



# U.S. Immigration and Customs Enforcement

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**STATEMENT**

**OF**

**JANICE AYALA**

**DEPUTY ASSISTANT DIRECTOR  
OFFICE OF INVESTIGATIONS  
U.S. IMMIGRATION AND CUSTOMS ENFORCEMENT  
DEPARTMENT OF HOMELAND SECURITY**

**REGARDING A HEARING ON**

**“CARGO SECURITY AT LAND PORTS OF ENTRY:  
ARE WE MEETING THE CHALLENGE?”**

**BEFORE THE**

**U.S. HOUSE OF REPRESENTATIVES  
COMMITTEE ON HOMELAND SECURITY  
SUBCOMMITTEE ON BORDER,  
MARITIME, AND GLOBAL COUNTERTERRORISM**

**Thursday, October 22, 2009 -- 10:00 a.m.  
311 Cannon House Office Building**

## **INTRODUCTION**

Chairwoman Sanchez, Ranking Member Souder, and distinguished Members of the Subcommittee:

On behalf of Secretary Napolitano and Assistant Secretary Morton, thank you for the opportunity to discuss U.S. Immigration and Customs Enforcement (ICE)'s role in combating smuggling at our land ports of entry through robust interagency coordination. First and foremost, ICE uses its broad federal authorities to meet the challenges of security at the ports of entry by conducting intelligence-driven investigations through collaboration with the intelligence community, and other federal, state, local and foreign partners.

The challenges of conducting investigations in the port environment are many, but not insurmountable. The port and border environments vary by geography, size, and activity. In some instances, the large size of the port of entry makes surveillances a challenge, while a small port of entry invites possible detection by co-conspirators. In the port environment, ICE agents routinely overcome issues of counter-surveillance by co-conspirators, internal conspiracies, corruption, and other impediments by utilizing their knowledge of customs and immigration laws, investigative tools, specialized techniques, and law enforcement authorities to initiate investigations into the larger transnational criminal organizations who seek to exploit our borders and ensure their prosecution by the U.S. judicial system. These multi-agency investigations are enabled by robust, cross-border coordination and information sharing amongst our law enforcement partners, especially U.S. Customs and Border Protection (CBP), which positions ICE to respond on a 24/7 basis to any incident at the port of entry or the borders that poses a potential threat to security.

ICE has the largest force of investigators in the Department of Homeland Security (DHS), and we protect our borders by investigating criminal organizations that exploit weaknesses in our legitimate trade, travel, and financial systems to further their illicit enterprises. More than 6,500 ICE special agents detect, disrupt, and dismantle cross-border criminal networks engaged in the smuggling of people, narcotics, bulk cash, and weapons across our borders. ICE is focused on countering the illicit activities that occur at our land ports of entry along the shared border with Mexico and Canada. Furthermore, ICE has the capability to expand the scope of its investigations beyond the domestic 26 Special Agent in Charge offices to the 56 Attaché offices situated throughout the world. This worldwide investigative posture and shared initiatives enable us to address security threats before they reach our borders and ports of entry.

Outlined below and explained in detail in this statement are several ICE and DHS programs and initiatives designed to challenge the criminal organizations that perpetuate the criminal activity that threatens the security of our borders and ports of entry. ICE works in concert with its domestic and international law enforcement partners to investigate the smuggling of weapons, narcotics, contraband, and the bulk cash which fuels the criminal activity. ICE capitalizes on its robust authorities and expertise to remain vigilant and adaptive to threats to our borders and ports of entry.

ICE's efforts, along with the broader U.S. Government response to combating smuggling at our land ports of entry, require effective operational collaboration and expanded information sharing with domestic and other foreign law enforcement agencies. ICE facilitates these objectives through unique initiatives, which I will describe later, such as Operation Armas Cruzadas, Operation Firewall, the Container Security Initiative (CSI), Vetted Foreign Investigative Units, Border Enforcement Security Task Forces (BESTs), the Integrated Border

Enforcement Team (IBET), the Border Violence Intelligence Cell (BVIC), the Weapons Virtual Task Force (WVTF), and through the use of formal interagency agreements. We also collaborate and share information with federal, state, and local law enforcement partners in national and regional coordination centers. And not long ago, we renegotiated formal interagency agreements with the Drug Enforcement Administration (DEA) and the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) to facilitate even closer coordination and expanded information sharing.

## **IMPLEMENTATION OF THE SOUTHWEST BORDER INITIATIVE**

The Southwest Border is an important area of focus for the Department of Homeland Security, which plays an integral role in implementing the comprehensive U.S.-Mexico border security policy announced by Secretary Napolitano on March 24. Along with the Merida Initiative, the National Southwest Border Counternarcotics Strategy, and the Administration's renewed commitment to reduce the demand for illegal drugs in the United States, the Department of Homeland Security has taken important steps to improve security along the U.S.-Mexico border. As first outlined by the Secretary on April 15, DHS has redeployed personnel and technology in order to bolster the federal government's action against cartels on the southwest border. ICE doubled assignments to ICE BESTs; tripled the number of intelligence analysts working at the border; and quadrupled the number of agents designated as Border Liaison Officers to work in close cooperation with Mexican law enforcement. Within Mexico, ICE increased its investigative workforce by 50 percent.

## **COLLABORATION WITH THE GOVERNMENT OF MEXICO**

Cooperation is a critical piece to effective law enforcement along the borders and at the ports of entry -- this includes ICE coordination with its counterparts in Mexico. The violent cartels operating in Mexico are a binational threat that must be dealt with in a bilateral way -- both the United States and Mexico must focus on smuggling channels that flow both ways across the border. Indeed, earlier this year, President Calderón of Mexico identified the illegal flow of weapons from the United States as one of the greatest security threats to his country. On April 1, Secretary Napolitano traveled to Cuernavaca, Mexico with Attorney General Holder to attend a joint U.S.-Mexican conference on arms trafficking. At the conference, the Secretary and the Attorney General discussed future joint efforts to prevent firearms from being smuggled into Mexico from the United States.

Interagency collaboration with the Mexican government is a part of a broader theme of shared responsibility that Attorney General Holder and Secretary Napolitano agree is central to our strategic effort to secure the SWB. Stopping the flow of firearms and bulk cash into Mexico is an important component of the larger strategy to secure our borders from the criminal organizations that use those resources to traffic contraband and perpetrate violence. Comparative to CBP uniformed presence at the nation's borders to stop the flow of firearms and bulk cash, ICE's investigative presence at the ports of entry serves an equally important role to identify, disrupt, and dismantle the criminal organizations engaged in the movement of firearms and bulk cash smuggling. ICE accomplishes this through Operation Armas Cruzadas and Operation Firewall.

**Operation Armas Cruzadas.** ICE has intensively deployed resources for Operation Armas Cruzadas, a comprehensive, collaborative effort with the Government of Mexico (GoM)

to identify, disrupt, and dismantle the criminal networks that illicitly transport arms across the border. ICE and CBP have stepped up efforts to interdict southbound weapons smuggling, pursuant to DHS authority to enforce export provisions of the Arms Export Control Act as specifically designated within 22 C.F.R. § 127.4 of the International Traffic in Arms Regulations and to prevent smuggling of weapons in violation of 18 U.S.C. § 554. Under Operation Armas Cruzadas, ICE has implemented numerous activities that promote an intelligence-driven, systematic approach to arms trafficking investigations. Since its inception in 2008, Operation Armas Cruzadas has resulted in the seizure of 1,880 weapons, more than \$7.9 million, 206,412 rounds of ammunition, and the arrests of 257 individuals on criminal charges, resulting in 147 criminal indictments and 96 convictions.

A recent case out of Laredo, Texas, demonstrates the significant impact of our proactive efforts at penetrating Mexican weapons trafficking networks with ties to the interior of the United States. A joint investigation by ICE and ATF began with a seizure of 25 .22 caliber rifles, a 9mm pistol, a 16-gauge shotgun, a 20-gauge shotgun, 100 rounds of 9mm ammunition, and other various parts of disassembled weapons by CBP during an Armas Cruzadas operation. ICE special agents from the Laredo BEST responded with ATF special agents to interview the driver, in which they learned that he was paid to drive the truck to Mexico by a resident of Oklahoma. What followed was a joint investigation between ICE and ATF in which investigators uncovered a conspiracy to purchase firearms in the U.S. illegally and arrange for their covert movement to Mexico.

Based on this collaborative information, ATF agents obtained a search warrant for a residence in Oklahoma and subsequently seized approximately 950 firearms, including rifles, shotguns and handguns, ammunition and approximately \$30,000 in U.S. currency. This

investigation illustrates how criminal organizations facilitate the movement of weapons through our ports of entry. However, through innovative initiatives like Operation Armas Cruzadas, coupled with the collaboration of multiple law enforcement agencies and authorities, this criminal organization was unraveled and its future efforts to utilize the ports of entry to smuggle firearms were stymied.

**Operation Firewall.** In addition to addressing weapons smuggling, ICE partners with CBP to combat the illegal movement of cash across the SWB. This currency is the lifeblood of the violent drug cartels; the United States must interrupt the illegal flow of money derived from the illicit narcotics trade and other criminal activity. ICE's Operation Firewall counters bulk cash smuggling through partnerships and close operational collaboration with foreign partners, including Mexico. On the first day of operations in 2005, at the Benito Juárez International Airport in Mexico City, Mexican authorities seized \$7.8 million en route to Cali, Colombia, concealed inside deep fryers, rotisseries and voltage regulators. Other notable seizures in Mexico include \$7.3 million seized inside rolls of fabric and plastic, and \$4.7 million concealed inside air conditioning equipment and metal piping destined for Colombia. ICE and CBP continue to make seizures in the arena of bulk cash smuggling. This September, ICE and CBP analyzed trade data of containerized cargo and seized over \$22 million concealed inside containers in Colombia and Mexico. These seizures demonstrate that criminal organizations continue to utilize containerized cargo as a prime mode of transportation for contraband and the illicit proceeds generated by it.

While ICE can point to many successes overseas in the area of bulk cash smuggling, the work done here at home is of equal importance to identifying, dismantling, and disrupting not

only the money laundering components of criminal organizations, but the underlying criminal activity as well.

Beginning in June 2006, and in conjunction with the Drug Enforcement Administration (DEA) Atlanta Division, the ICE Special Agent in Charge (SAC) Atlanta began investigating members of a drug trafficking organization (DTO) based in Northern Mexico, with criminal enterprises established in the McAllen, Texas, and Atlanta, Georgia, metropolitan areas. In particular, this DTO was responsible for the clandestine introduction of large quantities of cocaine and marijuana into the United States from Mexico through the utilization of commercial tractor-trailer trucks loaded with legitimate merchandise. The organization also utilized commercial tractor-trailer trucks to smuggle currency back to Mexico.

During the course of the investigation, SAC Atlanta, with the assistance of DEA Atlanta, employed numerous investigative methods to infiltrate the organization, including 24 court orders. The results of this multi-jurisdictional, bi-national investigation resulted in the indictment of 41 individuals in the United States and Mexico, and included the indictment of a high ranking member of the Gulf Cartel. Furthermore, ICE, DEA, ATF, FBI, CBP, and the Georgia State Patrol were able to seize approximately 12,833 pounds of marijuana, 224 kilograms of cocaine, \$22.7 million in currency, forfeiture sought on 14 properties, and 18 bank accounts.

## **COORDINATION OF FOREIGN AND DOMESTIC INTERAGENCY OPERATIONS**

**Container Security Initiative.** Announced in January 2002, the CBP Container Security Initiative (CSI) was first implemented in foreign ports that ship the greatest volume of containers to the United States. Under the CSI program, a team of CBP officers and ICE special agents are



deployed overseas to work with host nation counterparts to target all containers that pose a potential threat, ensuring that they are identified and inspected at foreign ports before they arrive at the ports of entry in the United States. In September 2002, CSI commenced operations at the ports of Rotterdam, Netherlands and Le Havre, France. There are presently 58 ports with a CSI presence and 28 with ICE Special Agents assigned overseas. As members of the CSI team, ICE Special Agents act as an extension of the ICE Attaché office, gathering information and intelligence to identify, disrupt and dismantle criminal organizations that attempt to exploit the international transportation system.

**BEST.** More than a DHS program, BEST is a law enforcement model that recognizes confronting the multifaceted threat of border-related crimes such as narcotics, weapons and human trafficking requires sharing resources, information, and expertise. BESTs serve as a platform from which interagency—and international—partners can work together to address cross-border crime. The BESTs operating on our land borders, at or near land ports of entry, and in major maritime port cities, incorporate personnel from ICE, CBP, DEA, ATF, the Federal Bureau of Investigation (FBI), the U.S. Coast Guard (USCG), and respective U.S. Attorney's Offices, along with other key federal, state, local, tribal, and foreign law enforcement agencies. The Mexican Secretaria de Seguridad Publica (SSP) currently participates in BESTs along the SWB, and Canadian law enforcement agencies such as Canada Border Services Agency, Royal Canadian Mounted Police, Ontario Provincial Police, Niagara Regional Police Service, and Toronto Police Service participate in the BESTs along the Northern Border.

As testament to the success of the BEST, the GoM has agreed to provide representatives to every BEST team on the SWB. Additionally, other GoM agencies and foreign partners are working with ICE to expand their participation in the BESTs, thus enhancing the international

scope and participation of the initiative. Since the launch of the Southwest Border Initiative on March 24, ICE has established new BESTs in Las Cruces and Deming, New Mexico, as well as in Detroit and Mexico City resulting in a total of 17 BESTs covering high-threat smuggling corridors.

A major component of the BEST in Mexico City is the use of the joint vetted units. ICE Attaché personnel are working closely with their Mexican counterparts to build specialized, vetted investigative units to focus on bilateral weapons smuggling investigations, and provide an immediate investigative response to weapons seizures within Mexico. These vetted units will address an information requirement gap that currently exists with respect to tracing weapons and exploiting investigative leads. With the establishment of the vetted units, weapon serial numbers will be more consistently obtained and traced within ATF's e-Trace database prior to the weapons being turned over to the Mexican military. More comprehensive weapons trace data will facilitate better identification of U.S. sources of weapons. The vetted units will better exploit the seizures through interviews, telephone data/record analysis and other investigative tools, leading to the identification of cross-border weapons smuggling networks. This information is then shared with BESTs located at the ports of entry to investigate and identify the larger criminal organizations. A robust information sharing platform will facilitate the exchange of leads for coordinated exploitation of U.S. leads by U.S. agencies, and Mexican leads by GoM agencies.

Overall, the BEST model has been very successful. ICE, with the help of our partners, has cracked down on arms trafficking, human smuggling, bulk cash smuggling and narcotics smuggling organizations. These efforts have disrupted cartel operations in both the United States and Mexico. Since July 2005, the efforts of BEST teams, working in conjunction with the

Department of Justice (DOJ) and other law enforcement agencies, have been responsible for 2,895 criminal arrests, 3,463 administrative arrests, 1,306 indictments and 1,114 convictions. In addition, BESTs have seized approximately 9,618 pounds of cocaine, 213,553 pounds of marijuana, 1,106 pounds of methamphetamine, 131 pounds of crystal methamphetamine, 1,560 pounds of ecstasy, 263 pounds of heroin, 113 pounds of hashish, 22 pounds of opium, 2,471 weapons, over 365,000 rounds of ammunition, 1,090 vehicles, and \$30.7 million in U.S. currency and monetary instruments.

**Integrated Border Enforcement Team.** In addition to the BESTs along the Northern border, the Integrated Border Enforcement Team (IBET) concept was organized in 1996 and formalized in April 2001 to target cross-border criminal activity along the Northern border with Canada. In November 2006, ICE signed the IBET Charter as a core member and has been involved in the IBET concept since its inception. IBET consists of five core agencies with law enforcement responsibilities at the border. These agencies include: ICE, CBP, USCG, the Royal Canadian Mounted Police, and the Canada Border Services Agency. Furthermore, the IBETs are comprised of multi-agency groups of law enforcement officials dedicated to securing the integrity of the Canada-U.S. border while respecting the laws and jurisdictions of each nation. As such, the IBET investigative priorities are (1) national security, (2) cross-border criminal activity, and (3) organized crime related to the U.S./Canada border. Currently there are 23 offices located in 15 IBET regions along the U.S./Canada border.

**National Intellectual Property Rights Coordination Center.** The ICE-led National Intellectual Property Rights Coordination Center (IPR Center) has employed a true task force model designed to optimize the roles and coordinated enforcement efforts of the agency partners to address the problem of counterfeit merchandise. The IPR Center has imbedded representation

from ICE, CBP, the FBI, the Food and Drug Administration's Office of Criminal Investigations, and the U.S. Postal Inspection Service. The IPR Center is further supported by the Computer Crime and Intellectual Property Section, Criminal Division, U.S. Department of Justice.

The IPR Center serves as the U.S. Government's primary location – a “One Stop Shop” - for investigations, intellectual property rights holders, counterpart domestic and foreign law enforcement agencies, and the public to submit intelligence and lead-based information for analysis, assessment and investigative referral. The IPR Center also serves as a clearinghouse for de-confliction of all leads generated or received by partner agencies to ensure a timely, coordinated and dedicated response.

The IPR Center also develops enforcement initiatives and provides investigative guidance on a variety of commercial fraud and IPR priority enforcement and targeting programs, including public health and safety, in-bond diversion, Fraud Investigative Strike Teams, anti-dumping/countervailing duties, and various bilateral and free trade agreements. Specifically, ICE developed and implemented Operation Guardian, a comprehensive, multi-agency enforcement initiative that combines the specific areas of expertise from our partner agencies to investigate illegal importations of substandard, tainted, hazardous and counterfeit commodities posing a health and safety risk to consumers. In fiscal years 2008 and 2009, Operation Guardian resulted in the identification and detention of tainted, counterfeit and/or substandard tainted infant formula, contaminated shrimp and honey, tainted pet foods, counterfeit medical devices, computer components, pharmaceuticals, and circuit breakers.

## **EXPANDED INFORMATION SHARING WITH FOREIGN, FEDERAL, STATE, LOCAL, AND TRIBAL LAW ENFORCEMENT PARTNERS**

**Border Violence Intelligence Cell.** The Border Violence Intelligence Cell (BVIC) supports the national effort to combat weapons smuggling and stem the surge in violence along the Southwest Border. This unit facilitates timely information sharing with state, tribal, local, foreign, and other federal law enforcement agencies, and serves as the focal point for analyzing all-source intelligence in support of the BESTs and ICE Attaché Mexico offices. Through the BVIC, the BESTs, ICE Attaché offices, and the U.S.-vetted GoM Arms Trafficking Group exchange cross-border weapons-related intelligence through a virtual intelligence network, creating a seamless investigation of the criminal networks that span the SWB. The BVIC, in cooperation with the ATF weapons desk at the El Paso Intelligence Center (EPIC), serves as the central point for analyzing all-source intelligence and trends in firearms smuggling. Since March 30, 2009, analysts working with the BESTs, in coordination with the BVIC, have produced 213 intelligence reports, over 60 comprehensive target folders, and 114 investigative leads relating to suspected weapons traffickers operating along the SWB.

**Weapons Virtual Task Force.** The Weapons Virtual Task Force (WVTF) is a community of interest within the Homeland Security Information Network – a secure, unclassified web-based information sharing platform. The community was created to assist information exchange between ICE and its Mexican law enforcement counterparts under the Armas Cruzadas initiative. Using the WVTF, law enforcement on both sides of the border can upload and share information pertinent to law enforcement actions along the SWB. While currently in its infancy, it is anticipated that the WVTF system will incorporate any GoM enforcement action results or intelligence developed by Mexican law enforcement related to Armas Cruzadas. The information will then be available for ICE investigators and analysts to

view and analyze. Last month, ICE sent a team to Mexico to train Mexican law enforcement on the use of the system. This training is a strong step toward a closer relationship and better information exchange, and will continue as additional users on both sides of the border are added.

## **FORMAL INTERAGENCY AGREEMENTS**

The successes of the BESTs, as well as Operations Armas Cruzadas and Firewall, illustrate how co-located taskforces and multi-agency initiatives can stem the flow of cross-border criminal activity and enhance the security of our ports of entry. Interagency roles, responsibilities and coordination are guided by numerous statutes, presidential directives and formal, interagency agreements. Given the extent of ICE authorities in enforcing the nation's customs and immigration laws, ICE has cooperation agreements with federal, state, local, and foreign law enforcement agencies in order to more effectively leverage our combined resources. I would like to highlight two of the more recent partnerships entered into by ICE. These are the June 18, 2009, Interagency Cooperation Agreement between ICE and DEA and the June 30, 2009, Memorandum of Understanding between ICE and ATF.

**Interagency Cooperation Agreement between ICE and DEA.** On June 18, 2009, ICE and DEA announced an Interagency Cooperation Agreement Regarding Investigative Functions Related to the Controlled Substances Act. Specifically, the June 18, 2009, agreement provides the following: 1) a commitment by both ICE and DEA to share information through mechanisms including the Special Operations Division, the OCDETF Fusion Center and EPIC; 2) authorization for the ICE Assistant Secretary to select an unlimited number of ICE agents for cross-designation by the Administrator of DEA; 3) delineation of cross-designated ICE agents'

authority to investigate narcotics smuggling with a clearly articulable nexus to the U.S. border, including related transportation and staging activities within the United States; and 4) procedures for deconfliction and operational coordination in both the domestic and foreign counternarcotics environments. The agreement took immediate effect and will be reviewed one year after its initial effective date. In addition, after the one-year review, the agreement will be reviewed thereafter every two years, or at any time, upon written request by either party.

**Memorandum of Understanding between ICE and ATF.** When ICE and ATF join forces through joint investigations or via the BEST teams, both agencies bring balanced authorities to any investigation. The June 30, 2009, Memorandum of Understanding between ICE and ATF established the clear roles that both agencies have over domestic and international trafficking of firearms, ammunition, explosives, weapons, and munitions. The agreement recognized that both law enforcement agencies are actively engaged in the fight against persons and criminal organizations involved in violent crime and gun trafficking.

The agreement requires that ATF report to ICE any information relating to attempted or planned violations of federal law within the jurisdiction of ICE. The agreement imposes a reciprocal requirement upon ICE to report to ATF any information relating to attempted or planned violations of federal law within the jurisdiction of ATF. The agencies also agree to coordinate information concerning firearms and explosives investigations that involve each other's investigative jurisdiction.

Moreover, ATF and ICE will invite each other's participation in any investigations within the jurisdiction of the other. In addition, the agreement sets forth important policies concerning the shared use of human confidential sources of information and the control of intelligence. The

agencies agreed to coordinate efforts as they relate to activities at Federal Firearms Licensees, Federal Explosives Licensees, gun shows, international borders and ports of entry.

## **CONCLUSION**

The coordination and information sharing initiatives I have discussed today portray the extensive cooperation currently underway between ICE and our counterparts in CBP, as well as state and local governments, the federal government, and foreign governments and how this is enabling us to address the challenges of security at our ports of entry. Taken together, all of these initiatives represent a substantial advancement towards operating in a truly complementary fashion, by harnessing each agency's particular authorities and expertise in more efficient ways as opportunities arise to secure the border and our land ports of entry.

I would like to thank the Subcommittee for its continued support of ICE and our law enforcement mission. I would be pleased to answer any questions you may have.