



**TESTIMONY OF  
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**ON  
“A DANGEROUS AND SOPHISTICATED ADVERSARY:  
THE THREAT TO THE HOMELAND POSED BY CARTEL OPERATIONS”**

**BEFORE THE  
HOUSE COMMITTEE ON HOMELAND SECURITY  
BORDER & MARITIME SECURITY SUBCOMMITTEE**

**FEBRUARY 16, 2017**

**Introduction**

Good morning Madam Chairwoman and distinguished Members of the Subcommittee. It is a pleasure to be here today to discuss the Coast Guard’s role in combating transnational organized crime and specifically how we address the drug smuggling methods of these networks.

Drug trafficking has destabilized regional states, undermined the rule of law, terrorized citizens, and driven both families and unaccompanied children to migrate to the U.S. To be clear, the flow of illicit drugs funds Transnational Organized Crime (TOC) networks, which pose a significant and growing threat to national and international security.

Today’s Coast Guard is a direct descendant of the Revenue Cutter Service, created by Alexander Hamilton in 1790, to stem the flow of maritime contraband into our newly-formed Republic. It is one of the nation’s five Armed Services, and the only branch of the military within the Department of Homeland Security (DHS). While our missions and responsibilities have grown significantly since then – addressing a full range of security, safety, and stewardship concerns – our anti-smuggling roots continue to be an essential part of our service to the Nation. The Coast Guard is the lead federal maritime law enforcement agency, the lead federal agency for drug interdiction on the high seas, and the only agency with both the authority and capability to enforce national and international law on the high seas, outer continental shelf, and shoreward from the U.S. Exclusive Economic Zone (EEZ) to our inland waters.

For over two centuries, the Coast Guard has built a reputation as one of the most agile and adaptive agencies within the Federal Government; these qualities have served the Coast Guard well in its efforts to combat smugglers’ ever-evolving conveyances and tactics. The modern role of the Coast Guard in this fight can be traced to the demand for a variety of illegal drugs. From 1973 through 1991, the Coast Guard removed over 26 million pounds of marijuana, targeting and

interdicting a variety of smuggling conveyances including commercial fishing vessels, ocean going cargo freighters, and pleasure craft. Beginning in the late 1990s, through the present day, cocaine has been the predominant drug being trafficked via maritime routes, bringing with it shifts in smuggling tactics. Cartels initially began using some of the very same conveyances used by marijuana smugglers, which included multi-ton loads of cocaine vulnerable to interdiction by Coast Guard forces. Cartels quickly adapted to Coast Guard efforts and began expanding tactics to include the ubiquitous “go-fast vessel,” as well as more modern conveyances including the purpose-built self-propelled semi-submersible (SPSS), to disperse loads onto more numerous and harder to detect conveyances.

Today we face a sophisticated and well funded adversary that leverages high-tech conveyances such as low profile vessels and semi-submersibles, employs multiple go-fast vessels to outnumber interdicting forces, and deploys GPS beacons if forced to jettison bales of contraband to allow later relocation; all are advanced and coordinated means to avoid detection and evade apprehension.

The change in flow of cocaine toward the U.S. from South America from 2015 to 2016 was the largest increase the service has observed to date. The rise of cocaine production is attributed to the largest single-year increase of coca cultivation in Colombia ever recorded (immediately following the second largest single-year increase in more than a decade). To meet this growing threat, the Coast Guard has dedicated additional focus and assets to the Western Hemisphere Transit Zone<sup>1</sup>, and is investing in the people and platforms necessary to carry out an aggressive interdiction effort, in addition to helping build regional partner capabilities.

### **Current Threat: Transnational Organized Crime, Violence, and Instability**

One of the goals of the Coast Guard’s drug interdiction program is to interdict illicit traffic as close to the source zone as possible. This helps to stem the flow of drugs from reaching Central America, Mexico, and the United States. Over the past five years, Coast Guard cutters and aircraft have removed more than 630 metric tons of high-purity cocaine from the high seas, with a wholesale value of nearly 18 billion dollars<sup>2</sup>. Our annual seizures at sea amount to more than three times the quantity of cocaine seized at our borders and within the U.S. combined. Despite these successes, TOC networks operate throughout Central America, vying for power through drug-fueled violence and corruption of government officials; in fact, eight out of the world’s ten countries with the highest per capita rates of homicide are along the cocaine trafficking routes in the Western Hemisphere<sup>3</sup>.

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<sup>1</sup> The maritime portion of the Western Hemisphere Transit Zone is a six million square-mile area, roughly twice the size of the continental United States. The Transit Zone includes the Caribbean Sea, the Gulf of Mexico, and the eastern Pacific Ocean.

<sup>2</sup> [US Department of Justice, Drug Enforcement Administration, *2013 United States Illicit Drug Prices*, DEA Intelligence Report, DEA-DCW-DIR-012-15, January 2015.. ]

<sup>3</sup> United Nations Office on Drugs and Crime (UNODC), UNODC Research and Trend Analysis Branch, *Global Study on Homicide 2013*,

In response, the Coast Guard released its Western Hemisphere Strategy that identifies three priorities for the maritime domain in the Western Hemisphere: Combating Networks, Securing Borders, and Safeguarding Commerce. To meet these priorities, the strategy emphasizes the importance of a robust offshore Airborne Use of Force (AUF) enabled cutter capability, which is supported by fixed wing maritime patrol aircraft and sophisticated intelligence capabilities.

### **Combating TOC Networks - A Layered Approach to Drug Interdiction**

The Coast Guard uses a “maritime trident” of cutters, boats, and aircraft in a layered approach to combat TOC networks as they transport illicit goods from the source zone, through Central America and Caribbean islands, into the United States. This approach maintains operational control by confronting the threat beyond our land borders, beyond Mexico, and beyond Central America on the high seas where traffickers are most exposed and vulnerable to interdiction by the United States. This layered approach begins overseas, spans the offshore regions, and continues into our territorial seas and our ports of entry.

The Coast Guard is the major maritime interdiction asset provider to Joint Interagency Task Force – South (JIATF-S), which executes the Department of Defense statutory responsibility for the detection and monitoring of illicit drug trafficking in the air and maritime domains bound for the United States in support of law enforcement agencies such as the Coast Guard. Our most capable force package is flight deck equipped major cutters with embarked Airborne Use of Force (AUF)-capable helicopters and deployable pursuit-capable boats, supported by fixed wing maritime patrol aircraft, along with Coast Guard law enforcement detachments embarked on U.S. and allied ships. When they are able to target cases, they have been 80-90 percent effective in disrupting drug shipments.

As an example of their effectiveness, Coast Guard Cutter HAMILTON, the fourth and newest of nine National Security Cutters (NSC) to be built for the Coast Guard, returned to her homeport of Charleston, South Carolina from her inaugural patrol on December 16, 2016. On deck, she carried more than 24 metric tons of high-purity cocaine from 27 different interdictions by U.S. forces with a street value of nearly \$700 million<sup>4</sup>. These interdictions also netted 111 suspects bound for U.S. prosecution.

Our interdicting capabilities continue to prove their value against TOC networks’ conveyance of choice – the go-fast vessel. In 2016, our Helicopter Interdiction Tactical Squadron (HITRON) of AUF-capable helicopters – along with partner aircraft from the U.S. Navy, the Netherlands, and United Kingdom operating under our law enforcement authority with Coast Guard precision marksmen – set a record 63 at-sea interdictions, netting over 44 metric tons of cocaine.

In addition, the Coast Guard began providing high speed pursuit boats and crews to U.S. Navy Patrol Coastal class ships operating in the transit zone in 2016 to increase interdiction opportunities. Coupled with Coast Guard Law Enforcement Detachments, this innovative force package capability netted 11 interdictions and removed 6.5 metric tons of cocaine in just a few

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<sup>4</sup> [US Department of Justice, Drug Enforcement Administration, *2013 United States Illicit Drug Prices*, DEA Intelligence Report, DEA-DCW-DIR-012-15, January 2015..

months. In total for fiscal year 2016, the Coast Guard removed 201 metric tons of cocaine (7.1% of estimated flow)<sup>5</sup> and 52,600 pounds of marijuana from the transit zone, worth an estimated wholesale value of \$5.7 billion.

The importance of interdictions transcends the direct removal of drugs taken off the high seas; when the Coast Guard apprehends suspects from drug smuggling cases, they disclose information during prosecution and sentencing that is used to help indict, extradite, and convict drug kingpins in the effort to disrupt and dismantle TOC networks. Interdictions also take profits out of the pockets of criminal networks by denying them financial resources. Additionally, they contribute to actionable intelligence on future events, producing follow-on seizures and intelligence. TOC networks cause much of the corruption and violence that spurs the increased migrant flow seen in recent years.

While more than 90 percent of our 2016 interdictions were cued by intelligence, the Coast Guard's aging major cutters limit our ability to respond to all intelligence cued events. Critical acquisitions like the National Security Cutter (NSC) and Offshore Patrol Cutter (OPC) are essential to our long-term success in our fight against TOC networks.

### **International Cooperation**

In coordination with JIATF-S, the Coast Guard is engaging with partner nations in Central and South America, and Mexico, leveraging their capabilities and local knowledge to improve maritime governance in the littoral regions being exploited by TOC networks. Among the efforts to foster international cooperation and build partner capacity, Coast Guard personnel are posted as attachés, liaisons, and drug interdiction specialists at several of our embassies in the Western Hemisphere. These personnel develop strategic relationships with partner nations that facilitate real-time operations coordination, confirmation of vessel registry, waivers of jurisdiction, and disposition of seized vessels, contraband, and detained crews. The Coast Guard's law enforcement, legal, and regulatory expertise are in high demand from Central American partners, whose Navies more closely resemble the U.S. Coast Guard than the U.S. Navy. Coast Guard International Training teams, as well as Coast Guard units deployed in the region increase professional interaction, shiprider activities, and training in conjunction with operations, and also execute maritime exercises coincident with port visits and patrols.

Working in conjunction with the Departments of State and Justice, the Coast Guard has negotiated, concluded, and maintains over forty counterdrug bilateral agreements and operational procedures with partner nations throughout the world, the majority of which are in the Western Hemisphere. These agreements enable the Coast Guard to rapidly gain authority to board suspect vessels, prevent suspect vessels from using under patrolled territorial waters of partner nations as safe havens, and coordinate interdiction and apprehension operations in the transit zone. Highlighting their importance to Coast Guard counterdrug efforts, 59 percent of all Coast Guard interdictions in fiscal year 2016 involved the use of a bilateral agreement or operational procedures agreement.

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<sup>5</sup> [US Department of Homeland Security, Office of Inspector General, *Review of U.S. Coast Guard's Fiscal Year 2016 Drug Control Performance Summary*, OIG Report, OIG-17-33, February 1, 2017. ]

## **The Arrival Zone**

Closer to United States shores, Coast Guard operational commanders work with the other operational components within DHS and across the interagency to provide a robust presence in the U.S. maritime approaches by deploying Fast Response Cutters, high speed pursuit boats, medium range fixed-wing aircraft, and land-based AUF-capable helicopters. To achieve unity of effort, the Coast Guard is a major contributor to DHS' Southern Border and Approaches Campaign Plan. The Coast Guard Atlantic Area Commander, Vice Admiral Karl Schultz, serves as the Director of Joint Task Force East overseeing coordination efforts for DHS components operating in the maritime approaches in the Caribbean Sea, Gulf of Mexico, and eastern Pacific Ocean.

## **Conclusion**

The Coast Guard endeavors to secure our vast maritime border by identifying emergent threats, countering them in a layered approach, utilizing strong international relationships, and maximizing domestic and regional partnerships; this approach has been key to combatting TOC networks. The Coast Guard stands ready to meet offshore, coastal, and inland drug trafficking threats in the maritime domain posed by TOC networks.

Thank you for the opportunity to testify today, and thank you for your continued support of the U.S. Coast Guard. I would be pleased to answer your questions.