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Regarding

"Breaking the Methamphetamine Supply Chain: Law Enforcement Challenges"

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INTRODUCTION

Chairman Grassley, Ranking Member Baucus, and distinguished members of the Senate Committee on Finance, on behalf of Customs and Border Protection (CBP), I appreciate your invitation to testify today regarding the challenges that CBP and our law enforcement partners face in breaking the methamphetamine supply chain. The challenges are significant and those agencies confronting this threat must go beyond traditional cooperation if we are to be successful. Much of the methamphetamine used in the United States is manufactured in Mexico and smuggled across the border. Although Mexico has made significant regulatory changes in the past several months to reduce the amount of precursor chemicals that are diverted into illegal channels, more must be done to reduce precursor availability. Through seamless teaming among U.S. and Mexican Law Enforcement, along with several other international partners, it should be possible to disrupt the flow of precursors and thereby reduce the availability of methamphetamine. Disrupting the flow of drug cash smuggled to trafficking organizations will require new and creative ways of identifying transport vehicles and unprecedented intelligence sharing with CBP's front line. Intelligence-based interdictions will have to increase significantly to impact organizations smuggling drugs into U.S. Markets. By increasing our ratio of "Smart Interdiction," based on foreign and domestic investigative leads, we can provide valuable evidence for later criminal proceedings. Only by disrupting those key individuals who control illegal methamphetamine manufacturing, their suppliers of precursor chemicals, and the money that provides nourishment to their organizations, can we impact the availability of meth on our streets.

<u>CBP's Interdiction efforts</u>

Present seizure data and other Law Enforcement reporting indicates that the substantial majority of meth seized in the United States originates in Mexico. Small-scale domestic meth production has been replaced by "Super Labs" operated by criminal organizations often based in Mexico or with ties to Mexico, capable of producing more than 10 pounds of methamphetamine within a single production cycle. Major trafficking organizations have well established transportation routes and exercise significant control in many of the major drug markets in our major cities. Success means getting into the middle of an already well-established criminal network that is directed remotely from Mexico. Intelligence derived by our investigative partners on these organizations will drive better targeting of smugglers, their conveyances, and concealment methods.

Almost 90% of the drugs entering into our country cross through the Southwest Border. The Mexican Border remains a significant challenge for CBP. However, there are various initiatives underway to gain operational control of that vulnerability. Those initiatives include:

Ports of Entry:

• Continued improvement of non-intrusive inspection technologies

- Use of new technology that highlights less dense objects, such as drugs and currency
- Increase the use of canines along the border. Approximately 60% of all drug seizures at Ports of Entry result from Canine detection. For narcotics canines, training includes detection of methamphetamines
- Better radio connectivity among federal, state, local, and tribal agencies
- Closer teaming with the investigative agencies to identify and disrupt "spotters" deployed by traffickers on both the Mexican and U.S.-side of the border
- Improve the use, analysis, and dissemination of advanced information to identify drug smugglers, conveyances, and traps. Almost all of our present seizures result from "cold hits" (those instances in which drugs are seized in the absence of significant targeting). This includes responding to leads provided by ICE, DEA, and Mexican Law Enforcement.
- Continue working closely with DEA to identify shipments of precursors destined for clandestine labs in Mexico. This will include the teaming of CBP's predictive analysis unit with DEA's methamphetamine intelligence group. Also joint CBP/ICE/DEA field teams will be working together to identify suspect precursor shipments.

Between the Ports of Entry:

Efforts to secure the border through DHS's Secure Border Initiative (SBI) will have a positive impact on the effectiveness of our counter-drug efforts.

- Increase interdiction operations by adding Border Patrol Agents. The President has recommended the addition of between 6,000 and 8,000 Agents over the next three years.
- Develop and Deploy better Sensory and Surveillance capabilities under SBI.
- Enhance federal partnerships to include a closer working relationship with DEA, ICE, HIDTA's and established drug intelligence centers.
- Work with EPIC, DEA, and ICE to identify Mexican controllers or "Gatekeepers" that control smuggling "turf" along the Southwest Border.
- Co-locate DHS component agencies, such as CBP and ICE, and DEA resources in joint intel groups and existing inter-agency drug task forces to conduct post seizures analysis and ensure that leads flowing from those seizures are fully exploited. Provide feedback to the Field that enables future interdiction actions that can be coupled with on-going criminal investigations. This process would provide information to DEA and their Mexican Counterparts who can take disruptive action on Mexican based drug principals, to include methamphetamine lab operators.

Hopefully the close working relationship between CBP and DEA will enable them to more effectively engage foreign counterparts in key countries to stem the flow of meth precursors to Mexico and other aspiring meth lab centers. Thank you again for this opportunity to testify. I would now be happy to answer any questions that you may have.