



FOREIGN OPERATIONS REVIEW: MEXICO

Minority Report of Senator Charles E. Grassley, Co-Chair
United States Senate
Caucus on International Narcotics Control

118th Congress
September 7, 2023



Table of Contents

I. Executive Summary.....	3
II. Recommended Actions	6
III. Index of Relevant Secretariat of Public Security (SSP) Officials.....	6
IV. U.S.-Mexico Relations Leading-up to the Mérida Initiative were Fraught with Corruption .	10
V. The Mérida Initiative Was Developed With Little Congressional Input	17
VI. Intense Pressure to Implement the Mérida Initiative Made it Vulnerable to Cartel Manipulation	20
VII. The Executive Branch Shirked its Responsibility to Police Corruption	26
VIII. The DEA had evidence Mexican officials were corrupt, but still gave them training, intelligence, and awards.....	31
IX. The State Department’s “Fifteen Percent Reports” to Congress Were Deficient	38
X. The State Department Lost Control of U.S. Provided Resources to Mexico.....	40
XI. The Fallout.....	45
A. The Corruption Botched Capture Operations of High Value Targets And Cost Lives..	49
B. The Sinaloa Cartel Brutally Murderd Scores of People, Including U.S. Informants.....	50
XII. The Current Administration’s “One DEA” Approach Appears to be Exacerbating the Problem.....	52
XIII. Conclusion	54
Appendix A.....	55
A. Table of Organizations	55
B. Table of Names.....	65

Section I. Executive Summary

For the past 40 years, U.S. officials have overlooked widespread corruption in Mexico in favor of cooperating with and funneling resources to foreign actors. The costs were enormous in terms of human lives and taxpayer resources. Witness testimony from several trials in American courtrooms has proven scores of Mexican officials at all levels of government receive monthly bribes from the cartels.¹ This testimony dates back to the 1990s and implicates a sitting Mexican presidential cabinet member in the 1985 torture and murder of DEA Agent Enrique “Kiki” Camarena.

Efforts to collaborate with Mexico against organized crime have failed² because of heavy reliance on hidden cartel operatives in the Mexican government, like Genaro García Luna. On February 21, 2023, a jury in the Eastern District of New York found García Luna guilty of conspiring with the Sinaloa Cartel to traffic drugs into the United States. García Luna served as Mexico’s Secretary of Public Security (“SSP”) from 2006 to 2012.³ In that role, “he controlled his country’s entire Federal Police force”⁴ and had access to U.S. intelligence and billions of dollars in U.S. resources. He used this access to further the objectives of the Sinaloa Cartel. Cartel members testified this government corruption was critical to growing the Sinaloa Cartel⁵ and today the Sinaloa Cartel is one of the greatest criminal drug threats to the United States.⁶ The Sinaloa Cartel’s security arrangements with the Mexican government even allowed it to charge higher rates than other drug organizations.⁷ As one cartel member explained, “The cartel doesn’t function without the government’s help.”⁸

Justice Department officials had credible information García Luna and his subordinates were working for the Sinaloa Cartel when U.S. officials gave them access to U.S. intelligence

¹ Many of these witnesses are violent drug lords but the United States government believed this testimony was credible enough to present at various criminal trials. In each case, the jury convicted the defendants. It follows that the government should also treat this testimony as worthy of influencing policy decisions.

² 2023 Video of the Jalisco New Generation Cartel (CJNG) (attached).

³ García Luna served as SSP Secretary from 2006 to 2012. According to U.S. human rights reporting, roughly 26,121 people disappeared during that time. Mexico 2013 Human Rights Report at 4 [hereinafter 2013 Fifteen Percent Report] (Obtained through FOIA through FL2021-0016 B-00001941039). This is due to a confluence of factors.

⁴ Trial Transcript at 20:21-22, *United States v. García Luna*, 19-CR-576 (E.D.N.Y. 2023) [hereinafter Garcia Luna Tr.] (Government Opening).

⁵ García Luna Tr. 62:21-65:18 (Barragán Direct); *Id.* at 831:3-7 (Avila Re-Direct) (“the cartel doesn’t function without the government’s help”); *Id.* at 1459:2-12 (Zambada Direct) (“Q: what is the importance of the connections with the government? A: Well, it’s really the most important one for the cartel to flow and to have a certain affluence and for it to grow, do you understand?”).

⁶ *U.S. Department of Justice Before the Senate Committee on Foreign Relations for a Hearing Entitled “Countering Illicit Fentanyl Trafficking”*, 118th Cong. 4 (2023) [hereinafter Foreign Relations Fentanyl Hearing] (statement of Administrator Milgram) (“The Sinaloa and Jalisco Cartel pose the greatest criminal drug threat the United States has ever faced.”)

⁷ Trial Transcript at 1857:16-1858:9, *United States v. Guzman Loera*, 09cr466 (E.D.N.Y. 2019) [hereinafter El Chapo Tr.]; *Id.* at 1909:2-25 (Ramirez Direct); García Luna Tr. at 1765:1-11 (Government closing argument) (explaining how government corruption allows cartels to charge higher prices for the cocaine).

⁸ García Luna Tr. 831:3-7 (Avila Re-Direct); El Chapo Tr. at 1833:18-20 (Ramirez Direct) (“It’s impossible to be the leader of a cartel in Colombia without having that corruption. They go hand-in-hand.”).

and resources through the Mérida Initiative.⁹ In recent years, Senator Grassley repeatedly asked Justice and State Department officials to explain how the executive branch gave congressionally appropriated resources to Sinaloa Cartel operatives and what efforts they took to uncover this corruption. These requests were designed to: identify methods for improving foreign law enforcement operations, reduce intelligence leaks, and prevent deaths in Mexico and the United States. The executive branch failed to respond. Exhibit 1 of Appendix B contains Senator Grassley's requests and the executive branch's inadequate responses. The Biden Administration's repeated failure to respond to constitutionally mandated oversight has hampered this report and accompanying legislative fixes. In spite of the administration's stonewalling, this report follows the available facts and proposes some solutions.

While the executive branch was unwilling to talk to Congress,¹⁰ it provided information about its operations and prosecutions to the federal courts. In the absence of cooperation from the executive branch, this report heavily relies on those court records, Freedom of Information Act (FOIA) records, and reporting from investigative journalists.¹¹ These documents show that U.S. officials gave sensitive information and resources to individuals despite credible evidence they worked for the cartels. By turning their backs on government corruption in Mexico, U.S. officials enabled the cartels' growth. As explained in further detail below, this report reveals alarming discoveries, including:

- The Drug Enforcement Administration (DEA) had credible information in 2010 that García Luna worked for the Sinaloa Cartel. It did not share this information with the Deputy Chief of Missions at the U.S. Embassy in Mexico or the U.S. Ambassador to Mexico, Earl Wayne. Instead, García Luna continued to receive U.S. resources and intelligence for two years after the DEA knew of his corruption.
- The DEA had credible information the commander of its embedded Sensitive Investigative Unit (SIU)¹² was corrupt but continued to give the commander awards,

⁹ The Mérida Initiative was a U.S.-Mexican security cooperation initiative for which Congress provided more than \$3 billion from FY2008-FY2021.

¹⁰ FOIA records reflect the same pattern and practice during Congress's Fast and Furious Investigation. E-mail from Marcos Mandojana to Anthony Renzulli, Subject Fast & Furious Qs & As, (obtained under FOIA through U.S. Dep't of State Case No. F-2016-07853, Doc. No. C06527215) ("Note the final answer is a non-answer, but that's the best we can do. (Obviously, basically no way that DOJ asked for an export license as part of questionable op to allow guns to 'walk' into Mexico, especially since it wasn't DOJ providing the guns, but given legal cases and investigations, PM and other are being very cautious.)"); Kevin O'Reilly, Subject: re: Quite The Press Release and Letter (Mar. 30, 2011), (forwarding Senator Grassley's letter asking for details about operation Fast and Furious and stating, "It just does not stop.")

¹¹ This report focuses on the period from 2007 to 2012 because the trial testimony covers that time-period and many of the State Department records from those years were released through FOIA requests. Nonetheless, it provides lessons and recommendations that can improve current and future cooperation with Mexico.

¹² SIUs are "units of foreign law enforcement personnel that the DEA has put through a security screening" that work with U.S. law enforcement and receive U.S. training and resources. Office of Inspector General, *The Drug Enforcement Administration's International Operations*, Report No. 07-19, (Feb. 2007) <https://oig.justice.gov/reports/DEA/a0719/chapter3.htm>.

training classes, and law enforcement sensitive information. At least one DEA cooperator died because this commander leaked information to the cartels.¹³

- In 2009, the Colorado Department of Corrections (CDOC) Supermax facility committed to share drawings from the Colorado State Penitentiary 1 facility with SSP officials. We know now Sinaloa Cartel operatives infiltrated the SSP, which raises major concerns about whether the CDOC provided this sensitive information.
- From 2009 to 2011, the U.S. government did not perform a single unscheduled inspection of the equipment donated to the Mexican government through the Mérida Initiative. Of the scheduled inspections, the U.S. physically inspected 55% of equipment in 2008 and 2009, 81% in 2010, but only 10% in 2011.¹⁴
- According to trial testimony, Manuel Bartlett-Díaz conspired to kill DEA Agent Camarena with the Guadalajara Cartel when he was Secretary of the Interior.¹⁵ Years later, he participated in congressional discussions about the Mérida Initiative as a Mexican Senator. Today, he serves in President López Obrador's cabinet as head of the state-owned electricity provider.

Despite these serious mishaps, the U.S. continues funneling money to Mexico with little congressional oversight. The State Department's FY2024 Budget requests \$48 million to Mexico for International Narcotics and Law Enforcement efforts¹⁶ with the stated objective that, "[i]n Mexico, funds will strengthen law enforcement capabilities, the rule of law, integrated border security and other efforts outlined in the US-Mexico Bicentennial Framework for Security, Public Health, and Safe Communities, with a sustained focus on reducing fentanyl production and trafficking."¹⁷

As shown in this report, U.S. resources given to Mexico have historically been unsuccessful in achieving these objectives. Today, Mexican officials are legally required to report interactions with U.S. law enforcement to the Secretaries of Foreign Affairs and Security and Citizen Protection, and provide the subject and object of the contact.¹⁸ This is an unworkable

¹³ Sentencing Hr'g at 29-30, *United States v. Reyes Azarte*, 17-CR-84, ECF No. 74 (N.D. Ill. Nov. 8, 2018) [hereinafter *Reyes Azarte Sentencing Hr'g*] (Barragán Direct).

¹⁴ Memorandum from AMEMBASSY MEXICO to SEC STATE WASHDC 0027, Subject: Mexico NAS: End-Use Monitoring Report for Calendar Year 2011 (Feb. 2012) [hereinafter 2011 EUM Report] (Obtained through FOIA through U.S. Dep't of State, Case No. F-2012-34686, Doc. No. C05335652); Memorandum from AMEMBASSY to SEC STATE WASHDC 5977, Subject: Mexico: End-Use Monitoring Report for Calendar Year 2010 (Mar. 2011) [hereinafter 2010 EUM Report] (Obtained through FOIA through U.S. Dep't of State Case No. F-2012-34686, Doc. No. C05335649); Memorandum from AMEMBASSY MEXICO to SECSTATE WASHDC 0261, Subject: Mexico NAS: End Use Monitoring Report for Calendar Year 2009 (Jan. 2010) [hereinafter 2009 EUM Report] (Obtained through FOIA through U.S. Dep't of State Case No. F-2012-34686, Doc. No. C05335651).

¹⁵ Appendix of Trial Transcripts at 242:18-23, *United States v. Zuno-Arce*, CR 87-422 (C.D. Cal. 1998), ECF No. 2196, [hereinafter *Zuno-Arce App.*] (Godoy Direct) (non-recanting witness).

¹⁶ U.S. Dep't of State, Congressional Budget Justification Department of State, Foreign Operations, and Related Programs Fiscal Year 2024 at 204 (International Narcotics and Law Enforcement (\$ in thousands) FY 2024 Request Mexico, 48,000).

¹⁷ *Id.* at 148.

¹⁸ Secretaría de Gobernación, *Guidelines that Regulate the Relationship of Public Servants with Foreign Agents*, (last accessed July 31, 2023), DOF - Diario Oficial de la Federación.

framework for law enforcement and demands that Congress re-evaluate policy in the Western Hemisphere. This report is an initial attempt to evaluate the Mérida Initiative's successes and failures to more effectively dismantle the cartels. Given the scope of the inquiry and lack of participation from the executive branch, this analysis will continue even after the publication of this report.

Section II. Recommended Actions

- The DEA should direct its agents to ask cooperating sources about corruption and should specifically include a section in their DEA-6 report of investigation form for memorializing that information. It should actively follow-up on these leads. The DEA should also reinforce or develop better procedures for sharing this information with host-country embassy officials and Congress.
- The DEA should collaborate with Congress to evaluate its SIU program, vetting practices, and compliance with Leahy vetting¹⁹ and the Foreign Assistance Act's prohibition on providing funds to drug traffickers. The SIU model may not be the correct framework for all partner countries.
- The executive branch should coordinate with Congress on spending objectives, management of funds, and the policing of corruption.
- The executive branch should coordinate with Congress on selecting the programs the United States funds in Mexico.
- The United States should focus on working with time-tested allies to target the critical infrastructure and network of the cartels in countries where U.S. agents have more control of the operational plan. Congress should actively study the critical infrastructure of the cartels and develop tools to dismantle this infrastructure both within and outside of the law enforcement context.

Section III. Index of Relevant Secretariat of Public Security (SSP) Officials

A working knowledge of Mexican government institutions, criminal organizations, government officials, and criminal actors is necessary to understand this report. Appendix A provides this background. This section only summarizes the corrupt SSP officials mentioned throughout this report.

Genaro García Luna
Secretary of Public Security

¹⁹ Leahy vetting laws prohibit U.S. assistance to foreign security force units when there is credible information that the unit has committed a gross violation of human rights. Michael A. Weber, CRS IF10575, *Global Human Rights: Security Forces Vetting ("Leahy Laws")* (updated Aug. 5, 2022).

a.k.a. “Tartamudeo”, “Metrallleta”²⁰

Genaro García Luna began his career in public service in 1989. From 1989 to 1997, he worked as an analyst at the Center of Investigation and National Security (“CISEN”). From 1998 to 2000, he was a supervisor in the Preventative Federal Police (“PFP”). From 2000 to 2001, he was the Director of Planning and Operations for the Federal Judicial Police. From 2001 to 2006, he was the Director of the Federal Investigative Agency (“AFI”).²¹ In 2006, García Luna was promoted to Secretary of Public Security, a position within the presidential cabinet.²² In that role, he oversaw public security for the entire country. In 2012, García Luna moved to the U.S. and became a U.S. citizen.²³ On February 21, 2023, a jury convicted him of conspiracy to distribute cocaine internationally, conspiracy to distribute and possess cocaine, conspiracy to import cocaine, continuing criminal enterprise, and making false statements.²⁴ The Sinaloa Cartel and Beltrán Leyva Organization (“BLO”) bribed García Luna throughout his time in the Mexican government.²⁵ García Luna was tasked with coordinating all of Mexico’s efforts under the Mérida Initiative and strategized with U.S. officials “at the most senior levels,” including with the U.S. Attorney General, DEA Administrator, Secretary of Homeland Security, Federal Bureau of Investigation (FBI) Director, and Congress.²⁶

Facudon Rosas

Commissioner General of the Federal Police, SSP

In 1989, Facudon Rosas joined CISEN, where he met García Luna.²⁷ In 1999, he was Director General of Terrorism in the PFP. In 2001, he was promoted to Director of Tactical Analysis at the AFI. In 2008, he was undersecretary of Strategy and Police Intelligence for the SSP. In the last few months of that year and into 2009, Rosas served as Undersecretary of Prevention, Liaison, and Human Rights in the SSP. From 2009 to 2012, he was the Commissioner General of the Federal Police. In that role, he was in charge of the capture operation for Edgar Valdez Villarreal, a.k.a. La Barbie. Rey Zambada testified that he paid Rosas to help move cocaine through the Mexico City International Airport.²⁸ Rosas was arrested in 2022 after he ran over a woman with his car.²⁹ He faced additional charges in Mexico for his involvement in the U.S. gunwalking operation “Fast and Furious,” but was ultimately released.³⁰

²⁰ García Luna Tr. 747:16-22 (Avila Direct).

²¹ *Id.* at 28:20-29:24 (Defense Opening); 61:1-20 (Barragán Direct).

²² *Id.* at 21:6-18 (Government Opening).

²³ *Id.* at 28:20-29:24 (Defense Opening).

²⁴ Jury Verdict, *United States v. García Luna*, 1:19-cr-00576 (E.D.N.Y. Feb. 22, 2023).

²⁵ El Chapo Tr. 1102-06 (Rey Zambada Cross)

²⁶ García Luna Tr. 31:18-25 (Defense Opening).

²⁷ El Universal Staff, Who is Facundo Rosas? One of García Luna’s Close Collaborators, El Universal (Feb. 24, 2023), Who is Facundo Rosas?, one of García Luna’s close collaborators | The Universal Puebla (eluniversalpuebla.com.mx).

²⁸ García Luna Tr. 1499:20-1500:1 (Rey Zambada Direct).

²⁹ ForoTV Staff, Así Fue la Intensa Movilización Tras Captura de Facundo Rosas, ForoTV (uploaded Jan 27, 2022), Así fue la intensa movilización tras captura de Facundo Rosas | Así fue la intensa movilización tras la captura de Facundo Rosas en la Ciudad de México #Hora21 | By NMás | Facebook.

³⁰ J.A. Allen, Facundo Rosas is Re-apprehended After Being Released in the ‘Fast and Furious’ case, Then 24 (July 17, 2022), Facundo Rosas is reapprehended after being released in the 'Fast and Furious' case - Then24.

Luis Cárdenas Palomino

Director of Regional Security of the Federal Police

Luis Cárdenas Palomino was García Luna's right-hand man.³¹ In 2008, he was intelligence coordinator for the crime prevention center of the Federal Police.³² In 2010, he became the head of the Regional Security Division. As García Luna gained power within the Mexican government, Cárdenas Palomino handled most of the interactions with the cartels and took possession of the bribe payments.³³ He is under U.S. indictment for (1) international cocaine distribution conspiracy; (2) conspiracy to distribute and possess with intent to distribute cocaine; and (3) conspiracy to import cocaine. According to reports, Cárdenas Palomino joined Adamantium Private Security in 2013, a corporation specializing in espionage and private security.³⁴ Adamantium reportedly received at least 24 federal public contracts from the Mexican government after Cárdenas Palomino joined the company. Some of these contracts allegedly relate to the Mexico City International Airport and various fuel stations.³⁵

Ramón Pequeño García

Head of the Anti-Drug Division of the Federal Police

Ramón Pequeño García was the head of regional security in Mexico City from 2007 to 2009.³⁶ He oversaw law enforcement operations at the Mexico City International Airport. In this capacity, he helped the Sinaloa Cartel transport cocaine.³⁷ Ramón Pequeño reported to García Luna and was in charge of the SSP's narcotics division.³⁸ The DEA SIU fell under his division and DEA worked with him on an almost weekly basis.³⁹ He reportedly was in charge of monitoring the security cameras of the maximum-security penitentiary centers through *Plataforma Mexico* (Platform Mexico)⁴⁰ when El Chapo escaped in 2015.⁴¹ He was also seen meeting with Arturo Beltrán Leyva.⁴² Rey Zambada testified that he paid Ramón Pequeño to assist with the Sinaloa Cartel's cocaine loads at the Mexico City International Airport.⁴³

³¹ García Luna Tr. 83:1-6 (Barragán Direct).

³² Noroeste Staff, *Prisoned, Dead, and Formally Accused of Drug Trafficking by the US They are Calderón's Security Men*, Noroeste (July 3, 2023) [hereinafter *Calderón's Security Men*], <https://www.noroeste.com.mx/nacional/presos-muertos-y-acusados-de-narcos-formalmente-por-eu-son-los-hombres-de-seguridad-de-calderon-AYNO1203829>.

³³ García Luna Tr. 115-16; 150:5-8 (Barragán Direct).

³⁴ Noroeste Staff, *Calderón's Security Men*, *supra* note 31.

³⁵ *Id.*

³⁶ García Luna Tr. 650:8-14 (Arellano-Aguilera Direct).

³⁷ *Id.* at 651-65 (Arellano-Aguilera Direct).

³⁸ *Id.* at 956:10-13 (Madrigal Direct).

³⁹ *Id.* at 955:10-21 (Madrigal Direct).

⁴⁰ Platform Mexico was a technology platform that "connected more than 600 points throughout the country to include 169 Federal Police stations" and allowed for information sharing. Memorandum from AMEMBASSY MEXICO to WASHDC, SECSTATE, Subject: Narcotics Affairs Section Mexico Monthly Report for November 2009 (Dec. 15, 2009) [hereinafter *NAS Nov. 2009 Rept.*] (Obtained through FOIA through U.S. Dep't of State Case No. F-2011-02924, Doc. No. C17690123).

⁴¹ Noroeste Staff, *Calderón's Security Men*, *supra* note 31; García Luna Tr. 972:4-16 (Madrigal Direct).

⁴² García Luna Tr. 126:23-127:18 (Barragán Direct).

⁴³ *Id.* at 1499:20-24 (Rey Zambada Direct).

Ivan Reyes Arzate

*Commander of the Sensitive Investigative Unit
a.k.a. Reina*⁴⁴

From 2003 to 2016, Ivan Reyes Azarte was a Mexican Federal Police Officer assigned to the DEA SIU.⁴⁵ From 2008 to November 1, 2016, he was the Commander of the SIU. In this role, he was the primary point of contact for the DEA to communicate with the SIU. The DEA interacted with him weekly to request investigative support.⁴⁶ He used this role to pass information to the Sinaloa Cartel. Reyes Azarte hampered arrest operations for El Chapo.⁴⁷ He also solicited information from U.S. law enforcement about U.S. investigations and transmitted it to the cartels.⁴⁸ Reyes Azarte reported to Ramón Pequeño.⁴⁹ Between 2002 and 2016, Reyes Azarte received at least 15 training sessions and awards from the United States.⁵⁰

Édgar Millán

*Mexican Federal Police, Acting Commander of Anti-drug Operations*⁵¹

Édgar Millán worked for the Sinaloa Cartel.⁵² Under Millán’s direction, the Federal Police began conducting operations against the BLO.⁵³ In May 2008—roughly one month after war between the Sinaloa Cartel and Beltrán Leyva Organization (BLO) began—Arturo Beltrán Leyva directed the murder of Millán at Millán’s home.⁵⁴ The U.S. Embassy reported this murder to the Secretary of State and described Millán as a “close confidante of SSP García Luna.”⁵⁵

Victor Garay Cadena

*Interim commissioner for the Federal Preventative Police*⁵⁶

Victor Garay Cadena worked for the AFI and later became a commander in the Mexican Federal Police. He handled a unit within the Federal Police that engaged in special operations focusing

⁴⁴ *Id.* at 126:13-16 (Barragán Direct).

⁴⁵ Redacted Government’s Sentencing Memo at 1, *U.S. v. Reyes Azarte*, 1:20Cr00030 (E.D.N.Y. Feb. 1, 2022), ECF No. 36.

⁴⁶ *Id.*; García Luna Tr. 957:7-19 (Madrigal Direct).

⁴⁷ *Id.* at 1333-44 (Moreno Direct).

⁴⁸ Reyes Azarte Sentencing Hr’g at 179:8-14 (Azarte Allocution).

⁴⁹ García Luna Tr. 957:19-22 (Madrigal Direct).

⁵⁰ Defendant’s Certificated in Support of His Position Paper, *United States v. Reyes Azarte*, 17-CR-84 (N.D. Ill Aug. 22, 2018), ECF No. 66.

⁵¹ García Luna Trial Tr. 126:23-127:11 (Barragán Direct).

⁵² *Id.* at 123:24-124:4 (Barragán Direct).

⁵³ *Id.* at 173 (Barragán Direct).

⁵⁴ *Id.*; James C. McKinley, *Gunmen Kill Chief of Mexico’s Police*, N.Y. Times (May 9, 2008), <https://www.nytimes.com/2008/05/09/world/americas/09mexico.html>.

⁵⁵ Memorandum from AMEMBASSY MEXICO to SEC STATE WASHDC 1828, Subject: Narc-violence Spikes, Top Cops Targeted, at 3 (May 2008) (Obtained through FOIA through U.S. Dept. of State Case No. F-2012-33603, Doc No. C05287294).

⁵⁶ Noroeste Staff, *Former PFP Commissioner Arraigned for Link to El Mayo*, Noroeste (June 11, 2015), <https://www.noroeste.com.mx/nacional/arraigan-a-ex-comisionado-de-pfp-por-vinculo-con-el-mayo-BSNO83542>.

on drug traffickers.⁵⁷ He reported to García Luna and was a corrupt police officer who worked for the Sinaloa Cartel.⁵⁸

Edgar Bayardo

*Mexican Federal Police, Commander of Anti-Drug Operations*⁵⁹

Edgar Bayardo was a commander within the Mexican Federal Police Narcotics Unit. This unit was independent of the DEA SIU.⁶⁰ He reported to Víctor Garay Cadena. Bayardo assisted the Sinaloa cartel in committing at least two murders.⁶¹ His car was videotaped outside the residence of Rey Zambada.⁶² The DEA took stills of this video and gave them to Bayardo's boss, Garay Cadena, who was also corrupt.⁶³ Bayardo was arrested in 2008 for working with the Sinaloa Cartel during an anti-corruption sweep of Mexico's Federal Police.⁶⁴ Bayardo became a cooperator and was in witness protection when he was gunned down in a Starbucks in Mexico City in 2009.⁶⁵ Rey Zambada testified that he paid Bayardo to assist with the Sinaloa Cartel's cocaine loads at the Mexico City International Airport.⁶⁶ Rey Zambada met Bayardo when Amado Carrillo was still alive⁶⁷ and he paid the Federal Police to promote Bayardo.⁶⁸ Bayardo had a "close relationship" with the DEA and Bayardo would speak with DEA agents via radio while in Rey Zambada's office with Rey Zambada present.⁶⁹

Section IV. U.S.-Mexico Relations Leading-up to the Mérida Initiative were Fraught with Corruption⁷⁰

⁵⁷ García Luna Tr. 958:6-18 (Madrigal Direct).

⁵⁸ *Id.* at 127:19-24 (Barragán Direct).

⁵⁹ Jams C. McKinley, *Gunmen Kill Chief of Mexico's Police*, N.Y. Times (May 9, 2008), <https://www.nytimes.com/2008/05/09/world/americas/09mexico.html>.

⁶⁰ García Luna Tr. 960 (Madrigal Direct).

⁶¹ El Chapo Tr. 956-58 (Rey Zambada Direct Examination) ("Mechudo (hitman) told me, that's okay, but we need some help to locate him. Tell Bayardo to help me because he must know who he is because he works for the same agency."); *Id.* at 960 ("Bayardo detected him one day that he was going to travel and he took him in and he gave it up to Mechudo (hitman) and he was killed.").

⁶² García Luna Tr. 978-82 (Madrigal Direct).

⁶³ *Id.*

⁶⁴ Reuters Staff, *Drug Hitmen in Suits Kill Key Witness in Mexico*, Reuters (Dec. 1, 2009), <https://www.reuters.com/article/us-mexico-drugs/drug-hitmen-in-suits-kill-key-witness-in-mexico-idUSTRE5B10LS20091202>.

⁶⁵ *Id.*

⁶⁶ García Luna Tr. 1499:20-24 (Rey Zambada Direct).

⁶⁷ *Id.* at 1505:23-1506:1 (Rey Zambada Direct).

⁶⁸ *Id.* at 1507:22-1508:19 (Rey Zambada Direct).

⁶⁹ *Id.* at 1762:19-23 (Government's closing argument).

⁷⁰ This section relies on trial testimony from the Zuno-Arce and Matta Ballesteros trials. The court threw out the Matta Ballesteros verdict after the Department of Justice repudiated the testimony of the FBI forensic analyst who placed Matta's hair sample at the Kiki murder scene. *Vasquez-Valdez v. U.S.*, No. 16-09685, 2019 WL 1359732, at *7 (C.D. Cal. Mar. 25, 2019). An Office of Inspector General ("OIG") report found roughly 162 cases in which the FBI forensic analyst committed egregious errors. *Id.* One of the three cooperators who testified about the Kiki Camerena murder plot later recanted his testimony. *U.S. v. Zuno-Arce*, 339 F.3d 886, 889-90 (9th Cir. 2003). However, the district court found his recantation unreliable. *Id.* The recanting witness "changed his story back and forth several times, before finally testifying that the story he told during Zuno-Arce's first trial was the truth." *Id.* The Ninth Circuit held, "Considering [the recanting witness's] history of self-interested recantations, the district

FINDING: The United States has a long history of ignoring extensive corruption in Mexico in order to generate agency arrest and seizure statistics at great risk to individual federal agents.

For decades, the U.S. government repeatedly turned a blind-eye to extensive corruption in Mexico. In 1983, Mexican drug traffickers paid an estimated \$3.2 million in bribes to Mexican government officials.⁷¹ The money bought widespread influence. In the 1980s the chief of the Homicide Bureau for the State Judicial Police quartered out of a hotel owned by Guadalajara cartel boss Miguel Felix Gallardo, a.k.a. “el Jefe de Jefes.”⁷² Major police commanders partied alongside major drug traffickers, each paying their respects to Guadalajara cartel founder Rafael Caro-Quintero.⁷³ The Guadalajara cartel even loaded suitcases of cash onto their private jet, landed it in a Mexican military camp, and bought-off then-Mexican Army General Juan Arevalo-Gardoqui.⁷⁴

Against these odds, D.C. officials sent just six DEA agents to Guadalajara to investigate the cartel.⁷⁵ None of them had permission to carry a firearm.⁷⁶ Senior DEA officials in Washington refused to believe reports from the Guadalajara DEA agents about the scale of the problem. Instead, Washington instructed them to “concentrate on making arrests or helping to make arrests for statistics.”⁷⁷

court did not clearly err in determining that the recantation was, at best, unreliable. Further, [his] recantation, even if true, does not demonstrate anything about the truth or falsity of [the other two witnesses’] testimony.” *Id.* This report relies on the testimony of the two non-recanting witnesses. Those individuals were criminals and received money for their testimony. However, the Ninth Circuit determined, “those facts, without more, do not demonstrate falsity.” *Id.* at 890.

⁷¹ Noah Hurowitz, *El Chapo The of the World’s Most Infamous Drug Lord*, 71 (Atria Books 2021).

⁷² Zuno-Arce App. at 179:18-25 (unknown witness).

⁷³ *Id.* at 183 (Harrison Direct) (non-recanting witness) (“Q: Do you recall what the occasion for this party was? A: Well, as far as – I recall what I was told by Mr. Fonseca, that it was the Día of Rafael, and it was there for the Saints Day for Rafael Caro-Quintero . . . Q: How many people do you estimate were present during this party? A: There were a lot of people. There were 175, 200 people. There were a lot of people there. Q: Were most of the major traffickers there? A: Many of the major traffickers were there. The commandants of the Federal Judicial—yes many of the major traffickers were there. Q: Were any law enforcement personnel there? A: The major law enforcement officers for all the federal agencies and state agencies, and the State of Jalisco and the country of Mexico were there”).

⁷⁴ Zuno-Arce App. at 226-30 (Godoy Direct) (non-recanting witness). *See also*, Government’s Proffer re Witness Guillermo Flores; Memorandum and Points of Authorities, *U.S. v. Caro-Quintero*, 87-422 (C.D. Cal. Dec. 8, 1992), ECF No. 1928 (Describing that Mexican Army soldier Guillermo Flores was ordered to stop destroying marijuana fields owned by Ruben Zuno-Arce, the brother-in-law of ex-president Luis Echeverria, and was offered bribe money); Trial Transcript at 2-53:12-17, *U.S. v. Matta Ballesteros*, 87-422 (C.D. Cal. 1990) [hereinafter *Matta Trial Tr.*] (Kuykendall Re-Direct) (“Q: There was an incident once where you gave the Mexican Army information about a marijuana field and they reported back to you that they had taken down and burned the field, but it turned out they harvested the marijuana instead; isn’t that correct? A: That is right.”).

⁷⁵ *Matta Trial Tr.* 1-106:20 to 1-107:2 (Kuykendall Direct) (non-recanting witness).

⁷⁶ Zuno-Arce App. at 471 (Transcript of Kiki torture) (“they do not let me carry my gun here.”); *Matta Trial Tr.* 2-11:10-12 (Kuykendall Direct) (Q: Okay. You weren’t permitted to carry weapons either, were you? A: No.”).

⁷⁷ *Matta Trial Tr.* 2-32:1-12 (Kuykendall Cross) (non-recanting witness) (“Q: Were there times when you attempted to convince higher D.E.A. officials in Washington that the amounts of marijuana that were being grown were so big that they had to do something about it, but that you were basically put down and they said ‘concentrate on making arrests or helping to make arrests for statistics’? A: Well, I was constantly attempting to convince Washington, D.C.

Together, the Mexican government and the Mexican drug lords devised a plan to hoodwink the United States by planting decoy marijuana fields that they turned over for government destruction.⁷⁸ The plan worked until DEA Agent Kiki Camarena discovered the real fields. The resulting \$5 billion marijuana loss⁷⁹ kicked off a series of four meetings between Mexican officials and the Guadalajara cartel where they discussed their mutual DEA problem.⁸⁰ The plot to kill Kiki originated during the first meeting. A former Jalisco State officer testified about that meeting:

Q: And what was your job at this point?

A: I was supposed to be taking care of everybody.

Q: Where did you situate yourself?

A: By the door in the middle which interconnects the two [hotel] rooms.

...

Q: Do you recall anything that was said at this meeting?

A: The drug traffickers started to argue and to ask Ernesto Fonseca-Carrillo and Rafael Caro and they were asking [Mexican Interpol Director]⁸¹ Miguel Aldena⁸² what was going on with the DEA agent, why they were losing so many fields, and they weren't respecting all of that money that they were giving them. They said to Aldena 'Have you already talked to the DEA person?' And Aldana answered that he had gone to speak with him, but that he didn't want to accept the deal. He didn't want any deal with the drug traffickers and then Ruben Zuno Arce said that if the DEA agent didn't want to take anything or didn't want any deal then it was time to drop him.

Q: Excuse me, Mr. Godoy, What did you understand that to mean?

A: That would be to kidnap him and kill him.⁸³

or my superiors that the problem was bigger than they believe it was. Q: And you had trouble convincing them to do something about it, didn't you? A: Yes.”)

⁷⁸ Zuno-Arce App. at 215-21 (Godoy Direct) (non-recanting witness) (“The ones that were to be destroyed we could see that they had just thrown down the seeds and allowed the plants to grow. They weren't cared for like the other fields. They were not being worked on by the farmers like the others. And some of them appeared to be neglected, while the others looked proper where the plants were growing properly.”).

⁷⁹ Matta Trial Tr. at 1-23:1-10, 1-33:2-14 (Government Opening Statement).

⁸⁰ Zuno-Arce App. at 232-67 (Godoy Direct) (non-recanting witness) (detailing the four meetings plotting Kiki Camarena's kidnap and describing the tape recording of Kiki's torture).

⁸¹ Sixth Superseding Indictment at ¶ 12, *U.S. v. Caro-Quintero*, 87-422 (C.D. Cal. Feb. 13, 1990), ECF No. 36 [hereinafter *Caro-Quintero Indictment*] (“Miguel Aldana-Ibarra was the Director of Interpol in Mexico.”).

⁸² A November 10, 1987 memorandum stated, “Two sources (separately) with a record of reliability have told the USIS DPAO that Carlos Salinas' de Gortari's campaign security team is headed by big-name drug traffickers Miguel Aldana (cousin of reputed drug trafficker and alleged partner in exchange house of the Mexican AG Sergio Garcia Ramirez) and Armando Pavon Reyes (implicated in the escape of Rafael Caro-Quintero in the aftermath of the Camarena killing in 1985). . . . It is possible yet highly improbable that Salinas is not aware of the background of these men.” Memorandum from Robert R. Cohoes to Charge D'Affaires Roger E. Gamble, Subject: if you are known by the company you keep!! (Nov. 10, 2017) (Obtained through FOIA through U.S. Dep't of State Case No. F-2009-06108, Doc. No. C05446637).

⁸³ Zuno-Arce App. At 241-42 (Godoy Direct) (non-recanting witness).

According to trial testimony, Interior Secretary Manuel Bartlett-Díaz⁸⁴ was in the room. After hearing the plot to kill Kiki, Bartlett-Díaz told the Guadalajara Cartel, “The solution would have to be quick because they were going to discover that he was signing the interior department credentials that the traffickers were using. And that if this came to light, it was going to affect his candidacy to the government of Mexico.”⁸⁵ Bartlett-Díaz is not in prison for the murder of Kiki Camarena. Instead, current President Andrés Manuel López Obrador appointed Bartlett-Díaz managing director of the Federal Electricity Commission,⁸⁶ an entity that is the “exclusive property of the [Mexican] federal government”⁸⁷ and is at the center of President López Obrador’s push to nationalize energy production.⁸⁸

A U.S. Consulate employee gave Kiki’s location to the Guadalajara cartel.⁸⁹ The employee was blond and in his 30s. He drove with the cartel operatives to the American Embassy and told the cartel that Kiki would “be coming out from the door of La Libertad Street.” He was right. They took Kiki at gunpoint and brought him to Rafael Caro-Quintero. Caro-Quintero embraced Kiki and said “I told you I was going to have you in my hands, you son

⁸⁴ Interior Secretary Manuel Bartlett-Díaz publicly aligned himself with the Soviet Union by declaring in Moscow, “The policies of Mexico and the Soviet Union toward Central America coincide.” Michael J. Waller, *Financing Terrorism in El Salvador: The Secret Support Network for the FMLN*, Council for Inter-America Security Washington D.C. (June 4, 1987).

⁸⁵ Zuno-Arce App. at 242:18-23 (Godoy Direct) (non-recanting witness); Matta Trial Tr. at 13-100 (Harrison Direct) (non-recanting witness) (Testifying that major drug trafficker Ernesto Fonseca had I.P.S. investigator credentials and that the I.P.S. Office is part of the Mexican Ministry of Interior).

⁸⁶ Our Company, Managing Director Manuel Bartlett-Díaz, CFE Comisión Federal de Electricidad (last accessed July 22, 2023), Our Company (cfe.mx); Four Facts You Should Know About Manuel Bartlett Díaz, Director of the CFE, CNN Mexico (Dec. 20, 2019), Four facts you should know about Manuel Bartlett Díaz, director of the CFE | CNN (“President Andrés Manuel López Obrador appointed him general director of the Federal Electricity Commission.”).

⁸⁷ Our Company, CFE Comisión Federal de Electricidad (last accessed July 22, 2023), Our Company (cfe.mx) (“The Federal Electricity Commission (CFE) is a public company of a social nature that provides electricity, a fundamental service for the development of a nation. It is a productive company of the State, exclusive property of the federal government, a legal personality and its own patrimony.”).

⁸⁸ Amy Stillman and Carolina Millan, AMLO Widens State’s Reach with \$6 Billion Iberdrola Deal, Bloomberg (Apr. 5, 2023), https://www.yahoo.com/lifestyle/amlo-widens-state-utility-reach-223246200.html?guccounter=1&guce_referrer=aHR0cHM6Ly93d3cuZ29vZ2xlLmNvbS8&guce_referrer_sig=AQAAAFu9BmWIVEuxiXZx3kJ6eWra3Wkz7KMpdafjomTbmIexBENWTn98FYb2z6yy-Z4CD2MQ9pmegxUPOcyiBhKVJEDGSb_Y9xGu3ikEBPgmIYv5QXopvAVqNleGAKI2K8jhmjCwxwvkRiiwWfz1IUiWkiev5S2m9-iBnA9IFpWKUVam.

⁸⁹ Zuno-Arce App. at 333-48 (Lopez Direct) (non-recanting witness); Matta Trial Tr. at 13-20 to 13-29 (Spencer Direct) (non-recanting witness) (“There were clearly obvious head injuries in the face region and front part and sides and top of the head. I’ll begin with the face region. On both sides of the face in the jaw region, on the right side there were two fractures that extended through the bone of the upper jaw. . . there were two fractures that extended all the way through the jaw bone, upper jaw, through into where the teeth are. Now, behind the eyes we have thin bones called orbital bones, and they also had multiple fractures. . . . There was a large fragment of the skull missing so there were multiple fractures on the top of the head, in addition. Plus there was an oval defect that resembles—initially I thought it was a gunshot wound. . . . the type of instrument that would cause this type of injury would be a heavy—relatively heavy, blunt object that would usually be swung through an arc. . . . things that come to mind are an iron pipe, a tire iron. . . . The injury [to the head that looked like a gunshot wound], as I recall, was about three-eighths inch by three-eighths inch. . . . I’ve seen that type of injury where someone has been stabbed with a Philips screwdriver.”).

of a bitch.” Then they took Kiki to a small guesthouse made of concrete blocks.⁹⁰ He was blindfolded and his hands were tied with curtain cords. They forced him to his knees and asked, “How many of you [DEA agents] are there here? Where is your office?” Kiki responded, “We are sent from one place to the other.” Unsatisfied with his answer, Kiki’s interrogator gave him a hard kick. Then he took off Kiki’s shirt and burnt him with a cigarette.

Kiki was beaten to death for over 30 hours⁹¹ in a location full of Mexican military officers, police commanders, and politicians.⁹² Kiki’s autopsy would later show his skull was fractured “like an egg shell,” his cheekbones were broken in three places, and a hole was driven through his head.⁹³ The cartel tape-recorded their interrogation of Kiki. He did not beg for his own life; he begged for the lives of his wife and sons.

22- C. You know what..can I tell you something?
23- I. Tell me...
24- C. Even though one might not want to, one remembers with the beating you have just given me...and as I am remembering I will tell everything I know...
25- I. Let's see, remember another...
26- C. Well, when they arrested Juan Jose Quintero...(unintelligible)..
27- I. Um..hum..
28- C. When they arrested him and he arrived at the house he did not have any money...they started to beat him up there and..(unintelligible) that they gave you a chance..oh..oh..I am saying this to you because..well, don't hurt my family please...

94

At some point, the cartel dragged the Mexican pilot who helped Kiki find the hidden marijuana fields into the room beside him.⁹⁵ Captain Alfredo Zavala Avelar was not a law enforcement officer; he was a pilot for the Mexican Department of Agriculture.⁹⁶ Through the window,

⁹⁰ Matta Trial Tr. at 1-23:1-10, 1-45 to 1:47 (Government Opening Statement) (It appears the cartel used this room as a torture chamber.).

⁹¹ Aaron Martinez, *Man Convicted in DEA Agent Enrique ‘Kiki’ Camarena Salazar’s Death Deported from El Paso*, El Paso Times, (Apr. 9, 2021), <https://www.elpasotimes.com/story/news/crime/2021/04/09/man-convicted-1985-dea-agents-enrique-kiki-camarena-salazar-death-deported-el-paso-mexico/7160064002/>.

⁹² Zuno-Arce App. at 357-58.

⁹³ Matta Trial Tr. at 1-43:19 to 1-44:5 (Government Opening Statement).

⁹⁴ Zuno-Arce App. at 468 (Transcript of Kiki torture).

⁹⁵ Zuno-Arce App. at 354-55 (Lopez Direct) (non-recanting witness); Caro-Quintero Indictment, *supra* note 80, at ¶ 8 (“Alfredo Zavala-Avelar was a pilot who assisted the DEA and Special Agent Enrique Camarena-Salazar in locating marijuana fields in Mexico.”); XAS-TV (Television station: Fort Worth, Tex.). [News Clip: Camarena - Arrest], video, April 15, 1990; Fort Worth, Texas.

(<https://texashistory.unt.edu/ark:/67531/metadc988079/m1/>; accessed August 10, 2023), University of North Texas Libraries, The Portal to Texas History, <https://texashistory.unt.edu/>; crediting UNT Libraries Special Collections.

⁹⁶ Mata Trial Tr. at 121:19-25 (Government Opening Statement).

witnesses could hear him moan as he was beaten. He did not die in that house; autopsy results showed he was buried alive.⁹⁷

Manuel Bartlett-Diaz was there while Kiki and Captain Zavala were beaten.⁹⁸ Bartlett-Diaz told Caro-Quintero, “Just the same way that this problem was resolved, we’re going to resolve all the others and there’s not going to be any problems.” Caro-Quintero replied “Don’t worry Compa, you’re going to go as far as we want you to. We need you up there. Just tell us what you need and we’ll give it to you.”⁹⁹ Today, as mentioned before, Bartlett-Diaz serves in President López Obrador’s cabinet.

Days after Kiki’s murder, Mexican Judicial Police officers located Caro-Quintero. He was boarding his private jet protected by a cadre of corrupt Mexican agents. There was an intense standoff until the Judicial Police commander reached a deal with Caro-Quintero. They let him go. Caro-Quintero “stood in the open doorway as [his] plane taxied away, toasting the people there with champagne, and announcing that if they wanted to come after him again, they’d better come after him armed with something more than toys.”¹⁰⁰

Kiki’s murder eventually unleashed a wave of U.S. pressure to dismantle the Guadalajara Cartel. However, when the cartel was finally destroyed, it created a vacuum the Sinaloa Cartel later occupied.

By 1993, bribe payments from criminal organizations to government officials increased to roughly \$460 million, “more than the annual budget of the Mexican attorney general’s office and more than half the annual budget allocation of the entire U.S. Drug Enforcement Administration.”¹⁰¹ FOIA records indicate the Central Intelligence Agency (“CIA”) tracked at least some of the corruption in Mexico. However, in 1997, the New York Times reported the intelligence reports on corruption delivered to Washington officials were “either so thin on evidence or so carefully hedged as to be of little use.”¹⁰² Former DEA supervisor Donald Ferrarone commented, “[a] lot of this information has been out there, in the bowels of the system but it has been ignored, because people don’t want to believe it, the extent and degree of corruption.”

The cartels infiltrated the Mexican government through money and violence. They brutally murdered Mexican officials who did not take their bribes.¹⁰³ For example, on April 10, 2000, José Patiño Moreno, an attorney in the Mexican Attorney General’s office (PGR), and his two coworkers were found dead in their car, which appeared to have swerved into a ditch on the

⁹⁷ Marjorie Miller and Juan M. Vasquez, *DEA Agent, Pilot Bodies Positively Identified*, L.A. Times (Mar. 8, 1985), *DEA Agent, Pilot's Bodies Positively Identified* - Los Angeles Times (latimes.com).

⁹⁸ Zuno-Arce App. at 357-58 (Lopez Direct) (non-recanting witness) (Q: Were there any politicians in that room when you walked in? A: yes. Q: Who? A: Manuel Bartlett-Diaz, Enrique Alvarez del Castillo, Ruben Zuno Arce, Carlos Arcevez Fernandez.”).

⁹⁹ Zuno-Arce App. at 370-71 (Lopez Direct) (non-recanting witness).

¹⁰⁰ Matta Trial Tr. at 1-42 (Government Opening Statement).

¹⁰¹ Hurowitz, *supra* note 70, at 71.

¹⁰² Tim Golden, *Mexico and Drugs: Was U.S. Napping? MISREADING MEXICO: How Washington Stumbled – A special report*, N.Y. Times (July 11, 1997), <https://www.nytimes.com/1997/07/11/world/mexico-and-drugs-was-us-napping.html>.

¹⁰³ Zuno-Arce App. at 282:13-23 (Godoy Testimony) (“if I didn’t do it, they were going to kill me, just as they had killed other agents of the Judicial Police”).

side of the road.¹⁰⁴ They were returning from a meeting with DEA and FBI agents in San Diego. Patiño Moreno had a successful track record with U.S. law enforcement. An autopsy report later showed that Patiño Moreno and his coworkers had not died in a car crash. Two had their heads crushed by a pneumatic press and all three had been slashed with knives and run over by a truck.

On July 2, 2000, Mexico's reigning political party, the Institutional Revolution Party ("PRI"), fell out of its 70-year stretch of power with the election of Vicente Fox as president.¹⁰⁵ Fox ran on a platform of government reform that alleged, "Drug lords took over the PRI years ago."¹⁰⁶ Around then, the cartels became increasingly militarized. Each developed their own paramilitary wing by recruiting forces from the Mexican government. Lieutenant Arturo Guzman Decena (no relation to El Chapo) brought 30 deserters from the Mexican military to form the enforcement arm of the Gulf Cartel known as "Los Zetas."¹⁰⁷ He was a corrupt paratrooper who "made his name committing war crimes against indigenous Zapatista rebels in the southern state of Chiapas in 1994."¹⁰⁸ The Juárez cartel formed "La Linea" from acting and former police as its armed wing,¹⁰⁹ and the Sinaloa Cartel formed "Los Negros" as its paramilitary counter to Los Zetas.¹¹⁰

U.S. gangs played an active role in the violence and served as a critical link to the U.S. drug market.¹¹¹ For example, the Barrio Azteca gang formed in the Texas prison system in 1986. It expanded to Mexico in 1996 partially because of increased deportations of defendants housed with the organization. By 2000, the Barrio Azteca gang controlled prisons in Chihuahua, Mexico, and began assisting the Juárez cartel with its operations.

On June 12, 2005, DEA Assistant Administrator for Intelligence Anthony Placido warned Congress, "the single largest impediment to seriously impacting the drug trafficking problem in Mexico is corruption," and "law enforcement in Mexico is all too often part of the problem rather than the solution."¹¹² Mexican politicians were quick to deny Placido's statement, "We are not worried nor interested about his opinion, which is wrong, and what we have to do is be clear that this gentleman has no reason to be talking this nonsense."¹¹³

¹⁰⁴ Hurowitz, *supra* note 70, at 110.

¹⁰⁵ *Id.* at 111.

¹⁰⁶ *Id.* at 111-12.

¹⁰⁷ Albert De Amicas, *Los Zetas and La Familia Michoacana Drug Trafficking Organizations*, 4, University of Pittsburgh Graduate School for Public and International Affairs (updated Mar. 12, 2011), <https://www.ojp.gov/pdffiles1/234455.pdf>.

¹⁰⁸ Hurowitz, *supra* note 70, at 137.

¹⁰⁹ Victoria Ditmar, Paige Bowman, and Santiago Previde, *The Next Generation of Criminal Groups Driving Violence in Mexico*, Insight Crime (Aug. 12, 2021), <https://insightcrime.org/news/next-generation-criminal-groups-violence-mexico/>.

¹¹⁰ Hurowitz, *supra* note 70, at 140.

¹¹¹ Insight Crime Staff, *Barrio Azteca*, Insight Crime (July 9, 2018), <https://insightcrime.org/mexico-organized-crime-news/barrio-azteca-profile/>.

¹¹² Memorandum from AM EMBASSY MEXICO to SECSTATE WASHDC 4335, Subject: Mexico – Violence Continues, at 5-6 (June 2005) (Obtained through FOIA through U.S. Dep't of State Case No. F-2011-02923, Doc. No. C17647809).

¹¹³ *Id.*

Placido's warning was far from "nonsense." By 2003, García Luna, then-Director of the AFI, was already on Arturo Beltrán Leyva's payroll.¹¹⁴ Much of the Sinaloa Cartel's growth in the early 2000s is attributable to this corruption.¹¹⁵ When the Fox Administration ended in 2006, the Sinaloa Cartel heard rumors that García Luna was primed to become secretary of the federal SSP under President Calderón.¹¹⁶ Sinaloa Cartel leaders paid \$3 million just to have a meeting with García Luna at a restaurant by the U.S. Embassy. There, García Luna told a representative for the Sinaloa Cartel that he already had an arrangement with the Beltrán Leyva brothers and "there was no problem with [El Mayo], that he would make sure that he didn't have any direct persecutions and no investigations."

Section V. The Mérida Initiative Was Developed With Little Congressional Input

FINDING: The United States underestimated the impact of corruption on the Mérida Initiative and gave resources to Mexico with few congressional checks.

In March 2007, Presidents Felipe Calderón and George W. Bush agreed to form a bilateral security cooperation to combat transnational criminal organizations in Mexico.¹¹⁷ The Bush Administration negotiated the initiative for nine months without any input from Congress and requested funding through an emergency supplemental funding bill.¹¹⁸ It justified the emergency request with the escalating violence in Mexico and the fact it had already submitted its FY2008 budget request.¹¹⁹ The Administration later submitted an FY2008 supplemental request seeking an additional \$500 million for Mexico¹²⁰ and reprogrammed roughly \$68 million of executive funds to the initiative.¹²¹ Representatives from both parties expressed frustration with the Bush Administration's lack of transparency:

- **Congressman Lantos (D-MD):** "I also find it disturbing that the administration did not involve its co-equal branch of Government, the United States Congress, in developing

¹¹⁴ García Luna Tr. at 1460 (Rey Zambada Direct).

¹¹⁵ *Id.* at 1462:23-1463:21 (Rey Zambada Direct) ("The cartel became more powerful because of the connections they had in the different governmental institutions").

¹¹⁶ García Luna Tr. at 1471-83 (Rey Zambada Direct).

¹¹⁷ Media Notice, The White House Off. of the Spokesman, Joint Statement on the Merida Initiative: A New Paradigm for Security Cooperation (Oct. 22, 2007), <https://2001-2009.state.gov/r/pa/prs/ps/2007/oct/93817.htm>.

¹¹⁸ The Merida Initiative: Assessing Plans to Set Up Our Security Cooperation with Mexico and Central America, Committee on Foreign Relations, House of Representatives, 110th Congress, 45 (Nov. 14, 2007).

¹¹⁹ *Id.* at 17-18.

¹²⁰ Clare Seelke, CRS Report R20135, *Mérida Initiative: U.S. Anticrime and Counterdrug Assistance for Mexico and Central America*, 1 (updated July 7, 2008); FY08 Supplemental for Mexico (Oct. 18 2007) (Obtained through FOIA through U.S. Dep't of State Case No. F-2008-04536, Doc. No. C17914183) (\$306.3M Counternarcotics, Counterterrorism, and Border Security; \$56.1M Public Security and Law Enforcement; \$100.6M Institution Building and Rule of Law; \$37M Program Support).

¹²¹ Reprogrammed Funds for Mexico (Oct. 18, 2007) (Obtained through FOIA through U.S. Dep't of State Case No. F-2008-04526, Doc. No. C17914185) (\$13M International Narcotics Control and Law Enforcement; \$10M Andean Counternarcotic Initiative; \$3.05M Economic Support Funds Development Assistance; \$1.04m Nonproliferation, antiterrorism, demining and related programs; \$5m Treasury Asset Forfeiture; \$36M FY 2008 and FY2007 1206 funds).

this initiative. . . As one Mexican analysts put it recently, ‘We may be exchanging a corrupt and badly equipped force with a corrupt and well-equipped police force[.]’¹²²

- **Congressman Engle (D-NY):** “I continue to be disturbed at the poor information flow from the administration on the Mérida Initiative.”¹²³
- **Congressman Rohrabacher (R-CA):** “If they expect us to cooperate on foreign policy initiatives like this, they had better darned well understand that we are partners. The legislative branch has to be a partner in this[.]”¹²⁴

Congressional staff confronted Administration officials about “the lack of candor in Washington’s explanation of how it would administer such an expanded package[.]”¹²⁵ They sought assurances that the U.S. and Mexico could support the significantly expanded programs.¹²⁶

Both the Bush and Obama Administrations were aware of congressional concerns about corruption. U.S. Embassy documents from 2007 caution, “The U.S. Congress will ask how any support package addresses the acknowledged corruption that has permeated Mexican Federal Police in the past.”¹²⁷ Bureau of International Narcotics and Law Enforcement (INL) Assistant Secretary David Johnson “summarized the congressional reaction” as “emphasizing the need for defining metrics” and containing “recurring themes in questioning regarding corruption and human rights.”¹²⁸ During a March 2008 Senate staff delegation to Juárez, Foreign Relations Committee staffers emphasized “a sense of frustration with what they viewed to have been a lack of consultation with national legislatures . . . over the utility of a Mérida program, and the plan’s spending priorities in particular.”¹²⁹ They expressed “misgivings about . . . the Administration’s reluctance to tie expenditures to outcomes, and their impression that the Mérida Initiative was more of a goodwill gesture to President Calderón than a plan to advance the counter-drug effort in the most effective way.”¹³⁰

¹²² The Merida Initiative: Assessing Plans to Set Up Our Security Cooperation with Mexico and Central America, Committee on Foreign Relations, House of Representatives, 110th Congress, 1-2 (Nov. 14, 2007).

¹²³ *Id.* at 4.

¹²⁴ *Id.* at 6.

¹²⁵ Memorandum from AMEMBASSY MEXICO to ALL US CONSULATES, Subject: Staffdel Quilter: Optimistic, But Assertive Assessment of Merida Initiative’s Chances in Congress, 3 (Dec. 2007) (Obtained through FOIA through U.S. Dep’t of State Case No. F-2011-02924, Doc No. C17690106)

¹²⁶ *Id.*

¹²⁷ The Deputy Secretary’s Meeting with Mexican Secretary of Public Security Genaro Garcia Luna at AFI Headquarters, La Moneda (Oct. 1, 2007), <https://nsarchive.gwu.edu/document/20633-national-security-archive-doc-10-u-s-state> (Obtained through FOIA through Case ID 200804526).

¹²⁸ Memorandum from AMEMBASSY MEXICO to SECSTATE WASHDC 0996, Subject: INL A/S Johnson Visit to Mexico, Jan 22- 25 (Mar. 2008) [hereinafter INL A/S Johnson Visit Memo] (Obtained through FOIA through U.S. Dep’t of State Case No. F-2011-02924, Doc. No. C17690030).

¹²⁹ Memorandum from AMCONSUL CIUDAD JUAREZ to SECSTATE WASHDC 4934, Subject: Visit of Merida Initiative Staffdel to Juarez (March 2008) (Obtained through FOIA through U.S. Dep’t of State Case No. F-2011-02924, Doc No. C17690100).

¹³⁰ *Id.*

Congress wanted to condition U.S. funds on human rights considerations and performance metrics.¹³¹ However, “Mexican commentators and politicians [were] practically unanimous in rejecting conditions on U.S. assistance to Mexico to fight organized crime.”¹³² Mexican officials repeatedly emphasized they found the measures “insulting.” Their perspective was informed by “Mexico’s history with the U.S.¹³³ and the responsibility [Mexicans] believe the U.S. shares for the problems Mexico faces as a result of the drug trade.”¹³⁴ Behind closed doors, “Mexican legislators from each of the main three political parties ... agreed that the security situation in Mexico [was] grave” and privately stated, “‘conditionalities’ imposed on Mexico by the U.S. would be carefully reviewed and that [Mexico’s] Congress would likely react negatively to perceptions of onerous end-user requirements.”¹³⁵

By this time, Bartlett-Diaz—the man who allegedly helped kill Kiki—was a Mexican Senator. According to a November 2007, U.S. Embassy cable, Bartlett-Diaz supported the Mérida Initiative and asserted his role in its launch:¹³⁶

Congressional Criticism of Process, Not Substance

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,

¹³¹ Memorandum from AMEMBASSY MEXICO to SECSTATE WASHDC 9706, Subject: Senate Staffer, GOM Authorities Share Views on Merida Initiative (Nov. 2007) (Obtained through FOIA through U.S. Dep’t of State Case No. F-2011-02924, Doc No. C17690031).

¹³² Memorandum from AMEMBASSY MEXICO to SECSTATE WASHDC 2187, Subject: Inter-Parliamentary Conference Dialogue Tames Rhetoric over Merida “Conditions”... For Now, (June 2008) [hereinafter Inter-Parliamentary Conference Memo] (Obtained through FOIA through U.S. Dep’t of State Case No. F-2011-02924, Doc. No. C17690012).

¹³³ This appears to be a reference to the U.S. - Mexico war of 1848.

¹³⁴ Inter-Parliamentary Conference Memo, *supra* note 131, at 5.

¹³⁵ Memorandum from AMEMBASSY MEXICO to SECSTATE WASHDC 9578, Subject: Foreign Secretary Espinosa Courts Congressional Support For Merida Initiative, 4 (Nov. 2007) (Obtained through FOIA through U.S. Dep’t of State Case No. F-2009-05669, Doc. No. C05333854).

¹³⁶ *Id.* at 3.

In the meantime, members of Congress continued to voice concerns the Mérida Initiative over-emphasized, “hardware supports”¹³⁷ and reiterated anxieties about corruption in Mexico.¹³⁸ Congressional concerns were well founded. The cartels were bribing Mexican government officials well before the Mérida Initiative. From 2000 to 2006, the Sinaloa Cartel “became more powerful because of the connections they had in the different government institutions.”¹³⁹ García Luna was already on the Sinaloa Cartel’s payroll.¹⁴⁰ As one witness explained, García Luna gave the Sinaloa Cartel AFI badges and uniforms and the Sinaloa Cartel bragged, “García Luna works for us.”¹⁴¹

Ultimately, concerns over Mexican sovereignty and hopes for potential gains against the cartels won the debate, and U.S. Congress funded the Mérida Initiative with few congressional checks.¹⁴²

Section VI. Intense Pressure to Implement the Mérida Initiative made it Vulnerable to Cartel Manipulation

FINDING: Mexican officials pressured U.S. officials to quickly move Mérida resources into Mexico and the hands of the SSP while at the same time SSP leaders were accepting bribes from the Sinaloa Cartel to wage war on the BLO. The State Department did not adequately heed the Government Accountability Office’s (“GAO”) warnings about inadequate monitoring.

When the Bush Administration announced the Mérida Initiative in 2007, the Sinaloa Cartel was a united federation with the Beltrán Leyva Organization (“BLO”) as a member.¹⁴³ The alliance broke on January 21, 2008, when Mexican officials arrested high-level BLO operative Alfredo Beltrán Leyva. The BLO believed El Mayo and El Chapo gave Alfredo to the authorities.¹⁴⁴ After Alfredo’s arrest, the Federal Police began an aggressive campaign against the BLO.¹⁴⁵ BLO leadership noticed a pattern; after each meeting the BLO had with El Mayo or

¹³⁷ Memorandum from AMEMBASSY MEXICO to SECSTATE WASHDC 1256, Subject: Congressional Staffers Descend on Mexico to Discuss Merida Initiative (Apr. 2008) (Obtained through FOIA through U.S. Dep’t State Case No. F-2011-02924, Doc. No. C17690028) (“There were concerns in Congress about a perceived over-emphasis on hardware supports – helicopters in particular, asking if Mexico could live with fewer.”).

¹³⁸ Memorandum from AMEMBASSY MEXICO to SECSTATE WASHDC 1412, Subject: Mexico Seeks to Turn the Page on Corruption, 3, (Apr. 2008) [hereinafter Turn Page on Corruption Memo] (Obtained through FOIA through U.S. Dep’t of State Case No. F-2011-02923, Doc. No. C17647818).

¹³⁹ García Luna Tr. 1462-63 (Rey Zambada Direct).

¹⁴⁰ *Id.* at 1466-67 (Rey Zambada Direct),

¹⁴¹ *Id.* at 718-721 (Avila Direct) (Explaining that in 2006 the Sinaloa Cartel had AFI badges and uniforms and that high-level cartel member Mario Pineda Villas told him “García Luna works for us.”).

¹⁴² Clare Seelke, CRS IF10578, *Mexico: Evolution of the Mérida Initiative, FY2008-FY2021*, 2 (updated Sept. 20, 2021) (“Many analysts have observed the need for more reporting on Mérida Initiative outcomes to help Congress oversee the funds it has appropriated.”).

¹⁴³ El Chapo Tr. at 4073 (Vicente Zambada Direct).

¹⁴⁴ This appears to be a correct belief. García Luna Tr. at 1495:1.

¹⁴⁵ García Luna Tr. at 167-68 (Barragán Direct).

El Chapo, the Federal Police would bring an operation against the BLO.¹⁴⁶ A March 2008 U.S. Embassy memo memorializing INL Assistant Secretary Johnson’s Mérida coordination trip to Mexico suggests García Luna was busy with this effort. Assistant Secretary Johnson arrived the week of Alfredo Beltrán Leyva’s arrest and met only the “technocratic leadership of the [SSP].”¹⁴⁷ The memo notes, “The political leaders [of the SSP] were unavailable due to a cabinet meeting and the immediate demands of the SSP’s aggressive police operations.”¹⁴⁸ The United States was uninformed of the changing cartel dynamics in Mexico. The U.S. Embassy reported the arrest of Alfredo Beltrán Leyva and eleven of his hitmen as a “success with the Sinaloa Cartel.”¹⁴⁹ This could not have been further from the truth. The BLO credited the Sinaloa Cartel with orchestrating Alfredo’s arrest.

BLO leader Arturo Beltrán Leyva took note of the Federal Police’s aggressive assault against the BLO. He asked García Luna to take his side.¹⁵⁰ García Luna responded he would remain neutral and work for both the Sinaloa Cartel and the BLO. Arturo reacted angrily, but continued to pay García Luna for protection.¹⁵¹ In the meantime, the BLO prepared for war. It formed an alliance with the Zetas, the Juárez Cartel,¹⁵² and La Familia Michoacana.¹⁵³ Over the next few months, the BLO engaged in an intimidation campaign to recruit key figures from the Sinaloa Cartel to the BLO. They kidnapped Sinaloa Cartel ally Oscar Nava Valencia (the leader of the Milenio Cartel/CJNG) and demanded he join their war or leave Mexico and make a \$50 million payment.¹⁵⁴ Nava Valencia paid \$5 million for his release.

The kidnapping was a rude awakening for Nava Valencia and the Milenio/CJNG cartel. Mencho worried they would lose Jalisco in the war and suggested that Nava Valencia meet with García Luna.¹⁵⁵ They paid García Luna \$500,000 just to take the meeting. García Luna brought Cárdenas Palomino with him. He assured the Milenio/CJNG cartel that the Federal Police would stand with them.¹⁵⁶ In exchange, Nava Valencia paid García Luna \$2.5 million.

¹⁴⁶ *Id.*

¹⁴⁷ INL A/S Johnson Visit Memo, *supra* note 122.

¹⁴⁸ *Id.*

¹⁴⁹ Memorandum from AMEMBASSY MEXICO to SECSTATE WASH DC, Subject: Narco-Killings Update, 3, (Mar. 2008) [hereinafter Narco-Killings Memo] (Obtained through FOIA through U.S. Dep’t of State Case No. F-2104-1502, Doc No. C05721908).

¹⁵⁰ García Luna Tr. at 167-68 (Barragán Direct).

¹⁵¹ *Id.* at 174-75 (Barragán Direct).

¹⁵² The Juárez Cartel broke with the Sinaloa Cartel in 2004 after Juárez Cartel leader Rodolfo Carrillo killed two of El Chapo’s associates for failing to pay to use the Juárez Corridor. El Chapo retaliated by killing Rodolfo Carrillo and his wife as they left a movie theater. El Chapo’s brother Arturo was shot in prison a few months later. Insight Crime Staff, *Juarez Cartel*, Insight Crime (last updated July 10, 2020), <https://insightcrime.org/mexico-organized-crime-news/juarez-cartel-profile/>; El Chapo Tr. at 911-12 (Rey Zambada Direct); El Chapo Tr. at 5873:12-1875:21 (López Nuñez Direct).

¹⁵³ *Id.*; Insight Crime Staff, *Juarez Cartel*, Insight Crime (last updated July 10, 2020), <https://insightcrime.org/mexico-organized-crime-news/juarez-cartel-profile/>.

¹⁵⁴ García Luna Tr. at 533-539 (Valencia Direct).

¹⁵⁵ *Id.* at 537-40 (Valencia Direct).

¹⁵⁶ Today, the DEA considers the CJNG and Sinaloa Cartels the greatest criminal drug threat to the United States. Foreign Relations Fentanyl Hearing, *supra* note 6 (“The Sinaloa and Jalisco Cartel pose the greatest criminal drug threat the United States has ever faced.”).

On April 30, 2008, war broke out between the Sinaloa Cartel and the BLO when the Mexican Federal Police fired on BLO gunmen. El Chapo “was trying ... for there not to be any shootouts or confrontations between [his] gunmen and the Beltrán gunmen. He preferred for the Government to be the one that did the work.”¹⁵⁷ In May 2008, Arturo’s men retaliated against the Federal Police by gunning down Commander Millán in his own home.¹⁵⁸ The U.S. Embassy in Mexico reported his murder to the State Department, noting Millán was a close confidant of García Luna:

-- On May 8, a lone gunman shot and killed Edgar Eusebio Millan Gomez, the Federal Police's General Coordinator for Regional Security. Police captured the shooter (a recent prison releasee) told police he had been paid by an unknown man \$10,000 to kill Millan. A close confidant of SSP's Garcia Luna, Millan coordinated state Federal Police delegates and was deeply in mixed police-military surges against the cartels.

159

On the night of October 19, 2008, the BLO kidnapped García Luna on a road leading to Cocoyo, Mexico.¹⁶⁰ Federal Police Officer Zavaleta was off-duty and driving down that road when he saw SUVs lined up on the left-hand side. Zavaleta slowed down and saw García Luna with BLO traffickers Arturo Beltrán Leyva and La Barbie. Later that night, one of the SUVs passed Zavaleta on the road. Inside the SUV, Zavaleta saw the BLO leaders and García Luna. The BLO kidnapped García Luna and took him to a BLO office to communicate, “nothing is impossible” for the BLO.¹⁶¹ Then they released him. That same month, García Luna instructed the state secretaries of public security at Mexico’s national security conference to “take El Chapo’s side.”¹⁶²

With the Sinaloa Cartel operating through the SSP, the BLO used the SIEDO division of the PGR to target its enemies. Mexico’s Constitution requires a division between preventative police forces and investigative police forces.¹⁶³ The SSP housed the preventative police forces and the PGR housed the investigative police forces. A 2009 Federal Police reform law made the

¹⁵⁷ El Chapo Tr. at 5878:12-21 (López Nuñez Direct).

¹⁵⁸ García Luna Tr. at 173-175 (Barragán Direct); Memorandum from AMEMBASSY MEXICO to SEC STATE WASHDC 1828, Subject: Narco-violence Spikes, Top Cops Targeted, 3 (Dated May 2008) (Obtained through FOIA through U.S. Dep’t of State Case No. F-2012-33603, Doc No. C05287294).

¹⁵⁹ *Id.* at 3.

¹⁶⁰ García Luna Tr. at 1053-63 (Zavaleta Direct). Zavaleta reported to Javier Garza Palacios, who in turn reported directly to García Luna. The Mexican press accused Garza Palacios of working with drug traffickers. Socalj, *García Luna’s Corruption Network: The 7 Horsemen of the Apocalypse*, SPR Informa (Feb. 23, 2023), <https://sprinforma.mx/noticia/la-red-de-corrupcion-de-garcia-luna-los-7-jinetes-del-apocalipsis>).

¹⁶¹ García Luna Tr. at 174-75 (Barragán Direct).

¹⁶² *Id.* at 1239-41 (Veytia Direct).

¹⁶³ Eric L. Olson, David A. Shirk, and Andrew Selee, *Shared Responsibility: U.S.-Mexico Policy Options for Confronting Organized Crime*, 336, Woodrow Wilson International Center for Scholars Mexico Institute (Oct. 2010), <https://catcher.sandiego.edu/items/peacestudies/Shared%20Responsibility--Olson,%20Shirk,%20Selee.pdf>.

distinction between preventative and investigative police forces largely artificial and vested virtually identical powers in each.¹⁶⁴ Both entities benefited from Mérida Initiative funding.

On October 20, 2008, the BLO turned SIEDO against the Sinaloa Cartel. Together with BLO hitmen, SIEDO raided Sinaloa Cartel leader Rey Zambada's house.¹⁶⁵ SIEDO blocked the gates to Rey's home with armored vehicles and entered firing shots.¹⁶⁶ Rey called the Federal Police for assistance and the Mexico City commander came to his aid. Rey got into the commander's armored vehicle and attempted to drive through the SIEDO blockade. SIEDO and the BLO hitmen fired so many shots that the car's engine blew up. Rey fled the vehicle and jumped a fence. He injured himself in the escape attempt and was taken into custody.

U.S. Embassy reports took note of the escalating violence stating, "2008 sets a new record for organized crime-related homicides with more than 6,000 killings."¹⁶⁷ It elaborated, "The nature of cartel violence changed in 2008: organized crime violence was characterized by significantly increased brutality, a callous disregard for the potential for collateral damage, and more frequent targeting of soldiers and the police."¹⁶⁸ As the violence escalated, those fighting the BLO-Sinaloa cartel war skinned people and hung them from bridges.¹⁶⁹ They began creating "pozoles" where they put dismembered body parts and grains into a "stew." Well over 95% of the violence in Juárez sprung from this war.¹⁷⁰ Meanwhile, the State Department was naïve to the Mexican cartel's infiltration of the Mexican government. One cable noted, "[f]irst Fox and now Calderón ... have demonstrated a genuine commitment to turn the page on corruption by creating institutions dedicated to investigating corruption and promoting transparent practices."¹⁷¹

U.S. Embassy cables also show mounting pressure to launch Mérida programs compounded by insufficient planning and resources. For example, on April 16, 2009, the U.S. Embassy wrote, "The clock is ticking on this project and we will have a capacity gap until we can finish it."¹⁷² Three months later, on July 13, 2009, the U.S. Embassy reported, "We were disappointed by the lack of qualified applicants for the PSC Contract Officer Representative

¹⁶⁴ *Id.*

¹⁶⁵ García Luna Tr. at 1513-16 (Rey Zambada Direct); *Id.* at 866-876 (Poveda Ortega) (Describing how Arturo retaliated against El Rey after El Rey allegedly sent the Federal Police to arrest Poveda Ortega by sending non-SSP officers to arrest El Rey).

¹⁶⁶ *Id.* at 180-83 (Barragán Direct).

¹⁶⁷ Memorandum from AMEMBASSY MEXICO to SECSTATE WASHDC, Subject: The Battle Joined: Narco Trends in 2008 ("Narco Trends in 2008"), 1 (Jan. 2009) (Obtained through FOIA through U.S. Dep't of State Case No. F-2011-02923, Doc. No. C17647821).

¹⁶⁸ *Id.* at 3.

¹⁶⁹ García Luna Tr. at 1249:10-25 (Veytia Direct).

¹⁷⁰ Memorandum from AMEMBASSY MEXICO to SECSTATE WASHDC, Subject: Beginning of the End for Mexico's Beltrán Leyva Organization? (Jan 2011) [hereinafter Beginning of End for BLO Memo] (Obtained through FOIA through U.S. Dep't of State Case No. F-2010-06909, Doc. No. C17691113).

¹⁷¹ Turn Page on Corruption Memo, *supra* note 137, at 6.

¹⁷² Memorandum from AMEMBASSY MEXICO to the SECSTATE WASHDC, Subject: Narcotics Affairs Section Mexico Monthly Report for March 2009 (Apr. 16, 2009) [hereinafter NAS Mar. 2009 Rept.] (Obtained through FOIA through U.S. Dep't of State Case No. F-210-03406, Doc. No. C17520451).

positions with extensive and recent contracting experience.”¹⁷³ Nonetheless, the Mérida projects continued.

In a September 2009 cable, the U.S. Embassy cautioned that “GOM [Government of Mexico] officials will need oxygen when they find out this project could now take until March-June to complete[.]”¹⁷⁴ Embassy officials “strongly recommended someone in Washington take on the task of eliminating ... drift, and ... collectively look for ways to move this project faster, squeezing some of what appear to be unreasonable gaps.”¹⁷⁵ They echoed these concerns in later cables¹⁷⁶ and proposed solutions that are redacted.¹⁷⁷ García Luna and his SSP were at the center of these efforts. An October 2009 cable described García Luna as a “key player” whose “cooperation was required to move the ‘law enforcement agenda to new levels of practical cooperation.”¹⁷⁸ Another cable found that “The SSP, under García Luna, was ‘increasingly becoming a major player on the intel block.”¹⁷⁹

In 2009, the Government Accountability Office (GAO) highlighted the State Department did not have standardized budgeting and obligating mechanisms across the three State bureaus responsible for the Mérida Initiative.¹⁸⁰ Each bureau managed the funds using different budgeting terms and with different spreadsheets.¹⁸¹ Despite this 2009 report, the State Department had not created a consolidated database for monitoring the funds by the time the GAO released its 2010 assessment.¹⁸²

In April 2010, the U.S. Embassy warned, “We are dipping into pipeline funding, now down to less than \$25 [million] and heavily leveraged, to maintain momentum on key

¹⁷³ Memorandum from AMEMBASSY MEXICO to SECSTATE WASHDC, Subject: Narcotics Affairs Section Mexico Monthly Report for June 2009 (July. 13, 2009) (Obtained through FOIA through U.S. Dep’t of State Case No. F-2010-03406, Doc. No. C17520466).

¹⁷⁴ Memorandum from AMEMBASSY MEXICO to SECSTATE WASHDC, Subject: Narcotics Affairs Section Mexico Monthly Report for August 2009, 2, (Sept. 15, 2009) (Obtained through FOIA through U.S. Dep’t of State Case No. F-2010-03406, Doc No. C17520467).

¹⁷⁵ *Id.*

¹⁷⁶ Memorandum from AMEMBASSY MEXICO to the SECSTATE WASHDC, Subject: Mexico Merida SPOT Report #31: Seventh Bilateral Implementation Meeting, 3, (Nov. 9, 2009) (Obtained through FOIA through U.S. Dep’t of State Case No. F-2010-03406, Doc. No. C17520455) (“Several times throughout the meeting the GOM expressed dismay at the pace of deliveries, and especially the inability to plan with any precision for the delivery of equipment.”).

¹⁷⁷ Memorandum from AMEMBASSY MEXICO to the SECSTATE WASHDC, Subject: Moving Merida Faster, 1 (Dec. 4, 2010) (Obtained through FOIA through U.S. Dep’t of State Case No. F-2011-02924, Doc. No. C17690107) (“[T]here are several ways in which Merida programs could move faster to help Mexico curtail the violence and reestablish the rule of law. These include [REDACTED].”)

¹⁷⁸ Shane Sullivan and Olivia Mozdierz, *U.S. Prosecutions Bring Mexico Corruption into Focus*, National Security Archive (Dec. 9, 2020), U.S. Prosecutions Bring Mexico Corruption into Focus | National Security Archive (gwu.edu).

¹⁷⁹ *Id.*

¹⁸⁰ U.S. GOV’T ACCOUNTABILITY OFFICE, GAO-10-253R, STATUS OF FUNDS FOR THE MÉRIDA INITIATIVE, 9 (Dec. 3, 2009) [hereinafter GAO-10-253R].

¹⁸¹ U.S. GOV’T ACCOUNTABILITY OFFICE, GAO-10-837, MÉRIDA INITIATIVE: THE UNITED STATES HAS PROVIDED COUNTERNARCOTICS AND ANTICRIME SUPPORT BUT NEEDS BETTER PERFORMANCE MEASURES, 14 (July 2010) [hereinafter GAO-10-837].

¹⁸² *Id.*

projects.”¹⁸³ That summer, the GAO stressed that “[t]o address issues associated with the timing of fund availability, agencies have sought alternative methods to initiate and speed the implementation of certain programs in Mexico[.]”¹⁸⁴ The report noted several agencies were advancing their own funds until Mérida funding came through.¹⁸⁵ The GAO further cautioned, “[S]trategic documents lack certain key elements that would facilitate accountability and management.”¹⁸⁶ The issue trended towards resolution when the State Department agreed to establish performance measures.¹⁸⁷ Nonetheless, these problems persisted, with a 2020 GAO report citing similar issues.

The 2020 GAO report uncovered “INL did not generally follow the key practices for developing monitoring plans,” “did not consistently track project performance data,” and “did not collect all expected progress reports from implementers.”¹⁸⁸ For one project, INL provided identical information in two separate quarterly reports.¹⁸⁹ Then, in 2021, the GAO wrote both INL and USAID “do not have mandatory fraud awareness training, without which their Mérida programs could be vulnerable to unnecessary fraud risks.”¹⁹⁰ The GAO reminded the agencies that the Foreign Assistance Act requires the president to take all reasonable steps to ensure that U.S. foreign assistance is not provided to an individual or entity that is directly or indirectly involved with drug trafficking.¹⁹¹ The report concluded “without additional risk assessment and response efforts—and in the absence of robust local vetting—Embassy Mexico City cannot ensure U.S. assistance under the Mérida Initiative is not being provided to Mexican personnel in sensitive positions with human rights, drug tracking, or other criminal violations that could make them ineligible to receive U.S. foreign assistance.”¹⁹²

The GAO’s concern was valid. As the Mérida Initiative gained momentum, García Luna continued to direct other government officials to support the Sinaloa Cartel, possibly with the backing of President Calderón.¹⁹³ In early 2011, the Governor of Nayarit, Mexico called the Secretary of Public Security for the Municipality of Tepic (“Tepic SSP”) to a meeting.¹⁹⁴ The then-Tepic SSP testified about this meeting at García Luna’s trial. El Chapo had recently kidnapped two Tepic municipal police officers 50 meters from the Nayarit state checkpoint. The Governor asked the Tepic SSP if he knew who he needed to talk to, to rescue the officers. The Tepic SSP acknowledged the officers’ fate was with El Chapo. The Governor then told the Tepic SSP that he had just returned “from a very important meeting in Mexico City **with President**

¹⁸³ Memorandum from AMEMBASSY MEXICO to SECSTATE WASHDC, Subject: Narcotics Affairs Section Mexico Monthly Report for March 2010 (Apr. 16, 2010) (Obtained through FOIA through U.S. Dep’t of State Case No. F-2011-06093, Doc No. C05402023).

¹⁸⁴ GAO-10-837, *supra* note 180, at 26.

¹⁸⁵ *Id.*

¹⁸⁶ *Id.* at 1.

¹⁸⁷ *Id.*

¹⁸⁸ U.S. GOV’T ACCOUNTABILITY OFFICE, GAO-20-388, U.S. ASSISTANCE TO MEXICO STATE DEPARTMENT COULD IMPROVE ITS MONITORING OF MÉRIDA INITIATIVE PROJECTS, 2, 15 (May 2020) [hereinafter GAO-20-388].

¹⁸⁹ *Id.* at 18.

¹⁹⁰ U.S. GOV’T ACCOUNTABILITY OFFICE, GAO-21-335, U.S. ASSISTANCE TO MEXICO STATE AND USAID SHOULD STRENGTHEN RISK MANAGEMENT FOR PROGRAMS UNDER THE MÉRIDA INITIATIVE, 2 (March 2021).

¹⁹¹ *Id.* at 13.

¹⁹² *Id.* at 32.

¹⁹³ García Luna Tr. at 1253-57 (Veytia Direct).

¹⁹⁴ *Id.* at 1253-56 (Veytia Direct).

Calderón and with the secretary of public security, Genaro Luna.” The Governor then said, “The line was Chapo.”¹⁹⁵ The Tepic SSP understood the directive to mean that he had to protect El Chapo’s people.

By February 2011, even the U.S. Embassy noticed “the cartel hardest hit by [government] efforts [was] the Beltrán Leyva Organization.”¹⁹⁶

Section VII. The Executive Branch Shirked its Responsibility to Police Corruption

FINDING: The U.S. executive branch expected Mexican institutions, with long histories of corruption, to vet themselves and did not take failed polygraph examinations seriously enough. This vetting process gave a false sense of legitimacy to institutions riddled with corruption.

The U.S. Embassy in Mexico considered the Control de Confianza (Trust Control) program the most important of the Mérida Initiative.¹⁹⁷ The program was “designed to detect and deter potential corruption among the Mexican security forces.” It required a five-part evaluation, including a polygraph test, background exam, psychological exam, drug test, and medical exam.¹⁹⁸ The U.S. Embassy cautioned the success of the Mérida Initiative depended on rooting out corruption.¹⁹⁹

13. (SBU) Control de Confianza is critical to the success of the entire Merida Initiative. If equipment and training are provided to corrupt individuals, the USG will have accomplished nothing more than provide expertise and technology to individuals who may use it to undermine all USG efforts in Mexico. The bottom line is that if Control de Confianza fails, Merida fails.

¹⁹⁵ *Id.* at 1256:25-1257:8 (Veytia Direct) (emphasis added).

¹⁹⁶ Memorandum from AMEMBASSY MEXICO to SECSTATE WASHDC 5862, Subject: Mexico Targets Drug Lords, 2 (February 2011) (Obtained through FOIA through U.S. Dep’t of State Case No. F-2010-06909, Doc. No. C17691115).

¹⁹⁷ Memorandum from AMEMBASSY MEXICO to STATE INL AND WHA/MEX, Mexico Merida Initiative Spot Report #33: Control De Confianza Sets the Foundation for Merida, 1, (May 14, 2010) (Obtained through FOIA through U.S. Dep’t of State Case No. F-2011-02924, Doc. No. C17690073).

¹⁹⁸ Memorandum from AMEMBASSY MEXICO to SECSTATE WASHDC, Subject: Pillar II Cable – Bilateral Institutional Capacity Building to Sustain Rule of Law at the Beginning of a New Administration, 4 (Jan. 11, 2013) (Obtained through FOIA through U.S. Dep’t of State Case No. F-2012-24451, Doc. No. C05364312) [hereinafter 2013 Pillar II Cable].

¹⁹⁹ *Id.* at 13.

By 2010, Mérida Initiative funds provided 318 polygraph units, worth \$2.4 million, to various Mexican agencies, including the SSP.²⁰⁰ The U.S. government relied on the SSP to vet itself with the provided equipment.²⁰¹

--Polygraphs: The technical part of administering polygraph examinations is well underway by the GoM. CISEN (Mexico's Intelligence Agency) will lead the effort in polygraph development and will use the U.S. model where all federal agencies follow one training and examination doctrine. Currently, CISEN, PGR, SSP, SAT and INAMI have more than 300 trained polygraphers and CISEN is scheduled to train approximately 200 additional polygraph operators in 2010. Experts from the U.S. and GoM policy makers have all agreed that expanding a polygraph program too fast would be detrimental to the program.

Multiple State Department documents discuss the plan for the SSP to self-vet. A 2007 Embassy document supported “FBI-directed training for SSP polygraphers in Texas state police academy.”²⁰² The Mexican Security Cooperation Plan similarly noted the “SSP wishes to have the means to vet its entire force.”²⁰³ In 2008, the Embassy reported, “SSP plans to have a cadre of about 300 trained polygraphers . . . responsible for testing SSP employees, as well as state and local police.”²⁰⁴

The U.S. Embassy was aware of early deficiencies in Mexico’s vetting process. The Embassy criticized Mexico’s pre-Mérida vetting practices as “well-intentioned” but “questionable.” “[P]olygraphists conducted more exams per day than recommended and interviewed subjects in groups instead of individually as required to ensure accuracy.”²⁰⁵ The Embassy raised concerns the program trained its polygraphists at different institutions with varying standards. The State Department redacted the rest of the Embassy’s analysis.

By 2009, the U.S. was working to establish a unified vetting standard in Mexico. In October 2009, the U.S. Embassy dismissed reports that high-level Mexican officials failed the vetting process as issues with the vetting program itself.²⁰⁶ The Embassy blamed the large number of high-level officials failing polygraph examinations on a “bottleneck in the vetting process” and harked on differing requirements and inefficiencies.

²⁰⁰ *Id.* at ¶ 6.

²⁰¹ *Id.* at ¶ 3.

²⁰² The Deputy Secretary’s Meeting with Mexican Secretary of Public Security Genaro Garcia Luna at AFI Headquarters, La Moneda (Oct. 1, 2007), <https://nsarchive.gwu.edu/document/20633-national-security-archive-doc-10-u-s-state> (Obtained through FOIA through Case ID 200804526).

²⁰³ Mérida Initiative Activity Descriptions Mexican Security Cooperation Plan, 40 <https://nsarchive.gwu.edu/sites/default/files/documents/7335906/National-Security-Archive-Doc-07-Department-of.pdf> (Obtained through FOIA through U.S. Dep’t of State Case No. F-2013-00056, Doc No. C05370454) (hereinafter Cooperation Plan).

²⁰⁴ Memorandum from AMEMBASSY MEXICO to WASHDC SECSTATE 1326, Subject: The GOM’s Federal Police Reform Plans and Accomplishments, 7, (Apr. 2008) (Obtained through FOIA through U.S. Dep’t of State Case No. F-2011-02923, Doc. No. C17647817).

²⁰⁵ 2013 Pillar II Cable, *supra* note 197, at 4.

²⁰⁶ Memorandum from AMEMBASSY MEXICO to WASHDC SECSTATE, Subject: Narcotics Affairs Section Mexico Monthly Report for October 2009, 2 (Nov. 17, 2009) (Obtained through FOIA through U.S. Dep’t of State Case No. F-2011-02924, Doc No. C17690085).

-- The large numbers of individuals being trained with US funding has led to a bottleneck in our vetting process and to increasing numbers of individuals, some at a high level, who fail vetting. We may need funding to hire more support staff in order to properly conduct vetting. We should also collectively look at the development of systems to make the vetting process more efficient. There are differing requirements for inputting names by the various agencies, and there appears to be a good deal of over-vetting for individuals who go to more than one course.

207

These problems remained unresolved through at least 2013. In January 2013, the Embassy wrote, “The demand for vetting currently exceeds the capacity of trained GOM polygraphists, resulting in a bottleneck in the Control de Confianza process and thus the staffing of institutions.”²⁰⁸

The SSP also had an internal control unit that reported directly to the President of Mexico. In addition, Mexico had a Ministry of Public Administration (the “SFP”) that could investigate, sanction, and fine federal executive branch employees. These programs failed to eliminate corruption.

Throughout the Mérida Initiative, scores of Mexican officials worked for the cartels.²⁰⁹ For example, Alexander Cifuentes Villa told the U.S. government he worked with the Mexican Federal Police to import cocaine from Argentina to Mexico with the permission of El Chapo and La Barbie had a similar arrangement.²¹⁰ An untold number of corrupt officers policed the Mexico City Airport under the leadership of first Ramon Pequeño and then Cárdenas Palomino.²¹¹ These individuals moved drugs and money for the Sinaloa Cartel.²¹² The Sinaloa Cartel paid-off federal, state, and municipal government officials.²¹³ They paid the Judicial Police housed in the PGR and the Federal Police housed in the SSP. They bribed all levels of the SSP, from García Luna to his secretary, Luis Angel Cabeza de Vaca. The cartels even had the judges in their back pockets.²¹⁴

The Mexican press took note of the number of corrupt actors surrounding García Luna and the U.S. Embassy reported this observation to the State Department in November 2008.²¹⁵ It

²⁰⁷ *Id.*

²⁰⁸ 2013 Pillar II Cable, *supra* note 197, at 4.

²⁰⁹ El Chapo Tr. at 2665-66 (Martinez Sanchez Direct) (Testifying that he paid the Mexico Federal Police between \$100,000 and \$150,000 USD five to ten times to protect the drugs he was transporting).

²¹⁰ El Chapo Tr. at 5308-10 (Cifuentes Villa Direct).

²¹¹ García Luna Tr. at 650-69 (Arellano-Aguilera Direct) (Corrupt officials included Ramon Pequeno, Cárdenas Palomino, Oscar Morena Villatoro, Guillermo Baez, Commander Israel Espinoza, Officer Jose Luis Martinez, Officer Mario Nieto, Officer Bailón); *Id.* at 1497-1499 (Rey Zambada Direct) (testifying that he paid Palomino and his people to help with his cocaine loads at the airport).

²¹² *Id.* at 507-08 (Valencia Direct); *Id.* at 838:18-839:8 (Poveda-Ortega Direct).

²¹³ *Id.* at 748-50 (Avila Direct) (Avila was an accountant for the Sinaloa Cartel).

²¹⁴ *Id.* at 1303:13-18 (Veytia Cross).

²¹⁵ Memorandum from AMEMBASSY MEXICO to SEC STATE WASHDC 4125, Subject: Calderón Continues Anti-Corruption Sweep (Nov. 2008) (Obtained through FOIA through U.S. Dep’t of State Case No. F-2009-00597, Doc No. C17601043).

appears the United States may have trained many of these individuals. An Embassy cable from March 2009 says, “Garcia Luna asked for our assistance in training 150 of the best mid-level police officers to be promoted into roles of senior leadership.”²¹⁶ This memo continued by mentioning García Luna’s “good deal of interest . . . in Medellín, where the authorities used ex-guerrillas and reformed narcotics bosses as public security officials.”²¹⁷

El Chapo’s communications highlight the scale of his corruption network. From April 2011 to January 2012, the FBI intercepted El Chapo’s private servers with help from a cooperator.²¹⁸ On April 14, 2011, the FBI intercepted El Chapo discussing a corrupt governor and corrupt commander in Culiacán in a call with his associate M-10.²¹⁹

2	JGL:	Bueno. Y ¿tú no has tratado de-de hablar o mandar hablar con ese gobernador? ¿Cuánto tiempo va a tener la gente ahí?	Hello. And have you tried to call or send word to that governor? How long is he going to keep the people there?
3	M-10:	Sí, con él tenemos el contacto, pues, diario se puede decir.	Yes, we are in touch, you could say that we have daily contact with him.

21	M-10:	Sí, que porque nosotros nos volteamos y que no se confunda y que no se enrede y que ahí le va a mandar un presente. Pero el—el comandante es—es amigo de un comandante que está ahí. Entonces fue él el, fue el que lo platicó desde antes que llegara que sabía que iba para allá. Ya cuando llegó que le hablaron, le habló el comandante de Culiacán—le habló de esa otra persona, este Beto, y ya dijo, "Oigan, pues, ¿cómo está el pedo? Es que yo—yo la verdad, yo no me quiero enredar". Yo le dije al comandante, "Dígale que le diga a ese contacto a—a el que le habló, que venga y lo vea aquí en la capital", le dije. "Y yo me arrimo a darle cara", le digo, "pa' que vea que estamos al 100 con el Señor. Y si quiere una llamada, también", le dije. Entonces, por qué—	Yes, that because we turned, and don't get confused, and don'tt get involved, and that he's going to send him a present. But the—the commander is—is a friend of a commander who is there. So it was he, he was the one who told him since before he got there and knew he was going over there. Then when he got there they called him, the commander from Culiacán called him, he talked to him about this other person, this Beto, and he said, "Well, listen, well, so what's going on? It's that I— truthfully, I—I don't want to get involved." And I told the commander, "Tell him to tell that contact, uh, uh, the one that called him, to come and see you here at the capital," I told him, "And I will go there and face him," I told him, "so you can see that we are 100 percent with the Señor. And if he wants a call, that too," I told him. So why—
----	--------------	---	--

²¹⁶ Memorandum from AMEMBASSY MEXICO to SEC STATE WASHDC, Subject: Mexico Merida Initiative Spot Report #11- Federal Police, 4 (Mar. 2009) [hereinafter Spot Report #11] (Obtained through FOIA through U.S. Dep’t of State Case No. F-2014-13132, Doc. No. C05635826).

²¹⁷ *Id.* at 6.

²¹⁸ El Chapo Tr. at 4511 (Marston Direct).

²¹⁹ El Chapo Trial, Gov. Ex. 6011-7DT.

On July 9, 2011, the FBI intercepted El Chapo discussing corruption within the Federal Ministerial Police housed in the Attorney General’s office.²²⁰

32	GATO:	Entonces, este, deje le hablo para que usted se lo diga y ya él se esté quieto y este, y, mire, yo—le estábamos dando 80 a los chavalos, ahí a los del AFL. ¿Sí, si tiene conocimiento?	So, uh, let me call him so you can tell him and he can stand by and, uh, and, so, I— we were giving those guys 80 to those guys from the Federal Ministerial Police. Did, did you know about that?
33	JGL:	Si.	Yes.
34	GATO:	Ahora quedamos de trabajar— ¿Se acuerda que yo le comenté, “Usted cómo ve? Este, ¿sigo dando la mensualidad o les paro? Usted dígame”. Usted me dijo, “Sígales dando”. Entonces yo les he seguido dando nomás. Hablé con los chavalos. Les dije, “Oiga,” le digo, “¿sabe qué? Apóyenos ahorita al 50 mientras las cosas se medio acomodan pos-pos no estamos trabajando.” Y si es lo que estoy dando para que usted esté enterado.	Now we are working— Do you remember that I told you, “What do you think? Uh, do I continue giving them the monthly payment or do I stop?” You told me, “Continue giving it to them.” So, I have continued giving it to them. I spoke with the guys. I told them, “Hey” I said, “You know what? Support us at 50 while things get somewhat settled because because we are not working.” And that’s what I’m giving them so you know.
35	JGL:	Sí, sí, no, y ahorita hay que más bien no dejarle de dar. Yo a Los Azules también no he dejado de darles porque no conviene ahorita que-que tenemos ese proyecto que—menos hay que dejar de darles.	Yes, yes, right, and especially now we can’t stop giving it to them. I haven’t stopped giving it to Los Azules because it’s not convenient especially now that—that we have that project with more reason. We can’t stop giving it to them.

This corruption network was so important to the Sinaloa Cartel that El Mayo tended to these relationships personally.²²¹ As his son, Vicente Zambada, explained, El Mayo had “direct contact with people in Mexico City, with the military, PFP, SIEDO, everyone there[.]”²²² The Sinaloa Cartel paid over \$1 million a month to its corruption network, not including bonuses.²²³ By 2008, the cartel’s relationships with the government were so strong General Altimo actively recruited other military generals by saying “it was better to seek [El Mayo] out, and that it was better to be on [El Mayo’s] side because of who and how [El Mayo] was[.]”²²⁴

²²⁰ El Chapo Trial, Gov. Ex. 601F-2AT.

²²¹ El Chapo Tr. at 4056:23- 4057:2 (Vicente Direct) (“well, my dad is the kind of person who liked to see the Yankees or commanders personally, and I would go with him to see them; and when my dad would go to meet with these Yankees and commanders, he said it was on his behalf and that he also was on behalf of his Compadre Chapo.”).

²²² *Id.* at 4057:23-4058:1 (Vicente Direct).

²²³ *Id.* at 4059:24-4060:6 (Vicente Direct).

²²⁴ *Id.* at 4061:10-13 (Vicente Direct).

Section VIII. The DEA had evidence Mexican officials were corrupt, but still gave them training, intelligence, and awards.

FINDING: The DEA had credible evidence that its SIU commander was corrupt and still gave him training, sensitive information, and awards. The DEA failed to polygraph SIU leadership and was uninterested in investigating corruption. The DEA also had credible information that SSP Secretary García Luna was corrupt, but did not share that information with relevant U.S. stakeholders.

U.S. “law enforcement personnel received information that [DEA SIU commander] Reyes has been corrupt for a number of years dating back at least as far as 2008.”²²⁵ The information indicated Reyes Azarte was associated with the BLO:²²⁶

10. AUSA [REDACTED] related to REYES that law enforcement personnel received information that REYES has been corrupt for a number of years dating back at least as far as 2008. AUSA [REDACTED] further related that the information received indicated that REYES was associated with the Arturo

In 2012, DEA Source Number 2 (“CS-2”) began cooperating with the DEA.²²⁷ At some point, CS-2 gave the DEA a detailed account of bribe payments made to Reyes Azarte.²²⁸ According to a DEA affidavit submitted to the United States District Court for the Northern District of Illinois, CS-2 was present when Reyes Azarte identified a DEA source to BLO leader Arturo Beltrán Leyva in 2009.²²⁹ The BLO allegedly kidnapped and murdered the informant based on the information provided by Reyes Azarte. In 2013, the DEA received additional information that Arturo Beltrán Leyva paid Reyes Azarte and Ramón Pequeño Garcia (Head of the Anti-Drug division of the Federal Police) several multi-million dollar bribes.²³⁰ In 2016, U.S. law enforcement in Chicago intercepted Reyes Azarte passing information to a cartel associate about an active investigation and providing the identity of a cooperating source.²³¹ Presumably,

²²⁵ This statement is subject to two interpretations; either law enforcement started receiving information about Reyes Azarte in 2008 or simply the information received in and around 2017 included acts of corruption dating back to 2008.

²²⁶ Feb. 2, 2017 DEA-6 Report of Investigation at 4 (on file).

²²⁷ *Id.* at ¶ 11n.6.

²²⁸ Criminal Complaint Affidavit at ¶ 32-37, *U.S. v. Reyes Azarte*, 17CR084 (N.D. Ill. Feb. 10, 2017) [hereinafter SA Gildein Aff.].

²²⁹ *Id.* at ¶ 15.

²³⁰ Oct. 24, 2013 DEA-6 Report of Investigation at 81-85 (on file); *See also*, Reyes Azarte Sentencing Hr’g at 165:4-10 (“But Mr. Villarreal’s testimony is also corroborated by some of Mr. Reye’s own admissions. His nickname, La Reina. Mr. Villarreal knew that and provided that nickname to investigators as far back as 2013. He never knew Mr. Reyes by his first name or by his last name. He knew La Reina, and that’s the information he provided.”).

²³¹ SA Gildein Aff. at ¶¶ 12-31.

the DEA could have avoided this outcome had it intervened against Reyes Azarte at any point before 2016.

Instead, the DEA allowed Reyes Azarte to remain a part of its SIU. From 2008 to 2015, Reyes Azarte participated in five U.S. training courses, three of which were hosted by the DEA:²³²

1. FBI/Los Angeles Sheriff Department Executive Leadership Training Course, between September 18 to October 16, 2008;
2. DEA Sensitive Investigative Unit Training Program Advanced Course, on July 2, 2010;
3. DEA Certificate for Mexican Law Enforcement Analysis Training, on May 22, 2014;
4. DEA Certificate for Mexican Federal Law Enforcement Analysis Training, on May 22, 2014; and
5. Department of Defense Joint Operations Course Certificate, on October 22, 2015.

From 2011 to 2016, Reyes Azarte received six different awards from U.S. law enforcement. The DEA gave him three of these awards.²³³

1. DEA Award for Special Act or Service for Dedication to Duty and Outstanding Contributions (August 2011);
2. DEA Certificate of Appreciation for Outstanding Contributions in the Field of Drug Law Enforcement (2012);
3. DEA Certificate of Appreciation for Valuable Assistance in Operation “Mama y Papa” (December 18, 2013);
4. Certificate of Appreciation from New York Organized Crime Drug Enforcement Strike Force (April 2014);
5. International Student Academic Report with Remarks on Academic Performance, Awards, and Other Information (October 2015); and
6. ICE Certificate for Operation Diablo Express (January 2016).

If anything, these awards offered false assurances about the DEA SIU’s trustworthiness. In 2011, DEA Chief of Operations Thomas Harrigan touted the integrity of the SIU to the House Subcommittee on Oversight, Investigations and Management on Homeland Security:²³⁴

²³² Defendant’s Certificates in Support of His Position Paper, *United States v. Reyes Azarte*, 17-CR-84 (N.D.Ill Aug. 22, 2018), ECF No. 66.

²³³ *Id.*

²³⁴ *Administrator and Chief of Operations Drug Enforcement Administration Before the Subcommittee on Homeland Security United States House of Representatives at a Hearing Entitled “The U.S. Homeland Security Roles in the Mexican War Against Drug Cartels”*, 112th Cong. 10, (2011) (Statement of Chief of Operations Thomas Harrigan), https://www.dea.gov/sites/default/files/pr/speeches-testimony/2012-2009/110331_testimony.pdf.

- **The SIU Program is the foundation for building an effective and trustworthy unit capable of conducting complex investigations targeting major Mexican DTO's.** The program provides DEA with a controlled and focused investigative force multiplier that allows DEA access to a global transnational enforcement and intelligence network which directly supports DEAs Drug Flow Attack Strategy (DFAS). **The additional programs funded by the Merida Initiative facilitate anti-corruption and police professionalization efforts in a broader context, which will serve the public interest.** The FY 2010 SWB supplemental provided an additional \$2 million for the SIU program.

Corruption within the SIU was a problem for all U.S. law enforcement agencies. As DEA Agent Gildein explained in an affidavit, other law enforcement agencies share investigative information with DEA's vetted SIU.²³⁵ In fact, multiple DEA agents and U.S. personnel identified Reyes Azarte as "the principal direct point of contact for information sharing between U.S. and Mexican law enforcement personnel assigned to the SIU."²³⁶ DEA was supposed to polygraph its SIU members every three years.²³⁷ However, Agent Gildein explained "some senior-level [Federal Police] supervisory personnel have been exempted from the polygraph screening." An Embassy cable from 2009 even shows a Leahy vetting request made from HSI to DEA for Reyes Azarte to attend the September 14, 2009 Advanced SIU Course in Aruba.²³⁸ In addition, the DEA Inspection Division was supposed to conduct a full inspection of each SIU every two years.²³⁹ "The [DEA] International Impact Section inspected the SIU ... during Inspection Division off-years."²⁴⁰ In other words, someone at DEA should have inspected the Reyes Azarte SIU every single year.

Court records demonstrate this was not an isolated incident. The DEA routinely received information about corruption and the agency appears to have done little to investigate. Below are a few publicly available examples.

Edgar Valdez-Villarreal (a.k.a. La Barbie)

From 2008 to 2010, Edgar Valdez-Villarreal passed information to U.S. law enforcement through third parties.²⁴¹ La Barbie was embedded in the Beltrán Leyva Organization until his

²³⁵ SA Gildein Aff. at ¶ 5 ("Other law enforcement agencies ... routinely share information in support of U.S. and Mexican investigations with U.S.-vetted [Federal Police] personnel assigned to groups generally called Sensitive Investigative units ("SIU").")

²³⁶ *Id.* at ¶ 14.

²³⁷ Jack Lawn and Boyd Johnson, *Report on the Drug Enforcement Administration Foreign Operations Review*, 15-16 (Mar. 24, 2023), <https://www.dea.gov/sites/default/files/2023-03/DEA%20Foreign%20Review%20Report.pdf> [hereinafter Johnson Foreign Op. Review].

²³⁸ Memorandum from AMEMBASSY to SEC STATE WASDC, Subject MX 2009-412, DEA Leahy Vetting Request (Aug. 2009), OCR of the Document | National Security Archive (gwu.edu) (unclassified).

²³⁹ Johnson Foreign Op. Review, *supra* note 236, at 38.

²⁴⁰ *Id.*

²⁴¹ Valdez-Villarreal Sentencing Hr'g at 35:20-36:5, *U.S. v. Valdez-Villareal*, 1:09cr551 (N.D. Ga. June 11, 2018), ECF No. 332 ("The evidence presented before the Court is that in 2008 and into 2009 and into 2010, Edgar Valdez-Villarreal communicated via third-parties with U.S. law enforcement authorities, and those authorities, based on the documents submitted to the Court, include the Drug Enforcement Administration out of San Antonio, the Drug Enforcement Administration out of Mexico City, the FBI office in McAllen, Texas, the FBI office in the Embassy at

arrest in August 2010.²⁴² In 2009, La Barbie gave DEA agents stationed in Mexico photographs and names of corrupt Mexican officials working with the cartels.²⁴³ Part of this disclosure included “the cartels had identified undercover DEA agents in various localities within the country of Mexico [and had] photographs, names, [and] identification.”²⁴⁴ Valdez-Villarreal’s cooperation was so valuable that the U.S. government instructed him not to self-surrender.²⁴⁵ In a publicly filed e-mail, Valdez-Villarreal’s sister further described his cooperation as including information about “corrupt Mexican and U.S. officials” and “weapons from the U.S. armed forces in Mexico.”²⁴⁶

I have spoken to Edgar and he is firm without exceptions that he will not advance to being sentence without first disputing the probation department enhancements as well as making sure the judge understands exactly the specifics of all the information that he provided to the government while a fugitive in Mexico.

The information provided was not only about cartels, drug routes, drug lords, corrupt Mexican and U.S. officials to say the least but about U.S, national security issues for example weapons from the U.S. armed forces in Mexico as well as a potential threat of a U.S, Embassy being bombed in Mexico. And these were issues that I can confirm I provided INTEL to U.S. law enforcements.

High-level BLO member Sergio Villarreal Barragán at least partially corroborated this information when he testified that some of the cartel’s weapons were stamped “property of the United States.”²⁴⁷

Oscar Nova Valencia

Oscar Nova Valencia bribed individuals within President Calderón’s cabinet, including García Luna and the Secretary of Defense.²⁴⁸ He led the Milenio Cartel, which became the modern-day CJNG. He started cooperating with the DEA in 2011.²⁴⁹ On cross-examination, Nova Valencia explained he told the DEA about government corruption but those topics were “treated in a superficial matter, not directly attacking corruption in Mexico.”

Mexico City, Immigration Customs and Enforcement agents in the Southwest border area, as well as possibly communications with intelligence services of the United States.”).

²⁴² *Id.*; MND Staff, *Drug Lord Who Waged Bloody War for Cartel Control Gets 49 Years*, Mexico News Dailey (June 12, 2018), Drug lord who waged bloody war for cartel control gets 49 years (mexiconewsdaily.com).

²⁴³ Valdez-Villarreal Sentencing Hr’g at 14:10-25.

²⁴⁴ *Id.* at 38:19-39:1.

²⁴⁵ *Id.* at 90:16-20 (Valdez allocution).

²⁴⁶ E-mail Attachment to Memorandum of Appellee in Support of Section 2255, *U.S. v. Valdez-Villarreal*, 1:09-cr-00551, 79 (Aug. 16, 2019), ECF No. 372.

²⁴⁷ García Luna Tr. 203:14-19 (Barragán Cross).

²⁴⁸ *Id.* at 608-11 (Valencia Cross).

²⁴⁹ *Id.* at 580:13-583:23 (Valencia Cross).

4	Q	Okay. And in some of these meetings they specifically
5		asked you about Mexican Government corruption; right?
6	A	They were some topics that were treated in a superficial
7		matter, not directly attacking corruption in Mexico.
8	Q	Well -- and I'm talking about proffers or meetings that
9		took place between -- well, that took place before 2020, okay?
10		I'm directing your attention to meetings that took place
11		before 2020.
12	A	Before 2020?
13	Q	Right, before 2020.

He later explained he provided U.S. law enforcement with the names of people he had bribed but the DEA “didn’t go deeply in 2020 about corruption topics or things that were going on in the Government.”²⁵⁰

3	Q	So is your testimony that the reason you never mentioned
4		Mr. Garcia Luna's name in all those years is because you were
5		never asked directly whether you bribed him?
6	A	Directly that there wasn't an interest directed to those
7		topics. We talked about those topics very superficially, like
8		Government corruption. We didn't really go deep into it until
9		the time came.
10	Q	So even though you were asked questions specifically
11		about the cartel's relationship with Government and Government
12		corruption, Mr. Garcia Luna's name just never happen to come
13		to mind?
14	A	Of course it came to mind.
15	Q	But you just didn't mention it?
16	A	I wasn't asked specifically at that time.

251

Rey Zambada

The U.S. government did not formally debrief Sinaloa Cartel boss Rey Zambada until 2012.²⁵² However, U.S. Embassy reporting suggests that documents identifying corrupt SSP actors surfaced in connection with Rey Zambada’s October 2008 arrest.²⁵³ These documents identified three aids for Federal Police Commissioner Garay that worked for the Sinaloa Cartel. Commissioner Garay reported to García Luna.²⁵⁴

²⁵⁰ *Id.* at 583:19-23 (Valencia Cross).

²⁵¹ *Id.* at 586:3-16 (Valencia Cross).

²⁵² El Chapo Tr. at 1035:17-19 (Sidebar) (Defense counsel: “the first time he comes in, he tells chronologically what I believe is the truth. That’s in 2012.”); *Id.* at 1055:14-25 (Rey Zambada Cross).

²⁵³ Memorandum from AMEMBASSY MEXICO to SECSTATE WASHDC 3915, Senior Law Enforcement Officials Arrested on Corruption Allegations, at 3 (Nov. 2008) (Obtained through FOIA through U.S. Dep’t. of State Case No. F-2011-02923, Doc. No. C17647820).

²⁵⁴ García Luna Tr. at 958:6-18 (Madrugal Direct).

According to local news reports, Garay resigned on October 31 when derogatory information surfaced after capture of ranking Sinaloa Cartel member Jesus Reynaldo Zambada ("El Rey"). Documents uncovered indicate that three of Garay's aides were working for the Sinaloa cartel and permitting drugs to be smuggled through the Mexico City airport. Garay is not suspected of connections to the cartel,

Rey Zambada debriefed with the U.S. government roughly seventy-four times.²⁵⁵ At least eight meetings occurred between April 16, 2012 and June 13, 2012.²⁵⁶ Rey Zambada debriefed with the government thirty more times between July 15, 2013 and February 4, 2016.²⁵⁷ He gave additional debriefs from May 12, 2017 through September 25, 2018.²⁵⁸ At García Luna's 2023 trial the government informed the court that Rey Zambada, "Told the Government that the defendant was corrupt 10 years ago. There's notes on it from 10 years ago."²⁵⁹

Edgar Bayardo

According to the García Luna trial transcript, DEA SA Madrigal testified that Bayardo provided the DEA "information regarding García Luna AKA Barbie, and Harold Poveda Ortega, AKA Conejo."²⁶⁰ This appears to be an error in the transcript; however, it is unclear whether the name "García Luna" or the alias "Barbie" was erroneously included. The alias "Barbie" belongs to Edgar Valdez Villarreal, not García Luna. The DEA received this information before Bayardo was murdered in a coffee shop in December 2009.

Villarreal Barragán (a.k.a. "El Grande")

High-level BLO boss Villarreal Barragán asked to speak with the DEA in September 2010.²⁶¹ During that meeting, he told DEA SA Madrigal about business dealings the BLO had with García Luna when Villarreal Barragán was an officer and later a BLO member.²⁶² According to Deputy Chief of Missions John Feeley, SA Madrigal never shared this information with the Chief of Missions team at the Mexican Embassy. In a recorded interview, former-Deputy Chief Feeley stated:

Mike Madrigal, Miguel Madrigal, is a DEA agent he presented the evidence of a conversation he personally had with the great Sergio Barragán ... in 2010, [who told] him García Luna is on Chapo's payroll. **Madrigal never informed anyone at my embassy** and I say my embassy because I shared it obviously with the ambassador at that time with Joseph Evans the head of the DEA, the core of what

²⁵⁵ El Chapo Tr. at 1037:12-14 (Sidebar).

²⁵⁶ *Id.* at 1057:3-6; 1061:3-9 (Rey Zambada Cross).

²⁵⁷ *Id.* at 1063:21-1064:1 (Rey Zambada Cross).

²⁵⁸ *Id.* at 1064:16-19 (Rey Zambada Cross).

²⁵⁹ García Luna Tr. at 1441:24-1442:1 (Sidebar).

²⁶⁰ *Id.* at 976:21-977:4 (Madrigal Direct).

²⁶¹ *Id.* at 188-89 (Barragán Direct).

²⁶² *Id.* at 965 (Madrigal Direct).

was at the that time the Merida initiative and we were contributing millions and millions of dollars to the Secretary of Public Security.²⁶³

When the DEA investigated corruption, it often failed to communicate what it uncovered to front offices and ambassadors.²⁶⁴ For example, Ambassador Wayne testified he expected the agencies to brief him on significant law enforcement events in Mexico but no one told him about García Luna's corruption.²⁶⁵ The DEA only told him the Federal Police "were not the preferred partner to work against the Beltrán Leyva and Sinaloa Cartels."²⁶⁶ According to former Deputy Chief of Missions (DCM) Feeley, the Embassy asked the DEA to investigate rumors García Luna was corrupt. The DEA told DCM Feeley that the agency could not confirm these rumors:

The diplomatic agents at the Embassy during this time, including 4-5 Ambassadors, 4-5 ministry advisors, and 4-5 assistant-secretaries from 2002-2012, during Garcia-Lunas' tenure at the Agencia Federal de Investigación (AFI) and then as Secretary of Public Safety, **were completely aware of the rumors about Garcia-Luna.** But, as I've stated, the U.S. does not pick who it will work with, that decision is made by the democratically-elected President. . . . **I once received a non-corroborated intelligence report (exact spanish: *informe de inteligencia*) that Garcia-Luna was involved in bribes (exact spanish: *coimas*). I immediately asked my DEA boss at the time to verify it. He said he would look into it but doubted he'd be able to confirm. He was not able to confirm it.**²⁶⁷

Incredibly, after the DEA received credible information about García Luna's corruption in 2010, García Luna received access to top U.S. officials, including Secretary of State Hillary Clinton (April 2011, and September 2012) and House Speaker John Boehner (January 2012).²⁶⁸ This fact seems to corroborate DCM Feeley's statement that DEA did not tell "my embassy" about the intelligence on García Luna.

In November 2022, John Feeley (who later became Ambassador to Panama) and James Nealon (former Ambassador to Honduras)²⁶⁹ wrote an op-ed expressing their frustration with the

²⁶³ Video Interview with John Feeley, Former Deputy Chief of Missions, Mañanera (last accessed July 19, 2023), #Mañanera. Revela John Feeley, ex responsable de negocios de la embajada de EU, que la DEA supo desde 2010 de las relaciones de García Luna con El Chapo... | By Jenaro Villamil | Facebook (translated from Spanish) (emphasis added).

²⁶⁴ Jim Mustian and Joshua Goodman, *DEA Review Gives Short Shift to Foreign Corruption Scandals*, AP News (Mar. 24, 2023), <https://wtmj.com/national/2023/03/24/dea-review-gives-short-shrift-to-foreign-corruption-scandals/> (John Feeley, retired U.S. Diplomat: "the biggest silo that needs to be dismantled from an operations perspective is the DEA's failure to communicate to front offices and ambassadors when it's investigating senior officials of host nations.")

²⁶⁵ García Luna Tr. 1216 (Wayne Cross).

²⁶⁶ *Id.* at 1230 (Wayne Cross).

²⁶⁷ Video Interview with John Feeley, Former Deputy Chief of Missions, *Al Punto con Jorge Ramos: Que Tanto Sabia EEUU Sobre Genaro Garcia Luna?*, Univision (Upload Date: February 2, 2023), <https://www.facebook.com/AlPuntoUnivision/videos/3472011473078083/>

²⁶⁸ Defendant's Letter Motion, *U.S. v. García Luna*, 1:19cr00576, 5-6 (E.D.N.Y. Oct. 14, 2022), ECF No. 123-2.

²⁶⁹ U.S. Dep't of State, James D. Nealon, (last access July 22, 2023) <https://2009-2017.state.gov/r/pa/ei/biog/230045.htm> (Nealon was confirmed by the Senate as Ambassador to Honduras on July 15, 2014. He served as the Deputy to the Commander of U.S. Southern Command from September 2013 to August 2014. Before that, he was Deputy Chief of Mission in Canada, Peru, and Uruguay.)

DEA. They noted, “DEA agents are the most likely candidates to receive loss of confidence letters from an ambassador.”²⁷⁰ They listed the DEA, Department of Justice, and elements of the Department of Homeland Security among the worst offenders of their Chief of Mission authority, which gives ambassador ultimate oversight of all in-country missions. “DOJ is not fully transparent with its State counterparts,” Ambassadors Feeley and Nealon wrote, “often leading to Ambassadors COM’s being invited along for the crash landing of an impending DOJ announcement of an indictment, but not on board for take-off to coordinate with appropriate host government officials.”

Section IX. The State Department’s “Fifteen Percent Reports” to Congress Were Deficient

FINDING: The State Department certified Mexico’s human rights progress based on assurances given by corrupt Mexican government officials and struggled to respond to Congress because of Mexico’s lack of transparency.

Congress placed human rights conditions on fifteen percent of certain law enforcement and military assistance given to Mexico.²⁷¹ This condition required the State Department to submit so-called “Fifteen Percent Reports” to Congress assessing the human rights conditions in Mexico. Annual State Department, Foreign Operations, and Related Programs Appropriations Acts (SFOAA) also required the Secretary of State to report that Mexico “is continuing to ‘improve the transparency and accountability of Federal Police forces[.]’”²⁷² In 2009, this reporting fell to then-Secretary of State Hillary Clinton. “In early August, Sen. Patrick Leahy (D-VT), then-Chairman of the Senate Appropriations foreign operations subcommittee, blocked the release of a State Department report affirming that the Mexican government is adhering to human rights standards in its campaign against drug cartels.”²⁷³ Senator Leahy criticized the report as “contradict[ing] credible claims of abuses by the military, which are steadily on the rise.”²⁷⁴

On August 11, 2009, senior policy staffers raised transparency concerns to Secretary Clinton but expressed the need to “ensure that we do not lose out on the 15 percent.”²⁷⁵

²⁷⁰ John Feeley and James D. Nealon, *Diplomats Frustrated by the DEA’s Dark Side*, Univision News, (Nov. 22, 2022), [Oped on foreign policy and the sometimes frustrating role of the DEA | Univision News Opinion | Univision](#).

²⁷¹ Clare Seelke, CRS Report R40135, *Mérida Initiative for Mexico and Central America: Funding and Policy Issues*, 2 (Jan. 21, 2010) [hereinafter CRS Report R40135].

²⁷² Mexico – Merida Initiative Report (“15 Percent” Report), at 3 (Obtained through FOIA through U.S. Dep’t of State Case No. F-2012-34689, Doc. No. C05469294) [hereinafter 2012 Fifteen Percent Report].

²⁷³ Justice in Mexico Trans-Border Institute, News Report August 2009, at 7, *2009-08-AUGUST NEWS REPORT (sandiego.edu)

²⁷⁴ *Id.*

²⁷⁵ E-mail from Cheryl D. Mills to H, Fw: 8/11 Senior Staff Meeting (Aug. 12, 2009) (Obtained through FOIA through U.S. Dep’t of State Case No. F-2014-20439, Doc No. C05763505).

Merida Initiative

- Both Jack and Jim voiced misgivings over the current state of the Merida Initiative report needed for the release of the last 15 percent of the allocated resources. Jim noted that, in effect, this is a certification. He said that there is still insufficient transparency on the part of the Mexicans and that it is unclear that their proposal to try alleged military human rights violations in military courts covers the full range of potential transgressions. Jim said he would have a meeting later this morning to review with WHA, INL, H and others what needed to be added, but the goal is to turn it around as quickly as possible and ensure that we do not lose out on the 15 percent.

On August 12, 2009, the State Department attempted to negotiate with Senator Leahy and determined that the report's tone should be "this is a work in progress."²⁷⁶

Merida Initiative

- WHA is working on a revision of the 15 percent report, which Jim and Jack have not yet seen. Rich Verma said that Tim Rieser has indicated that Senator Leahy will not block the money in the end, but clearly this issue will have an impact on future appropriations. Jim asked Rich to tell Rieser that he is prepared to meet with him, along with Carlos Pascual and Valenzuela, to discuss the matter further and as a signal of our continued involvement and good faith. The message will be that we have heard their concerns, that we share them, and that we will stay on it. Jim noted that the tone of the report should be that this is a work in progress, and that both presidents at the recent summit meeting agreed to take steps to increase transparency.

Ultimately, The Clinton State Department released a "somewhat favorable report to Congress on August 13, 2009" and Congress released the withheld funds to Mexico.²⁷⁷ However, "the Mexican Human Rights Center (CNDH) received 2,956 complaints during the first half of 2009, with 599 complaints levied against the military."²⁷⁸ *Five months before* the 2009 Fifteen Percent Report, the Narcotics Affairs Section Mexico Monthly Report for March 2009 noted Senate Human Rights Commission concerns over abuses that lead to riots, torture, abuse, and harassment.²⁷⁹ These concerns appear assuaged by SSP Secretary García Luna's announcement of the construction of a maximum-security prison and the comprehensive Corrections/Penitentiary Systems Reform program for SSP correction institutions.²⁸⁰

On May 29, 2009, Secretary Clinton received an email titled "Brazil and Mexico" advising, "If we **set the expectation now that the outcome is likely to not go our way**, ANY alternative – even one kicking the can down the road as Jake outlines below would be seen as a

²⁷⁶ E-mail from Cheryl D. Mills to H, FW: 8/12 Senior Staff Meeting (Aug. 12, 2009) (Obtained through FOIA through U.S. Dep't of State Case No. F-2014-20439, Doc No.C05763512).

²⁷⁷ CRS Report R40135, *supra* note 270, at 2.

²⁷⁸ Memorandum from AMEMBASY MEXICO to STATE FOR INL AND WHA/MX, Narcotics Affairs Section Mexico Monthly Report for July 2009, ¶ 8 (Aug. 14, 2009) (Obtained through FOIA through U.S. Dep't of State, Case No. F-2011-02924, Doc. No. C17689994).

²⁷⁹ NAS Mar. 2009 Rept., *supra* note 171, at ¶ 14 ("The nonpartisan Senate Human Rights Commission presented its finding to the Plenary Committee on abuses that lead to the riots of last September at Tijuana's La Mesa State Penitentiary. The most searing conclusion pointed out that besides the obvious structural problems that led to the riots and the subsequent death of 23 inmates (including 2 Americans), torture, abuse and harassment were also factors.").

²⁸⁰ *Id.*

significant victory. As an added bonus, it would be an **opportunity to highlight your personal dedication to a prioritization of human rights**/democracy, which we've been criticized for since China."²⁸¹ The State Department heavily redacted this email despite Secretary Clinton receiving the information on her private server. As a result, it is unclear what human rights information Secretary Clinton received about Mexico.

The 2012 Fifteen Percent Report noted that "Mexico's intense battle against drug trafficking organizations over the last 5.5 years has achieved considerable success in disrupting and dismantling the TCOs [Transnational Criminal Organizations], although at considerable cost – the resulting violence has led to an estimated 50,000 plus deaths since 2006."²⁸² This report points to the SSP's internal vetting program (Control de Confianza) and biometric database for roughly 400,000 local, state, and federal officers ("Kardex") as partial evidence of improved human rights in Mexico.²⁸³ García Luna ultimately controlled these programs when he worked for the cartels. It is unclear whether these programs, particularly the biometric database for law enforcement, were abused. The Sinaloa Cartel relied on corrupt federal law enforcement to locate offending officers for hits.²⁸⁴ A biometric database²⁸⁵ would have been useful in this regard.

The 2012 Fifteen Percent Report also relied on Mexican Secretary of Defense General Galvan's public confirmation the military had received instructions from the President to develop procedures to transfer cases of alleged military abuses against civilians to the civilian courts.²⁸⁶ General Galvan made this statement on February 19, 2012. At the time, General Galvan had allegedly taken bribes from drug traffickers.²⁸⁷ Federal agents apparently received this information from Milenio Cartel Leader Oscar Nova Valencia in 2013, but they could have asked Nova Valencia about corruption when Nova Valencia began cooperating in 2011.²⁸⁸ There simply "wasn't an interest directed to those topics."²⁸⁹

Section X. The State Department Lost Control of U.S. Provided Resources to Mexico

FINDING: The State Department failed to monitor donated equipment properly and continued to provide resources to Mexico despite

²⁸¹ E-Mail from H <hrod17@clintonemail.com> to reinesp@state.gov, Re: Brazil and Mexico (May 30, 2009) (Obtained through FOIA through U.S. Dep't of State Case No. F-2014-20439, Doc. No. C05758645) (emphasis added).

²⁸² 2012 Fifteen Percent Report, *supra* note 271, at 1-2.

²⁸³ *Id.* at 3-4.

²⁸⁴ El Chapo Tr. at 958 (Rey Zambada Direct) (explaining how Commander Bayardo helped locate Roberto Valasco because they worked in the same agency. Valasco was murdered by the cartel.)

²⁸⁵ The U.S. appears to have donated \$4.8m for equipment to support this program. Memorandum from AMEMBASSY MEXICO to SECSTATE WASHDC 2544, Subject: Tenth Bilateral Implementation Meeting, at 5 (June 2010) (Obtained through FOIA through U.S. Dep't of State Case No. F-2010-03406, Doc No. C17520460).

²⁸⁶ 2012 Fifteen Percent Report, *supra* note 271, at 9.

²⁸⁷ García Luna Tr. at 585-86 (Valencia Cross).

²⁸⁸ *Id.* at 580-81; 585-86 (Valencia Cross).

²⁸⁹ *Id.* at 586 (Valencia Cross).

Mexico’s refusal to allow random inspections. Shockingly, the United States physically inspected a mere 10% of donated items in 2011.

State’s INL monitored most Mérida programs through quarterly and annual progress reports.²⁹⁰ These progress reports were based on periodic sub-reports from on-the-ground implementers. Still, the Mérida funds were difficult to track.²⁹¹ The State Department did not have a consolidated database.²⁹² The U.S. Embassy submitted annual reports monitoring the equipment donated by the U.S. government to Mexico. State Department Law Enforcement and Narcotics Affairs Section (“NAS”) staff was largely responsible for these reports.²⁹³ In August 2008, NAS Mexico had a total of 19 staffers, which increased to 43 staffers by August 2009, and 51 staffers by March 2010.²⁹⁴ This included “local contractors.”²⁹⁵ It is unclear what, if any, background checks NSA performed on these hires. A May 19, 2010 Embassy memo encouraged “flexibility and a willingness to experiment ... in order to meet the needs of new staffing, especially Mexican professionals on short term contracts.”²⁹⁶

The preferred method for monitoring INL-funded resources included both scheduled and unscheduled on-site physical inspections.²⁹⁷ Nonetheless, in 2009, 2010, and 2011, the U.S. government did not perform a single unscheduled on-site inspection.²⁹⁸ Each report claims the Mexican government did not allow unscheduled inspections.²⁹⁹ These statements seem at odds with the “random physical inspection” the U.S. government performed across eight SIU offices in 2008.³⁰⁰

In 2011, the U.S. government personally inspected just 10% of donated items.³⁰¹ “65% of the total donated property could not be physically inspected for security, safety, lack of access to equipment, and constant movement of equipment to support urgent operations.”³⁰² Instead, the United States relied on discussions with Government of Mexico (“GOM”) contacts to determine

²⁹⁰ GAO-20-388, *supra* note 187, at 8.

²⁹¹ GAO-10-253R, *supra* note 179, at 9.

²⁹² *Id.*

²⁹³ 2010 EUM Report, *supra* note 13, at 1.

²⁹⁴ Memorandum from AMEMBASSY MEXICO to SEC STATE WASHDC, Subject: Merida at 18 Months – Part III Management Opportunities and Challenges (May 19, 2010) (Obtained through FOIA through U.S. Dep’t of State Case No. F-201-02924, Doc. No. C17690036).

²⁹⁵ *Id.*

²⁹⁶ *Id.* at 4.

²⁹⁷ 2011 EUM Report, *supra* note 13, at 4.

²⁹⁸ *Id.* at 4 (“Number of scheduled on-site inspections performed: 33 Number of unscheduled on-site inspections performed: 0); 2010 EUM Report, *supra* note 13, at 4 (“Fifty-four (54) scheduled inspections were executed during CY10 ... The number of unscheduled on-site inspections performed: Prior coordination with GOM agencies is required, all inspections were prescheduled.”); 2009 EUM Report, *supra* note 13, at 5 (“Because prior coordination with GOM agencies is required, all inspections were pre-scheduled.”).

²⁹⁹ *Id.*

³⁰⁰ Memorandum from AMEMBASSY to SECSTATE WASHDC 5328, Mexico End-Use Monitoring Report for Calendar Year 2008 (Feb. 2009) (Obtained through FOIA Through U.S. Dep’t of State Case No. F-2012-34686, Doc. No. C05335648).

³⁰¹ 2011 EUM Report, *supra* note 13, at 6 (“The percentage (%) of donated items personally inspected during CY-2011: approximately 10%”).

³⁰² *Id.* at 7.

the status and use of this equipment.³⁰³ In contrast, the U.S. government personally inspected 55% of donated items in 2008, 55% in 2009, and 81% in 2010.³⁰⁴ The U.S. could not inspect 35% and 32% of U.S. donated property for security or safety reasons in 2009 and 2010, respectively.³⁰⁵

Despite these reporting deficiencies, in 2011, the U.S. government made “292 major donations of commodities to various [Mexican government] agencies. . . .”³⁰⁶ The following donations were made to García Luna’s SSP: 1 UH-60 M helicopter,³⁰⁷ 32 Cargo Vans,³⁰⁸ and 10 Z Backscatter Vans.³⁰⁹ The State Department projected an additional \$350 million in deliveries across all programs in 2012.³¹⁰

By 2011, the executive branch had ample warning of García Luna’s corruption. In November 2008, Federal Police officers submitted a letter to Mexican Congresswoman Layda Sonsores detailing an unauthorized meeting between García Luna and Arturo Beltrán Leyva.³¹¹ *Proceso*³¹² published the letter and at least one of the whistleblowing officers was arrested in retaliation.³¹³ That same year, a police commander reported García Luna’s corruption to the U.S. Embassy.³¹⁴ The Mexican Federal Police arrested this whistleblower too, tortured him, and detained him for four years.³¹⁵ By October 2009, the U.S. Embassy took note of the controversy surrounding García Luna and remarked that he was “not broadly trusted among other GOM

³⁰³ *Id.*

³⁰⁴ 2008 EUM Report at 3 (“In CY 2008 approximately 55% of all donated items were inspected on-site.”); 2009 EUM Report, *supra* note 13, at 4 (“In CY09 approximately 55% of donated accountable property was inspected on-site.”); 2010 EUM Report, *supra* note 13, at 4 (“In CY2010 approximately 81% of the accountable property donated that year was inspected on-site.”).

³⁰⁵ 2010 EUM Report, *supra* note 13, at 5 (“in CY10 approximately 32% of total (all years) U.S. donated property could not be physically inspected for security or safety reasons.”); 2009 EUM Report, *supra* note 13, at 5 (“In CY09 approximately 35% of U.S. donated property could not be physically inspected for security or safety reasons.”).

³⁰⁶ 2011 EUM Report, *supra* note 13, at 7.

³⁰⁷ *Id.* at 8 (“To enhance field operations in CY-2011, NAS donated 3 UH-60 M helicopters and 1 Casa 235 helicopter to the Secretariat of the Navy (SEMAR); and 1 UH-60 M helicopter to Public Security Secretariat – Federal Police (SSP –PF). All aircraft in the active inventory are operational.”).

³⁰⁸ *Id.* at 11.

³⁰⁹ *Id.* at 14.

³¹⁰ Memorandum from AMEMBASSY to STATE FOR INLAND WHA/MEX, The Merida Initiative at 36 Months – What we Have Achieved and What Comes Next, (Jan. 27, 2012) (Obtained through FOIA through U.S. Dep’t State Case No. F-2013-16507, Doc. No. C05798663).

³¹¹ García Luna Tr. at 1061-63 (Zavaleta Direct); *Id.* at 1105-18 (Zavaleta Cross).

³¹² *Proceso Magazine* often exposed corruption. For example, investigative journalist Regina Martínez worked for *Proceso Magazine* and was attempting to expose that two successive governors in Veracruz allowed the cartels to work freely with the help of the local and state police. In 2004, Regina was brutally murdered in her home. Her attacker broke her jaw with brass knuckles and strangled her with a rag. Barely 5 feet tall and 100 pounds, Regina clawed at her attacker, leaving his skin under her fingernails. Dana Priest, Paloma de Dinechin, Nina Lakhani, and Veronica Espinosa, *A Murder in Veracruz: Slain Journalist’s Story a Portrait of a Violent, Corrupt Era in Mexico*, *The Washington Post* (Dec. 6, 2020), <https://www.washingtonpost.com/graphics/2020/investigations/regina-martinez-mexican-journalist-murdered-veracruz/>. Mexican officials convicted Jose Antonio Hernandez based on a coerced confession he gave after officers allegedly tortured him. The DNA evidence under Regina’s fingernails did not match Hernandez. 2013 Fifteen Percent Report at 20.

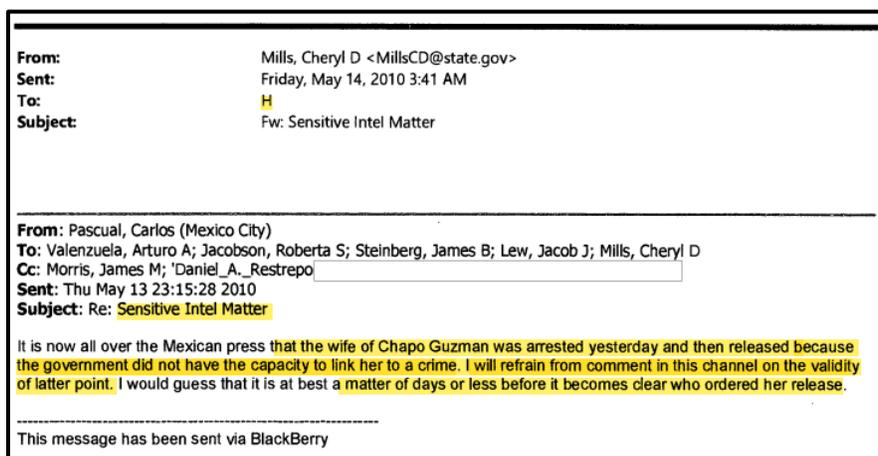
³¹³ *Id.*

³¹⁴ Peniley Ramírez and Mariana Hosa, *USA v. Garcia Luna, Episode 2: the Mexican Hoover*, Lemonada, (Dec. 9, 2022) Episode 2: The Mexican Hoover - USA v. García Luna - Omny.fm.

³¹⁵ *Id.*

[Government of Mexico] institutions.”³¹⁶ In 2010, high-level BLO leader Sergio Villarreal Barragán, a.k.a. “El Grande,” told the DEA the Sinaloa Cartel and the BLO made regular corruption payments to García Luna.³¹⁷ The U.S. Government found this information credible enough to offer at García Luna’s criminal trial.

State Department documents expressed suspicion about corruption. On May 14, 2010, U.S. Ambassador to Mexico Carlos Pascual sent an email to State Department staff about the release of El Chapo’s wife from custody:³¹⁸



In November 2010, the U.S. Embassy wrote, “It is telling that federal prison numbers in the last year have gone down from 227,735 inmates in July 2009 to 222,297 inmates in July 2010, despite the spike in violence.”³¹⁹ This should have raised suspicions about law enforcement efforts and triggered more oversight. Nonetheless, the State Department settled for a mere 10% physical inspection rate in 2011 of U.S. assets donated to Mexico. Around the same time, the Mexican government designated roughly 5% of its total government spending (\$10.7 billion) to the SSP.³²⁰

Misuse of the National Command and Control Center, commonly referred to as “The Bunker”,³²¹ illustrates the consequences of deficient inspections. The Bunker was a “state-of-the-

³¹⁶ Memorandum from AMEMBASSY MEXICO to RUEHC/SECSTATE WASHDC 8786, Subject: Scen setter for Separate Merida-related Visits: Mexican Secretary for Public Security Garcia Luna and Attorney General Chavez, (Oct. 2009), <https://nsarchive.gwu.edu/document/20645-national-security-archive-doc-22-u-s-embassy> (Declassified 07/24/2019).

³¹⁷ García Luna Tr. at 188-89 (Barragán Direct); *Id.* at 965 (Madrugal Direct).

³¹⁸ Email from Cheryl D. Mills to H, FW: Sensitive Intel Matter (May 14, 2010) (Obtained through FOIA through U.S. Dep’t of State Case No. F-2014-20439, Doc. No. C05770443).

³¹⁹ Memorandum from AMEMBASSY MEXICO to SECSTATE WASHDC, Subject: Brazen and Decentralized Attacks Mark a Trend in Mexico’s violence, at 4 (Nov. 2010) (Obtained through FOIA through U.S. Dep’t of State Case No. F-2013-02111, Doc No. C05430607).

³²⁰ Email from Bernadette Meehan to Carl Yoder, RE Scen setter for Deputy Secretary Nides’ Visit to Mexico City (Mar. 16, 2011) [hereinafter Nides’ Visit Memo] (Obtained through FOIA through U.S. Dep’t of State Case No. F-2016-07853, Doc No. C06527028).

³²¹ Memorandum from AMEMBASSY MEXICO to SEC STATE WASH DC, Subject: Mexico Merida Initiative Spot Report #27: Mexico Prepares a New National Command Center (Aug. 2009) [hereinafter Spot Report #27] (Obtained through FOIA through U.S. Dep’t of State Case No. F-2014-13132, Doc No. C05635821).

art complex that [served] as a multi-agency coordination center across all levels of government.”³²² It looked “like a NASA command center with multiple screens and three rows of trained computer operators monitoring data and events across the country.”³²³ The State Department delivered and installed over 60 servers at a cost of \$3.5 million in the Bunker.³²⁴ This U.S. technical assistance for the Bunker was chief among García Luna’s interests.³²⁵ In at least 2009,³²⁶ the Bunker had “Pegasus” spyware, which could access historic and real-time communications of target devices.³²⁷ What the U.S. government knew about Mexico’s access to Pegasus during this timeframe is unclear. News reports suggest that most believed Mexico did not have Pegasus spyware until 2011.³²⁸ The spyware is so controversial that, according to FBI Director Christopher Wray, the FBI purportedly uses Pegasus only to “figure out how the bad guys could use it.”³²⁹

García Luna used the Bunker to impress individuals into furthering his objectives.³³⁰ For example, in 2009, García Luna gave the Finance Secretary for the State of Coahuila a tour of the Bunker before enlisting his help in silencing negative news articles.³³¹ According to the Coahuila Finance Secretary, the Bunker “housed some of the most advanced intelligence systems that analyzed in real-time everything that was going on in every single state.”³³²

In 2011, the Assistant Attorney General (AAG) of Nayarit, Mexico, received a tour of the Bunker from García Luna’s Federal Police.³³³ The Bunker gave the AAG the impression “that the federation had a great capacity for investigating and for fighting crime.”³³⁴ Whereas the

³²² *Id.*

³²³ *Id.* at 3.

³²⁴ *Id.*

³²⁵ Spot Report #11, *supra* note 215, at 4.

³²⁶ García Luna may have had access to Pegasus even earlier than this. El Grande testified that García Luna gave the Arturo Beltrán Leyva faction of the Sinaloa Cartel “a connection so [they] could get equipment for wiretaps and spying.” García Luna Trial Tr. at 155:7-19 (Barragán Direct). The connection “was an Israeli guy who sold equipment in Mexico City.” This was most likely before García Luna joined the Sinaloa Cartel-BLO war in 2008. Pegasus is an Israeli company. Ronen Bergman and Mark Mazzetti, *The Battle for the World’s Most Powerful Cyberweapon*, *The N.Y. Times Magazine*, <https://www.nytimes.com/2022/01/28/magazine/nso-group-israel-spyware.html>.

³²⁷ García Luna Trial Tr. at 1148-49 (Hector Villarreal Direct) (“Q: And when did you go to the Bunker? A: Beginning 2009. . . . Q: . . . was there any technology to make recordings in the bunker. A: we were offered a service with the technology where you could take a cell phone, you would send a text message, and then from there they could access and analyze all of your calls, calls you had made in the past. And also there was a service where you could record calls. Q: What was that technology? A: at the time it was called Pegasus.”).

³²⁸ Natalie Kitroeff and Ronen Bergman, *How Mexico Became the Biggest User of the World’s Most Notorious Spy Tool*, *N.Y. Times* (Apr. 18, 2023) <https://www.nytimes.com/2023/04/18/world/americas/pegasus-spyware-mexico.html>; *See also*, Senior Bureau Official Kozak’s and Deputy Assistant Secretary Creamer’s Participation in the U.S.-Mexico Bilateral Human Rights Dialogue Friday, December 8, 2017; 9:00 a.m., 3 hours, at 8 (Obtained through FOIA through FOIA_I_Dec2021_FL-2021-000016) (“Officials at the Attorney General’s Office admitted to having purchased Pegasus but claimed to have only used it to monitor criminals.”).

³²⁹ FBI Director Wray response to Senator Wyden, (Oct. 21, 2022) <https://int.nyt.com/data/documenttools/fbi-nso/58a69830f3cd2e7d/full.pdf>.

³³⁰ García Luna Trial Tr. at 1822:17-1823:23 (Government Closing Argument).

³³¹ *Id.* at 1147-52 (Hector Villarreal Direct).

³³² *Id.* at 1147:13-16 (Hector Villarreal Direct).

³³³ *Id.* at 1266:2-1267:9 (Veytia Direct).

³³⁴ *Id.* at 1267:13-18 (Veytia).

Federal Police had thousands of agents, armored vehicles, attack helicopters, AR-15s, and military-style weapons; the Nayarit state police had 800 agents, four-door pickup trucks, and shotguns.³³⁵ “[C]ompared to the state of Nayarit, [the Federal Police force budget] was like 2,000 to 1.”³³⁶ García Luna’s forces flaunted these U.S. resources for his and the Sinaloa Cartel’s benefit and his subordinate told the AAG that he “should be on El Chapo’s side.”³³⁷ Nevertheless, the State of Nayarit remained under the BLO’s control.³³⁸

These divided criminal loyalties resulted in an armed standoff between the two police forces that illustrated García Luna’s loyalty to the Sinaloa Cartel. In 2011, the state police stopped a black armored suburban that the Federal Police were escorting.³³⁹ The head of the Federal Police told the AAG their command for the vehicle escort came from García Luna.³⁴⁰ Out-resourced and concerned about civilians in the intersection, the AAG let the suburban go.³⁴¹ He later received information from the Beltrán Leyva Organization that El Chapo was in the vehicle.³⁴²

Section XI. The Fallout

FINDING: The Sinaloa Cartel benefitted from U.S. assistance and intelligence through corrupt Mexican officials. This government corruption was critical to the cartel’s growth. Today, the Sinaloa Cartel is one of the greatest drug threats the U.S. has ever faced.

The Sinaloa Cartel ensured its success by corrupting Mexican officials at the municipal, state, and federal levels as well as within the military.³⁴³ According to high-level cartel operative Villarreal Barragán, there are two types of corruption in the government: “One of them is when you pay an officer and they look the other way. And the other type is when officers take part in the activities in the organization.”³⁴⁴ With the help of the government, the cartel “was able to grow in terms of territory,” “in the quantity of drugs that were able to be brought into Mexico,” and “in eliminating rival groups.”³⁴⁵ Villarreal Barragán testified the corruption payments grew

³³⁵ *Id.* at 1275:16-1278:13 (Veytia Direct).

³³⁶ *Id.* at 1276:22-12:77:15 (Veytia Direct).

³³⁷ *Id.* at 1267:13-25 (Veytia Direct).

³³⁸ El Chapo sent a lawyer to buy the “plaza” of Nayarit in July 2011 for \$10 million. *Id.* at 1259:16-1265 (Testimony of Edgar Veytia). The Assistant Attorney General for Nayarit (“Nayarit AAG”) declined the offer and remained loyal to the BLO. In December 2011, El Chapo retaliated with an attack on one of the AAG’s safe houses. The AAG only had 35 police officers in the area and called the Federal Government, including the SSP for back up. Only the Army arrived to help. After surviving the assault, the AAG confronted one of García Luna’s men about the SSPs failure to provide support. The man replied that the SSP did not have enough officers stationed in Nayarit to assist. At the time, there were about 120 SSP officers in Nayarit.

³³⁹ *Id.*; *Id.* at 1782:19-24 (Government’s closing argument).

³⁴⁰ *Id.*

³⁴¹ *Id.*

³⁴² *Id.*

³⁴³ *Id.* at 59:7-20 (Barragán Direct); See also, 497:12-21 (Valencia Direct).

³⁴⁴ *Id.* at 60:3-6 (Barragán Direct).

³⁴⁵ *Id.* at 63:1-5 (Barragán Direct); *Id.* at 99:16-25 (Barragán Direct) (“we could go freely. We could set up and take down checkpoints however we wanted to, whenever we wanted to. And if there was any information about the

as the cartel grew and this growth would have been “practically impossible” without government corruption.³⁴⁶ Drug traffickers could “go around with extreme peace of mind.”³⁴⁷ The below examples illustrate how the Sinaloa Cartel used corrupt government officials to expand its operations:³⁴⁸

- Villarreal Barragán paid AFI Commander Domingo roughly \$1 million to carry out an arrest operation against the rival Gulf Cartel in which members of the Sinaloa Cartel would embed with the Federal Police.³⁴⁹ These operations morphed into assassinations, where the embedded Sinaloa cartel operatives would kill encountered Gulf Cartel members. At the time, García Luna was the Director of the AFI.
- Villarreal Barragán and the AFI installed a highway checkpoint in order to steal a two-ton cocaine shipment from the Gulf Cartel.³⁵⁰ Once the cartel sold the cocaine, half the proceeds went to corrupt AFI officials. García Luna and Cárdenas Palomino were present at various points during this transaction. Notably, the Mérida Initiative provided the SSP with Mobile Gamma Ray Non-Intrusive Inspection Units.³⁵¹
- During a war between the Sinaloa and Gulf cartels, the AFI and Sinaloa cartel gunmen arrested Zeta Cartel members who were working for the Gulf Cartel.³⁵² The Zetas were with women and children. The Zeta members were kidnapped, interrogated, and executed. The women and children were let go, but filed complaints with Vasconcelos.
- Cárdenas Palomino passed information to Villarreal Barragán that DEA agents were following Villarreal Barragán’s brother-in-law from Laredo to Mexico in an attempt to capture Villarreal Barragán.³⁵³ Cárdenas Palomino also told the Sinaloa Cartel about a planned raid on Edgar Valdez Villarreal’s wedding.

observation in the plaza or anything going on, they would have to let us know about the operation in time so that we would be able to empty the houses or the warehouses.”).

³⁴⁶ *Id.* at 65:12-18 (Barragán Direct).

³⁴⁷ *Id.* at 864:2-9 (Poveda Ortega Direct).

³⁴⁸ This conduct has been documented since at least the 1980s. For example, DEA Agent Kuykendall testified about observing busy hotels full of cartel operatives in Zacatecas, Mexico. When he and his team went back to those same hotels with the Mexican police, they were virtually empty. The Mexican Commander who accompanied them was on the Guajajara Cartel’s payroll and later participated in the murder of DEA Agent Kiki Camarena. *Matta Trial Tr.* at 1-138 to 1-140. DEA informant Gomez testified that Mexican law enforcement for the Guadalajara Cartel to guard the roads to marijuana plants, transport marijuana, serve as bodyguards, and provide guns in the 1980s. *Matta Trial Tr.* at 2-74; 2-76:8-14; 2-77:11-18 (Gomez Direct).

³⁴⁹ *García Luna Tr.* at 78-81; 89-91 (Barragán Direct).

³⁵⁰ *Id.* at 93-98 (Barragán Direct).

³⁵¹ *Cooperation Plan, supra* note 202, at 10.

³⁵² *García Luna Tr.* at 132-33 (Barragán Direct).

³⁵³ *Id.* at 152-54 (Barragán Direct).

- The Federal Police accepted bribes to either release seized drug shipments back to the cartels³⁵⁴ or provided government seizure reports.³⁵⁵ These reports helped determine which cartel was responsible for the loss.³⁵⁶
- The Sinaloa Cartel possessed weapons stamped “property of the United States government.”³⁵⁷

Importantly, the benefits to the cartel of a corrupt government official do not end when the official leaves office. Often, corrupt officials hand-pick their replacements, who are equally corrupt.³⁵⁸

The State Department credited the Mérida Initiative with eliminating Arturo Beltrán Leyva, Nacho Coronel, Edgar Valdez, Sergio Villarreal, and Antonio Cardenas and hailed it as a success.³⁵⁹ However, El Mayo and El Chapo appear to have benefitted from each of these takedowns. For example, Arturo Beltrán Leyva, Edgar Valdez,³⁶⁰ and Sergio Villarreal were members of the BLO and at war with the Sinaloa Cartel at the time of their arrests.³⁶¹ Antonio Cardenas led the Gulf Cartel, which was not a part of the Sinaloa Cartel federation.³⁶² Finally, Nacho Coronel’s death left El Chapo and El Mayo as the last remaining leaders of the Sinaloa Cartel.³⁶³ In fact, the Federal Police attempted to conceal their association with the Sinaloa Cartel by arresting a BLO member and forcing him to say that he worked for El Chapo.³⁶⁴

³⁵⁴ See e.g., García Luna Tr. at 632-33 (Ibanez Direct) (“We [DEA] had other instances in the past where if we did not apply pressure or if we did not go to the site to help to oversee the interdiction, or the be there to observe it, then we’re not sure if it would happen. It was hit or miss.”).

³⁵⁵ *Id.* at 523-31 (Valencia Direct) (Explaining that, together with the Sinaloa Cartel, he paid García Luna \$5 million to try to recover a seized drug load. García Luna was unable to recover the load because the U.S. government and Mexican Marines were involved in the seizure so he attended a 30-minute meeting with Valencia and high-ranking members of the BLO faction of the Sinaloa Cartel and passed U.S. law enforcement reporting about the seizure. The traffickers gave the report to their Colombian drug suppliers and were not responsible for the \$50 million drug loss.).

³⁵⁶ It is unclear if the release of these reports ever lead to retaliation. The cartels did kill government officials because of successful seizures. For example, a 2009 U.S. Embassy report describes the “systematic decapitation of seven troops in Guerrero” and suggests, “The cartels have begun to target soldiers to exact revenge for successes registered by the military and attempt to undermine the institution’s resolve.” *Narco Trends in 2008* at 5.

³⁵⁷ García Luna Tr. at 203:14-19 (Barragán Cross).

³⁵⁸ *Id.* at 827:22-829:1 (Avila Direct).

³⁵⁹ Nides’ Visit Memo, *supra* note 319, at 6-7 (“This improved capacity has produced results. Twenty-eight major cartel figures, such as Arturo Beltrán Leyva, Nacho Coronel, Edgar Valdes, Sergio Villarreal, and Antonio Cardenas, have been taken out of action since December 2009.”).

³⁶⁰ Azarte Sentencing Hr’g at 34-35 (Barragán Direct) (Edgar Valdez’s arrest occurred because Hector Beltrán (BLO) perceived Valdez as a threat and paid Reyes Azarte (DEA SIU Commander) \$500,000 to kill Valdez. The botched murder attempt resulted in Valdez’s arrest)

³⁶¹ El Chapo Tr. at 5878 (López Nuñez Direct).

³⁶² InSight Crime Staff, ‘Tony Tormenta’ Leader of Gulf Cartel, Dies After 6-Hour Battle in Matamoros, InSight Crime (Nov. 12, 2010), <https://insightcrime.org/news/analysis/tony-tormenta-leader-of-gulf-cartel-dies-after-6-hour-battle-in-matamoros/>; El Chapo Tr. at 5591:1-6 (Vazquez Direct).

³⁶³ El Chapo Tr. at 6531 (Government Closing).

³⁶⁴ García Luna Tr. at 853-58 (Poveda-Ortega Direct).

These arrests demonstrate that the Mexican government is more than capable of targeting the cartels. As the U.S. government argued at García Luna's trial, the Mexican government had ample resources to dismantle organized crime:

There is no illusion here. Remember who's who. The Sinaloa Cartel has hundreds of people, hundreds. They have a lot of weapons, they're capable of a lot of violence, but the Federal Police has 40,000 people. They have Black Hawk helicopters and M16s, and if they want to go after someone, they're perfectly capable of doing that.³⁶⁵

The resulting fallout took a heavy toll on Mexico and the United States.

³⁶⁵ *Id.* at 1803:14-20 (Government Closing Argument).

A. The Corruption Botched Capture Operations of High Value Targets and Cost Lives.

El Chapo and his workers regularly evaded arrest because of payments to the Mexican Federal Police.³⁶⁶ Each thwarted operation was costly and dangerous.

On February 21, 2012, the United States Marshals Service (USMS) tracked El Chapo's phone to an upscale neighborhood in Cabo San Lucas.³⁶⁷ U.S. law enforcement cannot arrest individuals in Mexico, so FBI Agent Moreno and the DEA Tijuana regional office turned to the SIU Unit headed by Reyes Azarte. The time-sensitive operation was set to begin at 1:30 p.m. on the 22nd, but at that time 52 of the expected SIU officers had not arrived. Only twelve officers from the Special Enforcement Unit team were there. By the time the straggling officers showed up the operation was an hour off schedule. In total, the SIU sent 64 officers for an operation that required over 200. Still, the USMS went into the neighborhood cul-de-sac and pinpointed El Chapo's location. They believed El Chapo was in the last house.

FBI Agent Moreno gave this information to SIU Commander Reyes Azarte and told the SIU to target the last two locations on the street. He stressed the importance of securing the perimeter. Instead of heeding these instructions, the SIU hit the wrong house. They hit another incorrect house before heading through the front gate of the correct location without covering the back door. In Agent Moreno's 21 years of law enforcement experience, he had never seen officers leave the back door of a target residence unguarded. Unsurprisingly, El Chapo was not inside. All that remained were his ledgers, telephones, grenades, and other weapons.

By 2014, the U.S. government had given up on working with the Federal Police to arrest El Chapo.³⁶⁸ They turned to the Mexican marines instead. Using Homeland Security Investigations ("HSI") intelligence, the DEA and Mexican Marines located a runner for El Chapo who went by the alias "Nariz".³⁶⁹ HSI intelligence suggested that Nariz was at a party.

Agent Vazquez and the Mexican marines arrived at the party late at night. They lined the male attendees up and asked them to show their Blackberry pin numbers ("PIN"). HSI had passed the PIN for Nariz so Agent Vazquez thought the information would help identify him in the crowd. The marines were three men away from completing their search when a woman jumped out of her chair and yelled, "I'm going to check on my baby." The woman ran across the street into one of the nicest houses in the neighborhood. Agent Vazquez instructed two female marines to follow her inside. There, they found the woman with a baby in her arms. When the marines took the baby, a cellphone dropped from the woman's armpit. It belonged to Nariz. He was hiding in the master bedroom.

³⁶⁶ *Id.* at 1496-97 (Rey Zambada Direct) (After El Chapo's 2001 prison escape Rey, at the request of El Mayo, coordinated a helicopter landing and transported El Chapo away from the Army's recapture operation with the help of the AFI).

³⁶⁷ *Id.* at 1333-1345 (Moreno Direct).

³⁶⁸ El Chapo Tr. at 5514 (Vazquez Direct).

³⁶⁹ *Id.* at 5540-92 (Vazquez Direct).

Nariz was initially reluctant to cooperate but eventually told Agent Vazquez that El Chapo was located at safe house “number 5.” Agent Vazquez and the marines arrived at the house early in the morning. It took the marines about eight minutes to breakdown the fortified door and fifteen seconds to realize that El Chapo had escaped into the underground tunnels.³⁷⁰ The marines activated a flash bang and heard El Chapo scurry to the front of the tunnel.

The tunnel was hot and difficult to maneuver. It was too small for a long gun or a bulletproof vest. Agent Vasquez was too tall to fit. He asked volunteers to enter the tunnel through the manholes on the street without their long guns or their bulletproof vests. The risks were huge but every single marine volunteered. Agent Vazquez handed each a glow stick as they went into the tunnel and told them to “Go with God.”

Over the next seven days, the Mexican marines pushed El Chapo through the tunnels, out of his safe houses, and into Mazatlán, Mexico. Most of the marines had to remain behind to guard Culiacan. Agent Vazquez and 24 marines traveled into the Sinaloa Cartel stronghold of Mazatlán. They arrived in three unmarked trucks wearing flip-flops and beach clothes to blend in with the area tourists. The next day, 24 marines searched the 10-story hotel with multiple entries, exits, and rooms. Agent Vazquez wanted to keep moving to the next location. He signaled his intent with the marine’s code to move on, “seven, seven, seven.” The marines responded: “six, six, six.” It meant, “Come to the basement.” The marines had cornered El Chapo.

The operation should have ended El Chapo’s reign; but in 2015, corrupt Mexican officials allowed El Chapo to escape from Mexico’s maximum-security prison through a tunnel built under the prison. It is hard to imagine the Mexican government was unaware of the ambitious project. The construction generated so much noise that other inmates started complaining.³⁷¹ For additional protection, the Bunker housed “a large display system (video wall)” that showed data feeds from the federal prisons.³⁷² Mexico designed the prison with input from the Colorado Department of Correction (CDOC) Supermax facility, which “committed to share drawings.”³⁷³ If the CDOC shared these drawings, then the executive branch appeased Mexico’s requests at the expense of U.S. security.

B. The Sinaloa Cartel Brutally Murdered Scores of People, Including U.S. Informants.

The Sinaloa Cartel was feared for brutally torturing and murdering its enemies. At El Chapo’s trial, Sinaloa Cartel hitman Isaías Valdez Rios described some of the murders he helped commit. Around 2006, El Mayo sent a rival cartel operative to El Chapo by private plane. When the man arrived, he had already been tortured.³⁷⁴ El Mayo’s workers had burnt him with a clothes iron all over his body and his t-shirt had melted into his back. His feet were burned so he could

³⁷⁰ El Chapo Trial Ex. GX219-24 (video of entry); El Chapo Trial Ex. GX219-31 (video of tunnel).

³⁷¹ *Id.* at 5938-42 (López Nuñez Direct).

³⁷² Memorandum from AMEMBASSY MEXICO to SEC STATE WASHDC, Subject: Narcotics Affairs Section Mexico Monthly Report for May 2009, at 7 (Apr. 13, 2009) (Obtained through FOIA through U.S. Dep’t of State Case No. F-2011-02924, Doc No. C17689991).

³⁷³ *Id.* at 6.

³⁷⁴ El Chapo Tr. at 6201-06 (Valdez Rios Direct).

not walk, and he had been blinded. El Chapo's men put him inside a henhouse. There, his body began to decompose while he was still alive. Days later, El Chapo instructed his men to dig a hole near the graveyard and put the man in front of it. His feet and hands were bound, and he seemed scared. El Chapo interrogated him and then shot him while yelling an obscenity. The man was still gasping for air when El Chapo's men buried him alive.

That same year, Dámaso gave El Chapo two men who had been working for the rival Zetas Cartel in Sinaloa Cartel territory.³⁷⁵ El Chapo ordered his men to place the Zetas in a shed and begin beating them. Later, they brought the men to a secluded place in the mountains. There, El Chapo started beating them with a stick. Valdez Rios described the scene at El Chapo's trial: "They were pretty much already like ragged dolls. All the bones in their body were fractured and they couldn't move. And Mr. Joaquín kept beating them with that stick and he was hitting them with [his] firearm." As he hit them, El Chapo yelled obscenities and asked "how is it possible that you're working for these people and you are betraying us?" Then, El Chapo had his men build a large bonfire and place the men on the back rack of two ATVs. El Chapo and his men drove the Zetas towards the bonfire. Then he shot both men in the head and threw them into the fire.

The Sinaloa Cartel also killed law enforcement informants. In 2006, El Chapo sent Valdez Rios and his team of hitmen to find an informant in Durango.³⁷⁶ They located him at his house. When they arrived, they saw women and children in the living room. They found the informant hiding in a bedroom. The man was bigger than the hitmen. They pushed him out of the house and onto the patio where he clung to a pillar. The hitmen shot at him, and he dropped to the ground. Then they sprayed him with bullets from their automatic weapons.

Corrupt Mexican officials regularly leaked information about U.S. government informants to the cartels. Below are just a few examples of the informants who were murdered:

- In 2009, The BLO kidnapped, tortured, and murdered a DEA cooperator because of information leaked by the DEA SIU.³⁷⁷
- In 2011, El Chapo murdered alias "Virgo" "because he was an informant with the DEA."³⁷⁸
- On an unknown date, El Chapo ordered the kidnap, interrogation, and murder of a man named Omar after the Mexican government informed the Sinaloa Cartel that Omar was providing information to law enforcement.³⁷⁹

DEA Agent Sandberg described the dangers of working with corrupt counterparts when he testified that information leaked by Reyes Azarte resulted in the murder of a Mexican Marine and his family:

³⁷⁵ *Id.* at 6206-13 (Valdez Rios Direct).

³⁷⁶ *Id.* at. 6186-88 (Valdez Rios Direct).

³⁷⁷ SA Gildein Aff. at ¶¶ 35-37.

³⁷⁸ El Chapo Tr. at 6191-92 (Valdez Rios Direct).

³⁷⁹ *Id.* at 5958-59 (López Nuñez Direct).

They're leaking what we're trying to do, people standing beside you. And it only takes one or two to put everyone in jeopardy. And this is a real thing. And it happened and played out over and over again in Mexico and still does.³⁸⁰

DEA Agent Vazquez echoed those concerns when talking about the 2014 arrest operation for El Chapo. Agent Vasquez was embedded with the Mexican Marines during the take down.³⁸¹

Q: And what were the safety concerns or the dangers that you were facing, the 100-group strong, was facing in Culiacan?

A: In my four and a half years there, five and a half years, police officers, federal, state, municipal get killed every day. Marines get killed there every day, DEA agents [have] been killed there before. Of course, you're there with 100 marines, but you still have to think about safety.

Q: Why can't you go and seek the assistance of the local or state police? You're shaking your head.

A: The fear of corruption. **You don't want to trust anybody. Once you're there, you're there on your own**, moving around trusting the people there, that are there with you.

Section XII: The Current Administration's "One DEA" Approach Appears to be Exacerbating the Problem

FINDING: The DEA's 2023 re-indictment of the Chapitos highlights the intense inter-agency rivalry and information sharing problems that still plague the various U.S. agencies today.

DEA Administer Milgram spent roughly \$1.4 million on a 49-page foreign operations review, which equates to an estimated \$28,500 per page (including the coversheet, author biographies, and a 17-page summary of existing programs).³⁸² For comparison, in 2014—the

³⁸⁰ Reyes Azarte Sentencing Hr'g at 114:21-115:10 (Sandberg Direct).

³⁸¹ El Chapo Tr. at 5531-32 (Vazquez Direct) (emphasis added).

³⁸² *Oversight of the Drug Enforcement Administration before the House Judiciary Committee*, 118th Cong. 1 hour 13 minutes (2023) <https://judiciary.house.gov/committee-activity/hearings/oversight-drug-enforcement-administration> (testimony of Administrator Milgram) [hereinafter DEA Oversight Hearing] (Congressman Kiley: "Let's talk about the foreign operations review conducted by WilmerHale, why was this not done in-house? Administrator Milgram: "So one of the things I found when I came in is that going back a decade or two there had been a series of reports and internal reviews at DEA and also reviews by the Inspector General related to our foreign work what we hadn't done is step back we just turned 50. We hadn't stepped back in almost 50 years to ask a question how can we do our foreign work most effectively ---" Congressman Kiley: "Wanted an outside perspective or a more independent perspective" Administrator Milgram: "we wanted the perspective of both prosecutors and law enforcement of again going back to the company—" Congressman Kiley: "why did you do it outside rather than in-house because you wanted to be independent." Administrator Milgram: "going back to the conversation we started this morning so much of our work is based on foreign criminal cartels and so we wanted individuals who understood the value of our foreign work as well as---" Congressman Kiley: "And you didn't have any such people in house." Administrator Milgram: "we absolutely do and those people in-house worked with the foreign review team very closely." Congressman Kiley: "Did you offer this contract as a sort of ... bidding process or did you just give it to

year DEA Special Agent Vazquez risked his life embedding with the Mexican marines to arrest El Chapo—the agent base pay scale topped out at \$130,810 per year for supervisory agents.³⁸³ The \$1.4 million report dedicates a single paragraph to DEA SIU Commander Reyes Azarte and is silent about the DEA’s historical knowledge of his corruption.³⁸⁴ The findings encourage information sharing within the DEA, but not with other federal agencies, the State Department, or Congress. It repeatedly emphasizes a “One DEA” approach that, in practice, seems to have excluded critical partner agencies, like HSI and the FBI, from high-risk cases. This DEA-centric approach appears to have exacerbated the information sharing problems that allowed corrupt SIU Commander Reyes Azarte to remain in charge of the DEA SIU, a position in which he received sensitive information from multiple U.S. agencies.

The DEA’s recent re-indictment of the Chapitos illustrates this point and uncovers intense agency rivalries. In 2021, line agents from the DEA, FBI, and HSI were working together to consolidate their cases against the Chapitos into one large indictment in Chicago.³⁸⁵ This report will refer to the multi-agency indictment as the “Chicago Case.” “Five people associated with the [Chicago Case] claim that the DEA pulled its resources out of their broader investigation just as it was reaching completion” in favor of bringing a competing fentanyl case in the Southern District of New York.³⁸⁶ This report will refer to the competing fentanyl indictment as the “SDNY Case.” The SDNY case cut HSI and FBI out of the investigation. Those associated with the Chicago Case were “told to put their involvement in it on hold.” Under oath, DEA Administrator Milgram acknowledged early indictments against the Chapitos existed and other agencies were involved.³⁸⁷

When I came in DEA had numerous cases against the Chapitos as did numerous other law enforcement agencies, 2011, 2014, 2019—no one had charged the Chapitos or their network with fentanyl charges.

According to the *New York Times*, these earlier indictments were going to be consolidated into the Chicago Case.³⁸⁸ The fact that the earlier indictments had not charged fentanyl is insignificant to sentencing. The earlier indictments charged offenses carrying the same prison term as a fentanyl indictment, and Seventh Circuit law, which governed the Chicago Case, allows courts to consider uncharged drugs in determining a defendant’s sentence.³⁸⁹ In addition, nothing legally precluded the Chicago Case from superseding its charges to include fentanyl. In

WilmerHale.” Administrator Milgram: “It was a sole-source contract.” Congressman Kiley: “Are they the only law firm in town or why did you go just right to them.” Administrator Migram: “uh, what I would say is when we started this process of trying to understand what we were looking at and how to sort of take a global view of it one of the questions we asked was who had worked on DEA International Cases Boyd Johnson who I met during after I had been nominated—“ Congressman Kiley: “Did you talk to Preet Bahara about hiring WilmerHale.” Administrator Migram: “I did not.”)

³⁸³ FederalPay.org, General Schedule (GS) Payscale Table for 2014 (last accessed July 31, 2023), <https://www.federalpay.org/gs/2014>.

³⁸⁴ Johnson Foreign Op. Review, *supra* note 236, at 21-22.

³⁸⁵ Alan Feuer, *Behind the New Indictments of El Chapo’s Sons, Rivalry Seethed Between Agencies*, *The N.Y. Times* (May 12, 2023), <https://www.nytimes.com/2023/05/12/us/el-chapo-sons-fentanyl-charges.html>.

³⁸⁶ *Id.*

³⁸⁷ DEA Oversight Hearing, *supra* 381, at 1 hour 29 minutes.

³⁸⁸ Feuer, *supra* note 384.

³⁸⁹ *United States v. Gibbs*, 26 F.4th 760, 765 (7th Cir. 2022). The court could also admit uncharged drugs into evidence at trial to show knowledge, intent, motive, absence of mistake, or plan. Fed. R. Evid. 404(b)

fact, as detailed above, prosecutors presented evidence of the Chapito's fentanyl network at García Luna's trial.³⁹⁰

Provisional arrest warrants for the earlier indictments underlying the Chicago Case were already in Mexico, whereas the SDNY had not even charged the SDNY Case. DEA Administrator Milgram acknowledged this under oath:

We have had provisional arrest warrants on the ground in Mexico since 2011, 2014, and 2019 for the arrest of ... the main Chapitos that were charged in other districts ... when I came in I also worked with the State Department to increase the reward on those provisional arrest warrants based in Mexico. . . Mexico had been informed of prior indictments, our indictment was ongoing so we would not inform them until we charge the case....

As the SDNY and the DEA rushed to complete its new case, HSI and FBI agents honed in on the Chapitos on two separate occasions. DOJ reportedly instructed HSI and FBI not to arrest their targets because of the SDNY Case.³⁹¹ As of the date of this report, the DEA has not responded to congressional oversight on this topic. Instead, the DEA spoke to the *New York Times* and argued its actions were necessary to map the Chapitos fentanyl network and protect cooperating sources. The DEA has yet to explain why excluding HSI and FBI from the SDNY Case was necessary. This intense ongoing rivalry and non-responsiveness to Congress demonstrates the ongoing need for meaningful congressional oversight, and is noticeably absent from the DEA-purchased foreign operations review.

Section XIII. Conclusion

With drug overdose deaths at a record high, Congress must continue to evaluate the operating methods of the cartels and U.S. efforts to combat them. The executive branch was invited to participate in this evaluation. To date, it has declined the invitation. If anything, this declination demonstrates the need for robust congressional oversight of executive operations. At times, Senator Grassley intentionally requested information from the State and Justice Departments that was already in the public record through court filings and FOIA requests. The State and Justice Departments refused to produce even those publicly available records. The details of executive branch failings were buried in tens of thousands of pages of public record. It begs the question that if these failings were hidden in plain-sight, what additional failings are hidden in the non-public records that the State and Justice Departments refused to produce. Oversight interests and public record demands greater scrutiny of these agencies and the decisions they made to collaborate with corrupt Mexican government actors. Until Congress has greater transparency from the executive branch beyond the public record, the full story will be shrouded in secrecy.

³⁹⁰ García Luna Tr. at 458-69; 470-73 (Tolentino Direct).

³⁹¹ Feuer, *supra* note 384 (“Eager to jump into action, the team prepared to work with the Mexican military and go after Mr. Guzmán Salazar, one of the world’s most wanted criminals. But in the end, according to records obtained by the New York Times and three people familiar with the matter, they were told to stand down by the Justice Department.”).

Appendix A

A. Table of Organizations

U.S. Executive Branch Divisions & Policy Initiatives

The Mérida Initiative

The Mérida Initiative was a bilateral cooperation agreement between Mexico and the United States that lasted from FY2008 to FY2021.³⁹² It focused on combatting organized crime and building corruption-resistant institutions in Mexico. The U.S. appropriated \$3.5 billion to support these objectives. To monitor these resources, the U.S. established five layers of internal coordination.³⁹³ At the top, the National Security Council (NSC) held bimonthly policy meetings to discuss high-level law enforcement issues in Mexico.³⁹⁴ Below that, the State Department’s Bureau of Western Hemisphere Affairs (WHA) served as the principle Mérida Initiative coordinator for oversight and implementation of the Mérida Initiative programs.³⁹⁵ WHA relied heavily on the State Department’s Bureau of International Narcotics and Law Enforcement Affairs (INL) to coordinate with other U.S. agencies on law enforcement efforts.³⁹⁶ WHA also relied on the United States Agency for International Development (USAID) to coordinate the Mérida Initiative’s economic, social development, and rule of law programs.³⁹⁷ Finally, the U.S. Embassy oversaw all on-the-ground implementation and coordination of the Mérida Initiative programs and provided updates to the above entities.³⁹⁸

The Bicentennial Framework

In 2021, Presidents Biden and López Obrador announced a new security framework that, among other topics, focused on investing in public health solutions for drug use, reducing arms trafficking, and disrupting illicit financiers and precursor chemical importers.³⁹⁹

National Security Council

NSC

The National Security Act of 1947 established the National Security Council (“NSC”).⁴⁰⁰ In 1949, the Reorganization Plan placed the NSC in the Executive Office of the President to advise the president on national security and foreign policy matters. The NSC coordinates national security objectives among government agencies. Accordingly, the NSC advises the president on matters relating to Mexico.

³⁹² Clare Seelke, CRS In Focus IF10578, *U.S.-Mexico Security Cooperation: From the Mérida Initiative to the Bicentennial Framework*, at 1 (Updated Dec. 12, 2022) [hereinafter IF10578], <https://sgp.fas.org/crs/row/IF10578.pdf>.

³⁹³ GAO-10-837, *supra* note 180, at 26.

³⁹⁴ *Id.*

³⁹⁵ *Id.*

³⁹⁶ *Id.*

³⁹⁷ *Id.*

³⁹⁸ *Id.*

³⁹⁹ IF10578, *supra* note 391, at 2.

⁴⁰⁰ The White House, National Security Council (last accessed June 26, 2023), <https://www.whitehouse.gov/nsc/>

Bureau of Western Hemisphere Affairs

WHA

The Bureau of Western Hemisphere Affairs (“WHA”) the division within the State Department responsible for developing and promoting partnerships with countries located in the Western Hemisphere.⁴⁰¹ The WHA served as the lead on policy for the Mérida programs.⁴⁰²

Bureau of International Narcotics and Law Enforcement Affairs

INL

The Bureau of International Narcotics and Law Enforcement Affairs (“INL”) is a division of the State Department created in 1978 to reduce drug trafficking into the United States.⁴⁰³ INL was responsible for monitoring most of the Mérida Initiative programs.⁴⁰⁴ WHA relied heavily on INL to coordinate with other U.S. agencies on law enforcement efforts in Mexico.⁴⁰⁵ INL is responsible for supporting U.S. Embassy country teams through the Narcotics Affairs Section (NAS) of each Embassy.

The United States Agency for International Development

USAID

President Kennedy created the United States Agency for International Development (“USAID”) by executive order in 1961 to lead U.S. international development and humanitarian efforts.⁴⁰⁶ USAID coordinates economic, social development, human rights, environmental, and rule of law programs across the globe, including in Mexico, with a focus on the state level.⁴⁰⁷

Sensitive Investigation Unit

SIU

The SIU program was created in 1997 when Congress appropriated \$20 million for the creation of vetted units in Bolivia, Colombia, Mexico, and Peru.⁴⁰⁸ The DEA provides financial support for the SIU’s activities, which includes a monthly payment to foreign law enforcement serving as SIU members. A senior foreign police officer manages the SIU’s activities with a DEA advisor providing guidance. SIU officers are trained in Quantico, Virginia at the DEA Academy.⁴⁰⁹ The SIU in Mexico used to be housed under the SSP.⁴¹⁰ In a 2011 statement to Congress DEA’s

⁴⁰¹ U.S. Dep’t of State, About Us—Bureau of Western Hemisphere Affairs, (last accessed June 26, 2023), <https://www.state.gov/about-bureau-of-western-hemisphere-affairs/>.

⁴⁰² GAO-10-837, *supra* note 180, at 34 table 4.

⁴⁰³ U.S. Dept. of State, About Us—Bureau of International Narcotics and Law Enforcement Affairs, <https://www.state.gov/about-us-bureau-of-international-narcotics-and-law-enforcement-affairs/> (last visited June 26, 2023).

⁴⁰⁴ GAO-20-388, *supra* note 187, at 8 (May 2020).

⁴⁰⁵ GAO-10-837, *supra* note 180, at 34 table 4.

⁴⁰⁶ USAID, About Us, (last accessed June 27, 2023), <https://www.usaid.gov/about-us>.

⁴⁰⁷ GAO-10-837, *supra* note 180, at 34 table 4.

⁴⁰⁸ U.S. Dep’t of Justice Office of Inspector General, Report No 07-19, *The Drug Enforcement Administration’s Internal Operations*, 11 (Feb. 2007), *final.pdf

⁴⁰⁹ Reyez Azarte Sentencing Hr’g at 68:19-69:16 (Sandberg Direct).

⁴¹⁰ García Luna Tr. at 951:9-19 (Madrigal Direct).

Chief of Intelligence stated that “Mexican Secretary of Public Security, Genaro Garcia Luna has routinely noted that the SIU program is one of the most effective bilateral programs in Mexico.”⁴¹¹ In April 2021, President López Obrador’s government reportedly notified the DEA that Mexico had shut down the SIU unit because of corruption.⁴¹²

Mexican Organizations

Institutional Revolutionary Party

PRI

From 1929 to 2000, The PRI was the dominate political party in Mexico.⁴¹³

Federal Security Directorate

DFS

The DFS acted like an internal secret service for Mexico, but was also heavily involved in drug trafficking.⁴¹⁴ DEA Agents saw DFS agents escorting drug shipments around the same time Mexico revoked U.S. access to monitor Mexico’s drug eradication flights.⁴¹⁵ In the 1980s, the CIA allegedly worked closely with the DFS. The highly publicized murder of DEA Agent Kiki Camarena brought DFS corruption and their association with the Guadalajara Cartel into the spotlight. In a 1990 Washington Post article titled “Trial in Camarena Case Shows DEA anger at CIA,” DEA Guadalajara supervisor James Kuykendall, stated “‘Indirectly, they [the CIA] have got to share some of the blame’ for DFS excess. The CIA ‘protected that agency for so long. They didn’t want their connection with the DFS to ever go away, and the DFS just got out of hand.’”⁴¹⁶ The DFS was part of the Ministry of Interior,⁴¹⁷ which was ran by Manuel Bartlett-Diaz in the mid-1980s. Mexico disbanded the DFS in 1985.⁴¹⁸

National Intelligence Center

⁴¹¹ *Statement for the Record of Rodney G. Benson Assistant Administrator Chief of Intelligence Drug Enforcement Administration Before the Western Hemisphere Subcommittee on Foreign Affairs and the Oversight, Investigations, and Management Subcommittee on Homeland Security U.S. House of Representatives, “Is Merida Antiquated? Part two: Updating US Policy to Counter Threats of Insurgency and Narcoterrorism”* 112th Cong. 9 (2011), https://www.dea.gov/sites/default/files/pr/speeches-testimony/2012-2009/111019_testimony.pdf.

⁴¹² Drazen Jorgic, *Exclusive: Mexico Shuts Elite Investigations Unit in Blow to U.S. Drug Cooperation*, Reuters, (Apr. 19, 2022), *Exclusive: Mexico shuts elite investigations unit in blow to U.S. drugs cooperation* | Reuters); Reuters Staff, *Mexican President Confirms Closure of Counter-Narcotics Unit Working with U.S.*, Reuters (Apr. 21, 2022), *Mexican president confirms closure of counter-narcotics unit working with U.S.* | Reuters.

⁴¹³ Background Notes Mexico, United States Department of State Bureau of Public Affairs, at 4 (Dec. 1985) (Obtained through FOIA through CIA-RDP-01394R000200090008-1).

⁴¹⁴ Matta Trial Tr. at 2-15:25 to 2-16:17 (Kuykendall Direct); Hurowitz, *supra* note 70, at 49 (“the main source of political protection for the traffickers in Guadalajara came from the Federal Security Directorate, or DFS, a shadowy security police force that acted as the enforcement arm of the regime[.]”).

⁴¹⁵ Hurowitz, *supra* note 70, at 54-55.

⁴¹⁶ William Branigin, *Trial in Camarena Case Shows DEA Anger at CIA*, The Washington Post, (July 16, 1990) <https://www.washingtonpost.com/archive/politics/1990/07/16/trial-in-camarena-case-shows-dea-anger-at-cia/e91baa2d-7231-47c3-94f4-30196209ecd0/>; *See also*, Matta Trial Tr. at 2-17:8-11 (Kuykendall Direct) (“Q: And isn’t it true that during at least one of those conversations, that you expressed to a C.I.A. personnel your displeasure with their connection with the D.F.S.? A: Basically, yes.”)

⁴¹⁷ Matta Trial Tr. 13-86:5-11 (June 20, 1990) (Harrison Direct).

⁴¹⁸ Hurowitz, *supra* note 70, at 58.

CISEN

In 1989, CISEN replaced the DFS.⁴¹⁹ When García Luna worked for CISEN, he met many of the corrupt officials he later promoted as the Secretariat of Public Security.⁴²⁰

Federal Investigative Agency

AFI

Until 2009, Mexico functionally divided its law enforcement into preventative and investigative departments.⁴²¹ The investigative force was the Judicial Federal Police (“PJF”). In 2001, President Fox (2000-2006) disbanded the PJF and created a new model of investigative policing called the Federal Investigative Agency (“AFI”).⁴²² The AFI bolstered the investigative capacity of the Mexican Attorney General’s office.⁴²³ By 2005, incoming AFI officers were required to have a college degree. The AFI also included an internal affairs office to investigate officers, an office to conduct vetting, and an office to oversee the agency. From approximately 2001 to 2006, García Luna directed the AFI.⁴²⁴ In 2009, the Federal Ministerial Police replaced the AFI.

Federal Ministerial Police

PFM

In 2009, President Calderón (2006-2012) attempted to merge the AFI and the Federal Preventative Police. This plan hit roadblocks because the Mexican Constitution requires that the investigative police to fall under the Attorney General’s office (“PGR/FGR”).⁴²⁵ As a result, President Calderón turned the AFI into the Federal Ministerial Police within the Attorney General’s office.

Federal Preventative Police

PFP

In the 1990s, President Zedillo created the Federal Preventative Police (“PFP”).⁴²⁶ Preventative police departments operated at the municipal, state, and federal level.⁴²⁷ Officers primarily conducted patrols, maintained public order, prevented violations, and acted as first responders to crime scenes. The 2009 Federal Police Law granted the PFP investigative functions and

⁴¹⁹ *Id.* at 58.

⁴²⁰ García Luna Tr. at 1835:6-17 (Government Closing).

⁴²¹ Daniel Sabet, *Police Reform in Mexico: Advances and Persistent Obstacles*, 225 (Dec. 22, 2010) <https://www.wilsoncenter.org/sites/default/files/media/documents/publication/Chapter%208-Police%20Reform%20in%20Mexico%2C%20Advances%20and%20Persistent%20Obstacles.pdf>.

⁴²² *Id.* at 255.

⁴²³ Olsen, Shirk, and Selee, *supra* note 162, at 50 n.70.

⁴²⁴ García Luna Tr. at 29:16-21 (Defense Opening).

⁴²⁵ Olsen, Shirk, and Selee, *supra* note 162, at 336.

⁴²⁶ Sabet, *supra* note 420, at 254.

⁴²⁷ *Id.* at 248.

rebranded it as the Federal Police. The Felipe Calderón Administration (2006-2012) placed the Federal Police within the Secretariat of Public Security.

Secretariat of Public Security

SSP

President Vicente Fox (2000-2006) created the Secretariat of Public Security (“SSP”) and moved the PFP out of the interior ministry and into the SSP.⁴²⁸ He promoted García Luna to Secretary of the SSP, a position García Luna occupied from 2006 to 2012.⁴²⁹ The SSP also included Mexico’s federal prison system.⁴³⁰ It had a work force of roughly 30,800 preventative police personnel.⁴³¹ The agency operated in the Federal District, 31 states, and all major cities in Mexico.⁴³² In 2013, President Enrique Peña Nieto (2012-2018) dissolved the SSP with the support of Mexico’s Congress and moved the PFP back to the interior ministry.⁴³³

Federal Police

FP

The Calderón Administration (2006-2012) wanted to dissolve the state and municipal police forces and establish a unitary national Federal Police force.⁴³⁴ This plan was politically unviable. Instead, the 2009 Federal Police Law re-branded the PFP as the Federal Police and granted the Federal Police investigative powers. The Federal Police could collaborate with the Attorney General on its investigations. The Federal Police had the authority to seek judicial orders to monitor communications, secure crime scenes, execute arrest warrants, and operate undercover.⁴³⁵ The organization had a commissioner and different divisions including the federal forces division, intelligence division, regional security division, drug trafficking division, and scientific division.⁴³⁶ Under García Luna’s control, the Federal Police leaked sensitive law enforcement information, allowed cocaine through their police checkpoints, acted as bodyguards for senior members of the cartel, let cartel members wear police uniforms and badges, unloaded cocaine from drug cartel planes, and served as “armed mercenaries to take out the enemies that cartel leaders wanted removed.”⁴³⁷

Office of Specialized Investigations of Organized Crime

SEIDO

⁴²⁸ *Id.*

⁴²⁹ MND Staff, *Security Officials Expose García Luna’s ‘7 Horseman of the Apocalypse’*, Mexico News Daily (Dec. 19, 2022), <https://mexiconewsdaily.com/news/expose-garcia-luna-seven-horsemen-apocalypse/>.

⁴³⁰ García Luna Tr. at 39:8-11 (Defense Opening);

⁴³¹ Spot Report #27, *supra* note 320, at 2.

⁴³² *Id.*

⁴³³ Jack Davis & Edward Fox, *Mexico Formally Dissolves Public Security Ministry*, InSight Crime (Jan. 3, 2013), <https://insightcrime.org/news/brief/mexico-formally-dissolves-public-security-ministry/>.

⁴³⁴ Olsen, Shirk, and Selee, *supra* note 162, at 335.

⁴³⁵ *Id.* at 51.

⁴³⁶ García Luna Tr. at 677:21-678:1 (Arellano-Aguilera Direct).

⁴³⁷ García Luna Tr. at 22:23-23:8 (Government Opening); *Id.* at 977:20-978:1 (Madrigal Direct) (testifying that he gave the Federal Police telephones, locations, vehicles, and intelligence).

The Office of Specialized Investigations of Organized Crime (“SIEDO”) was a branch of the federal prosecutors that specialized in organized crime.⁴³⁸ SIEDO also had dedicated law enforcement officers. Members from the BLO paid bribes to SIEDO members.⁴³⁹ For example, in 2007, El Chapo killed corrupt SIEDO commander Nemecio for bragging about how he was going to take down the Sinaloa Cartel.⁴⁴⁰ This upset Arturo Beltrán Leyva, who had just paid a multi-million dollar bribe to Nemecio. A January 2011 U.S. Embassy memo notes, “[the Beltrán Leyva Organization] quickly amassed millions of dollars and used its deep pockets to bribe high-level government officials including Noe Ramirez Mandujano, former head of the Office of Specialized Investigations of Organized Crime (SIEDO), part of the Attorney General’s office.”⁴⁴¹ In 2012, SIEDO was renamed the Specialized in Investigations of Organized Crime (SEIDO).⁴⁴²

Naval Secretary

SEMAR

SEMAR is responsible for managing the Mexican navy and marine forces. SEMAR successfully apprehended El Chapo after the Federal Police failed to capture El Chapo on several occasions.⁴⁴³ Shortly after President López Obrador assumed office in December 2018, he instructed the Naval Special Forces to stop working with the DEA and disbanded the unit.⁴⁴⁴

Secretariat of National Defense

SEDENA

SEDENA houses the Mexican Army and Air Force. Defense Secretary Guillermo Galvan Galvan appears to have made efforts to merge SEDENA with SEMAR around 2009.⁴⁴⁵ That same year, allegations surfaced that SEDEA was unusually slow to act on a U.S. intelligence to arrest BLO leader Arturo Beltrán Leyva.⁴⁴⁶ In 2012, a U.S. Embassy Cable noted four high-ranking SEDENA officials were detained for suspected ties to the BLO.⁴⁴⁷

Criminal Organizations⁴⁴⁸

Guadalajara Cartel

⁴³⁸ Reyes Azarte Sentencing Hr’g at 51:9-24 (Barragán Cross).

⁴³⁹ *Id.*

⁴⁴⁰ El Chapo Tr. at 951-54 (Rey Zambada Direct).

⁴⁴¹ Beginning of End for BLO Memo, *supra* note 169, at 3.

⁴⁴² Milenio Staff, *SIEDO Becomes SEIDO*, Milenio (Oct. 16, 2012), SIEDO becomes SEIDO - Grupo Milenio (archive.ph).

⁴⁴³ El Chapo Tr. at 5514:8-5515:8 (Vazquez Direct).

⁴⁴⁴ Mary Beth Sheridan and Nick Miroff, *They called Him the Eagle: How the U.S. Lost a Key Ally in Mexico as Fentanyl Took Off*, The Washington Post (Dec. 12, 2022), <https://www.washingtonpost.com/investigations/interactive/2022/the-eagle-mexico-drug-cartels/>.

⁴⁴⁵ NAS Nov. 2009 Rept., *supra* note 39, at 2.

⁴⁴⁶ Hurowitz, *supra* note 70, at 196; García Luna Tr. at 184-85 (Barragán Direct).

⁴⁴⁷ Memorandum from AMEMBASSY MEXICO to Unkown, Subject: (U) Generals Arrested for Suspected Links to Narcotrafficking, at 1, (May 2012) (Obtained through FOIA through U.S. Dep’t of State Case No. F-2012-35772, Doc No. C05255711).

⁴⁴⁸ There are other cartels operating in Mexico. These are the ones referenced in this report.

a.k.a. Felix Gallardo Organization

Before the 1980s, most criminal groups operated separately in different regions.⁴⁴⁹ Miguel Angel Felix Gallardo—a former police officer⁴⁵⁰—successfully organized drug traffickers into the first large-scale drug trafficking organization that served as the blueprint for most of Mexico’s major crime organizations. In 1975, the DEA launched an anti-drug campaign with the Mexican Army called “Operación Cóndor.” This campaign pushed the Gallardo Organization from Sinaloa to Guadalajara. In his book titled “El Chapo”, Noah Hurowitz described the operation “as a time of siege” where “human rights abuses, including illegal detentions, disappearances, and torture was commonplace.”⁴⁵¹ According to his sister, El Chapo had run-ins with soldiers as a boy during this time. “‘They hit him,’ she told reporters from Vice News, adding that the beating took place in front of their mother, ‘And they didn’t allow us to say anything.’”⁴⁵² Despite this campaign, the Gallardo Organization grew in strength and reportedly had much of the Mexican government, including high-level officials in the Army, on its payroll.⁴⁵³ At the direction of high-ranking member Rafael Caro-Quintero, the organization murdered a DEA agent, tortured an American writer and dentist to death with an ice pick, and killed four American missionaries.⁴⁵⁴ Under U.S. pressure, the Guadalajara cartel was effectively dismantled after its many retaliation attempts against the DEA:

- On September 30, 1984, the Guadalajara Cartel shot a confidential informant working for the DEA,⁴⁵⁵
- On October 10, 1984, the Guadalajara Cartel machine-gunned a DEA car assigned to a DEA agent;
- On January 30, 1985, the Guadalajara Cartel murdered John Walker and Alberto Radelat after mistaking them for DEA agents.⁴⁵⁶ John Walker was a Vietnam veteran who received two purple hearts after a land mine shattered his legs. He had moved to Guadalajara with his wife and two daughters to write a book.

⁴⁴⁹ Wilson Center Staff, *The Felix Gallardo Organization*, Wilson Center, (Last accessed July 23, 2023), <https://www.wilsoncenter.org/the-felix-gallardo-organization-guadalajara-ocg>.

⁴⁵⁰ Memorandum from AMEMBASSY MEXICO to DEAHQS WASH DC, Subject: Post Reporting Plan/Profile of a Major Mexican Narcotics Trafficking Organization: Manuel Salcido-Uzueta Et Al (GFTA-86-9171) (Feb. 1986) (Obtained through FOIA through U.S. Dep’t of State Case No. F-2014-09752, Doc. No. C05633221) (“One individual however, who had no fear of Manuel Salcido-Uzueta was a young Sinaloan trafficker named Miguel Angel Felix-Gallardo, who by the mid-seventies had become one of Mexico’s most powerful violators. Felix-Gallardo, once a policeman, rose quickly through the different hierarchical levels of the drug business from distributor to financier through official contacts established when he worked as chauffeur and bodyguard for an influential Sinaloan politician.”).

⁴⁵¹ Hurowitz, *supra* note 70, at 41-42.

⁴⁵² *Id.* at 33.

⁴⁵³ Zuno-Arce App. at 226-30 (Godoy Direct) (non-recanting witness). Government’s Proffer re Witness Guillermo Flores; Memorandum and Points of Authorities, *U.S. v. Caro-Quintero*, 87-422, (C.D. Cal. Dec. 8, 1992), ECF No. 1928.

⁴⁵⁴ Mark Stevenson, ‘Forgotten’ US Victims of Mexican Drug Lord Want Justice, AP News (July 20, 2022), <https://apnews.com/article/entertainment-music-mexico-caribbean-guadalajara-18d319bbd766144984a5ff8b77d6f7f1>.

⁴⁵⁵ Caro-Quintero Indictment, *supra* note 80, at ¶ 18.

⁴⁵⁶ *Id.*; Matta Trial Tr. at 1-19:20-1:21:1 (Government Opening Statement).

- Between February 7 and February 9, 1985, the Guadalajara Cartel kidnapped, tortured, and murdered DEA Agent Enrique Camarena-Salazar and Mexican Pilot Alfredo Zavala-Avelar.

The Juárez Cartel

a.k.a. The Vicente Carrillo Fuentes Organization

The Juárez Cartel formed in the 1980s under the leadership of Aguilar Guajardo after the arrest of Guadalajara Cartel leader Felix Gallardo.⁴⁵⁷ Guajardo worked closely with Felix Gallardo and was given the Juárez area to control after Felix Gallardo's arrest. Amado Carrillo Fuentes, a.k.a. "the Lord of the Skies", assumed control of the Juárez Cartel after Aguilar Guajardo was mysteriously killed in Cancun. In 2002, the Juárez Cartel allied with other drug trafficking organizations as part of the "Federation" or "Sinaloa Cartel." It withdrew from the alliance two years later after Juárez Cartel leader Rodolfo Carrillo killed two of El Chapo's associates for failing to pay to use the Juárez Corridor. El Chapo retaliated by killing Rodolfo Carrillo and his wife as they left a movie theater. El Chapo's brother Arturo was shot in prison a few months later.⁴⁵⁸

The Sinaloa Cartel

*a.k.a. "the Federation"*⁴⁵⁹

The Sinaloa Cartel is one of the oldest and most powerful cartel federations in Mexico. It was founded as a partnership between leading drug traffickers and grew to include Amado Carrillo Fuentes (Juárez Cartel), the Arellano Felix brothers (Tijuana Cartel), Ismael Zambada Garcia Joaquín Guzmán Loera, the Beltrán Leyva brothers (together controlling Sinaloa), Juan Jose Esparragoza (formerly associated with the Guadalajara cartel),⁴⁶⁰ and Ignacio Coronel.⁴⁶¹ The leaders cemented several of these relationships through marriage. For example, Alfredo Beltrán Leyva married Guzmán's cousin, Esparragoza married Guzmán's sister-in-law, and Guzmán married Ignacio Coronel's niece.⁴⁶² Its leadership structure has changed with arrests, deaths, and turf wars.⁴⁶³ Simply put, the Sinaloa Cartel is "a group of criminals who were bosses of their own groups of workers [with] ties to the Mexican State of Sinaloa ... [that] banded together[.]"⁴⁶⁴ Sinaloa Cartel leaders invested in drug shipments together which enabled them to spread out the costs when drug shipments were lost or seized.⁴⁶⁵ The leaders pool their money to make high-level corruption payments, including the monthly payments made to García Luna.⁴⁶⁶

⁴⁵⁷ Insight Crime Staff, *Juárez Cartel*, Insight Crime (July 10, 2020), <https://insightcrime.org/mexico-organized-crime-news/juarez-cartel-profile/>.

⁴⁵⁸ *Id.*; El Chapo Tr. at 911-12 (Rey Zambada Direct).

⁴⁵⁹ El Chapo Tr. at 1821:1-5 (Ramirez Abadia Direct).

⁴⁶⁰ Mata Trial Tr. at 1-116:5 -22 (Kuykendall Direct).

⁴⁶¹ El Chapo Tr. at 3943:22-3944:7 (Vicente Zambada Direct); *Id.* at 6523-24 (Government Closing).

⁴⁶² Insight Crime Staff, *Beltrán Leyva Organization*, Insight Crime (last updated Oct. 6, 2021), <https://insightcrime.org/mexico-organized-crime-news/beltran-leyva-organization-profile/>.

⁴⁶³ *See e.g.*, El Chapo Tr. at 3955:20-22 (Vicente Zambada Direct) ("At that time, my father had a war against the Arellano Felix Brothers. They were killing a lot of relatives and workers of my father's in Culiacan.").

⁴⁶⁴ *Id.* at 6523:5-11 (Government Closing Argument).

⁴⁶⁵ *Id.* at 6525:19-25 (Government Closing Argument).

⁴⁶⁶ García Luna Tr. at 87:1-12; 88:13-17 (Barragán Direct).

The Sinaloa Cartel almost completely controls much of the Pacific Coast of Mexico up to the U.S. border.⁴⁶⁷ It makes billions of dollars.⁴⁶⁸

The Beltrán Leyva Organization

a.k.a. “BLO”

Arturo and Hector Beltrán Leyva formed the BLO and later included their other brothers Alfredo and Carlos.⁴⁶⁹ As of 2011, “Many details of the Beltrán Leyva family remain[ed] unclear, including exactly how many of the siblings (Arturo, Armida, Mario Alberto, Carlos, Hector, Amberto, Alfredo, Felicitas, and Gloria) [were] involved in organized crime.”⁴⁷⁰ Arturo and Hector began their criminal enterprise in Sinaloa working with minor opium poppy growers.⁴⁷¹ Later, they worked for Amado Carillo Fuentez as hitmen and transporters for the Juárez Cartel. The Beltrán Leyva brothers may have worked with El Chapo as hitmen and the two families became bound through marriage. When El Chapo was arrested in 1993, the Beltrán Leyva brothers helped El Chapo’s brother keep El Chapo’s drug business afloat. The BLO joined the Sinaloa Cartel federation⁴⁷² but, in 2008, the BLO broke off from the Sinaloa Cartel and became an independent organization when Alfredo Beltrán Leyva was detained in Culiacán, Sinaloa.⁴⁷³ The BLO believed that Sinaloa Cartel leaders, El Chapo and El Mayo, turned Alfredo into the police.⁴⁷⁴ The BLO had an enforcement arm called the Fuerzas Armadas de Arturo⁴⁷⁵ and commonly purchased weapons with drugs.⁴⁷⁶ On April 30, 2008, a war broke out between the BLO and the Sinaloa Cartel when El Chapo directed the Mexican Federal Police to engage in a shootout with the BLO gunmen.⁴⁷⁷

The Milenio Cartel / Jalisco Cartel New Generation

a.k.a. “Cártel de los Valencia”, “CJNG”

⁴⁶⁷ June S. Beittel, CRS Report R41576, *Mexico: Organized Crime and Drug Trafficking Organizations*, 11 (updated June 7, 2022) (map tracking Mexico’s Cartels in 2021).

⁴⁶⁸ García Luna Tr. at 59:1-6 (Barragán Direct).

⁴⁶⁹ Government’s Sentencing Memorandum, *U.S. v. Valdez-Villareal*, 1:09-cr-551, at 7 n.3 (N.D. Ga. June 4, 2018), ECF No. 293 [hereinafter La Barbie Sentencing Memo]; Affidavit in Support of Request for Extradition, *U.S. v. Alfredo Beltrán Leyva*, 1:12-cr-00184, at 6-7 (W.D. Tex. June 19, 2015), ECF No. 62-1 [hereinafter Alfredo Beltrán Leyva Extradition Request].

⁴⁷⁰ Beginning of End for BLO Memo, *supra* note 169.

⁴⁷¹ Insight Crime Staff, *Beltrán Leyva Organization*, Insight Crime (last updated Oct. 6, 2011), <https://insightcrime.org/mexico-organized-crime-news/beltran-leyva-organization-profile/>.

⁴⁷² García Luna Tr. at 52:15-19 (Barragán Direct).

⁴⁷³ El Chapo Tr. at 4084:19-4086:7 (Vicente Zambada Direct).

⁴⁷⁴ El Chapo Tr. at 5876-78 (López Nuñez Direct).

⁴⁷⁵ U.S. Dep’t of State, Narcotics Rewards Program, Marcos Arturo Beltrán Leyva (last accessed Aug. 6, 2023), <https://www.state.gov/narcotics-rewards-program-target-information-brought-to-justice/marcos-arturo-beltran-leyva-deceased/>.

⁴⁷⁶ Alfredo Beltrán Leyva Extradition Request, *supra* note 468, at 6-7.

⁴⁷⁷ El Chapo Tr. at 5878 (López Nuñez Direct) (“My compadre was trying or it—for there not to be any shootouts or confrontations between hi[s] gunmen and the Beltrán’s gunmen. He preferred for the Government to be the one that did the work. So they would receive the locations where the gunmen for the Beltráns were located, this was given to the Federal Police with which there was a relationship already.”).

The Valencia family led the Milenio Cartel in 1999.⁴⁷⁸ It was a block within the Sinaloa Cartel allied with Sinaloa Cartel boss Ignacio Coronel Villarreal, a.k.a. “Nacho Coronel”.⁴⁷⁹ The Milenio cartel counted Nemesio Oseguera Cervantes, a.k.a. “Mencho”, among its leaders. A small group of deserters from the Milenio Cartel, including Mencho, formed the modern-day Jalisco Cartel New Generation (“CJNG”).⁴⁸⁰ The Milenio Cartel/CJNG grew because of corruption. It made payments to the Federal Police, federal highway police, and the state and municipal police.⁴⁸¹ Alongside the Sinaloa Cartel, the DEA also identified the CJNG as the greatest criminal drug threat the U.S. faces.⁴⁸²

The Gulf Cartel

a.k.a. “CDG”

The Gulf Cartel grew out of a smuggling operation ran by Juan Nepomuceno Guerro in the 1930s.⁴⁸³ Guerra developed close relationships with the political leaders of Mexico’s reigning political party, the PRI. Using these connections, he was able to place members of his criminal organization in law enforcement and the judiciary. In the 1970s, Guerro’s nephew, Juan Garcia Ábrego, took over the organization and heavily trafficked marijuana. The Gulf Cartel allowed other traffickers to move drugs through its territory on the condition they paid a tax. In 1994, the DEA estimated the Gulf Cartel network made roughly \$10 billion a year in profits. In January 1996, Garcia Ábrego was arrested and sent to the United States.⁴⁸⁴ Osiel Cárdenas Guillén, a.k.a. “Friend Killer”, took leadership of the Gulf Cartel until his arrest in 2003. Cárdenas lacked his predecessor’s political influence and created a paramilitary group called the Zetas to enforce his authority.

The Zetas

The Zetas began as the enforcement arm of the Gulf Cartel. The Gulf Cartel recruited its Zetas out of the Mexican Army Special Forces, a unit that allegedly received training from U.S. specialists.⁴⁸⁵ Each member assumed a Mexican military radio call sign that started with the letter Z, like Z-40. In the mid-2000s, the Zetas broke away from the Gulf Cartel and became their own drug trafficking organization. The Zetas were characterized by their indiscriminant

⁴⁷⁸ García Luna Tr. at 493:1-7 (Valencia Direct).

⁴⁷⁹ Insight Crime Staff, *Nemesio Oseguera Cervantes, alias ‘El Mencho’*, Insight Crime (Aug. 7, 2022), <https://insightcrime.org/mexico-organized-crime-news/nemesio-oseguera-ramos-alias-el-mencho/>.

⁴⁸⁰ Luis Alonso Pérez, *Mexico’s Jalisco Cartel – New Generation: From Extinction to World Domination*, Insight Crime (Dec. 16, 2016), <https://insightcrime.org/news/analysis/mexico-cartel-jalisco-new-generation-extinction-world-domination/>.

⁴⁸¹ García Luna Tr. at 559-62 (Valencia Direct).

⁴⁸² Foreign Relations Fentanyl Hearing, *supra* note 6 (statement of Administrator Milgram) (“The Sinaloa and Jalisco Cartel pose the greatest criminal drug threat the United States has ever faced.”)

⁴⁸³ Hurowitz, *supra* note 70, at 136.

⁴⁸⁴ Insight Crime Staff, *Gulf Cartel*, Insight Crime (last updated Mar. 10, 2023), <https://insightcrime.org/mexico-organized-crime-news/gulf-cartel-profile/>.

⁴⁸⁵ Albert De Amicas, *Los Zetas and La Familia Michoacana Drug Trafficking Organizations*, 5, University of Pittsburgh Graduate School for Public and International Affairs (updated Mar. 12, 2011), <https://www.ojp.gov/pdffiles1/234455.pdf>.

brutality. For example, in August 2010, the Zetas killed 72 migrants and dumped their bodies in a hole to send a message.

B. Table of Names

U.S. State Department

Condoleezza Rice

Secretary of State (2005-2009)

Secretary Rice served as Secretary of State under President Bush from 2005 to 2009. Secretary Rice oversaw the inception of the Mérida Initiative, which her office described as “a multi-year program to provide equipment, training, and technical assistance to support law enforcement operations and for long-term reform and oversight of security agencies.”⁴⁸⁶

Hilary Clinton

Secretary of State (2009-2013)

Secretary Clinton served under President Obama from 2009 to 2013. According to a 2009, Government Accountability Office (GAO) report, the first appropriation for the Mérida Initiative did not occur until June 2008.⁴⁸⁷ It follows that the Mérida Initiative implementation was in its early stages when Secretary Clinton assumed office in 2009.

Carlos Pascual

*U.S. Ambassador to Mexico (2009-2011)*⁴⁸⁸

President Obama appointed Ambassador Pascual and the Senate confirmed his appointment.⁴⁸⁹ When an Ambassador arrives in country, he carries a Chief of Mission letter signed by the United States that say the Ambassador “exercise[s] authority and oversight over all U.S. government people and programs in that country.”⁴⁹⁰ Ambassador Pascual resigned in 2011 after WikiLeaks released sensitive cables where Ambassador Pascual described infighting between Mexican security forces.⁴⁹¹ In response to the leak, Mexican President Calderón stated he could no longer trust Ambassador Pascual.

Earl Anthony Wayne

*U.S. Ambassador to Mexico (Sept. 2011 - July 2015)*⁴⁹²

⁴⁸⁶ U.S. Dept. of State Archive, Fact Sheet Bureau of International Narcotics and Law Enforcement Affairs, *the Merida Initiative: Proactive Border Security* (Dec. 1, 2008), <https://2001-2009.state.gov/p/inl/rls/fs/112517.htm>.

⁴⁸⁷ GAO-10-253R, *supra* note 179, at 8.

⁴⁸⁸ Center on Global Energy Policy, Ambassador Carlos Pascual (last visited July 22, 2023), <https://www.energypolicy.columbia.edu/ambassador-carlos-pascual/>.

⁴⁸⁹ Brookings, Carlos Pascual (last accessed July 22, 2023), <https://www.brookings.edu/people/carlos-pascual/>.

⁴⁹⁰ John Feeley and James D. Nealon, *Diplomats Frustrated by the DEA’s Dark Side*, Univision News (Nov. 22, 2022), *Oped on foreign policy and the sometimes frustrating role of the DEA | Univision News Opinion | Univision*.

⁴⁹¹ Alexandra Olson, *U.S. diplomat in Mexico is First Casualty of WikiLeaks*, NBC News (Mar. 24, 2011), <https://www.nbcnews.com/id/wbna42253929>.

⁴⁹² García Luna Tr. at 1188:24-1189:1 (Wayne Direct).

From 2009 to 2010, Earl Anthony Wayne served as the Coordinating Director for Development and Economic Affairs in Kabul, Afghanistan.⁴⁹³ Previously, he served as Ambassador to Argentina and Deputy Chief of Missions to the European Union, Brussels, and Belgium. He assumed the role of Ambassador to Mexico after Ambassador Pascual resigned.

John Feeley

*Deputy Chief of Mission to Mexico (2009-2012)*⁴⁹⁴

John Feeley worked for the State Department for 28 years. He served as an Ambassador to Panama, Deputy Chief and Chargé d'Affaires in Mexico City, and Principal Deputy Assistant Secretary for the Bureau of Western Hemisphere Affairs.⁴⁹⁵ He was the Deputy Chief of Mission (DCM) in Mexico during the early years of the Merida Initiative. The DCM is the second in command at an embassy and is in charge of affairs in the ambassador's absence.⁴⁹⁶

U.S. Law Enforcement

Joseph Evans

Regional Director for the North and Central Americas Region of DEA

Joseph Evans was assigned to Mexico City in October 2009.⁴⁹⁷ In 2013, Evans left DEA to work for HSBC, a London-based bank that once allowed drug cartels to launder hundreds of millions of dollars.⁴⁹⁸

David Gaddis

*Regional Director for the North and Central Americas Region of DEA*⁴⁹⁹

⁴⁹³ Report for the Committee on Foreign Relations United States Senate, Subject: Ambassadorial Nomination: Certificate of Demonstrated Competence – Foreign Service Act, Section 304(1)(4), Post: Mexico, Candidate: Earl Anthony Wayne (Obtained through FOIA through U.S. Dept. of State Case No. F-2014-06682, Doc. No. C05728782).

⁴⁹⁴ Dep't of State, John D. Feeley profile (last accessed July 19, 2023), <https://2009-2017.state.gov/r/pa/ei/biog/252340.htm>.

⁴⁹⁵ The American Academy of Diplomacy, John Feeley (last visited July 21, 2023), <https://www.academyofdiplomacy.org/member/john-feeley/#:~:text=During%20a%2028%2Dyear%20State,Bureau%20of%20Western%20Hemisphere%20Affairs.>

⁴⁹⁶ National Museum of American Diplomacy, *Deputy Chief of Mission (DCM)*, Encyclopedia Entries (last visited July 21, 2023), <https://diplomacy.state.gov/encyclopedia/deputy-chief-of-mission-dcm/>.

⁴⁹⁷ Allan Lengel, DEA's Joseph Evans Who Heads Up Mexico Operation Named Ticklethewire.com's Fed Of The Year, *ticklethewire.com* (2010), <https://ticklethewire.com/deas-joseph-evans-who-heads-up-mexico-operation-named-ticklethewire-coms-fed-of-the-year/>.

⁴⁹⁸ Kalyeen Makortoff, Franz Wild, and Ben Stockton, HSBC Faces Questions Over Disclosure of Alleged Money Laundering to Monitors, *The Guardian* (July 28, 2021), <https://www.theguardian.com/business/2021/jul/28/hsbc-faces-questions-over-disclosure-of-alleged-money-laundering-to-monitors>; Steven Dudley, *HSBC Gives Argentina Prosecutors Chance to Correct US Blunder*, *Insight Crime* (Mar. 28, 2013) <https://www.theguardian.com/business/2021/jul/28/hsbc-faces-questions-over-disclosure-of-alleged-money-laundering-to-monitors>.

⁴⁹⁹ Government's Response to Defendant's Motion to Dismiss the Indictment Based on an Alleged Promise of Immunity, *U.S. v. Jesus Vicente Zambada-Niebla*, 1:09cr00383, at 9 (N.D. Ill. Sept. 9, 2011), ECF No. 109

In 2004, DEA divided its foreign offices into seven regions and placed a Regional Directors in each region.⁵⁰⁰ A Regional Director is the equivalent of a DEA Special Agent in Charge (SAC) for a domestic office and has overall responsibility for the DEA activities in his region. From 2006 to 2009, Gaddis was DEA's Regional Director for Canada, Mexico, and Central America.⁵⁰¹ In 2009, DEA promoted Gaddis to Deputy Chief of Operations, Office of Global Operations, and Chief of Enforcement Division. He relocated to DEA Headquarters in Arlington, Virginia. David Gaddis is no longer with the DEA.

Miguel “Mike” Madrigal

Special Agent, DEA

Miguel Madrigal worked for the DEA in Mexico from April 2008 to August 2015.⁵⁰² In this role, he received investigative leads from domestic offices and shared them with Mexican counterparts to further joint investigations. The DEA promoted him to supervisory special agent. SA Madrigal worked with the SSP, SEMAR, SEDENA, and the Mexican federal prosecutors.⁵⁰³ He observed a general mistrust among the various Mexican entities that he worked with.⁵⁰⁴

Victor Vazquez

Special Agent, DEA

Victor Vazquez worked for the DEA in Mexico City from December 2008 to July 2014.⁵⁰⁵ Agent Vasquez was the lead U.S. liaison embedded with the Mexican Marines (“SEMAR”) on the ground during the successful 2014-capture operation of El Chapo.⁵⁰⁶ In that capacity, Agent Vazquez passed U.S. intelligence to SEMAR for El Chapo's arrest. Agent Vazquez proposed using SEMAR for the arrest operation because of the corruption within the Mexican Federal Police.

Jose Moreno

Special Agent, FBI

⁵⁰⁰ U.S. Dep't of Justice Office of Inspector General, Report No 07-19, *The Drug Enforcement Administration's Internal Operations*, 11 (Feb. 2007), *final.pdf

⁵⁰¹ About Us, G-Global Protection Solutions, LCC (last visited July 28, 2023), <http://www.gglobal-ps.com/about-us-2/>.

⁵⁰² García Luna Tr. at 945:3-946:1 (Madrigal Direct).

⁵⁰³ *Id.* at 951:9-19 (Madrigal Direct).

⁵⁰⁴ *Id.* at 953:21-954:6 (Madrigal Direct).

⁵⁰⁵ El Chapo Tr. at 5510:1-17 (Vazquez Direct).

⁵⁰⁶ *Id.* at 5513-14 (Vazquez Direct).

Agent Moreno worked for the FBI in Mexico from October 2009 to January 2014.⁵⁰⁷ In this role, he followed leads passed from his U.S. counterparts and worked closely with DEA agents stationed in Mexico. Agent Moreno participated in failed arrest operations for El Chapo.

Mexican Government

Felipe Calderón

President of Mexico Dec. 1, 2006 to Nov. 30, 2012

An email forwarded to Hilary Clinton described President Calderón as “a social conservative, a Mexican nationalist (which by definition carries with it some anti-US sentiments) but also harbors profound liberal values – he is a true democrat . . . and a strong supporter of free trade and of a market economy that is largely free by regulated where required (which by definition carries some sympathy for US values and Democratic party values).”⁵⁰⁸

José Luis Santiago Vasconcelos

*Deputy Attorney for SIEDO*⁵⁰⁹

Vasconcelos occupied a leadership position in the Mexican Attorney General’s office. According to Sinaloa Cartel leader Vicente Zambada, Vasconcelos was “respected and feared because he would not take [drug] money.”⁵¹⁰ He “kept attacking [El Mayo’ and [El] Chapo through different sting operations” and became an enemy of the Sinaloa Cartel.⁵¹¹ As a result, El Chapo and El Mayo attempted to kill him in a failed murder plot.⁵¹² Vasconcelos acted on reports that one of García Luna’s Commanders, Domingo González, helped the Sinaloa Cartel kidnap and execute Zeta operatives in front of women and children.⁵¹³ Vasconcelos reportedly told García Luna that Domingo González was about to be detained and should wait in his office but when officers went to arrest Domingo González, he was gone.⁵¹⁴ Vasconcelos allegedly opened an investigation into García Luna. On November 3, 2008, Vasconcelos was instructed to go on a work trip instead of García Luna, who had canceled at the last minute.⁵¹⁵ On the return trip the next day, Vasconcelos died in a plane crash. Vasconcelos had a long-standing relationship with the DEA. In 1997, Vasconcelos successfully arranged a meeting between DEA Agent Joe Bond and El Chapo in the

⁵⁰⁷ García Luna Tr. at 1329:10-25 (Moreno Direct).

⁵⁰⁸ E-mail from Cheryl D. Mills to H, FW: A little positive reinforcement to pass on to the S, at 2 (Mar. 28, 2009) (Obtained through FOIA through U.S. Dep’t of State Case No. F-2014-20439, Doc. No. C05760678).

⁵⁰⁹ El Chapo Tr. at 4116:17-4119:1 (Vicente Zambada Direct).

⁵¹⁰ *Id.* at 891:6-23 (Rey Zambada Direct).

⁵¹¹ *Id.* at 4117:21-24 (Vicente Zambada Direct).

⁵¹² *Id.* at 929-32 (Rey Zambada Direct); Narco-Killings Memo, *supra* note 148, at 3 (“Vasconcelos – a point man in the country’s war on drug gangs and the official in charge of extraditing drug bosses to the U.S.—said that the men arrested were plotting to kill him. He said the suspected hit men may belong to the Sinaloa Cartel, which dominates Mexico’s Pacific Coast cocaine smuggling routes.”).

⁵¹³ García Luna Tr. at 132-34 (Barragán Direct).

⁵¹⁴ Peniley Ramírez and Roxana Aguirre, *How a Mexican Police Boss Became a Millionaire*, Futuro Investigates (Dec. 16, 2022), <https://futuroinvestigates.org/investigative-stories/usa-v-garcia-luna/how-a-mexican-top-police-boss-became-a-millionaire/>.

⁵¹⁵ Raul Rodriguez Cortes, *The Staunch Enemies of García Luna*, El Universal (Jan. 10, 2020), <https://www.eluniversal.com.mx/opinion/raul-rodriguez-cortes/los-enemigos-acerrimos-de-garcia-luna/>.

Mexican prison when El Chapo expressed a desire to cooperate with the DEA against the Arellano-Felix brothers.⁵¹⁶ However, an April 2009 DEA report allegedly contained vague information that Vasconcelos was corrupt.⁵¹⁷

Hector Villarreal

Secretary of Finance, State of Coahuila

In 2005, Hector Villarreal was the undersecretary of planning and budget in the State of Coahuila.⁵¹⁸ In 2008, he was promoted to Secretary of Finance for that state. Villarreal participated in an illegal kickback scheme with the Governor of Coahuila that stole roughly \$200 million from the state.⁵¹⁹ Villarreal was present when García Luna enlisted help from the Governor of Coahuila to bribe the press to withhold an article disclosing his corruption.⁵²⁰

Edgar Veytia

*Attorney General for the State of Nayarit, Mexico*⁵²¹
*a.k.a. “Diablo” , “Eepp” , “Lic veytia”*⁵²²

Edgar Veytia grew up in San Diego, California.⁵²³ His mom sent him to live with an aunt in Mexico when he was 13 years old. He held public office in Mexico for approximately nine years.⁵²⁴ During that time, he assisted drug traffickers by thwarting law enforcement operations. Veytia served as the Director of Transit for Tepic,⁵²⁵ Secretary of Public Security of Tepic,⁵²⁶ and the Assistant Attorney General of Nayarit before he promoted to Attorney General of Nayarit.⁵²⁷ Under his leadership, the State of Nayarit aligned with the BLO following its split from the Sinaloa cartel. “On multiple ... occasions, [Veytia] directed corrupt Mexican law enforcement officers to send rival drug traffickers arrested by law enforcement ‘to hell.’”⁵²⁸ He is responsible for at least ten murders and personally tortured people.⁵²⁹ Veytia had dual citizenship a home in California.⁵³⁰ He used the trust fund Sunnyside Investments to buy multiple properties in the United States.⁵³¹ He was arrested entering the United States on March 27, 2017.⁵³² He began cooperating but the DEA asserted that Veytia’s was not credible after

⁵¹⁶ Hurowitz, *supra* note 70, at 109-11.

⁵¹⁷ Justice in Mexico Staff, *DEA Report Alleges Former Mexican Drug Czar Was Corrupt*, Justice in Mexico (June 30 2009) <https://justiceinmexico.org/dea-report-alleges-former-mexican-drug-czar-was-corrupted/>

⁵¹⁸ García Luna Tr. at 1129 (Hector Villarreal Direct).

⁵¹⁹ *Id.* at 1133-36 (Hector Villarreal Direct).

⁵²⁰ *Id.* at 1151-61 (Hector Villarreal Direct).

⁵²¹ *Id.* at 1234:3-6 (Veytia Direct).

⁵²² Indictment, *U.S. v. Veytia*, 1:17cr00115 (E.D.N.Y. Mar. 2, 2017), ECF No. 1.

⁵²³ García Luna Tr. at 1235:10-24 (Veytia Direct).

⁵²⁴ *Id.* at 1234 (Veytia Direct).

⁵²⁵ *Id.* at 1237:19-1238:5 (Veytia Direct).

⁵²⁶ *Id.* at 1256:8-11 (Veytia Direct).

⁵²⁷ Veytia Sentencing Memo at 2, *U.S. v. Veytia*, 1:17cr00115 (E.D.N.Y. Mar. 2, 2017), ECF No. 86; García Luna Tr. at 1281:2-7 (Veytia Direct) (Veytia became Attorney General of Nayarit in 2013).

⁵²⁸ Veytia Sentencing Memo at 3.

⁵²⁹ García Luna Tr. at 1288:7-9 (Veytia Direct); *Id.* at 1321:21-1322:2 (Veytia Cross).

⁵³⁰ Veytia Sentencing Memo at 5.

⁵³¹ García Luna Tr. at 1320:2-11 (Veytia Cross).

⁵³² *Id.* at 1290:12-19 (Veytia Direct).

Veytia alleged that DEA-ally Admiral Ortega Siu participated in the extrajudicial killing of witnesses against Mexican General Salvador Cienfuegos.⁵³³

Francisco Canedo Zavaleta

Federal Police officer

Francisco Canedo Zavaleta began his career as an agent in the Federal Judicial Police.⁵³⁴ In 2001, the Federal Judicial Police became the Federal Investigations Agency (AFI) with García Luna as the AFI's first director. In October 2008, Canedo Zavaleta saw García Luna with BLO leaders in an unofficial capacity. He reported this incident in a letter to the Mexican Congress, which he also gave to *Proceso Magazine*.⁵³⁵

Lucero Guadalupe Sánchez López

Local Legislator in the State of Sinaloa
*a.k.a. La Diputada*⁵³⁶

Sánchez López was a legislator in the state of Sinaloa.⁵³⁷ She became involved in El Chapo's drug business in 2011 and engaged in a romantic relationship with him. Sánchez López was with El Chapo at his first safe house when the Mexican marines arrested him in 2014.⁵³⁸

Sinaloa Cartel

Joaquín Guzmán Loera

a.k.a. "El Chapo"

Joaquín Guzmán Loera, a.k.a. "El Chapo", was a principle leader of the Sinaloa Cartel.⁵³⁹ He was especially skilled at developing innovative ways to ship drugs into the United States rapidly.⁵⁴⁰ Whereas other traffickers took a month or more to deliver cocaine into the United States, El Chapo could deliver a drug load in less than a week.⁵⁴¹ From the 1980s until his arrest in 1993, El Chapo was a mid-level member of the Sinaloa Cartel.⁵⁴² El Chapo trafficked drugs from jail but lost considerable income. After El Chapo's first prison escape, fellow cartel leader Ismael Zambada Garcia, a.k.a. El Mayo, offered El Chapo a 50/50 split of drug proceeds. This allowed El Chapo to rise to the top of the organization.⁵⁴³

Ismael Zambada García

⁵³³ *Id.* at 1305-1306 (sidebar conference); Tim Golden, *The Cienfuegos Affair: Inside the Case that Upended the Drug War in Mexico*, *The N.Y. Times* (Dec. 12, 2022), <https://www.nytimes.com/2022/12/08/magazine/mexico-general-cienfuegos.html>.

⁵³⁴ García Luna Tr. at 1038-39 (Zavaleta Direct).

⁵³⁵ *Id.* at 1059-62 (Zavaleta Direct).

⁵³⁶ El Chapo Tr. at 5908:16-22 (López Nuñez Direct).

⁵³⁷ *Id.* at 5696-98 (Sánchez López Direct).

⁵³⁸ *Id.* at 5748-52 (Sánchez López Direct); 5908-09 (López Nuñez Direct).

⁵³⁹ *Id.* at 913:5-8 (Rey Zambada Direct).

⁵⁴⁰ *Id.* at 6544:15-19 (Government Closing).

⁵⁴¹ *Id.* at 1867:3-13 (Ramirez Direct).

⁵⁴² *Id.* at 6526:13-18 (Government Closing).

⁵⁴³ *Id.* at 6529 (Government Closing).

*a.k.a El Mayo*⁵⁴⁴

Ismael Zambada García, a.k.a. “El Mayo”, has been a leader of the Sinaloa Cartel since the 1980s.⁵⁴⁵ El Mayo took over as primary leadership when Juarez faction leader Amado Carrillo Fuentes died.⁵⁴⁶ He ascended to that role over Amado’s brother, Vicente Carrillo.⁵⁴⁷ El Mayo appears to have mastermind the rise of El Chapo. He sided with El Chapo in the war between El Chapo and the Arellano-Felix brothers.⁵⁴⁸ El Mayo offered El Chapo a 50/50 split of his drug proceeds at a time when El Chapo had little income and had just escaped from prison.⁵⁴⁹ El Mayo took an interest in García Luna and directed a meeting in 2005 or 2006 to secure an alliance.⁵⁵⁰ He appears to manage the Sinaloa Cartel’s corrupt government officials. El Mayo met every corrupt police commander the Sinaloa Cartel enlisted.⁵⁵¹

Jesus Reynaldo Zambada García

a.k.a. “Rey”

Jesus Zambada García, a.k.a. “Rey”, is the brother of Ismael Zambada García, a.k.a. “El Mayo”. Rey worked for the Sinaloa Cartel from 1987 until his arrest on October 20, 2008.⁵⁵² Rey was responsible for managing the airport in Mexico City for the Sinaloa Cartel.⁵⁵³ Corrupt SIEDO police officers and BLO hitmen dressed like SIEDO officers arrested Rey during the war between the Sinaloa Cartel and the BLO.⁵⁵⁴ The original plan was to kill Rey but the BLO worried that the Sinaloa Cartel would retaliate by killing BLO leader Alfredo Beltrán Leyva, who was in prison at the time. Following the arrest of Rey, El Chapo and El Mayo plotted to blow up either a Mexican or U.S. government building and frame the BLO because “this government is letting the gringos [American law enforcement] do whatever they want.”⁵⁵⁵

Vicente Zambada Niebla

*a.k.a. “El Nino”, “El Diez”, “El Diego”, “La Mesara”*⁵⁵⁶

⁵⁴⁴ *Id.* at 3941:7-12 (Vicente Zambada Direct).

⁵⁴⁵ *Id.* at 3942:6-7; 3943:22-3944:7 (Vicente Zambada Direct).

⁵⁴⁶ *Id.* at 6528 (Government Closing).

⁵⁴⁷ *Id.* at 6530 (Government Closing).

⁵⁴⁸ *Id.* at 6527 (Government Closing).

⁵⁴⁹ *Id.* at 6529 (Government Closing).

⁵⁵⁰ *Id.* at 1102-03 (Rey Zambada Cross).

⁵⁵¹ *Id.* at 6553-54 (Government Closing).

⁵⁵² García Luna Tr. at 1454:15-1455:1 (Rey Zambada Direct).

⁵⁵³ *Id.* at 1454:18-22 (Rey Zambada Direct).

⁵⁵⁴ *Id.* at 181-82 (Barragán Direct); 251:14-24 (Barragán Re-direct).

⁵⁵⁵ Government’s Evidentiary Proffer Supporting the Admissibility of Co-Conspirator Statements, *U.S. v. Zambada-Niebla*, 1:09-cr-00383, at 54 (N.D.Ill. Nov. 10, 2011), ECF No. 137 [hereinafter Vicente Zambada Evid. Proffer] (this is based on cooperator disclosures).

⁵⁵⁶ El Chapo Tr. 3943:5-8 (Vicente Zambada Direct).

Vicente Zambada Niebla, a.k.a. “El Nino”, is the son of Ismael Zambada García, a.k.a. “El Mayo”. Vicente was in charge of passing messages to his father, coordinating the transportation of drugs into the United States, transporting drug proceeds to Mexico, and bribing government officials on behalf of the Sinaloa Cartel.⁵⁵⁷ In fact, one cooperator heard Vicente Zambada tell a worker that the new law enforcement commander in Culiacan “is either going to work with us, or you know what will happen to him [commandante will either accept corruption payments from the Sinaloa Cartel or he will be killed].”⁵⁵⁸ Vicente Zambada participated in the plot to blow up at least one government building following Rey Zamaba’s arrest. He direct U.S. based co-conspirators to secure explosives saying “You want to be really good with me, get me my shit, my guns. Fuck the money, fuck the drugs, I want to blow shit up. I want some bazookas, some grenade launchers.”⁵⁵⁹ Vicente Zambada was arrested in March 2009.⁵⁶⁰

Dámaso López Nuñez

*a.k.a. “Licenciado”, “Lic”, “Felizardo”*⁵⁶¹

Dámaso López Nuñez worked as the Deputy Director of Security and Custody for the maximum-security federal penitentiary of Puente Grande, Jalisco.⁵⁶² In 1999, El Chapo bribed López Nuñez for favors when El Chapo was housed at the Mexican penitentiary. After El Chapo escaped from prison, López Nuñez worked with him as a drug trafficker. López Nuñez rose in the organization to control regions within Mexico and oversaw hundreds of men for the Sinaloa Cartel.⁵⁶³

Ivan Archivaldo Guzmán Salazar

*a.k.a. “Mayor”,*⁵⁶⁴ *together with his brothers “Los Chapitos” or “Los Menores”*⁵⁶⁵

Ivan was heavily involved in his father’s drug business. In 2008, he was convicted in Mexico on money laundering charges.⁵⁶⁶ In retaliation, El Chapo ordered the murder of seven employees of a Guadalajara law firm in broad daylight. Three weeks later, a federal judge released Ivan and absolved him of all charges. In 2012, The U.S. Treasury Department added Ivan to the Office of Foreign Assets Control (“OFAC”) sanctions list.⁵⁶⁷ In 2015, Ivan helped construct a tunnel for El Chapo’s prison escape.⁵⁶⁸ Ivan deals fentanyl directly into the United States in the form of M-30 pills.⁵⁶⁹ Ivan and his brothers sent a letter to Milenio Televisión claiming they had been framed

⁵⁵⁷ *Id.* at 3942:8-3943:4 (Vicente Zambada Direct); Vicente Zambada Evid. Proffer, *supra* note 554, at 14-15.

⁵⁵⁸ Vicente Zambada Evid. Proffer, *supra* note 554, at 30.

⁵⁵⁹ *Id.* at 55.

⁵⁶⁰ El Chapo Tr. at 3946:9-10

⁵⁶¹ *Id.* at 5826:8-10 (López Nuñez Direct).

⁵⁶² *Id.* at 5828-29 (López Nuñez Direct).

⁵⁶³ *Id.* at 6062 (López Nuñez Cross).

⁵⁶⁴ *Id.* at 6228:17-23 (Valdez Rios Direct).

⁵⁶⁵ *Id.* at 6229 (Valdez Rios Direct).

⁵⁶⁶ Memorandum from AMCONSUL GUADALAJARA to SEC STATE WASHDC 0781, Subject: The Corruption Continuum: Progress and Perils in Western Mexico, at 4, (May 2008) (Obtained through FOIA through U.S. Dep’t of State Case No. F-2010-06909, Doc No. C17691041).

⁵⁶⁷ Press Release, U.S. Dep’t of the Treasury, *Treasury Targets Leading Figures of the Sinaloa Cartel* (May 8, 2012).

⁵⁶⁸ El Chapo Tr. at 5938-41 (López Nuñez Direct).

⁵⁶⁹ García Luna Tr. at 458-69; 470-73 (Tolentino Direct).

and were not the current leaders of the Sinaloa Cartel.⁵⁷⁰ In response, the son of Dámaso López Nuñez wrote a letter detailing some of the Chapitos offenses. The Chapitos attempted to kill Dámaso López Nuñez and his family in 2016 and allegedly killed a journalist for publishing an interview with Dámaso López Nuñez.⁵⁷¹

Ovidio Guzmán Lopez

a.k.a. “El Ratón”, together with his brothers “Los Chapitos” or “Los Menores”

In 2012, the Treasury Department added Ovidio to the OFAC list.⁵⁷² Ovidio participated in constructing a tunnel for El Chapo’s 2015 prison escape.⁵⁷³ In October 2019, the Mexican government arrested Ovidio and then released him after his brothers directed hundreds of Sinaloa fighters to take hostages, block intersections, set cars on fire, and attack a complex for families of military personnel.⁵⁷⁴ On January 6, 2023, the Mexican government re-arrested Ovidio in an operation that killed 10 soldiers and 19 suspects.⁵⁷⁵ At the time of this report, Ovidio is in custody in Mexico.

Jesús Alfredo Guzmán Salazar

a.k.a. “Alfredillo”, “Menor”,⁵⁷⁶ together with his brothers “Los Chapitos” or “Los Menores”

In 2008, Alfredo distributed heroin and cocaine into the Chicago, Illinois area on behalf of the Sinaloa Cartel.⁵⁷⁷ The U.S. government recorded Alfredo engaged in heroin transactions with a cooperator.⁵⁷⁸ Alfredo also participated in constructing a tunnel for El Chapo’s 2015 prison escape.⁵⁷⁹

⁵⁷⁰ MND Staff, *Los Chapitos Claim They are Scapegoats in Letter to the Media*, Mexico News Daily (May 5, 2023), <https://mexiconewsdaily.com/news/los-chapitos-claim-they-are-scapegoats-in-letter-to-media/>.

⁵⁷¹ El Chapo Tr. at 6043-44 (López Nuñez Direct); *Id.* at 6050-53 (López Nuñez Cross).

⁵⁷² Press Release, U.S. Dep’t of the Treasury, *Treasury Targets Leading Figures of the Sinaloa Cartel* (May 8, 2012).

⁵⁷³ El Chapo Tr. at 5938-41 (López Nuñez Direct).

⁵⁷⁴ Kate Linthicum, *Cartel Lays Siege to Mexican City After Recapture of the Son of ‘El Chapo’*, LA Times (Jan. 5, 2023), <https://www.latimes.com/world-nation/story/2023-01-05/la-fg-mexico-el-chapo-son-captured>.

⁵⁷⁵ BBC News, *Ovidio Guzmán Lopez: Twenty-nine killed during arrest of El Chapo’s son*, <https://www.bbc.com/news/world-latin-america-64179356> (Jan 6, 2023).

⁵⁷⁶ El Chapo Tr. 6228:9-16 (Valdez Rios Direct).

⁵⁷⁷ El Chapo Tr. 3481-82 (Pedro Flores Direct); Vicente Zambada Evid. Proffer, *supra* note 554, at 17.

⁵⁷⁸ El Chapo Tr. 3560-63; 3573-90 (Pedro Flores Direct).

⁵⁷⁹ El Chapo Tr. 5938-41 (López Nuñez Direct).

Joaquín Guzmán Lopez

a.k.a. together with his brothers “Los Chapitos”

Joaquín is the fourth member of the Chapitos. He is allegedly manages “super labs” that manufacture drugs for the Sinaloa Cartel.⁵⁸⁰

Hildebrando Alexander Cifuentes Villa

a.k.a. “Alex”, “Panchito”⁵⁸¹

Hildebrando Alexander Cifuentes Villa worked for El Chapo from mid-2007 until Cifuentes Villa’s arrest in November 2013. El Chapo described Cifuentes Villa as his “secretary” and his “right hand man.”⁵⁸²

Isaías Valdez Rios

a.k.a. “Memin”, “Memo”⁵⁸³

Isaías Valdez Rios began working for El Chapo in 2004 after leaving the Mexican Army Special Forces.⁵⁸⁴ He started out working on El Chapo’s security team, became El Chapo’s secretary, and then was sent to Honduras to locate properties for aircraft landing strips. Valdez Rios later worked as security for El Chapo’s sons, Ivan and Alfredo. He was arrested on March 24, 2014.

Herold Mauricio Poveda Ortega

a.k.a. Conejo⁵⁸⁵

Herold Mauricio Poveda Ortega was an independent drug trafficker until Arturo Beltrán Leyva threatened to kill him.⁵⁸⁶ For protection, Poveda Ortega aligned with the BLO faction of the Sinaloa Cartel and became one of the cartel’s cocaine connections between Colombia and Mexico.⁵⁸⁷ Poveda Ortega was arrested by the Federal Police on November 4, 2010 and turned over officially on November 5, 2010.⁵⁸⁸ During the intervening 24 hours, the Federal Police took Poveda Ortega to a safe house, beat him, suffocated him with bags, used electric shocks, demanded to know where his money was, and ultimately made him record a confession stating he worked for El Chapo when he really worked for the BLO. On an earlier occasion, the Federal Police arrested Poveda Ortega’s father and workers and took them to a location where

⁵⁸⁰ U.S. Dept. of Treasury, Press Release, Treasury Sanctions Fourth Member of “Los Chapitos” and Expands Targeting of Deadly Fentanyl Supply Network, <https://home.treasury.gov/news/press-releases/jy1467> (May 9, 2023).

⁵⁸¹ Superseding Indictment, *U.S. v. Cifuentes-Villa*, 1:17cr00473 (S.D. Fl. Jan. 30, 2014).

⁵⁸² El Chapo Tr. at 4972 (Cifuentes Direct).

⁵⁸³ *Id.* at 6164 (Valdez Rios Direct).

⁵⁸⁴ *Id.* at 6167-68 (Valdez Rios Direct).

⁵⁸⁵ García Luna Tr. at 178:4-11 (Barragán Direct).

⁵⁸⁶ *Id.* at 835-837 (Poveda-Ortega Direct).

⁵⁸⁷ *Id.* at 842:12-19 (Poveda Ortega Direct).

⁵⁸⁸ *Id.* at 853:15-858:6 (Poveda Ortega Direct).

Commander Bayardo allegedly beat them.⁵⁸⁹ Poveda Ortega ultimately pled guilty in the United States to distributing more than one-million kilograms of cocaine.⁵⁹⁰

Juan Guzmán Rocha

*a.k.a. “Virgo”, “Juancho”*⁵⁹¹

Guzmán Rocha was one of El Chapo’s cousins.⁵⁹² He coordinated drug loads with El Mayo, Julio Beltrán, Nacho Coronel, and others. He also functioned as a point of contact for El Mayo. He passed information about government operations to El Chapo.⁵⁹³

Jorge Milton Cifuentes Villa

a.k.a. “Simon”

Cifuentes Villa began receiving airplane shipments of cocaine for El Mayo in 1988.⁵⁹⁴ He is a Colombian national who often worked in Mexico with the Sinaloa Cartel.⁵⁹⁵ Cifuentes Villa had ties to Colombian President Álvaro Uribe through his sister, Dolly Cifuentes Villa who had a romantic relationship with the President’s brother.⁵⁹⁶ Cifuentes Villa bribed military officials in Ecuador, a prosecutor in Mexico, and the police.⁵⁹⁷ He paid seventy Mexican Federal Police officers to work for his associate, Juan de Dios Rodriguez. Cifuentes Villa paid those same police officers \$500,000 to bring Rodriguez to him after Rodriguez tried to murder Cifuentes Villa.⁵⁹⁸ In 2008, Cifuentes Villa used a picture allegedly from the DEA to locate an individual who he then tortured and killed.⁵⁹⁹ Cifuentes Villa’s associate had a cousin inside the DEA who informed Cifuentes Villa that the DEA was listening to his phone calls.⁶⁰⁰

Beltrán Leyva Organization

Arturo Beltrán Leyva

*a.k.a. “AB-L”, “El Barbas”*⁶⁰¹

Arturo Beltrán Leyva was the principle leader of the Beltrán Leyva Organization, which he created with his brother Hector.⁶⁰² U.S. law enforcement received location information for Arturo from his lieutenant Edger Valdez-Villarreal, a.k.a. La Barbie.⁶⁰³ Originally, the U.S. gave

⁵⁸⁹ *Id.* at 889:1-11 (Poveda Ortega Cross).

⁵⁹⁰ *Id.* at 880:15-18 (Poveda Ortega Direct).

⁵⁹¹ El Chapo Tr. at 5840:18-24 (López Nuñez Direct).

⁵⁹² *Id.* at 5840 (López Nuñez Direct).

⁵⁹³ *Id.* at 6176-77 (Valdez Direct).

⁵⁹⁴ *Id.* at 2848-49 (Cifuentes Villa Direct).

⁵⁹⁵ *Id.* at 2845; 2854 (Cifuentes Villa Direct).

⁵⁹⁶ Betsy Reed, *Ex-Colombian President’s Family Face US Extradition Over Drug Charges*, The Guardian (June 11, 2012), <https://www.theguardian.com/world/2012/jun/11/colombian-president-uribe-extradition-drug>.

⁵⁹⁷ El Chapo Tr. at 3084:15-25 (Cifuentes Villa Cross).

⁵⁹⁸ *Id.* at 3198-3200 (Cifuentes Villa Cross).

⁵⁹⁹ *Id.* at 3202-07 (Cifuentes Villa Cross).

⁶⁰⁰ *Id.* at 3266 (Cifuentes Villa Cross).

⁶⁰¹ Press Release, FBI Chicago, *Three Alleged Mexican Drug Cartel Leaders and Twin Brothers Who Ran Chicago-Based Distribution Crew Among Dozens Indicted in Chicago as Part of Coordinated Strike Against Drug Traffickers* (Aug. 20, 2009), <https://archives.fbi.gov/archives/chicago/press-releases/2009/cg082009.htm>.

⁶⁰² El Chapo Tr. at 913 (Rey Zambada Direct); Alfredo Beltrán Leyva Extradition Request, *supra* note 468, at 6-7.

⁶⁰³ Valdez-Villareal Sentencing Hr’g at 14:10-25.

the intelligence to SEDENA, which did not act on the information.⁶⁰⁴ Then, the U.S. gave the intelligence to SEMAR. SEMAR raided Arturo's December 11, 2009 Christmas party and tracked him to a secondary location where they killed Arturo in a gunfight on December 16, 2009.⁶⁰⁵ According to congressional testimony from ATF agent Peter Forcelli, the U.S. Attorney's office in Arizona declined to prosecute a corrupt federal firearms licensee that supplied roughly 1,000 firearms to Mexico.⁶⁰⁶ One-half dozen of that dealer's firearms were located around Arturo Beltrán Leyva's body. A 30-year old Mexican marine died in the arrest operation.⁶⁰⁷ President Calderón honored him with a publicized funeral. Hours later, gunmen hunted down and killed the marine's mother, two siblings, and aunt.

Hector Beltrán Leyva

*a.k.a. "H", "Elegante"*⁶⁰⁸

Hector Beltrán Leyva became the leader of the BLO after Arturo was killed by the Mexican marines.⁶⁰⁹ Hector was arrested in Mexico on October 1, 2014.⁶¹⁰

Alfredo Beltrán Leyva

*a.k.a. "Mochomo", "Seven"*⁶¹¹

Alfredo Beltrán Leyva, a.k.a. "Mochomo" is the younger brother of Arturo and Hector Beltrán Leyva.⁶¹² He began working for the BLO by coordinating the offloading of ton-quantity shipments from Colombia until Arturo promoted him to a main assistant role.⁶¹³ Mexican police arrested and released Alfredo after high-level Sinaloa leader Rey Zambada intervened on his behalf at the request of Arturo Beltrán Leyva.⁶¹⁴ In early 2008, Alfredo was re-arrested⁶¹⁵ but continued to operate his drug business from jail.⁶¹⁶ He was eventually extradited to the United States.

Sergio Villarreal Barragán

a.k.a. "El Grande"

Sergio Villarreal Barragán, a.k.a. "El Grande", was a Mexican Federal Police officer responsible for policing the highway checkpoint in Samalayuca, Chihuahua.⁶¹⁷ While Villarreal Barragán was on shift, Juárez cartel leader Amado Carrillo and his men overtook the checkpoint and

⁶⁰⁴ Hurowitz, *supra* note 70, at 196-97.

⁶⁰⁵ La Barbie Sentencing Memo, *supra* note 468, at 19.

⁶⁰⁶ *Operation Fast and Furious: Reckless Decisions, Tragic Outcomes*, 112th Congr. (2011) (Opening Statement of Peter J. Forcelli), 6-15-11 "Operation Fast and Furious: Reckless Decisions, Tragic Outcomes" - United States House Committee on Oversight and Accountability.

⁶⁰⁷ Sheridan and Miroff, *supra* note 443.

⁶⁰⁸ García Luna Tr. at 54:16-22 (Barragán Direct).

⁶⁰⁹ La Barbie Sentencing Memo, *supra* note 468, at 14.

⁶¹⁰ *Id.* at 16n10.

⁶¹¹ García Luna Tr. at 55:10-13 (Barragán Direct).

⁶¹² *Id.* at 131:16-22 (Barragán Direct).

⁶¹³ Alfredo Beltrán Leyva Extradition Request, *supra* note 468, at 7.

⁶¹⁴ García Luna Tr. at 1495 (Rey Zambada Direct).

⁶¹⁵ El Chapo Tr. at 968:21-24 (Rey Zambada Direct).

⁶¹⁶ Alfredo Beltrán Leyva Extradition Request, *supra* note 468, at 3.

⁶¹⁷ García Luna Tr. at 66-71 (Barragán Direct).

threatened to kill the officers if they did not work for the Juárez cartel. Villarreal Barragán began receiving drug loads and traveling with Amado. He left the police force in 1997 when a new general began investigating his connection to the drug trafficker. In 2001, he began working with the Sinaloa Cartel in the BLO faction. He joined the BLO when Arturo Beltrán Leyva left the Sinaloa Cartel.⁶¹⁸ He remained an active drug trafficker until his arrest in 2010. In this role, he was responsible for designing operations carried out against cartel enemies, coordinating a drug trafficking route in Mexico, and bribing government officials. Towards the end of his time with the BLO, Villarreal Barragán was one of its main leaders.

Israel Avila (pseudonym)⁶¹⁹

Israel Avila worked for the Sinaloa Cartel from 2005 to 2008.⁶²⁰ From 2008 until his arrest in 2012, he worked for the BLO. He served as an accountant for the cartel.⁶²¹ His ledgers note payments of \$5 million, \$3 million, \$1.8 million and \$1 million to García Luna using García Luna's aliases "Tartamudeo" or "Metralleta".⁶²² Israel Avila beat a state judicial officer and then strangled him to death for cooperating with the DEA.⁶²³ Authorities arrested him in Texas in December 2012.⁶²⁴

Edgar Valdez-Villareal

*a.k.a. La Barbie*⁶²⁵

Valdez-Villareal is a United States citizen.⁶²⁶ From age 18 to 22, he committed a series of crimes in the U.S. including criminal negligent homicide. At age 24, he fled to Mexico to escape a federal indictment for marijuana distribution. There, he cornered the cocaine market in Nuevo Laredo, Mexico, before the Gulf Cartel's hitmen (the Zetas) forced him out of the area in a bloody conflict. Afterwards, he aligned himself with Arturo Beltrán Leyva and the BLO faction of the Sinaloa Cartel. Valdez-Villareal cooperated with the DEA. Hector Beltrán Leyva perceived Valdez-Villareal as a threat and paid DEA SIU Commander Reyes Azarte \$500,000 to have Valdez-Villareal killed by the Federal Police.⁶²⁷ Reyes Azarte attempted to shoot Valdez-Villareal during the arrest but missed and had to take Valdez-Villareal into custody instead.⁶²⁸ The U.S. government estimated that Valdez-Villareal made \$192 million from his drug enterprise.⁶²⁹

⁶¹⁸ *Id.* at 51:6-52:14 (Barragán Direct).

⁶¹⁹ *Id.* at 844:6-14 (Sidebar) ("the missing piece for the previous witness is that we know that he is testifying under a pseudonym").

⁶²⁰ *Id.* at 714:5-14 (Avila Direct).

⁶²¹ *Id.* at 727:11-17 (Avila Direct).

⁶²² *Id.* at 747 (Avila Direct).

⁶²³ *Id.* at 778:18-779:5 (Avila Cross).

⁶²⁴ *Id.* at 781:10-12 (Avila Direct).

⁶²⁵ Reyes Azarte Sentencing Hr'g at 34:17-22 (Barragán Direct).

⁶²⁶ Government's Sentencing Memorandum, *U.S. v. Valdez-Villareal*, 1:09-cr-00551 (N.D. Ga. June 4, 2018), ECF No. 293 [hereinafter Valdez-Villareal Sentencing Memo].

⁶²⁷ Azarte Sentencing Hr. at 34:23-35:25.

⁶²⁸ *Id.* at 36 (Barragán Direct).

⁶²⁹ Valdez-Villareal Sentencing Memo, *supra* note 625, at 25.

Milenio Cartel / CJNG

Oscar Nava Valencia

a.k.a. “Lobo”, “Lobo Valencia”

Oscar Nava Valencia, a.k.a. “Lobo”, was the leader of the Milenio cartel from 2004 until his arrest in 2009.⁶³⁰ He is responsible for up to 1,000 deaths that occurred during the war between the Milenio Cartel and the Familia Michocana crime organization.⁶³¹ Nava Valencia first heard of García Luna in 2001.⁶³² He later met García Luna through Arturo Beltrán Leyva. He gave García Luna \$10 million for information⁶³³ and bribed García Luna “to have more control in the areas that we did not control” and to get help fighting rival cartel Familia Michocána.⁶³⁴ El Mayo, El Chapo, and Arturo Beltrán Leyva all told Nava Valencia about their relationships with García Luna.⁶³⁵ The Mexican Army arrested Nava Valencia.⁶³⁶

Nemsio Osegura Cervantes

a.k.a. “Mencho”

Nemsio Osegura Cervantes joined the police force in Jalisco, Mexico after serving three years in a California prison for distributing heroin.⁶³⁷ After working in an assassin network, he joined the Milenio Cartel block. After the capture of Milenio Cartel leader Oscar Orlando Nava Valencia, a.k.a. Lobo, the cartel split into two factions that battled for control of operations. Mencho’s faction succeeded and the Milenio Cartel evolved into the CJNG.

⁶³⁰ García Luna Tr. 492:24-493:18 (Valencia Direct).

⁶³¹ *Id.* at 571:7-17 (Valencia Cross).

⁶³² *Id.* at 512 (Valencia Direct).

⁶³³ *Id.* at 491 (Valencia Direct).

⁶³⁴ *Id.* at 516 (Valencia Direct).

⁶³⁵ *Id.* at 514 (Valencia Direct).

⁶³⁶ *Id.* at 251:14-24 (Barragán Re-direct).

⁶³⁷ InSight Crime Staff, *Nemesio Oseguera Cervantes, alias ‘El Mencho’*, Insight Crime (Aug. 7, 2022), <https://insightcrime.org/mexico-organized-crime-news/nemesio-oseguera-ramos-alias-el-mencho/>.