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TESTIMONY OF VICE ADMIRAL CHARLES W. RAY DEPUTY COMMANDANT FOR OPERATIONS

ON ADAPTING U.S. COUNTERNARCOTICS EFFORTS IN COLOMBIA

BEFORE THE SENATE CAUCUS ON INTERNATIONAL NARCOTICS CONTROL

SEPTEMBER 12, 2017

Introduction

Good morning Mr. Chairman and distinguished Members of this caucus. It is a pleasure to be here today to discuss the United States Coast Guard's role in combating Transnational Criminal Organizations (TCOs) and how we address the drug smuggling methods of these networks, which move cocaine primarily out of Colombia through the maritime environment.

Drug trafficking has destabilized regional states, undermined the rule of law, terrorized citizens, and driven both families and unaccompanied children to migrate to the U.S. To be clear, the flow of illicit drugs funds TCOs, which, in turn, pose a significant and growing threat to national and international security.

Today's Coast Guard is a direct descendant of the Revenue Cutter Service, created by Alexander Hamilton in 1790 to stem the flow of maritime contraband into our newly-formed Republic. It is one of the nation's five Armed Services, and the only branch of the military within the U.S. Department of Homeland Security (DHS). The Coast Guard's missions and responsibilities have grown significantly since our inception; the Coast Guard addresses a full range of national security and safety concerns and our anti-smuggling roots continue to be an essential part of the Service. The Coast Guard is the lead federal maritime law enforcement agency, the lead federal agency for drug interdiction on the high seas, and the only agency with both the authority and capability to enforce national and international law on the high seas, outer continental shelf, and within the U.S. Exclusive Economic Zone (EEZ).

For over two centuries, the Coast Guard has built a reputation as one of the most agile and adaptive agencies within the Federal Government; these qualities have served the Nation in the Service's efforts to combat smugglers' ever-evolving conveyances and tactics. The modern role of the Coast Guard in this fight can be traced to the demand for a variety of illegal drugs.

From 1973 through 1991, the Coast Guard removed over 26 million pounds of marijuana, targeting and interdicting a variety of smuggling conveyances including commercial fishing vessels, oceangoing cargo freighters, and pleasure craft. Beginning in the late 1990s through the present day, cocaine has been the predominant drug trafficked via maritime routes. During this time, drug traffickers have continued to find innovative yet increasingly risky ways to subvert Coast Guard counter-narcotics tactics. Cocaine cartels initially used some of the very same conveyances used by marijuana smugglers; they transported multi-ton loads of cocaine on slow vessels with high cargo capacity that were vulnerable to interdiction by Coast Guard forces. These cartels quickly adapted to Coast Guard interdiction efforts and expanded tactics to include the ubiquitous "go-fast vessel," as well as more modern conveyances, including the purpose-built Self-Propelled Semi-Submersible (SPSS), to disperse loads onto conveyances that are even more difficult to detect.

Today we face a sophisticated and well-funded adversary that leverages high-tech conveyances such as low profile vessels and semi-submersibles, employs multiple go-fast vessels to outnumber interdicting forces in the Western Hemisphere Transit Zone ¹, and deploys GPS beacons to recover bales of contraband if they must be jettisoned. These are all advanced and coordinated means to avoid detection and evade apprehension.

The increase in flow of cocaine from South America from 2015 to 2016 was the largest increase the Service has observed to date. This dramatic increase in flow was the result of record levels of Coca cultivation and cocaine production in Colombia,. To meet this growing threat and to prevent these drugs from reaching the United States, the Coast Guard has dedicated additional attention and assets to the Transit Zone, invested in the people and platforms necessary to carry out an aggressive interdiction effort, and helped to build regional partner capabilities.

Current Threat: Transnational Criminal Organizations, Violence, and Instability

One of the goals of the Coast Guard's drug interdiction program is to interdict illicit traffic as close to the source as possible. This helps to stem the flow of drugs reaching Central America, Mexico, and the United States. Over the past five years, Coast Guard cutters and aircraft have removed more than 824 metric tons of high-purity cocaine from the high seas, with a wholesale value of nearly \$24 billion². National annual seizures at sea amount to more than three times the quantity of cocaine seized at and within land borders of the U.S. and within transit countries. Despite these successes, TCO networks operate throughout Central America, vying for power through drugfueled violence and corruption of government officials; in fact, eight of the ten countries with the highest per capita rates of homicide are along the cocaine trafficking routes in the Western Hemisphere³.

In response, the Coast Guard released its Western Hemisphere Strategy that identifies three priorities for the maritime domain in the Western Hemisphere: combating networks, securing borders, and safeguarding commerce. To meet these priorities, the strategy emphasizes the

¹ The maritime portion of the Western Hemisphere Transit Zone is a six million square-mile area, roughly twice the size of the continental United States. The Transit Zone includes the Caribbean Sea, the Gulf of Mexico, and the eastern Pacific Ocean.

² [US Department of Justice, Drug Enforcement Administration, 2013 United States Illicit Drug Prices, DEA Intelligence Report, DEA-DCW-DIR-012-15, January 2015...]

³ United Nations Office on Drugs and Crime (UNODC), UNODC Research and Trend Analysis Branch, *Global Study on Homicide 2013*,

importance of a robust offshore Airborne Use of Force (AUF) rotary wing capability, which is supported by fixed-wing maritime patrol aircraft and sophisticated intelligence capabilities.

Combating TCOs - A Layered Approach to Drug Interdiction

The Coast Guard uses a "maritime trident" of cutters, boats, and aircraft in a layered approach to combatting TCOs as they transport illicit goods from the source zone, through Central America and Caribbean islands, and into the United States. This approach confronts the threat beyond our land borders on the high seas where traffickers are most exposed and drugs are most vulnerable to interdiction by the United States. This layered approach begins overseas, spans the offshore regions, and continues into our territorial seas and our ports of entry.

The Coast Guard is the major maritime interdiction asset provider to the U.S. Southern Command through the Joint Interagency Task Force – South (JIATF-South), which executes the Department of Defense statutory responsibility for the detection and monitoring of illicit drug trafficking in the air and maritime domains bound for the United States. Our most capable interdiction platforms include flight deck-equipped major cutters with embarked AUF-capable helicopters and deployable pursuit-capable boats, fixed wing maritime patrol aircraft, and Coast Guard law enforcement detachments embarked on U.S. and allied ships. When assets supporting JIATF-South are able to target cases, they have been 80-90 percent effective in disrupting drug shipments. In Fiscal Year 2016, the Coast Guard provided 15 percent of total maritime patrol aircraft, 60 percent of ships, 94 percent of AUF aircraft, and 100 percent of Law Enforcement Detachment (LEDET) support to JIATF-South.

New surface and air assets enhance the effectiveness of USCG interdiction efforts. The quantity of drugs on the deck of the Coast Guard Cutter HAMILTON as it returned to port from its inaugural patrol provides a testament to this effectiveness. HAMILTON, the fourth of nine National Security Cutters (NSCs) to be built for the Coast Guard, returned to her homeport in Charleston, South Carolina on December 16, 2016 carrying more than 24 metric tons of high-purity cocaine from 27 different interdictions, with a street value of nearly \$700 million⁴. These interdictions also netted 111 suspects subject to U.S. prosecution. One of our newest assets, the near-coastal Fast Response Cutter (FRC), is also a critical tool in our border security and interdiction posture. In February of this year, the Coast Guard Cutter JOSEPH NAPIER, newly homeported in Puerto Rico, interdicted 4.2 metric tons of cocaine, the largest interdicted load ever for any FRC.

Our interdiction capabilities continue to prove their value against TCOs' conveyance of choice: the go-fast vessel. In 2016, our Helicopter Interdiction Tactical Squadron (HITRON) of AUF-capable helicopters – along with partner aircraft from the U.S. Navy, the Netherlands, and the United Kingdom, operating under the Coast Guard's law enforcement authority– set a record of 63 at-sea interdictions, netting over 44 metric tons of cocaine. In addition, the Coast Guard began providing high-speed pursuit boats and crews to U.S. Navy Patrol Coastal class ships operating in the transit zone in 2016 to increase interdiction opportunities. Coupled with Coast Guard LEDETs, this innovative force package capability netted 11 interdictions and removed 6.5 metric tons of cocaine in just a few months.

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⁴ [US Department of Justice, Drug Enforcement Administration, 2013 United States Illicit Drug Prices, DEA Intelligence Report, DEA-DCW-DIR-012-15, January 2015...

The importance of interdictions transcends the direct removal of drugs from the high seas; when the Coast Guard apprehends suspects from drug smuggling cases, the suspects disclose information during prosecution and sentencing that is used to help indict, extradite, and convict key criminal leaders and further disrupt and dismantle TCOs. Interdictions also take profits out of the pockets of criminal networks by denying them financial resources. Additionally, they contribute to actionable intelligence for future events, producing follow-on seizures and intelligence.

In total for Fiscal Year 2016, the Coast Guard removed 201 metric tons of cocaine and 52,600 pounds of marijuana from the transit zone, worth an estimated wholesale value of \$5.7 billion. Initial estimates indicated that the Coast Guard has recently surpassed Fiscal Year 2016 cocaine removal numbers in Fiscal Year 2017, with 204 metric tons with an estimated wholesale value of \$5.76 billion removed as of September 4, 2017. Despite the quantity of cocaine removed in Fiscal Year 2016, the Coast Guard estimates that it, along with all of our domestic and international partners, were able to remove only 16.9 percent of the entire known non-commercial maritime cocaine flow in the transit zone last year. The increased flow from Colombia will only further stress our ability to respond adequately to this threat.

While more than 90 percent of our 2016 interdictions were cued by intelligence, the limited availability of Coast Guard's aging major cutters restricted our ability to respond to all intelligence cued events. Critical acquisitions like the NSC and Offshore Patrol Cutter (OPC) are essential to our long-term success in our fight against TCOs.

International Cooperation

In coordination with JIATF-S, the Coast Guard is engaging with partner nations, including Colombia and Mexico, as well countries throughout Central and South America, leveraging their capabilities and local knowledge to improve maritime governance in the littoral regions being exploited by TCOs. Among the efforts to foster international cooperation and build partner capacity, Coast Guard personnel are posted as attachés, liaisons, and drug interdiction specialists at several of our embassies in the Western Hemisphere. These personnel develop strategic relationships with partner nations that facilitate the coordination of real-time operations, confirmation of vessel registry, waivers of jurisdiction, and disposition of seized vessels, contraband, and detained crews. The Coast Guard's law enforcement, legal, and regulatory expertise are in high demand from Central American partners, whose navies more closely resemble the Coast Guard, focusing primarily on maritime law enforcement rather than force projection, putting Coast Guard expertise in high demand. Coast Guard International Training Teams, as well as Coast Guard units deployed in the region, increase professional interaction, shiprider activities, and training in conjunction with operations, and also execute maritime exercises coincident with port visits and patrols.

Working in conjunction with the Department of State and Department of Justice, the Coast Guard has negotiated, concluded, and maintained over 40 counterdrug bilateral agreements and operational procedures with partner nations throughout the world, the majority of which are in the Western Hemisphere. These agreements enable the Coast Guard to board suspect vessels, prevent vessels from using under-patrolled territorial waters of partner nations to conduct illegal activity, and coordinate interdiction and apprehension operations in the transit zone. Highlighting their

importance to Coast Guard counterdrug efforts, 59 percent of all Coast Guard interdictions in Fiscal Year 2016 involved the use of a bilateral agreement or operational procedures agreement.

The Arrival Zone

Closer to the shores of the United States, Coast Guard operational commanders work with the other operational Components within DHS and across the Federal Government to provide a robust presence in the U.S. maritime approaches by deploying FRCs, high speed pursuit boats, medium range fixed-wing aircraft, and land-based AUF-capable helicopters. To achieve unity of effort, the Coast Guard is a major contributor to DHS' Southern Border and Approaches Campaign. The Coast Guard Atlantic Area Commander, Vice Admiral Karl Schultz, serves as the Director of Joint Task Force East, overseeing coordination efforts for DHS components operating in the maritime approaches in the Caribbean Sea, Gulf of Mexico, and eastern Pacific Ocean.

Conclusion

The Coast Guard endeavors to secure our vast maritime border by identifying emergent threats and combatting them in a layered approach, utilizing strong international relationships and maximizing domestic and regional partnerships. This approach has been key to combatting TCOs. The Coast Guard stands ready to meet offshore, coastal, and inland waters drug trafficking threats in the maritime domain posed by TCOs operating in Colombia and throughout the transit zone.

Thank you for the opportunity to testify today, and thank you for your continued support of the U.S. Coast Guard. I would be pleased to answer your questions.