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REVIEW AUTHORITY: Don Holm, Senior
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SUBJECT: NARCOTICS AFFAIRS SECTION MEXICO MONTHLY REPORT FOR
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1. (U) THIS CABLE IS SENSITIVE BUT UNCLASSIFIED

INTERNAL DEVELOPMENTS

2. (U) Media sources counted a total of 508 drug-related killings during January 2009, more than double the 235 during the same period in 2008. Among those executed, twenty were decapitated and fifty-one were tortured. The total number murdered also includes twenty-seven law enforcement officials of various ranks.

3. (U) Other acts of violence directed at distinct sectors of society also occurred in January. Notably, the facilities of Mexican media giant Televisa in Monterrey, Nuevo Leon, were attacked January 6. Masked gunmen opened fire and launched a fragmentation grenade causing limited property damage and no injuries. The assailants left signs demanding a stop to reporting on organized crime and increased attention to corrupt public officials. The expansion of cartel portfolios into other sectors of organized crime, including the black market and extortion, has also raised concern throughout Mexico.

4. (U) In an isolated case, members of a community of 32,000 residents in the cartel-disputed state of Zacatecas blocked highways and sent a written complaint to their state governor and President Calderon demanding the removal of the local police force and the dispatch of troops. The town, long plagued by kidnappings from suspected cartel members, is currently under military control and local officials have been disarmed pending investigation into allegations of corruption.

5. (U) Recently released civil and military intelligence estimate that approximately 62% of Mexico's 455,000 civil law enforcement agents have colluded with cartels. Military sources estimate that 57% of the arms utilized by these forces have been used to commit a crime. In January, the nineteen municipal police and two state officers from Tijuana arrested in November were formally accused for working for the Tijuana cartel and are awaiting trial. Tijuana's mayor Jorge Ramos Hernandez pointed out that with these recent arrests, his administration has dismissed 350 officers (including the 50 fired February 3) on the grounds of corruption.

6. (U) Arrests in January included the sensational capture of Santiago Meza Lopez, "El Pozolero", accused of dissolving the bodies of over 300 victims in acid for Tijuana crime lord Teodoro Garcia.

7. (U) President Calderon met with the leaders of Colombia, Guatemala and Panama January 16 to solidify their pact to fight organized crime in the region. They agreed to rework bilateral and multilateral agreements to allow for participation throughout the region, share training capabilities, increase cooperation on immigration, and improve the exchange of judicial information. Calderon offered Plataforma Mexico as a means to effectively share information throughout the region.

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8. (SBU) End of year statistics revealed that during 2008, the Calderon administration averaged 64 drug-related arrests per day. The number represents a 64% increase from the Fox administration, although fewer than 17% of arrests were prosecuted and only 11% were sentenced.

MERIDA INITIATIVE

9. (SBU) On February 3, the Foreign Relations Secretariat (SRE) hosted the first bi-national Merida Initiative (MI) implementation

meeting. Charge d'Affaires and Department of State INL Principal Deputy Assistant Secretary William McGlynn led the U.S. interagency delegation, which included Washington and Mexico City representatives from DHS, FBI, CBP, ICE, USMS, DEA, DOJ, ATF, IRS, DOD, ONDCP, and DOS. SRE U/S for North American Affairs Carlos Rico and National Security Council Technical Secretary Sigrid Artz led the Mexican delegation, which included representatives from Foreign Relations(SRE), National Defense(SEDNA), Navy(SEMAR), Secretariat of Public Security(SSP), the Office of the Attorney General(PGR), Immigration (INAMI), Center for Research on National Security(CISEN), Communications and Transportation (SCT), Financial Intelligence Unit, Customs, and the National Council on Addictions(CONADIC). The meeting agenda centered on project implementation updates and included discussion of metrics, the bilateral implementation office, roadblocks to implementation, public relations strategy, and confirmation of the working group structure for projects and implementation.

10. (SBU) The two delegations agreed on the following:

- The US and GOM established 9 working groups to oversee and implement Merida's 48 projects. US provided its list of project co-chairs and the GOM agreed to provide its list by February 9. There will be program chairs for the nine program areas that will synchronize similar projects across agencies, and project chairs to plan and execute the 48 individual projects.
- The two sides will establish a metrics and baselines working group by February 9 to agree on measurements of successful implementation.
- The two sides will work to ensure that Codels receive the most useful and comprehensive information possible on Merida. The Mexican side will encourage visits by Mexican congresspersons to the U.S. for Merida-related content or events.
- We will closely coordinate press strategy, to include a calendar of events with what we can expect for project rollout, and a joint website.
- The Merida steering group (NAS and SRE/Presidencia) will begin meeting consistently to provide overall guidance to the working groups and oversee implementation.
- We will inaugurate a working group on how to improve the delivery of equipment and services for Merida projects.
- Both sides reiterated the importance of the bilateral implementation office to success and agreed to discuss further the parameters for this facility.
- The group will meet in this format again periodically, with the first follow up meeting to be held the first week of March.

PROFESSIONALIZATION AND TRAINING

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11. (SBU) Ongoing training provided the PGR, SSP and other Mexican law enforcement institutions with training courses in Management and Leadership, Criminal Intelligence Gathering, Criminal Investigation and an Anti-Gang Prevention/Rehabilitation/Prison Management Workshop.

12. (SBU) DEA training courses for the PGR, SSP and State Police Agencies included Drug and Criminal Investigation, Highway Interdiction, and Meth and Clandestine Labs.

13. (SBU) NAS funded ICE polygraphers travel to Mexico City for a session with SSP officials.

14. (SBU) NAS funded a three-week VIP Protection Training Course for 18 SSP security and law enforcement personnel responsible for VIP protection. Using lecture, firearms training, counterterrorism driving training, and practical field exercises, participants

developed the skills required to plan, organize, and operate a protective security detail and counter terrorist threats.

CORRECTIONS SYSTEMS REFORM PROJECT

15. (SBU) INL Senior Corrections Advisors, the Colorado Prison Director and the New Mexico Corrections Training Academy Director visited Mexico January 19-25. On 21 January, SubSecretary Patino signed an agreement with the State of Veracruz to transfer the Veracruz State Police Academy in Xalapa (capital of Veracruz) to the federal SSP for use as the National Penitentiary Academy. The Veracruz State Police Academy is adjacent to the SSP regional training academy. These two academies will be merged into the National Penitentiary Academy (Escuela Nacional Penitentiaria, ENP/Xalapa). A team consisting of the INL Senior Corrections Advisor, the INL Senior Corrections Training Advisor, the Director of Prisons for the State of Colorado, the Director of the State of New Mexico Corrections Training Academy (NMCA), and the NAS Merida Coordinator (who is managing this project until a new position can be filled) visited these sites. Together, they will require only minimum upgrades to provide ample infrastructure to the new academy, which should be open for training in May 2009. See refel Mexico 000389 for full prison scope.

AVIATION SUPPORT

16. (SBU) NAS Director and Aviation Advisor met with SSP Aviation and Training Directors to discuss training requirement for the SSP's Air Transport's Blackhawk crews. The SSP has developed a strategy and plan to provide country-wide cover with Blackhawk helicopters to significantly increase the capacity of federal police forces to respond to security requirements with Special Operations Group forces throughout Mexico. The SSP's plan is to build 9-10 "mega-bases" throughout Mexico to provide the Special Operations Group forces and intelligence collectors the ability to respond to threats within 90 minutes anywhere in the country. This concept is built around the speed and range of the Blackhawk helicopter, seven of which the SSP will acquire through its own resources and three through the Merida Initiative. The seven GOM-purchased Blackhawks cost approximately US\$140 million – four have been delivered with the remaining three to arrive by July/August 2009.

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17. (SBU) The SSP urgently requires assistance in the training of 21-30 pilots in mission/police tactical training, instrument qualification, and NVG (Night Vision Goggle) operations; training for 60 non-rated crewmembers; and mission training of the 200 member Special Operations Group forces. The SSP would also like to adopt the same maintenance training schedule and program and training being used by CBP (AMO), which will be made more difficult by the fact that the aircraft will be disbursed in nine or ten locations. We are exploring with SSP the possibility of conducting training through DOD, CBP, third-country, and commercial sources. We were able to acquire two slots in the simulator refresher course for a February class, and developed a new template for working with the Army on future courses.

INTERDICTION



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- January 1 - Baja California: Seizure of 2.5 tons of marijuana.
- January 1 - Matamoros, Tamaulipas: Customs officials seized a shipment of crystal meth valued at \$60,000 USD near an international crossing.
- January 6 - Cancun, Quintana Roo: DEA intelligence led to the seizure of a shipment of approximately 567 kilograms of pseudoephedrine tablets.
- January 6 - Hermosillo, Sonora: 1.57 tons of marijuana was found aboard a fishing vessel.
- January 6 - Tijuana, Baja California: SEDENA seized one ton of marijuana at a truck stop near Tijuana's airport.
- January 10 - Miguel Aleman Tamaulipas: SEDENA seized approximately 1.75 tons of marijuana hidden in bushes along the Rio Grande River.
- January 12 - Ciudad Juarez, Chihuahua: SEDENA seized four armored vehicles, \$73,000 USD, one kilogram of cocaine, 80 kilograms of marijuana as well as four arms.
- January 12 - Puerto Penasco, Sonora: Seizure of 62 kilograms of marijuana.
- January 13 - Baja California: Seizure of 33 kilograms of methamphetamines, 3 kilograms of cocaine and 6 kilograms of crystal meth from a home.
- January 14 - Tijuana, Baja California: Customs seized \$244,960 USD from a passenger at a checkpoint upon entering Mexico from the US.
- January 15 - Nuevo Laredo, Nuevo Leon: Federal Police seized 5.77 tons of marijuana, 10 long arms as part of the Operation Conjunto Tamaulipas.
- January 19 - La Paz, Baja California Sur: Seizure of approximately one ton of marijuana en route from Colombia.

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- January 19 - Manzanillo, Colima: Seizure of approximately 500 kilograms of pseudoephedrine tablets.
- January 23 - Manzanillo, Colima: Seizure of 2.8 tons of pseudoephedrine from Korea in tablet form
- January 24 - Fresnillo, Zacatecas: SEDENA seized 11.5 tons of marijuana.
- January 25 - Saltillo, Coahuila: Seizure of approximately 20 kilograms of heroin.
- January 26 - Michoacan: SEDENA and Federal Police found and dismantled seven clandestine drug labs at various sites in the state of Michoacan.
- January 28 - Ciudad Juarez, Chihuahua: SIU Vetted Team seized 5 kilograms of heroin.
- January 28 - Escuinapa, Sinaloa: Seizure of 19 kilograms of heroin.
- January 29 - Mexico City: DEA intelligence and NAS donated equipment led to the seizure of \$2,471,700 USD concealed in a suitcase at the Mexico City International Airport en route to Bogota, Colombia.
- January 29 - Sonoyta, Sonora: Seizure of 1.33 kilograms of heroin hidden in the engine compartment of a commercial passenger bus in route to Tijuana, Baja California.
- January 29 - Escuinapa, Sinaloa: Seizure of 19.67 kilograms of brown heroin concealed in the tires of a vehicle.
- January 30 - Mexico City: Seizure of approximately 490 kilograms of pseudoephedrine concealed in 14 suitcases at the Mexico City International Airport.
- January 30 - Caborca, Sonora: Seizure of 18.65 metric tons of marijuana.
- January 30 - Santa Anita, Sinaloa: Seizure of 19.6 kilograms of heroin hidden in the tires of a vehicle en route to Tijuana, Baja California.
- January 31 - Sonoyta, Sonora: Seizure of one kilogram of black tar heroin concealed in the shoe of a passenger aboard a commercial bus en route to Tijuana.

DEMAND REDUCTION

19. (SBU) INL Demand Reduction Program Officer met January 20-23 with NAS/Director and GOM officials, including the Technical Secretary of the National Council against Addiction (CONADIC) Dr. Carlos Rodriguez Ajenjo and his staff to discuss and negotiate the distribution of funds under the Merida's demand reduction initiatives. Discussions resulted in validation of the following program elements (\$10M), with a working group established to move the four programs forward:

- National Network for Technological Transfer in Addiction - \$6.5M

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- Certification and Training of Drug Treatment Counselors - \$2.0M
- Drug Free Community Coalitions - \$.5M
- Metrics system - Evaluation of Drug treatment Assistance - \$1.0M

20. (SBU) The additional \$1.0M being reprogrammed for Merida Demand Reduction was not discussed, but in other discussions with CONADIC we agreed that the additional funds would be used to increase resources for the certification and training of drug treatment counselors and for the metrics system.

21. (SBU) We agreed that next steps would include:

- Action plan - To include implementation methodology and framework that includes short, intermediate, and long term views; and
- Procurement plan - INL/C will work closely with NAS and others to establish an action plan and steps to ensure timely procurement.

22. (SBU) Other activities included a visit to one of the New Life Centers (Centro Nueva Vida) located in Cuernavaca, approximately two-hours from Mexico City. According to CONADIC, there are 279 centers in operation and the GOM expects to have a total of 329 centers in operation within the next six months.

MANAGEMENT

23. (SBU) The hiring process of locally engaged staff (LES) and US Personal Services Contractors (USPSC) continues to move forward, but the pace is slow due to clearance procedures. LES positions do not attract large numbers of highly qualified local applicants due in part to salaries that rank at 50% the national average. Security

clearances for local staff also take 2-3 months. Recruitment has brought several qualified Eligible Family Members (EFMs) into positions as they have priority over other applicants and are generally hired quickly. The down side is that they may leave after two years. NAS offices currently have 4 EFMs. NAS funds another EFM in POL for vetting Mexican participants in training/travel programs.

24. (SBU) Nine management positions existed prior to Merida planning/funding. Following is a listing by sections, positions and status of new positions:

LES POSITIONS:

Accounting:

- 3 positions existed - Supervisory Financial Management Specialist, Supervisory Accountant, Accountant
- 1 Accountant hired
- 1 Accountant advertised, closing 2/13.
- 3 additional Accountant positions are on the staffing pattern for hire after program staff move to an offsite location.
- Note: Accounting Supervisor believes we are two positions short for upcoming workload.

Voucher Examiners:

- 2 Voucher Examiner positions existed
- 1 Voucher Examiner hired
- 2 Voucher Examiner positions advertised, closing 2/13

Procurement:

- 2 Procurement positions existed
- 1 Procurement Supervisor hired

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– 1 Procurement Agent selected last November is awaiting clearance

Customs & Shipping:

– 1 Storekeeper position existed; reclassified as Customs & Shipping

– 1 Customs, Shipping & Receiving position advertised, closing 2/23

– 1 Property Management Assistant/End -Use Monitoring position advertised, closing 2/23

Travel Assistant:

– 1 new position hired

Drivers:

– 1 Driver existing

– 1 Driver/Office Assistant advertised, closing 2/24

– 1 Driver on staffing pattern for hire after move to offsite location

Management Assistant for Mgt Officer:

– 1 position pending advertising

HR Assistant:

– 1 pending CAJE and advertising (limited appointment not to exceed 12 months. This position is not on our staffing pattern and will sit in HR.)

Information Systems Support:

– 1 position on staffing pattern for hire after move to offsite location.

Non-Management LES:

Program Management Specialist (Demand Reduction)

– 1 Position advertised several times; now open until filled.

Corrections Reform Program Assistant

– 1 position advertised, closing 1/23

Training Assistants for Law Enforcement Training & Operations

– 2 existing positions

– 1 position selected, pending acceptance by applicant

– 2 positions on the staffing pattern for hire after move to offsite location

NAS-funded Vetting position sitting in POL

– 1 position existing; incumbent to depart in May; NAS will rewrite PD.

NAS-funded Training Program Assistant sitting in ODC

– 1 position existing

25. (SBU) US PSC POSITIONS

There were 7 US PSCs prior to Merida funding - Program Coordinators for IT, LE T&O, Border PO/Security, Drug Interdiction, Aviation, Policy Advisor and Management Advisor. Two of the Program Coordinators ended their contract terms. Positions were advertised, closed and are now under Panel Review for selection. The Management Advisor will be replaced by an FS-01 Management Officer position to be advertised in a Volunteer Cable.

26. (SBU) Seven (7) additional Program Coordinator and Deputy Program Coordinator positions were established for Phase 1 (now)

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hire.

- Deputy Program Coordinator for IT, PSC-02 - Fernando Cuadra was selected last November and is still awaiting security clearance.
- Deputy Program Coordinator for IT, PSC-02, advertised FedBizOpps
- Assistant Program Advisor for IT, PSC-03, pending advertising
- Deputy Program Coordinator for LE T&O, PSC-02, advertised FedBizOpps
- Deputy Program Coordinator for Border/POE Security, PSC-02, pending advertising
- Deputy Program Coordinator for Drug Interdiction, PSC-02, pending advertising
- Correction Reform Program Coordinator, PSC-02, advertised FedBizOpps

27. (SBU) Five (5) Management Positions are pending for Phase 1 (now).

- Financial Management Advisor, PSC-02, NSDD-38 accepted
- Logistics Advisor, PSC-02, NSDD-38 accepted
- Supervisory Contract Administration Advisor, PSC-02, PD finalized
- Contract Administration Advisor for Mexico, PSC-03, PD pending
- Contract Administration Advisor for IT, PSC-03, PD pending

28. (SBU) Four (4) additional US PSCs are pending for Phase II - 2 Assistant Program Coordinators for IT, a Deputy Program Coordinator for Aviation, and a Contract Administration Advisor.

29. (SBU) Visits by INL staff.

- Mason Green spent two weeks working mainly with accounting staff.
- Tim Henderson and Jim Walsh visited NAS for 2 days to work on Contracting Officer staffing, Ariba matters, and Central America support plan.

30. (SBU) NAS and GSO staff made considerable progress on the leasing plan for the offsite location. NAS-funded and GSO signed an agreement with the owner to hold the location for two months (\$65,000) to allow time to complete the final lease. DS has signed the Co-location Waiver.

31. (SBU) The Government of Mexico (GOM) surprised all involved by indicating that it wants the lease in its name with NAS providing

the funds. This is to address political sensitivities of the GOM. The initial response from INL for this action is favorable. GSO has approached the owner's agent to see if the owner will lease to the GOM, but there is doubt that the owner will agree. If not, then NAS must continue to negotiate the lease situation with the GOM.

ISSUES FOR WASHINGTON

32. (SBU)

- Many thanks for the TDY support in the Management and Implementation fronts, and for the LES TDY support in training and mentoring new support staff.
- Implementation from here on is all about the people we have on the ground in Mexico City. We are piecing our staff together a few at a time but still find each personnel transaction to be incredibly slow and time consuming. Anything we can do to increase the pace of getting the right people in Mexico City in a timely fashion would be much appreciated.
- Meanwhile we will need more TDY support on both the management

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and implementation areas to effectively move things forward. We will work with LP and RM on specific needs.

BASSETT

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