

UNCLASSIFIED

W50

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RELEASED IN FULL

**FY08 SUPPLEMENT FOR MEXICO***Total: \$500 million (M)*

	<b><u>Equipment/Program</u></b>	<b><u>Mexican Agency</u></b>
<b>\$306.3M Counternarcotics, Counterterrorism, and Border Security</b>	<ul style="list-style-type: none"> <li>◆ Non-intrusive inspection equipment for points of entry</li> <li>◆ Secure communications system for national security agencies; inspection systems for key mail facilities.</li> <li>◆ Joint program to combat smuggling and trafficking in persons.</li> <li>◆ Upgrades for two surveillance aircraft;</li> <li>◆ Eight transport helicopters, handheld ion scanners.</li> <li>◆ Two surveillance planes.</li> <li>◆ Secure communications network, database, and forensic analysis tools</li> <li>◆ Data management improvements for enhanced controls along Mexico's borders; border search and rescue training and equipment.</li> </ul>	<u>Customs</u>  <u>Communication and Transportation</u>  <u>Attorney General</u>  <u>Army/Air Force</u>  <u>Navy</u> <u>Intelligence</u>  <u>Migration</u>
<b>\$56.1M Public Security and Law Enforcement</b>	<ul style="list-style-type: none"> <li>◆ Non-intrusive inspection equipment and new canine detection teams for internal interdiction operations.</li> <li>◆ Anti-money laundering data analysis tools and computer upgrades.</li> <li>◆ Security improvements to protect law enforcement personnel.</li> <li>◆ Information technology to support demand reduction activities</li> </ul>	<u>Federal Police</u>  <u>Treasury</u>  <u>Attorney General</u>  <u>Health Secretariat</u>
<b>\$100.6M Institution Building and Rule of Law</b>	<ul style="list-style-type: none"> <li>◆ Anticorruption, transparency, and human rights programs.</li> <li>◆ Support for anti-gang and anti-organized crime units, victim/witness protection.</li> <li>◆ Training in courts management, prison management, extradition, asset forfeiture.</li> <li>◆ Information management systems; forensics equipment; digitalized prosecutor case management.</li> <li>◆ Police professionalization.</li> </ul>	<u>Attorney General,</u> <u>Courts, Civil</u> <u>Society</u>  <u>Attorney General</u>  <u>Federal Police</u>
<b>\$37M Program Support</b>	<ul style="list-style-type: none"> <li>◆ Personnel, administration and budget services.</li> </ul>	

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Drafted: INL/LP Cyndi Echeverria 7-7173    October 18, 2007

Approved:    WHA/FO: TShannon

Cleared:    WHA/FO: RJacobson  
              INL/LP: AArias - ok  
              WHA/MEX: IBrownlee - ok  
              D: MSConaway  
              F: SMcClure - ok  
              P: AMeltzer - ok  
              S/P: WMcIlhenny - ok  
              PM: NPorreca - ok  
              USAID: ELeddy - ok  
              USAID: SHendrix - ok

UNCLASSIFIED

W52

RELEASED IN FULL

*Total: \$68.09 million (M)*

<b>Funding Source</b>	<b>Equipment/Program</b>	<b>Mexican Agency</b>
<b>\$13M International Narcotics Control and Law Enforcement (INCLE)</b>	<ul style="list-style-type: none"> <li>◆ Information technology to improve transparency and efficiency in the judicial system.</li> <li>◆ Software for investigative analysis.</li> <li>◆ Joint program to combat smuggling and trafficking in persons.</li> <li>◆ Security improvements to protect law enforcement personnel.</li> <li>◆ Non-intrusive inspection equipment.</li> <li>◆ Drug demand reduction programs.</li> </ul>	<u>Attorney General</u>   <u>Federal Police</u> <u>Health Secretariat</u>
<b>\$10M Andean Counternarcotics Initiative (ACI)</b>	<ul style="list-style-type: none"> <li>◆ Equipment and training for federal forensics laboratories.</li> <li>◆ Database and data management improvements for enhanced passport and migration controls along Mexico's borders.</li> </ul>	<u>Attorney General</u>  <u>Migration</u>
<b>\$3.05M - Economic Support Funds (ESF); Development Assistance (DA)</b>	<ul style="list-style-type: none"> <li>◆ Institution building and rule of law; Anti-Corruption programs</li> </ul>	<u>Civil Society,</u> <u>Courts</u>
<b>\$1.04M Nonproliferation, Antiterrorism, Demining and Related Programs (NADR)</b>	<ul style="list-style-type: none"> <li>◆ Legislative exchanges on export control laws;</li> <li>◆ Licensing procedures workshops.</li> <li>◆ Training in chemical identification and risk analysis.</li> <li>◆ Non-intrusive inspection equipment and targeted training.</li> </ul>	<u>Legislature,</u> <u>Economy</u> <u>Intelligence</u>  <u>Customs and</u> <u>Federal Police</u>
<b>\$5M Treasury Asset Forfeiture</b>	<ul style="list-style-type: none"> <li>◆ Development of a Spanish version of e-Trace to combat arms trafficking.</li> </ul>	<u>Attorney General</u>
<b>\$36M FY 2008 and FY2007 1206 funds</b>	<ul style="list-style-type: none"> <li>◆ Up to three surveillance aircraft.</li> <li>◆ Logistics and support package for a reconnaissance aircraft.</li> <li>◆ Non-intrusive inspection equipment.</li> <li>◆ Computer forensics equipment and training.</li> <li>◆ Force protection surveillance vehicles.</li> <li>◆ Counterterrorism training and equipment.</li> </ul>	<u>Army/Air Force</u>     <u>Army/Air Force</u> <u>and Navy</u>

UNITED STATES DEPARTMENT OF STATE  
REVIEW AUTHORITY: ADOLPH H EISNER  
DATE/CASE ID: 05 APR 2011 200804526

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Drafted: INL/LP Cyndi Echeverria 7-7173 October 18, 2007

Approved: WHA/FO: TShannon

Cleared: WHA/FO: RJacobson - ok  
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WHA/MEX: IBrownlee - ok  
D: MSConaway  
F: SMcClure - ok  
P: AMeltzer - ok  
S/P: WMcIlhenny - ok  
PM: NPorreca- ok  
USAID: ELeddy - ok  
USAID: SHendrix - ok

UNCLASSIFIED

ACTION WHA-00

INFO	LOG-00	EEB-00	AMAD-00	CIAE-00	INL-00	DNI-00	DOTE-00
	PERC-00	PDI-00	FAAE-00	FBIE-00	DIAS-00	FSI-00	H-00
	TEDE-00	INR-00	IO-00	LAB-01	ARMY-00	MOFM-00	MOF-00
	DCP-00	NSAE-00	ISN-00	NIMA-00	GIWI-00	ISNE-00	FMPC-00
	SP-00	SSO-00	SS-00	NCTC-00	CBP-00	R-00	PRM-00
	DRL-00	G-00	NFAT-00	SAS-00	FA-00	SWCI-00	/001W
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R 042214Z DEC 07  
FM AMEMBASSY MEXICO  
TO ALL US CONSULATES IN MEXICO COLLECTIVE  
SECSTATE WASHDC 9775  
INFO DEPT OF HOMELAND SECURITY  
DEPT OF TREASURY WASHDC  
CDR USNORTHCOM  
CDR USSOUTHCOM MIAMI FL  
NSC WASHDC

RELEASED IN PART 1.4(B),B1,1.4(D)

Classified by DAS, A/GIS, DoS on: 02/19/2013 ~ Class: CONFIDENTIAL Reason: B1, 1.4 (b,d), Declassify on: 12/03/2022

C O N F I D E N T I A L MEXICO 006024

SENSITIVE  
SIPDIS

STATE FOR WHA/MEX, INR, INL

E.O. 12958: DECL: 12/03/2017  
TAGS: PGOV, PREL, ECON, MX  
SUBJECT: STAFFDEL QUILTER: OPTIMISTIC, BUT ASSERTIVE  
ASSESSMENT OF MERIDA INITIATIVE,S CHANCES IN CONGRESS

Classified By: Political Minister Counselor Charles V.Barclay.  
Reason: 1.4 (b) , (d) .

1. (SBU) Summary: A delegation from the House Foreign Affairs Committee, headed by Professional Staff Member Peter Quilter spent two days in Mexico City (November 26-28) meeting with GOM representatives, legislators, NGO representatives and Embassy officials to discuss the recently proposed Merida Initiative. The delegation stressed that, while consensus exists within the USG on the need and urgency of expanding law enforcement cooperation with Mexico, congressional deliberations in coming months might not necessarily result in the exact mix of resources that has been requested by the USG for the GOM. With non-official contacts, they reviewed the political landscape here, discussed human rights concerns and assessed the strengths and weaknesses of Mexican law enforcement and security elements. End Summary.

REVIEW AUTHORITY: Alan Flanigan, Senior Reviewer

2. (SBU) In Mexico City, the staff delegation met with the Ambassador and country team, the GOM Merida Initiative inter-agency team headed by Mexico,s Foreign Relations Secretariat,s Undersecretary for North America Affairs Carlos Rico and attended a working lunch hosted by Attorney General Medina Mora. The following day the delegation received a briefing at the Secretariat for Public Security and met with Sigrid Arzt, Technical Secretary for Mexico,s National Security Council.

1.4(B)  
1.4(D)  
B1

In addition, members met with independent security analysts, representatives from Human Rights NGOs and six members of the Senate North America Affairs Commission. (Septel will discuss the group,s visit to the state of Michoacan.)

#### Delegation Looking for a More Complete Picture

3. (SBU) Members of the delegation told GOM interlocutors they were in Mexico to develop a more comprehensive picture of the administration,s request than had been offered so far by their own government. Delegation head Peter Quilter expressed frustration that congress had been presented a description of only the first \$500 million of what he said was a \$1.4 billion package. During the meeting hosted by the Foreign Relations Secretariat (SRE), he asked Carlos Rico for a complete list of what the GOM had requested from the U.S. Rico took the request on board without committing himself; Quilter promised to follow up with the Mexican Embassy once back in Washington.

#### But Generally Supportive

4. (SBU) That said, delegation members said most in the U.S. congress agree that both an urgent need and opportunity exist to move the law enforcement relationship forward. Dealing with the administration,s request may be a messy, and at times, unflattering (to Mexico) process, but staff members indicated that if congress finishes deliberations by late winter, it would likely be able to respond positively to the GOM request. They cautioned, however, that congress will look carefully at the mix of monies requested by the administration and make changes it deems appropriate.

#### Recurring Themes:

A. (C)

[REDACTED]

[REDACTED] Civil Society contacts and independent analysts tended to emphasize institutional weaknesses in all security and law enforcement elements, including the military. At SRE, [REDACTED]

[REDACTED] Carlos Rico pointed out

1.4(B)

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that law enforcement operations were no novelty for the Mexican Navy, which was more akin to the U.S. Coast Guard than the U.S.,s "blue water" Navy. [REDACTED]

[REDACTED] also highlighted the GOM,s push to modernize and reorganize federal policing here within both SSP and the Attorney General,s office.

1.4(B)

1.4(D)

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C. (SBU) Program Management -- The delegation sought assurances that both USG and GOM would be able to support significantly expanded assistance programs. With the Ambassador, they said that concerns over the lack of candor in Washington's explanation of how it would administer such an expanded package result in calls for the creation of an inter-agency "Czar" to manage the program on the USG side; being frank early in the approval process could avoid such an exaggerated measure. The Ambassador, and most GOM interlocutors, responded by underscoring existing US-GOM agency-to-agency ties, and by citing the sizable number of

UNCLASSIFIED U.S. Department of State Case No. F-2011-02924 Doc No. C17690106 Date: 02/25/2013

personnel already working bilaterally on law enforcement programs. GOM contacts, such as Oscar Rocha from the Attorney General's office and National Security Technical Secretary Arzt, discussed the legal reforms and administrative fixes being undertaken to strengthen GOM inter-agency coordination in law enforcement and security (notably police reorganization and justice reform). Carlos Rico suggested that the U.S. and Mexico might consider establishing a mechanism similar to the High Level Contact Group, the 1990's era annual forum to foster law enforcement coordination between the USG and GOM.

D. (SBU) Human Rights/Rule of Law -- Civil society contacts briefed the delegation on what they perceive as the major weaknesses of security and law enforcement elements here. Human rights representatives cited the list of abuses allegedly committed by security forces (both federal and local) in recent years, criticized the lack of transparency and accountability within these elements (including the armed forces) when complaints of rights abuses and criminal activity are lodged. Security analysts focused their attention on transparency issues, corruption and other institutional weaknesses which they believe compromise law enforcement in Mexico.

1.4(B)  
1.4(D)  
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5. (SBU) Comment: The delegation was generally upbeat about the Merida Initiative's prospects ) although members noted that congress stood a better chance of approving funds if it could finish its deliberations before the U.S. presidential campaign picks up steam next spring. Besides noting some concerns with the sizable percentage of assistance going to the military, members of the delegation signaled no significant concerns with other elements within the package they have seen so far. They repeatedly said that they need to know more about the \$1.4 billion package as a whole and how both sides would administer the steep increase in resources. Their Mexican interlocutors, both official and private, were happy to fill in details on Mexico's security landscape and specific assistance requests, and came away from their meetings with a more realistic understanding of the U.S. deliberative process through which the Merida Initiative will develop. End Comment.

Visit Mexico City's Classified Web Site at <http://www.state.sgov.gov/p/wha/mexicocity> and the North American Partnership Blog at <http://www.intelink.gov/communities/state/nap/>  
GARZA



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ACTION INL-00

INFO	LOG-00	AID-00	AMAD-00	CIAE-00	DEAE-00	DODE-00	WHA-00
	DS-00	DHSE-00	OIGO-00	UTED-00	VCI-00	H-00	TEDE-00
	INR-00	IO-00	MOFM-00	MOF-00	VCIE-00	NSAE-00	ISN-00
	EPAU-00	GIWI-00	ISNE-00	DOHS-00	SP-00	IRM-00	SSO-00
	SS-00	NCTC-00	FMP-00	R-00	EPAE-00	DSCC-00	PRM-00
	G-00	NFAT-00	SAS-00	FA-00	SWCI-00	/000W	
				-----73B421 242317Z /38			

R 242208Z MAR 08  
FM AMEMBASSY MEXICO  
TO SECSTATE WASHDC 0996  
INFO AMCONSUL CIUDAD JUAREZ

RELEASED IN PART  
B1,1.4(D),B6

UNCLAS MEXICO 000823

SENSITIVE BUT UNCLASSIFIED - ENTIRE TEXT

DECONTROLLED

E.O. 12958: N/A  
TAGS: SNAR, PREL, MX  
SUBJECT: INL A/S JOHNSON VISIT TO MEXICO, JAN 22-25

1. SUMMARY: INL A/S Johnson visited Mexico to learn views of GOM interlocutors on issues related to the proposed Merida Initiative. He summarized the Congressional reaction to the proposal received to date, emphasizing the need for defining metrics and the recurring themes in questioning regarding corruption and human rights. He met at length with Attorney General Eduardo Medina Mora, Sub-Secretary Carlos Rico (Foreign Affairs) and the many individuals who had formed the nucleus of the GOM's Merida Initiative negotiating team. He also met with NGOs associated with human rights and respected "think tankers." Johnson also made himself available to press interviews with U.S. and Mexican press. His basic message across all meetings was the urgent need to begin a mutual process to identify possible metrics for measuring success with respect to the Merida Initiative. End Summary.

2. INL Assistant Secretary David T. Johnson visited Mexico City January 22-24 and continued up to Ciudad Juarez/El Paso for activities on January 24-25. During his visit to Mexico City, he met with Mexico's core secretariats involved in security affairs to discuss the opportunities presented by the Merida Initiative (MI). AG Medina Mora provided him with an in-depth tour d'horizon of where the GOM law enforcement establishment saw itself in its struggle against the drug trafficking organizations (DTOs). Medina Mora detailed the radically different environment today for the production and trafficking in methamphetamine, following the capture of [REDACTED] and the disruption to his supply of precursors. In a single stroke, [REDACTED] removal cut off Mexico's meth labs from

B6

REVIEW AUTHORITY: Alan  
Flanigan, Senior Reviewer

Classified by DAS, A/GIS, DoS on: 02-19-2013, Class:  
CONFIDENTIAL, Reason: ☐ B1,1.4(d) Declassify on:  
03/23/2023

UNCLASSIFIED U.S. Department of State Case No. F-2011-02924 Doc No. C17690030 Date: 02/25/2013  
their steady supply of precursors (roughly 80 MT in 2006 alone), and Medina Mora predicted that Mexico would no longer be a major source for meth production. Medina Mora also shared his estimate that the justice reform package submitted to Congress last March would be passed in the coming months and could become law by end of year, once the states had approved the Constitutional amendments. [you might add why will this be significant]

3. In a large meeting hosted by Amb. Carlos Rico, Amb. Johnson met with the entire interagency team who had led the negotiations in what became the Merida Initiative. Rico noted that the interagency cooperation this group represented was practically historic in the Mexican government experience, where lateral cooperation was far from the norm. Johnson emphasized the need to work together to define "how we measure success," which was especially important for the U.S. Congress in its deliberations of the support package. In turn, the group asked about Congressional sentiment and the timeline for consideration and (perhaps) eventual approval.

4. Amb. Johnson also met with the technocratic leadership of the Secretariat for Public Security; the political leaders were unavailable due to a cabinet meeting and the immediate demands of the SSP's aggressive police operations. Nevertheless, the group outlined the enormous task SSP faces, changing the very nature of Mexican police through legislative and institutional changes that would reach down throughout all of Mexico's 330,000 police agents. They detailed the many innovations - including Plataforma Mexico and the Unified System for Crime Data - that SSP sought to achieve in the shortest period possible.

5. The visit also provided a rare opportunity to engage with representatives of the Army/Air Force (SEDENA) and the Navy (SEMAR) in a frank discussion of the concerns that had been raised in Congress over the role of the Mexican military in the GOM's struggle against the cartels. Amb. Johnson met with the MI negotiators from the military

who had participated in the Merida Initiative talks. He discussed with them through the need for openness to allow end-use monitoring, the new mechanisms put in place by SEDENA to address human rights allegations and the supporting role the military was obliged to play to counter the sheer firepower of the cartels.

1.4(B)  
1.4(D)  
B1

6. Early during his visit, Amb. Johnson met with prominent think-tankers with research interests in security and law

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[REDACTED]

The analysts presented a consistently pessimistic view. All agreed on the need for profound change. Yet, many felt that the challenges facing the Calderon Administration in its objective to reform the Mexican justice system could exceed what might be achieved. Similar (but perhaps not as ambitious) attempts at reform have been unsuccessful in the past. The group downplayed 2007 law enforcement accomplishments and noted that seizures and arrests to date had not affected the cartels significantly. Members also claimed the Calderon Administration lacks a clear strategy to defeat the illegal drug trade and noted that the chronic lack of cooperation among security elements would continue to hamper efforts

to professionalize law enforcement here. While supportive of the Merida Initiative, the analysts said the sums being discussed are small, compared to what the GOM must put into the effort, and believe the principle merit of the package lies in demonstrating bilateral resolve to jointly confront drug traffickers. Finally, [REDACTED] expressed what he said was widespread frustration among legislators, academics and media with the GOM's lack of transparency with respect to the Merida Initiative.

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7. During a meeting with key human rights advocates, Amb. Johnson had a further opportunity to discuss the political and legal context of the Merida Initiative and GOM counter-narcotics efforts. Mexican participants were:

[REDACTED]

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8. Participants were not as sharply critical of the deficiencies and misbehaviors of GOM security elements as they had been in recent meetings with USG officials, although they remained negative overall in their comments. Rather than focus on a litany of alleged abuses, they urged Amb. Johnson to shape MI support in ways that strengthen the rule of law and overall professionalism of security elements here. However, they cautioned Amb. Johnson that Mexico's antiquated and weak legal framework will present challenges to efforts to modernize the administration of justice, which they believe is far more crucial to the counter-narcotics effort than the aggressive campaign of arrests and seizures mounted so far. While they expressed reservations about some aspects of the current legal

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reform initiative in Mexico's congress, such as strengthened police investigative powers, the human rights advocates recognized that this initiative marks a significant step forward in improving confidence in the legal system in Mexico. They particularly lauded measures designed to move Mexico toward an accusatorial system of justice, but said this would be a long-term effort. Some participants also urged the USG to consider measures on its side of the border to help Mexico battle drug traffickers, such as reducing U.S. demand for narcotics and stemming the flow of illegal weapons from the United States into Mexico. Amb. Johnson cited the significant resources already being put into demand reduction in the United States and took on board comments about curbing illegal arms flows to Mexico.

9. Amb. Johnson's visit to Ciudad Juarez and El Paso allowed him witness first hand some of the advances and problems faced by border communities today. During his visit, he viewed U.S. Border Patrol [redacted] and toured the most congested port of entry in the El Paso/Juarez/Santa Teresa corridor, the Bridge of the Americas, [redacted] He also attended a luncheon in his honor at the University of Texas at El Paso, where he gave an address on the MI, fielded press questions, [redacted]

[redacted] discussed the major advances made with USG assistance in the professionalism of Chihuahua's forensics labs and Chihuahua's recent introduction of its new modernized adversarial judicial system throughout the state [redacted] stressed the importance of continued USG funding (Chihuahua receives support from USAID/AOJ). [redacted] to receive a group of U.S. congressman who have been especially critical of MI support to view the major forensic and judicial improvements made with U.S. funding and technical assistance [redacted] Finally, Amb. Johnson toured and received a private briefing on the operations and potential of the El Paso Intelligence Center (EPIC).

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ACTION WHA-00

INFO LOG-00 EEB-00 AID-00 AMAD-00 CIAE-00 COME-00 CTME-00  
INL-00 DEAE-00 DODE-00 DOTE-00 DS-00 DHSE-00 OIGO-00  
FAAE-00 FBIE-00 UTED-00 VCI-00 FSI-00 H-00 TEDE-00  
INR-00 IO-00 LAB-01 L-00 MOFM-00 MOF-00 VCIE-00  
NSAE-00 NSCE-00 NIMA-00 EPAU-00 GIWI-00 DOHS-00 SP-00  
IRM-00 SSO-00 SS-00 NCTC-00 FMP-00 R-00 EPAE-00  
DSCC-00 PRM-00 DRL-00 G-00 ATF-00 SAS-00 FA-00  
SWCI-00 /001W

-----77AFC5 311907Z /38

R 311910Z MAR 08  
FM AMCONSUL CIUDAD JUAREZ  
TO SECSTATE WASHDC 4934  
INFO AMEMBASSY MEXICO  
ALL US CONSULATES IN MEXICO COLLECTIVE  
AMCONSUL CIUDAD JUAREZ

**RELEASED IN PART B6**

UNCLAS CIUDAD JUAREZ 000213

SENSITIVE

**DECONTROLLED**

E.O. 12958: N/A  
TAGS: PGOV, PREL, SNAR, MX  
SUBJECT: VISIT OF MERIDA INITIATIVE STAFFDEL TO JUAREZ

1. (SBU) Summary: Mark Lopes, Senior Policy Advisor to Senator Robert Menendez, and Paul Rosen, Counsel, Senate Foreign Relations Committee, visited Ciudad Juarez and El Paso on March 23-24 to discuss the Merida Initiative with government officials and leaders of civil society. Mr. Lopes and Mr. Rosen shared with their Juarez and El Paso contacts a sense of frustration with what they viewed to have been a lack of consultation with national legislatures and sub-national institutions over the utility of a Merida program in general, and the plan's spending priorities in particular. Lopes and Rosen also expressed to consulate officers their misgivings about what they viewed as the Administration's reluctance to tie expenditures to outcomes, and their impression that the Merida Initiative was more of a goodwill gesture to President Calderon than a plan to advance the counter-drug effort in the most effective way. The staffers' Juarez interlocutors encouraged Congress to pursue a bottom-up approach to the Merida program. As one lawyer put it, if Washington hopes to see a transformation in Mexican law enforcement, it is likely to be disappointed with Merida's impact as currently designed; "helicopters are not transformational," he argued. End summary.

2. (U) Senate staffers Mark Lopes and Paul Rosen visited

**REVIEW AUTHORITY: Alan Flanigan, Senior Reviewer**

UNCLASSIFIED U.S. Department of State Case No. F-2011-02924 Doc No. C17690100 Date: 02/25/2013

Ciudad Juarez and El Paso on March 23 and 24. After their arrival on March 23, Customs and Border Protection officers provided the visitors with a tour of facilities at the Bridge of the Americas and a consulate officer took Mr. Lopes and Mr. Rosen on a fence line tour of the U.S. side of the border. On March 24, Lopes and Rosen met with the mayor of Ciudad Juarez, the Chihuahua state attorney general and her staff, the El Paso Chamber of Commerce, the El Paso Intelligence Center at Fort Bliss, four leading Juarez lawyers, and the staff of two women's shelters. Notes on the six meetings are provided below.

#### Meeting with Ciudad Juarez Mayor Reyes Ferriz

3. (U) Mayor Jose Reyes Ferriz provided the Senate staffers with a brief overview of the economic and social climate in Juarez. Reyes Ferriz said that despite a recent slowdown in maquila exports to the United States, 10,000 available jobs in Juarez are unfilled. New families arrive daily from around Mexico, often with only the clothes on their backs. With rapid population growth in the past 15 years, Juarez has experienced a breakdown in the sense of an established community. Into this mix has been introduced an increasing number of Mexicans deported from the United States, many with criminal histories. In this environment, crime of all kinds has become a serious problem.

4. (SBU) Mayor Reyes Ferriz said that the Juarez police force of 1,600 officers for a city with a population of close to two million people has little impact on crime levels. Officers are underpaid, overworked, and their education level and training is insufficient. Corruption is common and most police collude with organized criminals engaged in drug trafficking, kidnapping and prostitution. Reyes Ferriz said the Mexican Federal Government has largely been absent as a positive force in Juarez. (Note: this meeting predated the new deployment of troops to restore calm in the city.) He asked that Merida Initiative funds be earmarked to provide for professional training of local police forces, efficient hiring, effective weaponry and communications equipment. Reyes Ferriz also said that in the short term the army is the only option to fight the drug traffickers, but that it does society no good to have the military take up policing on a longer term basis.

#### Meeting with Chihuahua State Attorney General Gonzalez

5. (U) At a meeting with Attorney General Patricia Gonzalez Rodriguez, the Senate staffers asked how Merida funds would be spent if provided to the State of Chihuahua. Gonzalez said that all the state's border communities have serious problems with crime because of the powerful drug trafficking organizations.

Echoing the views of Mayor Reyes Ferriz, the Attorney General said funds are needed to strengthen the size, training and crime fighting abilities of state and local police forces. In the absence of a capable police force, the state had to rely on the army to fight organized criminals.

6. (SBU) Gonzalez said her first priority, with or without Merida support, was to eliminate police corruption by improving the police hiring process and providing more aggressive training in tactics and investigations (although she was skeptical that the Juarez police department could be turned around in the short run). Another priority was to acquire modern radio equipment to reduce criminals' ability to intercept police communications. She believed that Merida support for a "clean," well-trained, well-armed police force would make a significant difference in the ability to fight crime along the border.

#### Meeting with El Paso Chamber of Commerce

7. (U) Representatives from the offices of El Paso Mayor John Cook and U.S. Congressman Silvestre Reyes, local business people, and attorneys met with the staffers to discuss how Merida assistance might best be used in the region. The business people said that unlike in other twin city communities, the Juarez economy drives the El Paso economy, and they worried violence in Juarez was cutting into private sector investment along the border. However, apart from the representative from Congressman Reyes' office, the Chamber lunch-goers did not appear to be well informed about Merida.

#### Briefing at the El Paso Intelligence Center (EPIC)

8. (SBU) Mr. Lopes and Mr. Rosen met with EPIC Director Art Doty of the Drug Enforcement Administration for a briefing on current trends in Southwest border violence, the "Gate Keeper Project," and weapons smuggling. The Senate staffers heard that with respect to cocaine and other high value commodities, the focus was shifting from border crossings to marine transport from the Pacific coast of Colombia to Mexico by submersibles.

9. (SBU) Director Doty and his colleagues explained EPIC's best sense of the war between the Juarez and Sinaloa cartels, recent weapons seizures in El Paso by the Bureaus of Alcohol, Tobacco, Firearms and Explosives, and Immigration and Customs Enforcement, and ATF's ongoing research into the sources of weapons seized in Mexico.

10. (SBU) Mr. Rosen expressed frustration with the failure of Mexico to do more to interdict southbound trafficking in arms, but the staffers praised EPIC's work and steps taking place "off



#### Meeting with Juarez Attorneys/Law Professors

11. (U) Compared to their discussions with Mayor Reyes Ferriz and Attorney General Gonzalez, Mr. Lopes and Mr. Rosen heard a more nationalistic assessment of the Merida Initiative from four attorneys who also teach at the Autonomous University of Ciudad Juarez. The staffers had asked throughout the day for local views on how the Mexican federal government might respond to Congress including benchmarks or earmarks in a Merida authorization bill. Whereas the mayor and attorney general had replied that the federal government would accommodate itself to the wishes of the U.S. Congress, and that guidelines for local programming were too important to leave out, the lawyers expressed concern over sovereignty and procedural issues. The lawyers were critical of the way the Initiative was designed by the Mexican presidency without consulting with the Mexican Congress. They were frustrated with the continued lack of public information on the Initiative, and said any bilateral Merida program should be embodied in an international agreement subject to approval of the Mexican Congress.

12. (U) With regard to the substance of the plan, the lawyers called for the federal governments to shift the Initiative's focus from hardware, and especially costly aviation assets, to human resources development to create a stronger police force. Like Mayor Reyes Ferriz and AG Gonzalez, the lawyers called for accountability and, sovereignty issues aside, the earmarking of resources so help would be provided to cities or states suffering the greatest level of cartel-inspired violence. With regard to the Mexican Army, the lawyers said that while they appreciated the army's work, they hoped its law enforcement role would be a temporary one and that any Merida resources would go to the police and to the judiciary.

#### Meeting with Crime Victims' Support Groups

13. (U) Mr. Lopes and Mr. Rosen met with the staff of two NGO's active in combating violence against women and children,

directors were united in opposition to any Merida assistance being given to police forces, which they felt would be useless "due to the nature of the people" involved and their rampant corruption. The director [redacted] said that if funds became available, they should be disbursed through civil society groups as a way to strengthen the rule of law and promote transparency and accountability. She doubted any positive change would occur if Merida funds were channeled through the

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14. (SBU) Comment: While in Juarez, Mr. Lopes and Mr. Rosen heard the argument that if the United States wants the Merida Initiative to contribute in a meaningful way to border security, it needs to focus on institution-building at the state and local level. This argument tended to ignore the multinational scope of the drug trafficking organizations, and so the need for a cross-jurisdictional approach to disrupting their trade. Still, recent events in Juarez have demonstrated the inherent difficulty the police and courts face in judicializing the

results of Mexican Army actions against the cartels. In this light, while a piecemeal, bottom-up approach to Merida would not be effective in and of itself, the staffers carried away a message that, in the long run, federal-level institutions will need help from stronger local and state police agencies and courts if the fight against organized crime is to be sustained.  
MCGRATH

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ACTION INL-00

INFO	LOG-00	AID-00	CIAE-00	CPR-00	DEAE-00	DNI-00	DODE-00
	WHA-00	DS-00	DHSE-00	OIGO-00	FBIE-00	VCI-00	DIAS-00
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	VCIE-00	DCP-00	NSAE-00	ISN-00	NIMA-00	PA-00	GIWI-00
	ISNE-00	DOHS-00	FMPC-00	SP-00	SSO-00	SS-00	STPD-00
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RELEASED IN PART  
1.4(B),B1,1.4(D)

C O N F I D E N T I A L MEXICO 005964

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DEPARTMENT FOR INL

Classified by DAS, A/GIS, DoS on  
:02/19/2013 ~ Class:  
CONFIDENTIAL ~ Reason:B1, ☐  
1.4(B), 1.4(D) ~ Declassify on:  
11/12/2027

E.O. 12958: DECL: 11/12/2027  
TAGS: PREL, PGOV, PHUM, SNAR, KCRM, MX  
SUBJECT: SENATE STAFFER, GOM AUTHORITIES SHARE VIEWS ON  
MERIDA INITIATIVE

Classified By: Political Minister Counselor Charles V. Barclay. Reason:  
1.4 (b), (d).

1. (SBU) Summary. Carl Meacham, the Senior Advisor on Western Hemisphere Affairs to the U.S. Senate's Foreign Relations Committee briefed a wide array of GOM officials November 7 on the current political environment in Washington and what to expect from the legislative process in the U.S. as the Congress commences its review of the Merida Initiative at hearings scheduled for November 15. GOM officials from the Office of the Presidency, the Attorney General's Office, the Center for Research on National Security (CISEN) and the military at the lunch hosted by the Foreign Secretariat's (SRE) Under Secretary for North America Carlos Rico listened attentively and raised a number of their own issues, including arms-trafficking, conditionality, and the role of the military in the counter-narcotics operations. Both sides described the Merida Initiative as an historic opportunity

REVIEW AUTHORITY: Alan Flanigan, Senior Reviewer

However, given the sensitivities the initiative has raised  
in both countries, Meacham and Rico both agreed it was not  
yet a "done deal." End Summary.

#### Arms-Trafficking

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2. (SBU) The smuggling of weapons into Mexico from the U.S.  
represents a major concern for Mexican authorities.  
According to General Morfin (representing the Defense  
Secretariat (SEDENA)), over 80 percent of the illegal arms,  
including automatic weapons, smuggled into Mexico come from  
the U.S. Sigrid Arzt, the Technical Secretary of the  
Presidency's National Security Council Arzt expressed concern  
that over 12,000 gun shows take place annually along the  
U.S.-Mexican border providing ample opportunity for smugglers  
to purchase weapons for shipment across the border. CISEN's  
Juan Carlos Foncerrada maintained Mexican law enforcement  
officials were being outgunned and lamented that nearly 250  
police and military officials had been killed already this  
year.

3. (C) SRE's Rico said the GOM was not asking for the U.S.  
to amend its constitution, but rather stressed the importance  
Mexico attached to U.S. authorities taking stricter measures  
to better enforce existing U.S. legislation on arms exports.  
The GOM is pleased with cooperation that takes place with ATF  
officials in Mexico. E-trace could serve a useful tool for  
identifying perpetrators but only if the U.S. maintained good  
accurate information on weapons sold in the U.S. Mexico would  
like to see more action ) in the U.S. -- to control the  
export of arms to Mexico, which the GOM believes is  
fundamental to winning the war against organized crime and  
drug trafficking.

#### Conditionality

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4. (SBU) Meacham made it clear to GOM officials that the  
Merida Initiative was not a "done deal" in the U.S. U.S.  
Congressmen would look closely at Mexico's record on human  
rights in particular in considering whether to approve the  
proposed package for assistance. It was not unlikely some  
Congressmen might want to place some conditions on the  
assistance package including, potentially, periodic reports  
on Mexico's performance in fighting drugs and addressing  
human rights concerns.

5. (C) SRE's Rico also remarked that the Merida Initiative was not a "done deal" from the Mexican point of view. The issue of conditionality, was a delicate issue that would be closely evaluated and considered by the Mexican authorities, politicians, and the general public. The GOM was already coming under attack for what some Mexican critics were calling U.S. intervention or imposition. If too many strings were attached, Mexico could decide to reject the U.S. assistance package.

1.4(B)  
1.4(D)  
B1

U.S.-Mexico Cooperation  
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7. (SBU) While GOM officials welcomed the kind of concrete assistance the Merida Initiative would make possible, they attached greater importance to the overarching symbolic statement such an agreement would make about our burgeoning bilateral cooperation and commitment in combating a common enemy. GOM officials underscored that the fight against organized crime/drug trafficking was a priority for Calderon, and would remain so with or without the assistance package from the U.S. SEMAR said that it would continue to do what it was doing, but that the equipment and training from in the Merida Initiative "would help us do it better."
8. (C) Privately, NSC advisor Arzt remarked that a U.S. decision not to go through with the initiative would exact a very high political toll from President Calderon who had invested so much personally into this agreement. She also worried that such a decision could undercut U.S.-Mexican relations providing ammunition to U.S. critics who will want

9. (C) COMMENT. The GOM's readiness to gather representatives from a multitude of agencies, including the military, to exchange views on the Merida Initiative and our respective government's efforts to combat narcotics trafficking reflected its commitment to forging an agreement and its appreciation for the role the U.S. Congress assumes in the process. Both sides agreed, however important the initiative was to our collective efforts, it was not yet a "done deal." Given the stringent monitoring requirements that already exist under U.S. statutes, the imposition of additional tough conditions will generate opposition to an agreement in Mexico. Mexican authorities will also be looking for the U.S. to do more to combat arms trafficking. Both sides hoped an agreement would only prove a starting point for a deeper relationship founded on tackling shared problems through broader cooperation.

10. (U) Senate advisor Meacham did not have a chance to clear on this message prior to his departure.

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<http://www.state.sgov.gov/p/wha/mexicocity> and the North American Partnership Blog at <http://www.intelink.gov/communities/state/nap/>  
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ACTION WHA-00

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E.O. 12958: N/A  
TAGS: PREL, PGOV, SNAR, KCRM, PHUM, MASS, MX  
SUBJECT: INTER-PARLIAMENTARY CONFERENCE DIALOGUE TAMES  
RHETORIC OVER MERIDA "CONDITIONS" ... FOR NOW

1. Summary. The Mexican press has been consumed over much of the last two weeks with criticism of potential "conditions" attached to legislation being considered by the U.S. Congress in the debate over the Merida Initiative. Senior Mexican government officials and Congressional leaders alike have categorically rejected any conditions on U.S. assistance to Mexico insisting on "coresponsibility." This theme was repeated in the course of the annual Interparliamentary Conference hosted this year in Monterrey June 6-8 with participation of senior Congressional leaders from Mexico and the U.S. The U.S. congressional delegation applauded Mexico for its efforts in the fight against organized crime, committed the U.S. to cooperating with Mexico in this struggle, and conveyed appreciation for Mexican sensitivities about conditions, pledging to produce a new version that both sides would find acceptable. End Summary.

The Storm Before the Calm

2. Mexican commentators and politicians have been practically unanimous in rejecting conditions on U.S. assistance to

REVIEW AUTHORITY: Alan Flanigan, Senior Reviewer

Mexico to fight organized crime. Many have likened the conditions to the drug "certification" process which Mexico found so disagreeable over the last decade. Mexico's Deputy Attorney General Vasconceles remarked that the U.S. should spend its money addressing problems on its side of the border if it was going to attach conditions to the Merida Initiative. Interior Secretary Juan Mourino similarly made it clear that Mexico would consider conditions placed on the initiative "inappropriate" and "unacceptable." The Director of Mexico's National Commission on Human Rights (CNDH) Jose Luis Soberanes Fernandez maintained that his organization would monitor the military's compliance with human rights norms and didn't need the U.S. Congress to do it for him. He objected to language in Congressional legislation that would call for Mexico to try cases against the Mexican military in civilian courts maintaining this would be unconstitutional. He also challenged a provision in U.S. draft legislation to give the UN's Human Rights Office in Mexico one million dollars to support its work.

3. The Mexican Congress lined up behind the government similarly rejecting any U.S. conditions on assistance. Senator Rosario Green, the President of the Mexican Senate's Foreign Relations Commission, told PolOff that all of Mexico's parties had come together in agreement on this issue. She stressed Mexico was fighting a war with its police and military outgunned and that it was insulting for the U.S. to insist Mexico meet certain conditions before it receives assistance. She appreciated the need for cooperation with the U.S. but maintained it was "in the blood" of Mexicans to resist any appearance of infringement on Mexican sovereignty. She was resentful that Mexican NGOs had filed complaints with U.S. officials, asserting Mexico availed plenty of institutions for their complaints. She warned that some groups abused their access, suggesting that at least one group in the past had passed funds it had received from the German government to a Zapatista guerrilla group.

4. Seeking to establish an oversight function on the Merida Initiative, the President of the Mexican Senate's North American Commission, Senator Ricardo Garcia Cervantes, sponsored a resolution May 23 to create an ad hoc committee to evaluate the Merida Initiative, track its "progress," and pursue coordination with U.S. congressional officials. When a group of some eight Mexican senators and eight deputies convened on June 4 they agreed on a resolution that asserted that Mexico's Permanent Commission

-- endorsed the Government's rejection of any conditions



-- rejected any strategy that did not recognize both countries' responsibility in the fight against drug trafficking;

-- and exhorted the Mexican delegation to the Interparliamentary Conference in Monterrey to seek a resolution of this matter with its U.S. counterparts in the framework of shared responsibility and respect for the sovereignty of both countries.

#### Letting Off Steam in Monterrey

5. Mexico's delegation of some 10 Senators and 13 Deputies minced few words in conveying its objections to U.S. congressional conditions on the Merida Initiative at the Interparliamentary Conference in Monterrey June 6-8. Speaking on behalf of the group, Deputy Alejandro Chanona Burguete of the Convergence Party, inter alia 1) rejected any conditions on assistance, 2) called for cooperation in the fight against drug traffickers, and 3) recommended the creation of a binational committee to evaluate the strategy for combating organized crime. Congressional representatives from across Mexico's entire political spectrum repeatedly stressed their desire to cooperate with the U.S. but made it clear they found the subject of conditions "insulting."

6. U.S. Senator Dodd had set the tone for dialogue over the weekend when in his opening remarks he recognized the Mexican government's sacrifices in the fight against organized crime, applauded its efforts, stressed the importance of cooperation between the U.S. and Mexico, and appealed for a "lowering of the temperature" on the debate in recognition of his confidence that the U.S. would come up with legislation that Mexico would find acceptable. He also circulated a letter from from Senator Leahy that pledged a commitment to cooperation with Mexico. Other members of the U.S. delegation, including Representative Pastor who gave a detailed description of the legislative process and Representative Brian Bilbray who promised to be Mexico's most passionate advocate on its security efforts reinforced the U.S. delegation's appreciation for Mexican sensitivity over conditionality. Dodd urged the Mexican Congress to hold its executive leaders accountable for their efforts including the Merida Initiative.

7. Dodd used the press conference to send a positive message of unity on the Merida Initiative. Speaking directly to the Mexican drug cartels, he maintained the U.S. and Mexico may

UNCLASSIFIED U.S. Department of State Case No. F-2011-02924 Doc No. C17690012 Date: 02/25/2013

have their differences but that the U.S. stood with Mexico in its fight against organized crime and that the cartels would lose. Deputy Ruth Zavaleta, Mexico's delegation head, declined to comment directly on the controversy over the Merida Initiative. However, after repeated queries, Mexican Senator Green remarked that Senator Dodd had "promised" to address concerns on conditions. The Mexican delegation was predisposed to trust their U.S. counterparts but needed to wait and see what the final draft looked like.

And the Rest of the Story in Monterrey

8. In addition to its session on the Merida Initiative, the two delegations in Monterrey focused on migration and competitiveness. The Mexican representatives stressed concern about U.S. policy relating to deportations which they described as inhumane; they also complained that construction of a wall set the wrong tone for two neighboring countries seeking to deepen commercial ties and law enforcement cooperation. Zavaleta, the President of Mexico's Chamber of Deputies, gave an emotional speech about how her brother had crossed into and continued living in the U.S. illegally as an undocumented worker, injecting a human, personal element into the issue.

9. The U.S. representatives presented a divided picture. Democrats spoke to their commitment to reform that would allow for millions of undocumented workers to gain -- over time -- legal status. They described both candidates for U.S. President as forward leaning on this issue but conceded neither candidate would likely move on immigration reform as a high priority in his first year. The Republican representatives spoke to the need for reform to allow more workers to come into the U.S. legally to take up employment in targeted areas but rejected the concept of "rewarding" those who had already entered and were living in the U.S. illegally.

10. The merits and faults of NAFTA served the focused for much of the debate over competitiveness with Mexican leftists insisting it had proven counterproductive but with supporters arguing for greater integration of our economies. The U.S. representatives offered Ireland as a developmental model for Mexico urging more GOM attention to education. The Mexicans pointed out that Ireland had received much financial support as a member of the European Union, hinting the U.S. should consider providing Mexico with that kind of support. Both sides discussed the need to facilitate trade and commerce on the border.

11. Comment. Most Mexicans regard cooperation with the U.S.

UNCLASSIFIED U.S. Department of State Case No. F-2011-02924 Doc No. C17690012 Date: 02/25/2013

as an essential component in the country's efforts to take on organized crime. However, in view of Mexico's history with the U.S. and the responsibility they believe the U.S. shares for the problems Mexico faces as a result of the drug trade, almost all Mexicans describe the concept of conditions on U.S. assistance to Mexico as unacceptable. The Mexican representatives signaled they were prepared to give their U.S. counterparts the benefit of the doubt on the question of recrafting the legislation on the Merida Initiative. They want to find terms that Mexican can live with. The challenge for the U.S. Congress will lie in producing language that meets the minimum U.S. requirements for exercising oversight and complying with U.S. law without overstepping Mexico's red lines when it comes to terms it consider tantamount to a certification process.

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GARZA

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**RELEASED IN PART**  
**1.4(B),B1,1.4(D),B6**

ACTION SCT-00

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INFO LOG-00 EEB-00 AID-00 A-00 CCO-00 CG-00 CIAE-00  
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C O N F I D E N T I A L MEXICO 005846

SIPDIS

E.O. 12958: DECL: 11/14/2027  
 TAGS: PGOV, PREL, SNAR, PTER, SMIL, MX  
 SUBJECT: FOREIGN SECRETARY ESPINOSA COURTS CONGRESSIONAL  
 SUPPORT FOR MERIDA INITIATIVE

REF: MEXICO 5640

Classified By: DCM Leslie A. Bassett. Reason: 1.4 (b),(d).

1. (U) Summary: Responding to Congressional calls for the Executive to clarify the Merida Initiative, Foreign Secretary Patricia Espinosa testified before the Senate on October 22 and before the Chamber of Deputies on October 31. She was clear the Merida Initiative is not a formal accord requiring Congressional approval and that Mexican sovereignty would not be challenged. She identified with Congressional concerns by noting the GOM could reject the cooperation package if the U.S. Congress established what Mexico considered onerous conditions. Legislative reaction has generally been positive, with the PRD typically voicing the most resistance. Although there have been few specific complaints about the substance of the security package, Mexican legislators have publicly complained about not being properly consulted by the Executive. End summary.

**REVIEW AUTHORITY: Don Holm, Senior Reviewer**

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 Reaching Out to the Senate  
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2. (SBU) In her remarks to the Senate, Espinosa explained the Merida Initiative will involve training, equipment, and technology transfers, and not financial aid. She stressed there would be no U.S. military or contractor presence in Mexico, or any other breach of Mexican sovereignty. (Note: When Espinosa referred to "contractors," we assume this was shorthand for security contractors like Blackwater, which are not contemplated as part of the package. In fact, NAS Mexico already employs five Personal Services Contractors to assist with program administration in areas like training, infrastructure, and aviation, and this number would increase significantly if the Merida Initiative receives full funding. End note.) Asked for a text of the agreement, the Secretary said it involved a bilateral political commitment and there was no written agreement or treaty, emphasizing that the U.S. had committed to taking responsibility for its share of the drug trafficking problem. Espinosa added that "no type of conditions have been set" but acknowledged that Mexico would need to "assure that the resources provided under this arrangement are truly used for the purposes for which there were intended, assure that the equipment is well secured, and that there will be no negligence in the use of the equipment."

3. (SBU) The discussion of counter-terrorist activities as a component of the Merida Initiative, including Espinosa's acknowledgment that the package envisions a program to digitize information on migration and apply detection and control measures on the southern border, drew criticism from some legislators. PRD Senator Ricardo Monreal stated that the Merida Initiative responds more to U.S. security needs and to its fight against terrorism than to Mexico's law enforcement requirements, warning that Mexico risks becoming a "security contractor" for the U.S. He added that the program could lead to a "denationalization of our national security system, and secondly to a criminalization of migration by deploying all of that technology and resources to stem the flow of migration, rather than against the illegal drug and weapons trade." PRD Senate Coordinator Carlos Navarrete agreed that Mexico needs to be careful about counter-terrorism cooperation and avoid "buying into other people's quarrels." Senate President Santiago Creel (PAN) struck a different tone, saying that while Mexico does not suffer the same threat of terrorism as the U.S., it still must not allow anyone to violate law and order.

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 Congressional Criticism of Process, Not Substance  
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4. (SBU) Mexican legislators and opinion leaders who support

the cooperation agreement have nevertheless broadly criticized the Calderon administration for lack of transparency. PRI Senator Manuel Bartlett Diaz told the press the Merida Initiative has been surrounded by "total confusion" since its inception, saying that Secretary Espinosa's Senate testimony added to "absolute uncertainty." He said her interpretation that the plan does not require

Senate approval is inaccurate, adding that if the GOM presses forward without seeking Congressional approval then legislators should present a constitutional challenge in court. In his meeting with Carl Meacham, [REDACTED]

B6

[REDACTED] stressed that Calderon was well advised on both political grounds to seek Congressional approval for any agreement with the U.S. In view of the challenges Mexico faces in combating narco-trafficking, he believed legislators would be hard pressed to reject assistance from the U.S. However, if Calderon insisted on moving ahead without Congressional consent, he would give opposition politicians the "favor" of an easy target for criticism. While [REDACTED] strongly endorsed the Merida Initiative, he similarly believed the administration should seek Congressional approval.

B6

5. (SBU) Comments by [REDACTED] that Mexico would commit to \$7 billion over three years for equipment, rehabilitation, and drug prevention stirred controversy here and were interpreted as getting out ahead of the Congress. The Presidency issued a clarification saying the amount represents ongoing Mexican security spending and there would be no separate budget line item for the Merida Initiative. [REDACTED] underscored the point that Mexico would not spend any additional funds on the program.

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Outreach to the Chamber of Deputies  
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6. (SBU) Testifying before the Chamber of Deputies on October 31 alongside officials from the Attorney General's Office (PGR) and the Secretariats of National Defense (Sedena) and Navy (Marina), Espinosa appealed for the Deputies' support. "Let us give ourselves the opportunity to face this struggle under better circumstances. We cannot allow this threat to continue growing or presume that we can wage this battle alone," she remarked, adding that SRE is prepared to conduct an ongoing dialogue with Mexican lawmakers regarding the Merida Initiative. She explained the agreement is based on international treaties ratified by the Senate and is consistent with the Comprehensive Strategy for Preventing and Combating Crime as well as the National Development Plan. She also referenced the Initiative's consistency with the

1990 U.S.-Mexico Accord Against Narcotics Trafficking and Drug Dependency, and the multilateral Palermo Convention Against Organized Crime.

7. (SBU) The Foreign Secretary accommodated Congressional concerns by suggesting Mexico could decide to reject the cooperation package if the U.S. Congress established certain conditions to approve funds. Specifically, she told the Deputies, "we will conduct an extremely careful analysis of whatever results from this (U.S.) legislative process, in order to evaluate whether the result is compatible with our national interest, whether it fulfills Mexico's needs. There is no obligation on the Mexican Government's part to accept this support, it is a political cooperation commitment that we have undertaken, in the understanding that if we act together we will be more effective on both sides of the border, but we will not rush into anything." The Secretary stressed that under no circumstances would the cooperation agreement become a pretext to take action against migrants that use Mexico to enter the U.S. illegally.

8. (SBU) Some Deputies belonging to the PRI, PRD, and Convergence Party expressed mistrust of the proposal and U.S. intentions. PRI Deputies Jose Murat and Samuel Solis, backed by PRD Deputy Cuauhtemoc Sandoval, demanded to see the plan's core documents, which Espinosa responded do not exist. She added, "should it become necessary to sign some document that requires Congressional approval under our legislation, we will come before this sovereign body for the necessary consultations and, if appropriate, submit it for your consideration." PRI Chamber of Deputies Coordinator Emilio Gamboa said the GOM has an obligation to keep the legislative branch informed of the agreement's details, and Chamber President Ruth Zavaleta (PRD) remarked, "We would expect the document to be made public, not only for our benefit, but for

all of society."

9. (C) In private, Mexican legislators from each of the main three political parties have agreed that the security situation in Mexico is grave, that both countries bear responsibility for confronting narcotics trafficking and related criminality, and that the Merida Initiative represents a logical step in the effort to strengthen the relationship. Members of Congress have told us privately that "conditionalities" imposed on Mexico by the U.S. would be carefully reviewed, and that Congress would likely react negatively to perceptions of onerous end-user requirements.

[redacted] suggested that it would be necessary to create a watchdog group, including government representatives and senators, in order to supervise assistance received. The PRD has been the most vocal in its concerns, calling on the USG to balance the security component of the package with development assistance.

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Comment  
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[REDACTED]  
[REDACTED] Mexican legislators recognize the security threat before their country and seem broadly in favor of enhanced security cooperation with the U.S. In her testimonies before Senators and Deputies, Foreign Secretary Espinosa sought to reassure them the Merida Initiative is not an aid plan and will not challenge Mexican sovereignty. She also signaled a willingness to work more closely with Mexican legislators, adding that the GOM will closely study any "conditionalities" placed on assistance by the U.S. Congress.

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[REDACTED]

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C O N F I D E N T I A L MEXICO 001001

SIPDIS

E.O. 12958: DECL: 10/08/2027  
TAGS: PREL, PGOV, PHUM, MASS, KCRM, SNAR, MX  
SUBJECT: CONGRESSIONAL STAFFERS DESCEND ON MEXICO TO  
DISCUSS MERIDA INITIATIVE

Classified By: Deputy Political Counselor James P. Merz.  
Reason: 1.4 (b) , (d) .

1. (U) Summary. Congressional staffers from the Senate Foreign Relations Committee, the House Foreign Affairs Committee, and the House Appropriation Committee visited Mexico the week of March 24 to discuss the Merida Initiative with government officials and representatives of civil society. They also got the opportunity to conduct a number of site visits, including the Santa Lucia air base, PGR's Forensics Lab and customs/immigration operations at the airport exposing them to current GOM efforts to go after drug trafficking organizations and providing them with greater insight about how

REVIEW AUTHORITY: Alan Flanigan, Senior Reviewer

UNCLASSIFIED U.S. Department of State Case No. F-2011-02924 Doc No. C17690028 Date: 02/25/2013

the Merida Initiative could expand capabilities. Mexican officials drew attention to the high stakes in their fight against organized crime and the importance they attached to deeper cooperation with the U.S. in facing down this shared challenge. They called for greater U.S. efforts to stem the flow of weapons into Mexico from the U.S. Confronted with the prospect that the U.S. Congress could significantly cut back on certain elements of the Merida Initiative, they worried this would set back cooperative efforts. Human rights NGOs and security experts conveyed concerns about the Merida Initiative's "disproportionate" provision of assistance to law enforcement elements on the federal level, arguing more needed to be done with local police officials and making the case for greater focus on judicial reform and economic development assistance. All recognized however that greater U.S.-Mexico cooperation in combating the drug trade was imperative. End Summary.

2. (U) Senate Foreign Relations Committee (SFRC) staffers Mark Lopes and Paul Rosen were in Mexico 3/24-3/27 coinciding for many of their meetings with House Foreign Affairs (HFAC) staffers Eric Jacobstein and Robyn Wapner in Mexico 3/24-3/26. House Appropriations Committee on Foreign Operations (HACFO) staffers Christine Kojac and Anne Marie Chotvacs visited Mexico 3/26-29.

Core Merida Initiative Team  
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3. (U) SFRC and HFAC staffers met with members of Mexico's "Core Merida Initiative (MI) Team" including representatives from the Foreign Ministry (SRE), the President's Office, and the Center for National Security Information (CISEN). Enrique Rojo, SRE's Senior Advisor to the Under Secretary for North America, described MI as a great opportunity for the U.S. and Mexico to further cooperation by attacking

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the problems facing us all at once. MI constitutes a relatively small portion of what the GOM already is spending. The GOM's 2008 budget will dedicate approximately \$3 billion to security spending -- about 25% over last year (Note: Rojo's office has since provided a new projection showing that the GoM will spend close to \$4 billion in 2008 fighting organized crime, which would constitute a 50% increase over 2007. End Note.) MI will combat consumption and corruption and enhance intelligence contributing to more effective interdiction efforts. He spoke specifically to the benefits of non-intrusive inspection methods for customs with new technology funded by MI, helping accelerate customs' transformation from a tariff based entity to a fortified investigative body. When Rosen/Lopes asked how the GOM would react if MI funding were cut in the first year by \$200M with the hard side taking a particular hit, Rojo explained inasmuch as MI was a complementary, interconnected package, any cut of that degree would damage the program's effectiveness. Rojo urged the U.S. to do more to stem the flow of arms into Mexico.

4. (U) In the HACFO staffers' meeting with the GoM MI Team, Kojac painted a fairly grim picture of the prospects for the MI. Not only would it be competing against other interests in a tough budget environment, but there were concerns in Congress about a perceived over-emphasis on hardware supports -- helicopters in particular, asking if Mexico could live with fewer. Congress would likely scale down the request and shift the program emphasis in some fashion. Sigrid Arzt, the Director of the President's National Security Council described MI as the product of a holistic approach that reflected the priorities of a variety of security elements and was designed to fit well with what each was already undertaking. Each piece was important to the whole. On the question of helicopters, GOM participants stressed the extra lift capability and mobility were key to the government's effort to seize the initiative from the cartels. Given Mexico's size and varied terrain, as well as

the fortified presence of narco-traffickers in outlying areas, speed and mobility were essential to operational success. SRE's Rojo pointed out that additional helicopters for SSP were part of MI's second installment for FY 09 -- and would support the GOM's move to shift operations away from the military to civilian law enforcement. GOM participants took exception to the characterization of the Mexican military as a chronic rights abuser. SEDENA had recently constituted a Directorate General for Human Rights that would investigate abuse allegations in conjunction with the National Human Rights Commission (CNDH). It would also be charged with engaging the NGO community and with training soldiers.

The Attorney General's Office  
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5. (U) In their meeting with representatives from the Attorney General's (PGR) Office, HFAC staffers asked about human rights and SFRC staffers focused on whether MI funds would trickle down to the state and local levels. PGR said that it viewed MI assistance as complementing GOM efforts to reform the judicial system. Reform at the federal level of the police was much farther along than at the state and local level and as such fewer abuses occurred at that level compared to the state and local level. Despite problems at the state and local level, however, many states are also making improvements with innovative programs and are seeking federal assistance.

6. In his meeting with HACFO staffers, Attorney General Medina Mora described MI funds as serving the function of a catalyst and as such would allow the GOM to tackle more rapidly its counter drug priorities. MI was important on a political level because it demonstrated U.S. readiness to assume shared responsibility. On that same score Medina Mora urged the U.S. to do more to stop the flow of weapons into Mexico as they were falling into the hands of traffickers who use them to kill Mexican law enforcement officials.

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The GOM had every intention of transferring authority for fighting the war on drugs to the police but for the time being the military was the only institution prepared to effectively assume this role. When asked about the potential political fallout if the U.S. cutback on MI assistance, Medina Mora insisted the GOM would go forward in fighting trafficking organizations as a priority but also solemnly stated that such a decision would prompt Mexico to conclude that the U.S. was not committed to assuming shared responsibility.

#### Human Rights NGOs -----

7. (U) Human rights NGO representatives used their meeting with HFAC and SFRC staffers to signal appreciation for deeper U.S-Mexico cooperation in fighting organized crime and reluctant support for the Merida Initiative. At the same time, a number of the groups conveyed concern about the military's expanded role in law enforcement and argued for dedicating more funds to police reform efforts, particularly on the local level. In their meeting with HACFO staffers, representatives from [redacted] and Mexican NGO [redacted] presented a proposal for the creation of an entity for more effectively monitoring security force compliance with human rights norms particularly in connection to MI funding. They acknowledged greater transparency about abuses and greater access to public officials but complained that GOM officials rarely addressed their concerns effectively. They hoped creation of a monitoring mechanism made up of independent representatives would hold the GOM more accountable for abuses. [redacted] representatives proved unable, however, to address HACFO staffer Kojac's questions about exactly how they envisioned this entity working.

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#### Security Analysts -----

8. (U) Each delegation participated in separate meetings with security analysts.

[redacted]  
told SFRC staffer Lopes that MI would not solve the drug problem but that it at least offered the potential to break up the major cartels into smaller ones. On a broader level, MI would foster deeper U.S.-Mexican cooperation.

-- In their meeting with HFAC staffers, [redacted]  
[redacted]

agreed Calderon's efforts to combat organized crime were unprecedented for their scope and intensity. His commitment represented an opportunity to deepen cooperation. While [redacted] supported MI he was concerned that it did not address much of the economic basis for the drug problem. He also thought more needed to be done to address corruption within the police forces. [redacted] appreciated the U.S. Congress' concern about writing a blank check to the GOM but cautioned against a strict certification process that Mexicans would find offensive. [redacted] rejected the suggestion that the Mexican military was suspect of widespread abuses. On the contrary, he remarked it was one of the more respected Mexican institutions and had not been implicated in many abuses. Both believed Calderon had taken up the fight against drugs for "political" reasons. [redacted] cynically posited it was easier for Calderon to be tough on drugs than to tackle poverty. [redacted] remarked Calderon was responding to the importance citizens attached to security and concern about corruption. He believed Calderon's priority was gaining greater cooperation out of the U.S. on the question of fighting arms trafficking than MI assistance itself. While Calderon continued to poll high, the polls had also begun to demonstrate less confidence on the efficacy of his efforts on the drug front given high levels of violence particularly in the North.

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-- [redacted] stressed with HACFO staffers that the drug trade was driven by U.S. demand. The GOM had scored some noteworthy successes over the last year and MI might contribute to more. However, as

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long as demand in the U.S. remained high, criminal elements in Mexico and elsewhere would continue to seek to make their fortunes trafficking drugs into the U.S. Both worried not enough attention was given to ridding Mexican institutions of corruption particularly at the state and local level of the police. They similarly argued for devoting more funding to economic development.

[redacted] Meets with SFRC Staffers  
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9. (C) [redacted] told SFRC staffers that most members of Congress support MI.

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[redacted] complained, however that the executive branch [redacted] needed to do a better job of explaining the initiative to Congress. [redacted] opposed overemphasis on soft side assistance and verification on grounds it would offend Mexican sovereignty.

SFRC Staffers Meet with the Mexican Military  
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10. (C) SFRC staffers signaled the U.S. Congress may fund MI at lower levels, cutting hardware, and queried about priorities. They requested clarification from SEDENA as to the number of aircraft proposed under MI vs. those the GOM planned to acquire on its own and which institutions would receive them. They indicated a desire to see more U.S.-Mexican joint operations. SEMAR indicated that it planned to purchase at least four and as many as seven new aircraft, in addition to the two surveillance aircraft provided by MI. Both SEDENA and SEMAR signaled appreciation for the increased cooperation between the U.S. and Mexico, especially in technical areas, maintaining they believed this would increase with MI. [redacted] stressed Mexico's willingness to exchange information on operations in a mutual fashion could become even more intense with forward movement on MI.

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Secretariat of Public Administration on Corruption  
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11. (U) HACFO staffers met with [redacted] at the Secretariat of Public Administration

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[ ] resources expended on security across all Mexican federal law enforcement and security agencies. He explained that SFP provides the Executive Branch with internal preventative, concurrent and ex-post audits, while a Congressional body associated with the lower house provides external ex-post audits. In this context, the SFP follows the respective body's fulfillment of its Annual Operating Plan, tracking the associated metrics. Finally, it also provided a means for citizens to redress through administrative means a public official's abuse of authority. These mature mechanisms -- established in 1988 -- could provide an alternative means to track GOM usage of MI funding and to process allegations of abuse of power that might result in human rights abuses.

#### HACFO's Staffers Meet with SSP's Garcia Luna

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12. HACFO staffers were received by SSP Secretary Genaro Garcia Luna, who provided a concise outline of the expected evolution of the Mexican police over the next five years. In that period, Garcia Luna said that the federal police would grow significantly, while the role played by the military would diminish. Central control over the state and municipal police would enforce professionalization and break the back of the pervasive corruption. Garcia Luna also committed to meeting with any human rights NGO, noting parenthetically that most problems with human rights abuses existed primarily at the state and municipal levels. He described efforts to promote greater respect for human rights through more education, including a potential cooperative training initiative with Amnesty International. He took seriously every claim of human rights abuse but complained many organized crime figures were the first to claim falsely of human rights abuses to gain an advantage in criminal proceedings.

#### Site Visits

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13. (C) The Embassy arranged a number of site visits for staffdels demonstrating current GOM



-- PGR Forensics Lab: SFRC and HACFO made separate visits to PGR's Mexico City headquarters to learn more about Mexico's national forensic lab system. They received presentations on the various types of support PGR has received in the past from both the FBI and ATF, as well as from NAS. They learned that the core of the request under MI would be used to fund the purchase of 12 new Integrated Ballistics Identification System (IBIS) for installation in PGR offices across the country. They also heard that the Mexico City office is moving into a new building in mid-2008, a complex of five buildings purchased by PGR for \$10 million. The lab is already ISO-certified for its processes (ISO 9000/9001) but cannot be certified as an ISO-compliant laboratory (ISO 17025) until it has more space within which to operate. The PGR staff also act as core trainers for the specialists employed by the other forensic labs at the state level.

-- Airport: The same two groups also visited Mexico City's airport, separately, to meet with immigration and customs authorities. The National Immigration Institute (INAMI) showed how it used SIOM today to track entering visitors and described how it wanted to extend this system to the southern border (issuing biometric-encoded border crossing cards to Guatemalans working along the border) and across more air and land ports of entry. SFRC staffers asked to have their names run in the SIOM database, and were somewhat non-plussed when they did not appear in SIOM, even though both said they had visited Mexico on several occasions since the system went live in 2001. The INM port director gave satisfactory explanations about why the records might not have appeared, due to system availability problems and confusion regarding matronyms and patronyms in the early days of SIOM. Customs explained its use of non-intrusive inspection equipment (NIIE) and how it was investing in its most critical input ) its human resources ) to ensure the professionalization of its staff and the breaking of its history of corruption. The visitors were

benefits of NAS-provided VACIS non-intrusive inspectional equipment (tens of millions of dollars worth of seized cash and narcotics) versus the relatively low initial installation cost of around \$1 million.

-- Santa Lucia Airbase: SEDENA hosted HACFO staffers at its airbase in Santa Lucia (home to the sole air force squadron that operates Bell 412s and Sikorsky (UH-60) Blackhawks). The status of the squadron was impressive

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-- SSP: SFRC staffers received a demonstration on the technology that SSP has brought to bear on its own (its new Op Center, Plataforma Mexico), as well as initiatives it has undertaken or equipment it has received with Embassy (NAS, IAC, DEA, etc.) support, including its interception model, CLANLAB trucks for dealing with HAZMAT meth labs and the corps of dog/handler teams).

14. (U) Comment: All three groups tended to focus on common themes -- concerns about human rights abuses, corruption and the need to do more to reform the police at the state and local level. Similarly, all signaled the potential for significant cuts in MI funding particularly in connection to hardware including helicopters. GOM officials did a good job addressing concerns expressed. They discussed the benefit to be derived from MI support on a programmatic level but also stressed the importance Mexico attached to MI on a political level.

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ACTION WHA-00

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C O N F I D E N T I A L MEXICO 001104

SIPDIS

E.O. 12958: DECL: 10/08/2027  
TAGS: PREL, PGOV, KCOR, MASS, KCRM, SNAR, MX  
SUBJECT: MEXICO SEEKS TO TURN THE PAGE ON CORRUPTION

Classified By: Political Minister Counselor Charles V. Barclay. Reason  
: 1.4 (b), (d).

1. (U) Summary. Turning the page on Mexico's endemic corruption problem is an essential component of President Calderon's efforts to combat organized crime. The Public Administration Secretariat (SFP), created by the Fox administration is at the center of efforts, coordinating a network of IGs in GOM offices. In 2007, SFP reported that the number of investigations conducted and public officials dismissed nearly doubled over the prior year. The Public Security Secretariat (SSP) has undertaken an ambitious program designed to eventually vet all 400,000 of Mexico's federal, state, and local law enforcement officials. Mexico's Congress passed a judicial reform bill that should make Mexico's judicial processes more transparent and accessible. Meanwhile, Mexico's military seeks to deepen its cooperative relationship with the U.S., including through the acquisition of U.S. equipment, in large measure out of a desire to reduce the potential for corruption. Mexico has far to go to put [redacted] corruption behind it but it is striking out in the right direction. Deepening U.S. cooperation through the Merida Initiative will advance

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Classified by DAS, A/GIS, DoS on : 07/30/2012 ~ Class: CONFIDENTIAL ~ Reason: 1.4(b)(d)~ Declassify on: 10-08-2027

REVIEW AUTHORITY: Adolph Eisner, Senior Reviewer

2. (U)  B1

Mexico ranked 72nd out of 179 countries across the globe and 13th out of 32 countries from the Americas in Transparency International's 2007 survey polling citizens for their perceptions regarding corruption in the public sector and the political arena. According to the World Economic Forum's Global Competitiveness Report 2007-2008, corruption and inefficient government bureaucracy were cited as the two most problematic factors for doing business in Mexico.

#### Building Institutions at the Center of Corruption Fight

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3. (U) The Fox administration took a markedly tougher stand on corruption when it took office in 2000. Fox placed some 1,500 critical sectors, including specific police units, under state surveillance. He was also the driving force behind the development of several institutions and laws aimed at combating corruption. Upon taking office, President Calderon vowed to go after organized crime head-on and in a similar vein promised to carry on Fox's efforts to crack down on corruption. Some of the following institutions have made the most noteworthy contributions to combating corruption and promoting greater transparency.

-- Supreme Audit Institution: The Mexican Congress created the Supreme Audit Institution (ASF) in 2000 with a mandate to investigate government spending at all levels including the executive, legislative, and judicial branches, other autonomous institutions, and individuals that receive public funds. According to the NGO Global Integrity, the GOM has acted on approximately 90% of the ASF's findings.

-- Federal Institute of Access to Information: The Mexican Congress created the Federal Institute of Access to Information (IFAI) in 2002 with a mandate to widen access to public information. Requests for information have risen almost fourfold in just four years from 24,097 in 2003 to 94,723 in 2007. Web browsers have consulted web portals for information about transparency obligations under Mexican law nearly 5 million times in 2007 and another 2,521,943 times in

-- In late 2002, the Fox administration established the Public Administration Secretariat (SFP) with a mandate to investigate, prosecute and punish corruption within the executive branch at the federal level. [REDACTED]

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[REDACTED] recently stressed with two House Appropriations staffers SFP's authority to produce internal preventative, concurrent and ex-post audits relying on a group of IGs in executive branch secretariats. Under the Calderon administration, the SFP dramatically increased the number of investigations it conducts and disciplinary actions it rendered in 2007 over 2006. Whereas in 2006, SFP conducted 3,597 inquiries and investigations by 2,693 federal employees resulting in the permanent dismissal of 202, dismissal of another 743 with re-employment restrictions, the suspension of an additional 953, and 1,040 reprimands, in 2007, SFP reported 6,253 inquiries and investigations resulting in the permanent dismissal of 410 federal employees, dismissal of another 1,023 with re-employment restrictions, the suspension of 1,664 employees, and 2,173 reprimands.

#### Justice Reform Makes its Contribution

4. (C) On March 6, Mexico's Congress passed a judicial reform bill that represents a major overhaul of the country's judicial and public safety system. The result of an open, constructive debate among the three branches of government and civil society, the reform should foster greater transparency, accessibility and fairness within Mexico's judicial system while providing the law enforcement community more tools to fight organized crime. The bill's most important element involves a shift from the inquisitorial system to an adversarial one based on the principal of innocence until proven guilty and involving the introduction of oral trials. [REDACTED]

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[REDACTED] As the bill proposes some changes to Mexico's constitution it must be passed by a majority (17) of Mexico's 32 state legislatures; many experts believe the bill could become law by September.

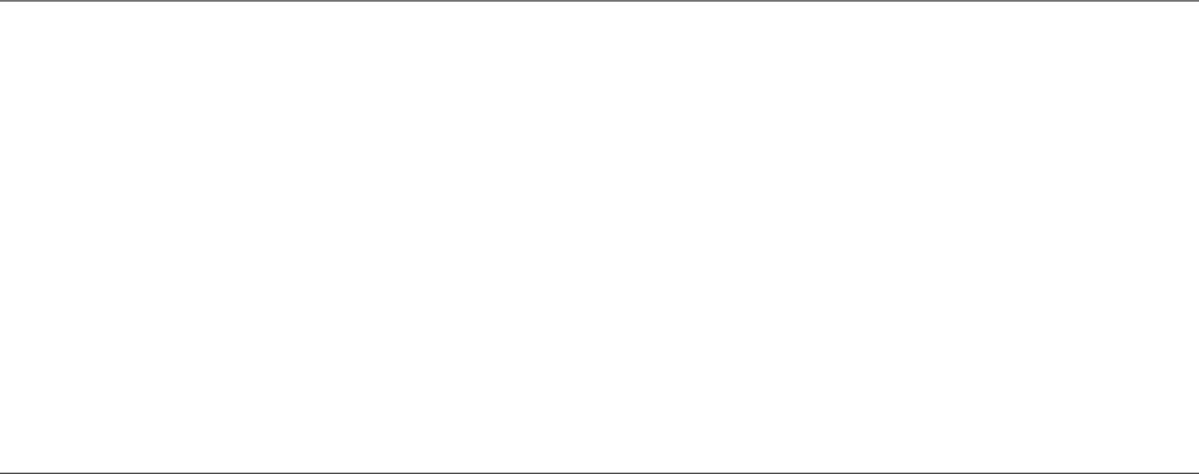
#### Police Efforts Center on Vetting

5. (U) The Secretary of Public Security (SSP), Genaro Garcia Luna has developed a plan to fold all of Mexico's disparate federal entities into one effective, respected law enforcement institution. To combat the corruption [redacted]

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[redacted] Garcia Luna draws attention to the importance of education, better pay, and punishing culprits, but his real focus has been on vetting. By mid-2008, SSP plans to have established a cadre of about 300 trained polygraphers. This group will be responsible for testing SSP's new recruits and current employees, and in the longer term, will carry out exams on state and local police. The examiners will also be made available to other federal entities. SSP officials have not been able to provide specifics about how the polygraphers would be used in support of state and local police and whether local authorities would be forced to undergo screening as opposed to invitation only. SSP's Garcia Luna believes police reforms including vetting procedures will help SSP clean house forcing corrupt officials to leave.

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Transforming Mexican Customs  
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7. (U) Mexican Customs has traditionally been a revenue collection entity [redacted] As President Calderon has stepped up the war on organized crime on all fronts, Mexican Customs has more fully embraced its transformation into a law enforcement entity. Customs officials explain that they are using non-intrusive inspection equipment (NIIE) to ensure that inspections are thorough and well-documented and training their people to break the history of corruption. Over the last year, Customs has dramatically increased its seizures of drugs and weapons. Cocaine seizures increased from 456 kg to 24,613 kg and weapon seizures increased from 281 in 2006 to 696 in 2007.

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Fighting Impunity -- the Weak Link  
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9. (SBU) Impunity for corrupt officials remains the most commonly-cited problem by independent experts and NGOs. SFP has made some inroads in building cases against government officials, but few cases successfully target high-level officials. Provisions of Mexico's labor law make it very expensive and difficult for employers, including in the public sector to fire employees. A labor reform bill before Congress could potentially ease the burden upon employers who desire greater freedom to release corrupt employees. The Justice Reform bill touched on above gives law enforcement officials greater tools to prosecute complex crimes and Mexico has scored the arrest of some major drug cartel leaders.

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U.S. Programs Contributing to the Cause  
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10. (SBU) Providing the GOM's Attorney General's Office (PGR) and the Secretariat of Public Administration (SFP) with the tools to investigate and prosecute complex criminal cases and obtain convictions of corrupt officials through the use of modern investigative techniques is the primary goal of our Narcotics Affairs Section's (NAS) Anti-Corruption program. To this end, the program provides PGR and SFP with training and technical assistance in such areas as Ethics in Government, White Collar Crime/Anti-Corruption Investigations, Management and Leadership, and other traditional investigative courses. Separately, through Georgetown University's National Strategic Information Center's Culture of Lawfulness program, experts are working with Mexico's Public Education Secretariat to develop a multi-faceted educational program focused on educating children in their formative years to recognize and reject corruption. The culture of lawfulness program has expanded providing both PGR and SFP with support to develop programs within police organizations. USG support of vetted units and the important contribution that program makes to anti-corruption were addressed prior.

11. (U) Comment. Mexico has a long way to go to overcome [redacted] corruption and its effects on society. First Fox and now Calderon, however, have demonstrated a genuine commitment to turn the page on corruption by creating institutions dedicated to investigating corruption and promoting transparent practices. Mexico's Treasury, Public Security, and Defense Secretariats each takes a different approach when it comes to combating corruption but each is focused on transforming itself into an efficient, integrity-bound institution. Judicial reform once converted into law short go far towards winning greater confidence in Mexico's judicial system.

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12. (C) [redacted]

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[redacted] U.S. programs make an important contribution to improving investigations of corruption cases and promoting a culture of lawfulness. Providing Mexico with the kind of assistance envisioned in the Merida Initiative will enable us to strengthen our joint efforts to dismantle organized crime networks. [redacted]

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1 Q So you didn't take Arturo's job offer?

2 A No, no. I didn't accept it.

3 Q Do you know who served in that position for Arturo?

4 A Well, at this time, he had a person by the name Roberto  
5 who was part of the attorney general's office. And some time  
6 later, a young man by the name of Borrado, who was also my  
7 friend, he then took over that position, as well.

8 Q Did you speak with Borrado about Arturo's payments to the  
9 defendant?

10 A Yes.

11 Q What did he tell you?

12 A Well, he told me that they were paying about \$1.5 million  
13 per month.

14 Q Did you have an understanding of whether Chapo and Mayo  
15 were making payments along with Arturo to the defendant at  
16 that time?

17 A Well, yes, because they were the same team. They worked  
18 together.

19 Q What was the relationship like between Chapo, Mayo, and  
20 Arturo in these early years, 2000 to 2006?

21 A Well, a very good one. They were partners, they were a  
22 family, Arturo and Chapo, they were cousins.

23 Q And what was the Sinaloa Cartel like in these early  
24 years, in the early 2000s?

25 A Well, it started gaining strength every single day by

1 day. In this six-year term, it became stronger.

2 Q Can you explain how it became stronger?

3 A Well, as the cartel became more powerful because of the  
4 connections they had in the different governmental  
5 institutions, this was known then by the Colombians who then  
6 became more trusting of our work, and so they started sending  
7 us smaller quantities repeatedly or larger quantities because  
8 they knew that there was security.

9 Q Were your government arrangements things that were  
10 explicitly discussed with your contract arrangements with the  
11 Colombians?

12 A Yes.

13 Q Can you explain that?

14 A Well, when you start discussing negotiations for  
15 commercial deal with the Colombians, they would then bring the  
16 coke, we would import it, and we would discuss whether they  
17 had certain safety measures in their own country, right. And  
18 then, of course, they would ask us the same questions, and we  
19 would have to tell them the reality that we were living. At  
20 the time, we had a very efficient control with the government  
21 and us, so that we could actually work.

22 Q Now, you said that the Sinaloa Cartel was growing  
23 stronger in the early 2000s. How, if at all, did its  
24 territorial control change?

25 A Oh, well, it was infamous. They started working in

1 A Yes, exactly.

2 BY [REDACTED]: The Government moves 449 into  
3 evidence, please.

4 MR. [REDACTED]: No objection.

5 THE COURT: Received.

6 (Government Exhibit 449, was received in evidence.)

7 (Exhibit published.)

8 BY [REDACTED]:

9 Q Now, did there come a time when there was a truce between  
10 the Sinaloa Cartel and the Zetas?

11 A Yes.

12 Q Approximately when was that?

13 A That had to have been in early 2004, 2005, approximately  
14 around then.

15 Q Briefly, how did that truce come about?

16 A So the Zetas found a way to ask my good friend Juan Jose  
17 Esparragoza Azul for that truce.

18 Q Were there meetings related to the truce?

19 A Yes.

20 Q Were you present for some of those meetings?

21 A For all of them.

22 Q Where were the meetings held?

23 A In Cuernavaca.

24 Q In this time period between 2000 and 2006, what  
25 importance, if any, did the defendant's support for the

1 Sinaloa Cartel play in the cartel's growth?

2 A Well, it was very important.

3 Q Can you explain that?

4 A Well, you could work a lot. It was -- because there was  
5 a lot of security. There was support given to the Sinaloa  
6 Cartel. If it was any fighting, there was support with the  
7 hitmen with the sicarios, it was very important.

8 Q Now, after this war with the Zetas ended, what was the  
9 relationship like between Arturo, Chapo, and your brother,  
10 Mayo?

11 A Well, it was good, but then there started being a little  
12 bit of friction. There were a few situations of  
13 disagreements, and the strength was lost.

14 Q Can you explain why that was?

15 A Because the war ended with the Zetas but then Arturo  
16 started working with them, and then there started to occur  
17 some incidents still in Sinaloa. There were still  
18 repercussions.

19 Q What repercussions?

20 A Vicente Carrillo was a Zeta leader, but he's also from  
21 Sinaloa, you know. So he continued, well, you know, to sort  
22 of act out against Chapo and my brother, or the Zetas who were  
23 with him, they did that, and -- so it affected the balance  
24 between the union with Arturo because he was working with  
25 them.

1 renting out houses to them, and there come a time where I  
2 rented them a house and they killed some people there. They  
3 were arrested.

4 I had also sold them a vehicle, and because the  
5 vehicle was registered to the address of the house that I had  
6 rented out to them, the house was seized.

7 Q I want to break that down.

8 Approximately when did you begin renting houses to  
9 these people who identified themselves as federal agents?

10 A Since the year 2005.

11 Q And where was this?

12 A In Cuernavaca in Morelos.

13 Q And where, specifically, did these people say they  
14 worked?

15 A For AFI and for Mr. Genaro Garcia Luna.

16 Q And what is AFI?

17 A It was a federal investigations agency that had been  
18 created in Mexico and it was -- it came -- it was an offshoot  
19 of the police.

20 Q And what, if anything else, did you see or hear that made  
21 you believe that this group of people worked for AFI?

22 A The clothing that they wore and their vests were the AFI  
23 logos, the badges that they used, their weapons. How are you  
24 going to be walking around on the street without being part of  
25 AFI? If you're not working for AFI, you can't walk around

1 like that with those badges, those uniforms, and those vests?

2 Q And did they have any vehicles?

3 A Yes. They had official-type vehicles, vans that the same  
4 way they had these logos on them that said AFI.

5 Q And how long was this time period that you rented houses  
6 to this group of people?

7 A From 2005 to 2008.

8 Q Well, did there come a time after you began renting  
9 houses to these people that you learned a bit more about who  
10 they were?

11 A That's right. After the house was seized that was in my  
12 name.

13 Q And just briefly, can you remind us what happened that  
14 led to that seizure?

15 A Yes. They killed two people, and they killed people and  
16 they were also using a car that I had sold them. It was  
17 registered to the address of the house that I rented them -- I  
18 rented them a house too -- and since it was in my name, it was  
19 seized.

20 Q And just to clarify, what year was this?

21 A In 2006.

22 Q So what happened after you learned that the house and car  
23 registered to you were associated with this death?

24 A I spoke with the person who was in charge, the person who  
25 was in charge of getting the houses rented. I spoke with that



1 person and that person told me not to worry. He said that  
2 everything was going to be okay. And he made an appointment  
3 for me to go to a place and talk with his boss.

4 Q And where did you go?

5 THE INTERPRETER: Interpreter needs to clarify, if I  
6 may, Your Honor.

7 THE COURT: (Nonverbal gesture).

8 A An appointment was made, and I was taken to a spot in  
9 Tenextepango, Morelos, and when I got to that place, it was  
10 being guarded over by members of the army, members of the  
11 state police. There were patrol cars from the federal police.  
12 There was also officers there from the General Prosecutor's  
13 Office of the State.

14 Q And what happened?

15 A I went to the house and when I went into the house, I  
16 recognized some people who worked for the Prosecutor's --  
17 General Prosecutor's Office of the state.

18 THE INTERPRETER: Interpreter's correction. From  
19 the judicial police of the state.

20 Q And what happened after you saw those people?

21 A I spoke with one of them and I found out later that he  
22 was a half brother of the Pineda Villas. He told me not to  
23 worry, that everything was going to be okay. After that, they  
24 took me to a room in the house. In the house, they offered me  
25 a glass of water, a bottle of water, and after that, they came

1 in and I found out later that it was Mario Pineda and Alberto  
2 Pineda Villa.

3 Q And just to be clear, at that time, did you know who  
4 those people were, the Pineda Villas?

5 A No. I didn't know that they worked for any organization  
6 for the cartel. I had seen them a few times.

7 And Mario Pineda, I actually thought he might be a  
8 family member of one of the AFI agents because the way that  
9 they carried themselves and the way that they had the  
10 bodyguards and were armed.

11 Q And so what happened when you spoke to this person who  
12 you later learned was Mario Pineda Villa?

13 A He asked me if I knew who I was working for.

14 Q And what did you say when he asked you if you knew who  
15 you were working for?

16 A I said yes, for AFI and for Genaro Garcia Luna and his  
17 people, I said.

18 Q And what did that person who you later learned was Mario  
19 Pineda Villa say?

20 A He said no, you're wrong. Neither you nor we work for  
21 Genaro Garcia Luna; Genaro Garcia Luna works for us.

22 Q And did you eventually learn who Mario Pineda Villa was?

23 A Yes. He asked me if I wanted to work for him. He said,  
24 I'm Mario Pineda Villa, I am known as MP, and he asked me if I  
25 want to work for them for the Sinaloa Cartel, and I said yes.