



TESTIMONY OF

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BEFORE

U.S. House of Representatives
Committee on Homeland Security
Subcommittee on Oversight, Management, & Accountability

ON

“DHS’s Efforts to Disrupt Transnational Criminal Organizations in Central America”

July 28, 2021
Washington, DC

Chairman Correa, Ranking Member Meijer, and Members of the Subcommittee, it is my honor to appear before you today to discuss the threats posed to the United States by transnational criminal organizations (TCOs) and U.S. Customs and Border Protection's (CBP) efforts to disrupt and dismantle them.

The Threat of TCOs and Migrant Smuggling

The United States faces persistent threats from innovative and constantly evolving transnational criminal networks whose collaborative efforts seek to gain illicit financial benefits by causing harm, inflicting damage, corrupting officials, undermining security efforts, and degrading the state. These international networks, one subset of which are known as TCOs, adjust organizationally and shift alliances to acquire new specialized talent, sources, and access privileges to improve long-term earnings, efficiencies, and operations. Successful TCOs exploit existing logistical chains and financial flows and diversify their portfolios to move multiple illicit items such as drugs, money, counterfeit goods, individuals, and weapons. TCOs conduct their operations without regard for human life and have proven to be highly capable, profitable, powerful, dangerous, elusive, and extremely resilient. In short, TCOs pose a significant threat to both national security and to public safety.

Human smugglers – many with ties to TCOs – engage in the crime of unlawfully bringing people into the United States, or unlawfully transporting and harboring people already in the United States, in deliberate evasion of immigration law. It is estimated that TCOs profit anywhere between \$200 million and \$2.3 billion alone for smuggling migrants from the Northern Triangle to the Southwest border.¹ Desperate migrants often pay human smuggling groups thousands of dollars to aid them on their journey. These smugglers and TCOs profit by exploiting people who are seeking a better life. Violence, natural disasters, food insecurity, and poverty have long existed in Mexico and the Northern Triangle countries of Central America, all of which have become more severe during the COVID-19 pandemic. TCOs exploit these trends and deceive desperate people about our country's laws, while also abusing and exploiting them on their journey north. While the number of CBP encounters along the Southwest border dropped dramatically in FY 2020 over the previous year's numbers, the number of encounters for FY 2021 to-date is higher than all of FY 2019, which were the highest in about a decade. In June, CBP migrant encounters jumped to over 188,000 people. Thirty-four percent of encounters in June 2021 were individuals who had at least one prior encounter in the previous 12 months, compared to an average one-year re-encounter rate of 14 percent for Fiscal Years 2014-2019. The number of unique new encounters in June 2021 was 123,838. The number of unique individuals encountered to date during the fiscal year is 454,944 compared to 489,760 during the same time period in 2019.

Many who make the journey become sick, injured, or traumatized. Some even lose their lives. Alarming, transnational smuggling organizations often abandon migrants in remote and dangerous areas, leading to a dramatic rise in the number of rescues CBP performs. In June 2021, CBP conducted 9,500 rescues nationwide and has rescued 81 percent more individuals in Fiscal Year 2021 than all of Fiscal Year 2020. Despite these successful rescues, many other migrants fail to get the help they need in time. CBP has confirmed over 300 migrant deaths so far in Fiscal Year 2021, compared to 250 in all of Fiscal Year 2020. Around a third of these are

¹ See, <https://www.rand.org/news/press/2019/04/22.html>.

heat-related deaths in the dangerous terrain of the desert, mountains or brush. Around 18 percent are water-related, often in the rivers and canals that make up our border with Mexico.

Human smuggling poses a substantial threat to the homeland by creating conduits that allow contraband and persons seeking to harm the United States to clandestinely enter the country. Smugglers control where and how these illegal migrant border crossings take place, putting human lives at risk to create gaps in border security. While agents are diverted to process large groups or to conduct migrant rescues, TCOs are using these diversions to move illicit narcotics or other contraband elsewhere across the border. These same TCOs, through diversified criminal activities, are responsible for the movement of illicit drugs entering the United States. Of note, CBP continues to see a surge in fentanyl seizures, with Fiscal Year 2021 seizures through June 2021 78 percent greater than all of Fiscal Year 2020. The TCOs often use many of the same resources and logistical nodes to move proceeds from their illicit activities from the United States to Mexico. TCOs continually adjust their operations to avoid detection and interdiction by law enforcement, and—like legitimate businesses—are quick to take advantage of improved technology, cheaper transportation, and better distribution methods.

CBP's Response

To confront TCOs and other threat networks, CBP has embraced a counter-network approach. This effort leverages CBP's unique authorities, data holdings, Intelligence Enterprise, and partnerships to illuminate, disrupt, degrade, and dismantle networks that pose a threat to the homeland and its interests. CBP's international collaboration and integration with the interagency counter-network community optimizes the collective global effort, which identifies options for intelligence-driven, risk-mitigating responses.

Our success at identifying, degrading, and disrupting transnational networks depends on our ability to execute CBP's counter-network approach on two fronts—partnerships and sound analytical methodology. On the former, CBP frontline agents, officers, trade, and intelligence professionals must work hand in hand with the whole of government, as well as international partners. On the latter, CBP must have the systems and processes in place to efficiently detect, collect, and analyze threat network data, and the ability to rapidly respond with intelligence driven operations. Developing these relationships and capabilities, together with taking these actions will enable CBP to proactively identify and stop threats before they arrive at U.S. borders.

Partnerships

The U.S. Department of Homeland Security (DHS) and CBP are partnering with the U.S. Attorney General in a new initiative — Joint Task Force Alpha — that is combining the investigative, prosecutorial, and capacity-building efforts of both DHS and the Department of Justice (DOJ). Joint Task Force Alpha was recently formed to investigate and prosecute the most prolific and dangerous human smuggling and trafficking groups operating in Mexico and the Northern Triangle countries of Guatemala, El Salvador, and Honduras.² The task force consists of federal prosecutors along the Southwest border along with law enforcement agents and analysts from DHS's Immigration and Customs Enforcement (ICE) and CBP. The FBI and the

² See, <https://www.justice.gov/opa/pr/attorney-general-announces-initiatives-combat-human-smuggling-and-trafficking-and-fight>.

U.S. Drug Enforcement Administration (DEA) are also task force members, which is seeking to enhance the DOJ's ongoing efforts to fight corruption in Northern Triangle countries. The Justice Department is increasing its focus on investigations, prosecutions, and asset recoveries relating to corruption in the Northern Triangle through its Foreign Corrupt Practices Act enforcement program, counter-narcotics prosecutions, and Kleptocracy Asset Recovery Initiative. In addition, adopting a task force approach, the Department of Justice's Office of Prosecutorial Development (OPDAT) and International Criminal Investigative Training Assistance Program personnel – including new Northern Triangle anti-corruption legal advisors – are working with Northern Triangle prosecutors and investigators to build corruption cases in those countries themselves, as well as to develop leads that can be pursued by the Kleptocracy Asset Recovery Initiative.

Task Force Alpha is working closely with Operation Sentinel, a recently announced DHS operation focused on countering TCOs affiliated with migrant smuggling. CBP has taken the lead on Operation Sentinel, which is a collaborative effort with ICE's Homeland Security Investigations (HSI), U.S. Citizenship and Immigration Services, the U.S. Department of State, the FBI, and DEA.

Partners in Operation Sentinel are targeting all personnel and identifiable resources that TCOs require to operate. One of the main lines of effort for Operation Sentinel is to target and disrupt those individuals responsible for sending structured payments for human smuggling, which may include proceeds from illicit drugs. Utilizing the full breadth of domestic and foreign authorities, data, analytic capability and capacity, Operation Sentinel is mapping the organizations' networks; targeting their members, associates, and assets; and employing a series of targeted actions and sanctions against them. Examples of these actions include:

- Revocation of travel documents
- Suspension and debarment
- Freezing of bank accounts and other financial assets tied to TCO logistical networks

To date, Operation Sentinel partners in the State Department have revoked more than 150 visas associated with TCO members and their associates, preventing these individuals from traveling to the United States and from using their U.S. visas as entry documents in foreign countries. Operation Sentinel has also identified multiple entities for U.S. government-wide suspension and/or debarment, which would preclude TCO members, their affiliates, and their associated businesses from Federal programs. The operation has also worked with foreign partners to freeze overseas accounts, curbing TCOs' ability to send and receive the financial proceeds of their illicit activities.

To complement Operation Sentinel, CBP also recently announced a partnership with the National Insurance Crime Bureau (NICB) to prevent companies associated with smuggling migrants into the United States from securing insurance for their commercial enterprises. The NICB is the insurance industry's premier association dedicated to predicting, preventing, and prosecuting insurance crime. Their extensive network of more than 1,200 member companies includes more than 80 percent of the nation's property-casualty insurance companies. Following CBP's determination to suspend or debar a particular company or individual, NICB will inform their members of the suspended or debarred entity. The government-wide suspension and debarment system exists to protect the public interest, the public's money, and the integrity of

Federal programs by ensuring that Federal agencies only conduct business with presently responsible persons.

In addition to Task Force Alpha and Operational Sentinel, DHS also commissioned a comprehensive plan led by both CBP and ICE-HSI to disrupt the illicit flow of firearms, firearms components, and ammunition from the U.S. into Mexico. The culmination, known as Operation Without a Trace, provides a joint platform for CBP and ICE-HSI personnel to target, and investigate the financing, transportation, and communications methods employed by firearms procurement and smuggling networks to disrupt and dismantle their illegal gun trafficking operations. This is done in collaboration with the Department of Justice's Bureau of Alcohol, Tobacco, Firearms, and Explosives. Under Without a Trace, ICE and CBP launched a public information campaign, including public service announcements in land and air ports of entry, to publicize the scope and results of Operation Without a Trace and to increase public awareness about how to provide confidential tips regarding cross-border weapons trafficking activities. Since the initiative's inception in fiscal year 2020, Operation Without a Trace has achieved significant success preventing Mexico-bound gun trafficking, resulting in the initiation of 353 investigations, the execution of 227 arrests, the service of 62 search warrants, and the seizure of 542 firearms, nearly 500,000 rounds of ammunition, and \$16.5 million in illicit currency.

In partnership with the Department of State Bureau of International Narcotics and Law Enforcement Affairs, CBP is supporting the United States' initiative to address the root causes of irregular migration from Central America. In coordination with the Vice President of the United States' visit to Guatemala, CBP personnel deployed to Guatemala in early June to provide advisory and capacity-building expertise to the Government of Guatemala to improve border security efforts, target human smuggling groups, and enhance trade and customs modernization. The initiative, known as the Guatemala Advisory Assistance Root Causes Deployment, is in response to the National Security Council request for a 90-day plan to manage migration and the growing number of noncitizen unaccompanied children transiting through and sourcing out of Guatemala.

CBP also continues to collaborate with the Government of Mexico on border security matters, irregular migration flows, and efforts to enhance bilateral information sharing, targeting, and mentoring. On June 29, CBP hosted an engagement between Acting Commissioner Miller and a delegation from the Mexican Embassy led by Ambassador Esteban Moctezuma Barragán to discuss dynamic information and knowledge sharing to identify, disrupt, and manage cross-border risks. CBP continues to engage Government of Mexico counterparts to share information and jointly target human smuggling networks and transnational criminal organizations.

Sound Analytical Methodology

Sound analytical methodology centers on providing timely and actionable intelligence to our frontline officer and agents, decision makers, and partners. To strengthen our intelligence posture in responding to this complex threat environment, CBP's Intelligence Enterprise (IE) was established in 2017 as a cohesive, threat-based, data-driven, and operationally focused effort to leverage the collective intelligence capabilities and expertise across CBP's operational components, including Air and Marine Operations (AMO), Office of Field Operations, Office of Trade, and USBP.

To enhance its intelligence capacity, the CBP IE established investment priorities that support a whole-of-agency approach to countering various border threats, such as the use of a common reporting platform to timely share and disseminate threat information to disparate offices. CBP's IE was also responsible for launching the CBP Watch, a situational awareness facility that provides trend analysis and real-time feedback to better support the Agency's operational frontline 24 hours a day, seven days a week.

CBP's National Targeting Center (NTC) is another critical component of our comprehensive, analytical border security and management strategy. The NTC emphasizes partnerships, both cultivating new ones and maintaining existing relationships. It provides real-time actionable information to strategic foreign and domestic partners through such programs as the Container Security Initiative, Immigration Advisory Program/Joint Security Program, International Targeting Center, and liaison locations abroad. CBP's NTC hosts liaisons in Sterling, Virginia from key agencies and international partners to actively share critical information. Over two dozen domestic and foreign partners are represented at the NTC.

These programs and partnerships effectively enhance global domain awareness and targeting capabilities while enabling the interdiction of travel and cargo threats at their origin. The NTC coordinates mitigation efforts across agencies and foreign partners to interdict high-risk shipments and uses risk-based strategies to identify TCOs and drug trafficking organizations. The NTC uses tools such as the Automated Targeting System and subject matter expertise to analyze, assess, and segment risk at every state of the trade and travel life cycles. It uses classified law-enforcement, commercial, and open-source information in innovative ways to identify high-risk travelers and shipments at the earliest point possible and coordinates with CBP staff as well as interagency and foreign partners to take appropriate action.

Currently, the NTC is supporting over 20 transnational organized crime-related investigations encompassing all organizational elements (e.g., command/control/finance/logistics). The NTC is also collaborating on over 50 trade-based money laundering cases and supporting OFAC designations under the Foreign Kingpin Act. The NTC closely collaborates with HSI's Human Smuggling Unit in the identification, analysis, disruption, and dismantling of special interest migrant facilitation networks prioritized for interagency action through HSI's Extraterritorial Criminal Travel program. Finally, the NTC actively participates in the transnational organized crime watchlisting program.

CBP is also working to increase detection of threats from transnational organized crime before they arrive at the U.S. borders by closing gaps in domain awareness in the air, land, and maritime environments. AMO's Air and Marine Operations Center (AMOC) manages the air and maritime domain awareness of the Department, and is critical in detecting, identifying, and coordinating a response to threats to national security. The use of tools such as the Air and Marine Operations Surveillance System integrates various radar feeds into a consolidated system that provides both air and marine track data, thus providing air and maritime situational awareness that can inform operations and is shared with strategic partners.

In Fiscal Year 2020, AMOC successfully evaluated detections of over 300,000 air targets. These capabilities will continue to increase the information and data collection that helps feed the CBP intelligence cycle for analysis and building a comprehensive understanding of the logistical supply chains TCOs use to further illicit activity. From these activities CBP is actively engaged in addressing the key maritime and air threat areas of San Diego, Puerto Rico/Caribbean, the

Pacific Northwest, the Great Lakes, and the Gulf of Mexico with these varying technologies. In particular, maritime smuggling on the Southern California coastline has been on the rise. Between FY 2019 and FY 2020, San Diego Sector experienced a 92 percent increase of apprehensions in the maritime domain. San Diego Sector has made over 900 arrests to date this fiscal year, putting CBP on track for an additional 40 percent increase by the end of the fiscal year. Finally, in January 2021, AMO, in coordination with Joint Interagency Task Force – South (JIATF-S) and Servicio Nacional Aeronaval, conducted an integrated air and sea operation in Panama for 84 days utilizing Unmanned Aircraft System (UAS) technology to detect, identify, and facilitate the interdiction of maritime surface vessels attempting to use the Eastern Pacific and Panamanian Territorial Waters to smuggle people and contraband. This operation resulted in 539 mission hours, and 9,995 pounds of cocaine and 10,210 pounds of marijuana seized or disrupted.

Conclusion

TCOs pose a significant threat to US national security, and acute dangers to migrants as TCOs not only seek to profit from their exploitation but also have little regard for their wellbeing, exposing them to violent encounters, injury, and death. TCOs are directly involved in sexual assaults, human trafficking, and abandonment of vulnerable migrants – including minor children.

CBP continues to work closely with its national and international partners on multiple levels to identify and disrupt the illicit activities and lucrative profits of TCOs. This layered approach reduces our dependence on any one point of contact or program to stop the flow of narcotics, people, and other contraband, and extends our zone of security outward, ensuring our physical border is neither the first nor the last line of defense. Through a series of administrative and enforcement actions, CBP has improved its sources and information-collection methodology related to foreign operations. We will continue to use this information to strengthen our ability to identify and interdict not only narcotics, but also other illicit and unsafe products and people that would harm Americans.

As the nation's largest law enforcement agency, CBP must always operate within legal boundaries to guard U.S. borders against those who operate outside of the law. CBP must lead the Nation in developing a well-informed, agile, and seamless global network that will inform and inspire integration, cooperation, and comprehensive actions. This network must be able to persistently evolve its capabilities to serve common interests in combating terrorism and violent extremism and defining, prioritizing, and disrupting TCOs.

Thank you for the opportunity to testify, and I look forward to your questions.