and nongovernmental organizations that study drug trafficking trends in Mexico, told us that profits of such magnitude enable drug traffickers to bribe law enforcement and judicial officials.

Since 2000, Mexico has undertaken several initiatives to address corruption. For instance, in 2001, when Mexican authorities created the Federal Investigative Agency (AFI)¹³ in the Mexican Attorney General's Office, they disbanded the Federal Judicial Police, which was widely considered corrupt. Mexico also conducted aggressive investigations into public corruption, resulting in the arrest and prosecution of officials, as well as the dismissal and suspension of others.

Despite these actions, corruption remains a major factor complicating efforts to fight organized crime and combat drug trafficking. U.S. and some Mexican law enforcement agents told us that in certain parts of the country, they do not have vetted counterparts to work with. Moreover, AFI represents only about one-third of Mexico's estimated 24,000 federal law enforcement officials. According to U.S. officials, the majority—about 17,000—belong to the Federal Preventive Police,¹⁴ whose personnel are not subject to the same requirements as those of AFI for professional selection, polygraph and drug testing, and training.

Partly to address the problem of corruption, Mexican President Felipe Calderón's government has begun to consolidate various federal civilian law enforcement entities into one agency and triple the number of trained, professional federal law enforcement officers subject to drug, polygraph, and other testing.¹⁵ This initiative will combine AFI and the Federal Preventive Police, along with officers from other agencies, into one agency known as the Federal Police Corps, which would operate in cities and

¹³AFI is the Spanish acronym for Agencia Federal de Investigación.

¹⁴The Federal Preventive Police itself was the result of a reorganization to reduce, prevent, and combat crime in 1999.

¹⁵Felipe Calderón was elected President of Mexico in July 2006 and inaugurated in December 2006.

towns of more than 15,000 people.¹⁶ However, this initiative will not affect the vast majority of Mexico's law enforcement officials, most of whom are state and local employees and who, according to one source, number approximately 425,000.

Mexican DTOs Control Drug Trafficking in Mexico and Have Extended Their Reach into the United States

According to the Drug Enforcement Administration (DEA), four main DTOs control the illicit drug production and trafficking in Mexico and operate with relative impunity in certain parts of the country:

- The Federation, which operates from the Mexican state of Sinaloa, is an alliance of drug traffickers that U.S. and Mexican officials told us may have the most extensive geographic reach in Mexico.
- The Tijuana Cartel, also known as the Arellano Felix Organization after its founder, operates from the border city of Tijuana in the Mexican state of Baja California. Its activities center in the northwestern part of Mexico, where, according to local investigative journalists and U.S. officials, it exerts considerable influence over local law enforcement and municipal officials.
- The Juarez Cartel is based in Ciudad Juarez, in the border state of Chihuahua. According to DEA officials, the Juarez Cartel has extensive ties to state and local law enforcement officials.
- The Gulf Cartel operates out of Matamoros on the Gulf of Mexico, in the border state of Tamaulipas. According to DEA officials, the Gulf Cartel has infiltrated the law enforcement community throughout Tamaulipas, including the border city of Nuevo Laredo, which is a principal transit point for commercial traffic to the United States. The Gulf Cartel has also employed a criminal gang referred to as the Zetas, which is primarily composed of rogue former Mexican military commandos that are known for their violent methods.

According to DEA and other U.S. officials, in recent years Mexican DTOs have taken over the transportation of cocaine shipments from South America previously managed by Colombians. In addition, according to the *National Drug Threat Assessment*, Mexican DTOs have expanded their

¹⁶The plan would also create two other police forces: one consisting principally of former military police, whose role would be one of policing rural communities with less than 15,000 people, and a Coast Guard.

presence in drug markets throughout the United States, moving into cities east of the Mississippi River previously dominated by Colombian and Dominican drug traffickers. According to National Drug Intelligence Center officials, Mexican DTOs tend to be less structured in the United States than in Mexico, but have regional managers throughout the country, relying on Mexican gangs to distribute illicit drugs. Further, DTOs are becoming more sophisticated and violent.

- With significant resources at their disposal, Mexican DTOs are developing more sophisticated drug trafficking methods and to evade U.S. maritime detection and interdiction efforts, such as using elaborate networks of go-fast boats and refueling vessels.¹⁷ According to Justice officials and documents, Mexican drug traffickers are also taking advantage of advances in cell phone and satellite communications technology, which have allowed them to quickly communicate and change routes once they suspect their plans have been compromised. In addition, the traffickers have also begun making more use of tunnels under the U.S.-Mexico border—another indication of the increasing sophistication of DTO operations. From 2000 to 2006, U.S. border officials found 45 tunnels—several built primarily for narcotics smuggling. According to U.S. officials, tunnels found in the last 6 years are longer and deeper than in prior years.
- Drug-related violence in Mexico has continued to increase in recent years. President Calderón highlighted the importance of improving public security by punishing crime, and the administration of former President Vicente Fox (2000-2006) actively targeted major drug kingpins. While this strategy does not appear to have significantly reduced drug trafficking in Mexico, it disrupted the cartels' organizational structure, presenting opportunities to gain control of important transit corridors leading to the United States, such as Nuevo Laredo. Such struggles led to increased violence throughout Mexico, with drug-related deaths estimated at over 2,000 in 2006. This trend has continued in 2007, with drug-related deaths estimated at over 1,100 as of June 2007. In addition, an increasing number of drug-related incidents targeting law enforcement officers and government officials have been documented in Mexico. For example, in May 2007, the newly appointed head of Mexico's drug intelligence unit in the Attorney General's office was shot and killed in a street ambush in Mexico City.

¹⁷Go-fast boats are capable of traveling over 40 knots and are difficult to detect in open water. Even when detected, go-fast boats can often outrun conventional ships. Some go-fast boats are capable of carrying up to 8 metric tons of cocaine or other cargo.

Journalists have also been targeted as a result of investigative articles written about DTO activities. Due to the risks associated with reporting on narco-trafficking, Mexico was recently ranked as the second most dangerous country in the world for journalists, after Iraq.

**U.S. Assistance
Helped Mexico
Improve Its
Counternarcotics
Efforts, but
Coordination Can Be
Improved**

Table 1 depicts U.S. assistance to support counternarcotics-related programs and activities in Mexico during fiscal years 2000 through 2006. Other U.S. agencies also supported Mexican counternarcotics activities, but did not provide funding.

Table 1: U.S. Agencies' Support for Mexican Counternarcotics Activities, Fiscal Years 2000-2006

Dollars in millions	
State	\$168.9
Justice	140.0
Defense ^a	57.8
USAID	29.9
Total	\$396.6

Source: GAO analysis of Defense, Justice, State, and USAID data.

^aDefense does not track obligations by country; thus these figures reflect estimated expenditures in Mexico from fiscal years 2000 to 2006.

State's Bureau for International Narcotics and Law Enforcement Affairs (INL) funds supported the purchase of a wide range of items and activities, including scanning machinery for security purposes at ports and border crossings; vehicles, computers, software, and other equipment used to improve Mexico's law enforcement infrastructure; interdiction and eradication initiatives; aircraft and related equipment and maintenance; training for Mexican law enforcement and judicial officials; and other programs designed to promote U.S. counternarcotics goals. DEA's funding primarily supported field offices throughout Mexico, from which DEA agents coordinated bilateral cooperation with Mexican federal, state, and local law enforcement officials, allowing both countries to collect drug intelligence, conduct investigations, prosecute drug traffickers, and seize assets. Defense supported programs designed to detect, track, and interdict aircraft and maritime vessels suspected of transporting illicit drugs—primarily cocaine from South America. Last, USAID's funding for Mexico promoted reform of Mexico's judicial system at the state level, as well as government transparency, which broadly supports U.S. counternarcotics objectives.

According to the U.S. embassy in Mexico, one of its primary goals is to help the Mexican government combat transnational crimes, particularly drug trafficking. Over the years, U.S. assistance has supported four key strategies: (1) to apprehend and extradite drug traffickers, (2) to counter money laundering by seizing the assets of DTOs, (3) to strengthen the application of the rule of law, and (4) to interdict or disrupt the production and trafficking of illicit drugs. Since 2000, U.S. assistance has made some progress in each of these areas but has not significantly cut into drug trafficking, and Mexico and the United States can improve cooperation and coordination in some areas.

Extraditions of Mexican Drug Traffickers Have Increased

In January 2007, the administration of President Calderón extradited several high-level drug kingpins, such as Osiel Cardenas, the head of the Gulf Cartel, whose extradition long had been sought by U.S. authorities. U.S. officials cited Mexico’s decision to extradite Cardenas and other drug kingpins as a major step forward in cooperation between the two countries and expressed optimism about the prospects for future extraditions. As shown in table 2, U.S. extradition efforts have progressed gradually through 2005, but increased more than 50 percent in 2006 and through mid-October, 2007.

Table 2: Number of Individuals Extradited from Mexico to the United States, 2000 through mid-October, 2007

Year	2000	2001	2002	2003	2004	2005	2006	2007 (through mid-Oct.)
Extraditions	12	17	25	31	34	41	63	68

Source: State’s International Narcotics Control Strategy Report, 2000-2006, and State, 2007.

Efforts to Counter Money Laundering Are Progressing

In 2002, Immigration and Customs Enforcement (ICE) and DEA supported Mexican authorities who established a vetted unit within AFI for investigating money laundering, consisting of about 40 investigators and prosecutors. These AFI officials collaborated with ICE on money laundering and other financial crime investigations and developed leads. With funding provided by the Narcotics Affairs Section (NAS),¹⁸ ICE developed several training initiatives for Mexican law enforcement personnel targeting bulk cash smuggling via commercial flights to other

¹⁸NAS is in the U.S. embassy in Mexico City and supports State/INL counternarcotics initiatives in Mexico and funds several programs and activities.

Latin American countries. From 2002 to 2006, in collaboration with ICE, Mexican Customs and AFI's money laundering unit seized close to \$56 million in illicit cash, primarily at Mexico City's international airport.

In 2004, the Mexican Congress passed financial reform legislation as part of a comprehensive strategy to prevent and combat money laundering and terrorist financing. In May of that year, the Financial Intelligence Unit under Mexico's Treasury Secretariat brought together various functions previously undertaken by different Treasury Secretariat divisions with the goal of detecting and preventing money laundering and terrorist financing. To support these efforts, NAS provided over \$876,000 for equipment and to refurbish office space for the Financial Intelligence Unit. Since 2004, the Financial Intelligence Unit has established closer monitoring of money service businesses and financial transactions. According to Financial Intelligence Unit officials, this resulted in the seizure of millions of dollars.

U.S. Treasury officials noted improvements in the level of cooperation with Mexican authorities under the Fox administration. For example, they highlighted how the Financial Intelligence Unit began issuing accusations against individuals named on Treasury's Office of Foreign Assets Control's (OFAC) Specially Designated Nationals and Blocked Persons list of drug kingpins and suspected money launderers.¹⁹ These accusations were forwarded to the Mexican Attorney General's Office for possible legal action. Treasury officials also expressed optimism that continued collaboration with Mexican authorities under the Calderón administration would lead to more aggressive action on asset forfeitures.

DEA also works closely with AFI to identify the assets of Mexican DTOs. In March and April 2007, DEA conducted asset forfeiture and financial investigative training to the newly formed Ad Hoc Financial Investigative Task Force in Mexico's Attorney General's Office. In March 2007, DEA efforts in an investigation of chemical control violations resulted in the

¹⁹The Specially Designated Nationals and Blocked Persons list is maintained by OFAC. It lists individuals and organizations whose assets are blocked by various sanctions programs administered by OFAC, primarily for suspected involvement in terrorist or criminal activities, such as drug trafficking. Pursuant to the Foreign Narcotics Kingpin Designation Act, as of June 2007, 25 of the 54 individuals designated as drug kingpins were Mexican nationals.

seizure of \$207 million in currency at a residence in Mexico City.²⁰ In another investigation, DEA assistance led Mexican authorities to seize in excess of \$30 million in assets from a designated kingpin and his DTO. DEA officials share Treasury's optimism that continued collaboration with Mexican authorities will lead to significant seizures of drug trafficking assets.

USAID, DEA, INL, and Other U.S. Agencies Support Mexico's Rule-of-Law Efforts

As part of its rule-of-law portfolio in Mexico, USAID has promoted criminal justice reforms at the state level since 2003. The criminal procedures system that prevails in Mexico today is based on the Napoleonic inquisitorial written model, with judges working independently using evidence submitted in writing by the prosecution and defense to arrive at a ruling. According to U.S. officials, this system has been vulnerable to the corrupting influence of powerful interests, particularly criminal organizations. To promote greater transparency in judicial proceedings, USAID has supported initiatives to introduce adversarial trials in Mexico. Such trials entail oral presentation of prosecution and defense arguments before a judge in a public courtroom. Since this system is open to public scrutiny, USAID officials explained that it should be less vulnerable to corruption. To date, USAID has provided technical assistance to 14 Mexican states to implement criminal justice reforms, including oral trials.

U.S. agencies have also pursued legal and regulatory reforms related to precursor chemicals used in the production of methamphetamine in Mexico. Specifically, the United States has encouraged the government of Mexico to implement import restrictions on methamphetamine precursor chemicals and impose stricter controls on the way these substances are marketed and sold once in Mexico. In 2004, the Mexican Federal Commission for the Protection against Sanitary Risk (COFEPRIS)²¹ conducted a study that revealed an excess of imports of pseudoephedrine products into Mexico. Subsequently, Mexico implemented several controls on pseudoephedrine. In 2005, COFEPRIS officials reduced legal imports of

²⁰DEA also noted that during 2006 and 2007, besides the record high drug cash seizure, Mexican law enforcement authorities seized over 30 clandestine laboratories, over 20 tons of chemicals, and approximately 6.4 million dosage units of pseudoephedrine and ephedrine used in the manufacture of methamphetamine.

²¹COFEPRIS is the Spanish acronym for Comisión Federal para la Protección contra Riesgos Sanitarios.

pseudoephedrine by over 40 percent—from 216 metric tons in 2004 to about 132. In 2006, pseudoephedrine imports were further reduced to 70 metric tons. According to ONDCP, as of mid-October, 2007 Mexico had reduced its imports of pseudoephedrine to 12 metric tons.

U.S. Support for Mexican Interdiction Efforts Has Helped, but Improvements Are Needed

The fourth strategy under the embassy's counternarcotics goal is to support Mexican efforts to interdict illicit drugs. U.S. assistance has provided for (1) infrastructure upgrades for law enforcement entities; (2) professional training for law enforcement and judicial personnel; (3) military coordination, particularly for maritime interdiction and surveillance; and (4) aviation support for interdiction and surveillance. Overall, these U.S.-supported programs have strengthened Mexican counternarcotics efforts, but areas for improvement remain, particularly regarding cooperation and coordination with Mexican counternarcotics agencies and the provision of U.S. aviation support.

Infrastructure Upgrades and Equipment

From 2000 to 2006, a significant share of INL's assistance to Mexico—about \$101 million of nearly \$169 million—supported the embassy's interdiction strategy for Mexico through the purchase of equipment to enhance border security measures and upgrade the infrastructure of various Mexican law enforcement entities. In October 2001, when the Fox administration created AFI under the jurisdiction of the Attorney General's Office, NAS provided infrastructure and equipment for counternarcotics operations, including computer servers, telecommunications data processing hardware and software, systems for encrypting telecommunications, telephone systems, motorcycles, and a decontamination vehicle for dismantling methamphetamine processing labs. In addition, NAS funded the renovation of a building where AFI staff were located, as well as the construction of a state-of-the-art network for tracking and interdicting drug trafficking aircraft. According to State reports, since 2001, AFI has figured prominently in investigations, resulting in the arrests of numerous drug traffickers and corrupt officials, becoming the centerpiece of Fox administration efforts to transform Mexican federal law enforcement entities into effective institutions.

In July 2003, the Mexican Attorney General's Office reorganized its drug control planning capacity under the National Center for Analysis, Planning

and Intelligence (CENAPI).²² According to INL, NAS also equipped CENAPI with a state-of-the-art computer network for collecting, storing, and analyzing crime-related information. CENAPI analysts noted that software provided by NAS allowed them to process large volumes of data—including background files on more than 30,000 criminals—and make considerable progress in investigations of unsolved crimes.

In 2005, NAS provided computer equipment for COFEPRIS to monitor imports of methamphetamine precursor chemicals at major international points of entry into Mexico. This complemented efforts by the United Nations Office on Drugs and Crime to enhance COFEPRIS’s capabilities to track shipments and imports of precursor chemicals and controlled medicines through a National Drug Control System database.

NAS also funded the procurement of nonintrusive inspection equipment for Mexican customs officials to scan container trucks, railroad cars, and other cargo containers for illicit contraband at Mexican ports and the border. Such border security measures also support counternarcotics efforts, since drug traffickers are known to exploit opportunities provided by legitimate U.S.-Mexico cross-border trade to smuggle illicit drugs. Border security funding was also used to enhance “secure rapid inspection lanes” at six U.S.-Mexico border crossings.

In addition to support provided by NAS, Justice’s DEA provided specialized equipment to the Attorney General’s Office and other Mexican law enforcement entities to allow them to detect and properly handle hazardous materials at clandestine methamphetamine laboratories. This included safety suits required for clandestine lab cleanups, evidence containers, and drug-testing chemical kits. DEA also donated eight specially designed vehicles to handle toxic chemicals typically found at facilities where methamphetamine is produced. These trucks were recently refurbished and will be based at locations throughout Mexico where a large number of methamphetamine labs are suspected of operating.

Law Enforcement and Judicial Personnel Training

U.S. agencies have sought to strengthen Mexico’s interdiction capabilities through training for Mexican law enforcement, judicial, and military

²²This unit assumed a broad mandate to gather and analyze strategic intelligence on organized criminal organizations in Mexico, including drug trafficking and money laundering. CENAPI is the Spanish acronym for Centro Nacional de Planeación, Análisis e Información para el Combate a la Delincuencia.

personnel. According to State, the overall purpose of this training is to help Mexican police personnel and prosecutors combat more effectively all transnational crimes affecting U.S. interests, including drug trafficking and money laundering. NAS has taken the lead in funding such training, and courses are typically taught by U.S. law enforcement agencies and various contractors in Mexico and the United States. From 2000 through 2006, NAS provided approximately \$15 million for such training. DEA has also funded some training for members of its vetted units, and Defense has provided training for Mexican military officials.

According to U.S. and Mexican officials, this training was an integral part of the Mexican Attorney General's efforts to develop a professional cadre of investigative agents within AFI, and it also supported more general efforts by the Fox administration to upgrade the capabilities and ethical awareness of Mexican law enforcement officials at the federal, state, and local levels. By 2006, the United States had supported training for over 2,000 federal, state, and local law enforcement officials, with a goal of training 2,000 more in 2007.

Interdiction Cooperation and Coordination Can Be Improved

From 2000 to 2006, Defense has spent a total of about \$58 million for equipment and training for the Mexican military, particularly to help the Mexican Navy interdict aircraft and vessels suspected of transporting illicit drugs. From 2000 to 2006, Defense provided training for about 2,500 Mexican military personnel in the use of certain kinds of equipment, as well as training to enable them to coordinate with U.S. aircraft and vessels. The training provided was designed to strengthen the Mexican military's ability to detect, monitor, and interdict suspected drug trafficking aircraft and vessels, as well as help professionalize Mexico's military and improve relations between the U.S. and Mexican militaries.

Defense initiatives have facilitated coincidental maritime operations between the United States and Mexico that have resulted in greater cooperation between the two countries, particularly with respect to boarding, searching, and seizing suspected vessels transiting Mexican waters. In recent years, the Mexican Navy has regularly responded to U.S. information on suspect vessels transiting Mexican waters—46 times in 2006, for example. In addition, the Mexican Navy agreed on several occasions to temporarily place Mexican liaison officers aboard U.S. Coast Guard vessels, as well as placing U.S. Coast Guard officers aboard Mexican vessels. The Mexican Navy also permitted U.S. law enforcement personnel to participate in some dockside searches and post-seizure analyses.

However, the United States and Mexico have not agreed to a bilateral maritime cooperation agreement that would allow U.S. law enforcement personnel to board and search Mexican-flagged vessels on the high seas suspected of trafficking illicit drugs without asking the government of Mexico for authority to board on a case-by-case basis.²³ According to Defense officials, a request to board and search a suspicious Mexican-flagged vessel—or one whose captain reports it as Mexican-registered—can be complex and time-consuming, involving, at a minimum, the Foreign Affairs Secretariat as well as the Mexican Navy. Waiting for approval or the arrival of the Mexican Navy typically creates delays, which can result in the loss of evidence as the illicit drugs are thrown overboard or the vessel is scuttled or escapes. In addition, while the Mexican Navy has proved willing to respond to U.S. information on suspicious vessels transiting Mexican waters, according to Defense officials, the Mexican Navy does not normally conduct patrols more than 200 nautical miles from shore.²⁴

In addition, according to embassy and Defense officials, Defense has little contact with Mexico's Defense Secretariat (SEDENA),²⁵ which oversees the Mexican Army and Air Force. According to these officials, the Mexican Army has conducted counternarcotics operations throughout Mexico, including in Acapulco, Nuevo Laredo, and Tijuana, to reduce the violence caused by drug trafficking, and it manually eradicates opium poppy and marijuana. But, according to Defense officials, none of these efforts took advantage of U.S. expertise or intelligence. In the past, some eradication efforts were also done by the Mexican Attorney General's Office, which worked with its U.S. counterparts. Now, however, the Calderón administration plans to consolidate all eradication efforts under SEDENA, which makes greater cooperation with SEDENA all the more important.

In addition, from 2001 until late 2006, Customs and Border Protection (CBP) provided eight Citation jets for detection and monitoring of suspected drug trafficking aircraft along the U.S.-Mexican border under a

²³The United States has bilateral maritime cooperation agreements with more than 20 other countries in the Caribbean Sea and Central and South America.

²⁴The Mexican constitution prohibits the deployment of forces more than 200 nautical miles from Mexican territory during peacetime unless the deployment is requested by the President and authorized by Congress.

²⁵SEDENA is the Spanish acronym for Secretaría de la Defensa Nacional.

program known as Operation Halcon in cooperation with AFI.²⁶ According to CBP officials, in recent years Operation Halcon was a successful interdiction effort that helped prevent drug traffickers from flying aircraft near the U.S.-Mexico border, which made it more difficult to transport illicit drugs to the United States. They also noted that CBP and AFI personnel worked very closely and one CBP official worked full time at the AFI Command Center. Moreover, CBP officials maintained that the embassy infrastructure, operational staffing, and relationships developed under Halcon provided critical daily interface with the Mexican authorities, facilitating quick responses to operational needs along the border and the sharing of intelligence. Overall, in 2005, between 15 and 25 percent of the 294 suspect aircraft identified by Operation Halcon resulted in seizures of aircraft and other vehicles or arrests.

In March 2006, the United States sought to formalize Operation Halcon to limit liability for U.S. pilots involved in the patrols in the event of an accident. However, the Mexican government did not respond with terms acceptable to CBP, and in November 2006, the government of Mexico suspended the program. As a result, U.S. embassy officials said that fewer suspect flights are being identified and interdicted. According to CBP officials, since the suspension, seizures of illicit drugs along the U.S.-Mexico border have increased, and this, according to DEA, CBP, and other officials, is an indication that more drugs are finding their way to northern Mexico.

U.S. Aviation Support for Interdiction Can Be Better Coordinated

From 2000 to 2006, NAS provided about \$22 million, or 13 percent of INL's obligations for Mexico, to support aviation programs for counternarcotics efforts by the Attorney General's Office and one program for the Mexican Air Force. Since 1990, NAS has provided 41 Vietnam-era UH-1H helicopters, of which 28 remain in service, to the Mexican Attorney General's Office to transport law enforcement personnel interdicting drug trafficking aircraft landing in Mexico.²⁷ Since 2000, NAS has expended \$4.5 million to refurbish 8 of the aircraft.²⁸ According to State, the aircraft have served as the transportation workhorse for the Attorney General's air

²⁶When in Mexico, all activity was coordinated with the Air Interception Director of AFI and an AFI pilot was aboard the aircraft. The Citations would track the suspect aircraft, and U.S.-provided transport would transport law enforcement officers to the landing site.

²⁷In addition, prior to 2000, NAS provided 39 other aircraft, including helicopters and fixed-wing aircraft, to the Attorney General's Office.

²⁸The remaining UH-1H helicopters were refurbished before 2000.

services section, flying a total of approximately 14,000 hours from 2001 to 2006. However, according to the embassy, the UH-1H program did not meet its target of interdicting 15 percent of all aircraft detected in the transport of illicit drugs and crops—in 2005, 4 percent were interdicted. In addition, the helicopters' readiness rates have progressively declined from about 90 percent in January 2000 to 33 percent in January 2007. NAS and Mexican officials attributed the reduced readiness rates to a lack of funding and a lack of spare parts for these aging aircraft, which Defense will stop supporting in 2008. In January 2007, NAS officials told us that State/INL does not intend to provide any further support for the UH-1Hs.

Beginning in 2004, NAS provided the Attorney General's Office 12 Schweizer 333 helicopters, of which 11 remain operational.²⁹ The total expended for these helicopters was \$14.2 million, which included a 2-year support package. Equipped with forward-looking infrared sensors for nighttime operations as well as television cameras, the Schweizers are designed to provide the Attorney General's Office with a reconnaissance, surveillance, and command and control platform. According to State officials, the Schweizers were used in Nuevo Laredo and other locations, providing support for surveillance operations, flying a total of approximately 1,750 hours from September 2004 to February 2007.

Originally, NAS had planned to provide 28 Schweizers, deploying them to various points throughout Mexico. However, according to State officials, due to funding limitations and changed priorities, NAS capped the number at 12. In addition, Mexican Attorney General officials told us that they would have preferred a helicopter with both a surveillance capability and troop transport capacity.³⁰

From 2000 to 2006, NAS also expended about \$4.2 million to repair, maintain, and operate four C-26 aircraft provided by the United States to Mexico in 1997. The aircraft did not originally come equipped with a surveillance capability, and the Mexican Air Force had indicated it had no plans to invest in the necessary equipment. In 1998, we reported that the Mexican Air Force was not using the aircraft for any purpose.³¹ After

²⁹One Schweizer crashed in June 2006.

³⁰The Schweizer 333 normally carries a three-person crew—a pilot, a copilot, and an observer to operate the forward-looking infrared sensor and television camera and communicate to commanders on the ground.

³¹[GAO/NSIAD-98-154](#).

Mexico upgraded these aircraft with forward-looking infrared radar in 2002, NAS funded maintenance of the aircraft and sensors, as well as training for sensor operators and imagery analysts. Part of the NAS funding was also used to provide contractor logistical support, including spare parts.

Southwest Border Strategy's Implementation Plan

In March 2006, ONDCP, in conjunction with the National Security Council and other agencies involved in the U.S. interagency counternarcotics community, developed a Southwest Border Strategy to help reduce the flow of illicit drugs entering the United States across the southwest border with Mexico. The stated objectives of the strategy, which we reviewed in June 2007, were to

- enhance and better coordinate the collection of intelligence;
- effectively share information, when appropriate, with Mexican officials;
- investigate, disrupt, and dismantle Mexican DTOs;
- interdict drugs and other illicit cargo by denying entry by land, air, and sea routes;
- deny drug traffickers their profits by interdicting bulk currency movements and electronic currency transfers;
- enhance Mexico's counterdrug capabilities; and
- reduce the corruption that facilitates illicit activity along and across the border.

In addition, a plan was developed to implement the strategy. As of August 2007, ONDCP officials told us that the implementation plan was being revised to respond to the Calderón administration's new initiatives. On October 2, 2007, the Director of ONDCP released a summary of the strategy that referred to the implementation plan. According to the summary, the implementation plan lays out the desired end state, estimated resource requirements, action plan, and metrics for each of the seven objectives in the strategy.

Conclusions

U.S. counternarcotics assistance to Mexico since 2000 has helped Mexico strengthen its law enforcement institutions and capacity to combat illicit

drug production and trafficking. However, overall, the flow of illicit drugs to the United States has not abated, and U.S. and Mexican authorities have seized only a relatively small percentage of the illicit drugs estimated transiting through or produced in Mexico. Moreover, reducing drug-related corruption remains a challenge for the Mexican government, and Mexican DTOs have increasingly become a threat in both Mexico and the United States. Mexican officials have recognized the increasing threat and indicated that combating the illicit drug threat in cooperation with the United States is a priority.

As we noted in our recent report, the Calderón administration has signaled an interest in working with the United States to reduce drug production and trafficking.³² At the time, to respond to the Calderon administration's initiatives, ONDCP and the U.S. counternarcotics community was revising the Southwest Border Strategy's implementation plan to emphasize greater cooperation with Mexico. We recommended that the Director of ONDCP, as the lead agency for U.S. drug policy, in conjunction with the cognizant departments and agencies in the U.S. counternarcotics interagency community, coordinate with the appropriate Mexican officials before completing the Southwest Border Strategy's implementation plan to help ensure Mexico's cooperation with any efforts that require it and address the cooperation issues we identified.

ONDCP concurred with the recommendation and it has since assured us that the interagency counternarcotics community is actively engaged with their Mexican counterparts. In commenting on our report, ONDCP emphasized that the Southwest Border Strategy's implementation plan must be a living document with the flexibility to adjust as resources become available.

Mr. Chairman and members of the subcommittee, this concludes my prepared statement. I will be happy to answer any questions you may have.

³² [GAO-07-1018](#).

**Contact and Staff
Acknowledgements**

For questions regarding this testimony, please contact Jess T. Ford at (202) 512-4268 or fordj@gao.gov. Albert H. Huntington, III, Assistant Director; Joe Carney; and José M. Peña, III made key contributions in preparing this statement.

Appendix I: Estimated Amounts of Illicit Drugs Transiting or Produced in Mexico and Seized, Calendar Years 2000-2006

Illicit drugs	Calendar year						
	2000	2001	2002	2003	2004	2005	2006
Cocaine (metric tons)							
Arriving in Mexico for transshipment to the United States ^a	220	270	270	210	220 to 440 ^b	260 to 460 ^b	300 to 460 ^b
Seized in Mexico	20	10	8	12	19	21	10
U.S. border seizures ^c	23	20	23	16	22	23	27
Heroin (metric tons)							
Produced ^d	9	21	13	30	23	17	N/A
Seized in Mexico	.27	.27	.28	.31	.30	.46	.40
U.S. border seizures ^c	.07	.35	.30	.35	.29	.32	.47
Marijuana (metric tons)							
Produced	7,000	7,400	7,900	13,500	10,400	10,100	N/A
Seized in Mexico	1,619	1,839	1,633	2,248	2,208	1,786	1,849
U.S. border seizures ^c	533	1,083	1,072	1,221	1,173	974	1,015
Methamphetamine (kilograms)							
Seized in Mexico	560	400	460	750	950	980	600
U.S. border seizures ^c	500	1,150	1,320	1,750	2,210	2,870	2,710

Sources: The *Interagency Assessment of Cocaine Movement*, the *International Narcotics Control Strategy Report*, National Drug Intelligence Center, the Central Intelligence Agency's Crime and Narcotics Center, ONDCP, and the El Paso Intelligence Center.

^aThe Interagency Assessment of Cocaine Movement (IACM) estimates the metric tons of cocaine departing South America and flowing toward the United States. It also estimates what percentage of this amount is flowing towards Mexico for transshipment to the United States and reports seizures of cocaine. To estimate the amount of cocaine available in Mexico for transshipment to the United States, we multiplied the IACM's total estimate of cocaine flowing toward the United States by the IACM's estimated percentage of what was flowing toward Mexico (which ranged from 66 percent in 2000 to 91 percent in 2006). We then subtracted the IACM's reported cocaine seizures and disruptions in the eastern Pacific Ocean, western Caribbean Sea, and Central America for each year to estimate how much cocaine was available to transit Mexico. Because of the uncertain nature of the estimates involved, we rounded the figures we derived to the nearest ten.

^bFor 2000 through 2003, the IACM reported "point" estimates of the cocaine flow. In 2004, the IACM began reporting low and high estimates of the metric tons of cocaine flowing through the transit zone due to certain methodological concerns over providing point estimates.

^cThe Drug Enforcement Administration's El Paso Intelligence Center (and the IACM) defines drug seizures at the U.S. southwest border to include seizures at the U.S.-Mexico border or within 150 miles on the U.S. side of the border, including 88 border counties in Arizona, California, New Mexico, and Texas.

^dThis estimate does not include heroin that is produced in Colombia and may transit Mexico on the way to the United States.

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