



# Countering Transnational Criminal Organizations: Interdiction and Allocation Plan

*September 8, 2021*

Fiscal Year 2021 Report to Congress



Homeland  
Security

*United States Coast Guard*

# Foreword

September 8, 2021

I am pleased to present the following report, “Countering Transnational Criminal Organizations: Interdiction and Allocation Plan,” which has been prepared by the U.S. Coast Guard.

House Report 116-458 accompanying the Fiscal Year 2021 Department of Homeland Security Appropriations Act (P.L. 116-260) requires the Coast Guard to provide a report on countering transnational criminal organizations.

Pursuant to congressional requirements, this report is being provided to the following Members of Congress:

The Honorable Lucille Roybal-Allard  
Chairwoman, House Appropriations Subcommittee on Homeland Security

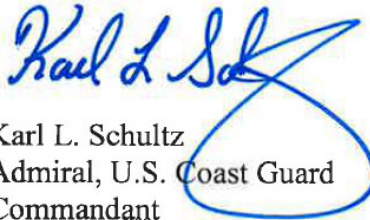
The Honorable Chuck Fleischmann  
Ranking Member, House Appropriations Subcommittee on Homeland Security

The Honorable Chris Murphy  
Chair, Senate Appropriations Subcommittee on Homeland Security

The Honorable Shelley Moore Capito  
Ranking Member, Senate Appropriations Subcommittee on Homeland Security.

I am happy to answer any further questions you may have, or your staff may contact my Senate Liaison Office at (202) 224-2913 or House Liaison Office at (202) 225-4775.

Sincerely,

  
Karl L. Schultz  
Admiral, U.S. Coast Guard  
Commandant





# Countering Transnational Criminal Organizations: Interdiction and Allocation Plan

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# I. Legislative Language

This document responds to direction set forth in House Report 116-458 accompanying the Fiscal Year (FY) 2021 Department of Homeland Security (DHS) Appropriations Act (P.L. 116-260).

House Report 116-458 states:

Countering Transnational Criminal Organizations.—The recommendation includes the request of \$9,000,000 to expand the Coast Guard’s capacity to execute a multi-layered approach in the Western Hemisphere maritime transit zone and dismantle Transnational Criminal Organizations in the region. Within 60 days of the date of enactment of this Act, the Coast Guard shall report to the Committee on its allocation plan for these funds, including a detailed assessment on how the Coast Guard will enhance the effectiveness of interdiction efforts and mission requirements across the Eastern Pacific and the Caribbean.

## II. Allocation Plan

Furthering the Coast Guard's Western Hemisphere Strategy, the Fiscal Year (FY) 2020 and FY 2021 appropriations provided resources to identify, target, and defeat transnational criminal organizations (TCO) and to secure our Nation's borders from illicit smuggling of all kinds. The allocation of \$9 million expanded capacity for the Coast Guard to exercise a multi-layered offensive posture in the Western Hemisphere Transit Zone (WHTZ) through the employment of enhanced intelligence and cueing methods, increased international engagement and investigative support, and expanded tactical controls and operations. Amplifying allocation details follow below.

### **FY 2020 Appropriation**

The FY 2020 appropriation increased capacity for intelligence and cueing efforts to counter TCOs with the addition of 26 positions that directly support document and media exploitation (DOMEX) and analysis required for effective counternarcotics trafficking operations. The Coast Guard also recapitalized existing biometrics and exploitation equipment to keep pace with emerging technology for DOMEX operations. Additionally, the FY 2020 appropriation provided 22 positions to help build partner capacity to counter TCOs and to advance investigative and judiciary functions for more effective prosecutions. Specifically, the positions grow capacity at the Coast Guard's mobile training branch, increase support of Operation Panama Express, and create a three-member Support to Interdiction and Prosecutions team in the Caribbean Basin threat vector.

### **FY 2021 Appropriation**

The FY 2021 appropriation supported an additional 13 positions for intelligence and cueing efforts, including DOMEX and sensor operations as well as three positions to help build partner capacity to counter TCOs and to advance investigative and judiciary functions for more effective prosecutions. The FY 2021 appropriation also supported the increase of 11 positions for expanded tactical controls and operations, including dedicated law enforcement watch officers responsible for detection and interdiction efforts in the Eastern Pacific vector and tactical interdiction boat operators in the Caribbean Basin vector.

### III. Interdiction Assessment

The Coast Guard's Maritime Law Enforcement program protects America's maritime borders from encroachment, defends U.S. maritime sovereignty from illicit activity, facilitates legitimate use of the waterways, and suppresses violations of federal law on, under, and over the high seas and waters subject to U.S. jurisdiction. As the lead maritime counternarcotics agency outside of customs water, the Coast Guard employs its unique authorities to effect interdictions in international waters.

Coast Guard responsibilities include detecting and interdicting contraband and illegal drug traffic; enforcing U.S. immigration laws and policies at sea; enforcing U.S. fisheries and marine-protected resource laws and regulations; ensuring the integrity of the Exclusive Economic Zone; monitoring compliance with international living marine resource regimes and international agreements to which the United States is party; and complying with international agreements to combat illegal, unreported, and unregulated fishing that negatively affects maritime and economic security in coastal and regional areas worldwide.

Instability and violence in Central America continue to threaten our Nation's security. To combat this threat, the Coast Guard employs robust surveillance, interdiction, prosecution, and intelligence capabilities as part of a layered approach 1,500 miles south of the Southern Border. This offensive posture disrupts TCOs where they are most vulnerable—at sea—and thwarts TCO-driven illicit maritime movements to prevent the exploitation of our Southern Border. The Coast Guard's drug interdiction efforts increase stability in Central America, which quells illegal migration to the United States' land border.

The WHTZ includes some of the poorest nations in the Western Hemisphere. Honduras, Guatemala, El Salvador, and Nicaragua all have conditions of extreme poverty, with more than 25 percent of each country's citizens living at or below their country's poverty line. Regional governments have struggled to address the difficult socioeconomic and security concerns within the region because of a lack of political will and capacity, rampant bribery, and embezzlement of state funds. Recently, natural disasters have exacerbated instability within the region. According to the 2018 World Risk Index, El Salvador and Guatemala are among the 15 countries in the world most at risk from natural disasters because of their frequent exposure and weak response capacities.

Poor living conditions, lack of economic opportunity, and weak governance create a prime environment in which TCOs operate. TCOs have expanded drug trafficking routes through Central America via violent confrontation with local criminal organizations and by seeking to intimidate and infiltrate government institutions. As a result, regional governments have struggled to address the difficult socioeconomic and security concerns within the region. Citizens in the region often migrate to the United States; seeking refuge from insecurity and the violence perpetuated by TCOs.

## **Interdiction Efforts**

Coast Guard drug interdictions at sea have a direct effect on reducing threats posed by TCOs. Over the past 5 years, the Coast Guard removed 2.2 million pounds of cocaine from the transit zone and apprehended nearly 3,000 suspected smugglers. The Coast Guard also transferred an annual average of 460 suspected smugglers to the Department of Justice for prosecution, disrupting criminal networks by reducing their pool of skilled smugglers, and leveraging information made available through the judicial and prosecutorial process. Successful interdiction at sea requires close coordination of intelligence, maritime domain awareness, and interdiction assets.

Beginning in April of 2020, U.S. Southern Command (SOUTHCOM) began enhanced counter-narcotics operations in the Western Hemisphere to disrupt the flow of illicit drugs in support of Presidential National Security Objectives. As a part of this effort, and in collaboration with the Department of Defense, the Coast Guard surged resources that included flight deck-equipped cutters, maritime patrol aircraft (MPA), intelligence support, Deployable Specialized Forces (DSF) comprising law enforcement detachments with precision marksmen; and Maritime Safety and Security Teams with surface use-of-force-capable pursuit teams. The Coast Guard also provided 3,100 hours of MPA support and 2,400 major cutter days to SOUTHCOM this year. Moreover, Coast Guard DSF personnel answered the demand signal by increasing employment levels aboard U.S. Navy and allied nation ships by 150 percent compared to FY 2019. This adaptive force package is a critical force multiplier that enables these ships to transition seamlessly to law enforcement activities. The surge of resources was a direct contributor to a 44-percent increase in cocaine and other drugs interdicted from April through September, compared to the first half of FY 2020.

The Coast Guard continues to bolster interdiction efforts by broadening partner nation coordination through bilateral agreements, while also improving upon internal processes of intelligence collection and capabilities, cueing, air support, and asset allocation.

## **Coast Guard Assets**

National Security Cutters (NSC) are national assets that have a tremendous impact on TCOs by disrupting the flow of illegal drugs heading to the United States. NSCs have sophisticated command-and-control systems. Their capabilities, including sensitive compartmented information facilities and unmanned aircraft systems, are vital to mission success. The Coast Guard will continue outfitting NSCs with small unmanned aircraft systems during counterdrug deployments.

Force packages, consisting of armed helicopters from the Coast Guard Helicopter Interdiction Tactical Squadron (HITRON) and specialized pursuit boats, are key enablers in maximizing interdiction success against high-speed go-fast and low-profile vessels, which comprise 60 percent of the smuggling conveyances interdicted by the Coast Guard. This force package, coupled with refined pursuit tactics, interdicted 90 percent of these smuggling vessels after detection; a 5-percent increase from the previous 2 years. HITRON is a Coast Guard helicopter squadron based in Jacksonville, Florida, specializing in airborne use-of-force for counternarcotic operations. HITRON helicopters operate in known smuggling vectors and rely on expertly trained aircrews and precision marksmen to disable go-fast drug smuggling vessels in the event

that suspects refuse to comply with verbal and visual warnings for law enforcement boarding in accordance with international maritime law.

In FY 2020, HITRON helicopters lost zero targets once interdiction was commenced. HITRON helicopters also yielded a 15-percent higher probability of seizing contraband, and a 23-percent higher probability of seizing non-drug evidence, compared to U.S. Navy and Allied armed helicopters. In December 2020, the Coast Guard conducted an 11-day shore-based airborne use-of-force (SB-AUF) proof-of-concept utilizing an Air Station Clearwater, Florida, MH-60 helicopter forward-deployed to Air Station Borinquen, Puerto Rico. During this proof-of-concept, the SB-AUF aircrew's actions resulted in 6 interdictions, 1,145 kilograms of cocaine seized, and 16 suspects turned over for U.S. prosecution. The aircrew facilitated an interdicted \$1.2 million worth of cocaine for every hour flown. This was the second phase for the proof-of-concept; a third phase was completed in April 2021. The Coast Guard is evaluating the results of the proof-of-concept prior to potential implementation of full-time operations.

The Coast Guard's fleet of rotary-wing aircraft includes MH-60 and MH-65 helicopters. The MH-60 is a medium-range recovery helicopter and the MH-65 is a short-range recovery helicopter. Both aircraft are deployed from land-based air stations; the MH-65 also is deployed routinely aboard the Coast Guard's fleet of National Security and Medium Endurance Cutters.

MPA support, consisting of Coast Guard HC-130H/J, HC-144, HC-27J, and MH-65D, U.S. Customs and Border Protection (CBP), Navy, and allied international partner aircraft, continues to prove vital to combating TCOs on the high seas. The HC-144s and HC-27J provide medium-range surveillance capability. The HC-130Hs and HC-130Js provide long-range surveillance capability. Each of these fixed-wing aircraft enables the Coast Guard to conduct airborne surveillance, detection, classification, and identification of vessels, and other aircrafts. Air support provides increased intelligence-gathering capabilities and extends the range of detection beyond the capabilities of surface assets alone.

The HC-130J program includes acquisition of HC-130J aircraft, development and installation of mission systems, and logistics. Logistics include acquiring initial spares and support equipment to maintain the HC-130J aircraft properly at multiple locations. The HC-130J program also is retrofitting eight legacy Mission System Suite HC-130J aircraft with the Coast Guard variant of the U.S. Navy Minotaur Mission System Suite. The upgrade improves system performance, addresses obsolescence concerns, improves cybersecurity of the mission system, and increases compatibility with CBP mission systems through conversion to the DHS program of record mission system processor.

The Offshore Patrol Cutter (OPC) and Fast Response Cutter (FRC) are replacing the legacy Medium Endurance Cutters and 110-foot patrol boat cutters, respectively. The OPCs and FRCs are very capable platforms that have advanced electronics, communications, and operational capabilities.

Coast Guard Investigative Service (CGIS) operations in conjunction with Panama Express Strike Force (PANEX) have contributed greatly to dismantling TCO networks. Coast Guard directly supports the PANEX investigation with two CGIS agents assigned to PANEX and one Coast



Guard attorney assigned as a Special Assistant U.S. Attorney in Tampa, Florida, who exclusively prosecutes maritime drug cases. Historically, PANEX-generated intelligence contributes to more than 90 percent of Coast Guard drug interdictions and accounts for roughly one-third of cases brought for U.S. prosecution under the Maritime Drug Law Enforcement Act.

### **Partner Nation Coordination**

In coordination with Joint Interagency Task Force-South (JIATF-S), the Coast Guard engages with partner nations throughout the Western Hemisphere. Their capabilities and local knowledge are leveraged to improve maritime governance in littoral regions that are exploited by TCOs. Coast Guard personnel are assigned as attachés, liaisons, and drug interdiction specialists at several embassies in the Western Hemisphere. These personnel develop strategic relationships with partner nations that facilitate the coordination of real-time operations, 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 closely resemble the Coast Guard, focusing primarily on maritime law enforcement. Coast Guard International Training Teams, as well as Coast Guard operational units, deploy throughout the Western Hemisphere and conduct professional exchanges, ship-rider activities, and training. They also execute maritime exercises coincident with planned port visits and patrols. Increased cooperation with our close Western Hemisphere partners; including Colombia, Panama, and Costa Rica, over the last several years garnered substantial results in the multinational fight against TCOs. In FY 2020, JIATF-S reported that partner nations contributed to 65 percent of interdictions in the WHTZ, the highest in the task force's history.

Working in conjunction with Department of State and Department of Justice, the Coast Guard negotiated, concluded, and maintained more than 40 counterdrug-focused bilateral agreements and operational procedures with partner nations throughout the world, the majority of which are in the Western Hemisphere. These agreements enabled the Coast Guard to board suspect vessels, facilitated interdictions in the under patrolled territorial seas of partner nations to deter illicit activity in the littoral regions, and coordinated interdiction operations in the WHTZ. Nearly 50 percent of all Coast Guard interdictions in FY 2020 involved the use of a bilateral agreement.

The top four agreements enacted in FY 2020, for the purpose of conducting the registry check of a suspect vessel, were Costa Rica (76), Colombia (47), Ecuador (31), and the Dominican Republic (19). The bilateral agreement with Colombia proved vital in FY 2020, resulting in a drug removal rate of 85 percent from the time it was exercised. Additionally, the Coast Guard and Colombian Navy conducted a multi-day boarding of a smuggling vessel in the Western Caribbean. Extensive efforts by multiple U.S. and Colombian agencies led to the seizure of more than 16,700 pounds of cocaine that were mixed with a soft white clay concealed within 50-pound bags, marking the largest Coast Guard cocaine interdiction in the Caribbean region in 12 years.

## IV. Conclusion

The Coast Guard's maritime law enforcement activities represent some of the most challenging and complex missions across the Coast Guard's responsibilities. The Coast Guard represents the Nation's premier maritime law enforcement capability and is regarded as the global leader in maritime law enforcement expertise. The Coast Guard leverages its skill, expertise, and partnerships to ensure secure, safe, and sustainable use of the world's oceans.

With continued support and through strategic investments, the Coast Guard will rebuild and improve overall Coast Guard readiness while concurrently applying improvements that specifically drive increased maritime law enforcement effectiveness. These efforts will lead to increased maritime domain awareness across all mission sets and to a more reliable and effective surface and air fleet.

## Appendix: List of Abbreviations

<b>Abbreviation</b>	<b>Definition</b>
CBP	U.S. Customs and Border Protection
CGIS	Coast Guard Investigative Service
DHS	Department of Homeland Security
DOMEX	Document and Media Exploitation
DSF	Deployable Specialized Forces
FRC	Fast Response Cutter
FY	Fiscal Year
JIATF-S	Joint Interagency Task Force - South
HITRON	Helicopter Interdiction Tactical Squadron
MPA	Maritime Patrol Aircraft
NSC	National Security Cutter
OPC	Offshore Patrol Cutter
PANEX	Panama Express Strike Force
SB-AUF	Shore-Based Airborne Use-of-Force
SOUTHCOM	U.S. Southern Command
TCO	Transnational Criminal Organization
WHTZ	Western Hemisphere Transit Zone