

**Questions for the Record submitted to
Ms. Nardi by
Chairman Whitehouse,
U.S. Senate Caucus on International Narcotics Control,
October 24, 2023**

Bicentennial Framework

The U.S. Mexico Bicentennial Framework for Security, Public Health, and Safe Communities has been described as the beginning of “a new era in security cooperation based on partnership and guided by shared responsibility”. One cooperation area listed in the framework aims to disrupt illicit financiers to reduce TCO’s ability to profit from illicit activities.

Question 1:

What efforts, if any, are the U.S. and Mexico jointly undertaking to combat the Chinese money-laundering organizations and other criminal enterprises involved in the fentanyl and precursor chemicals trade?

Answer 1:

We support training for the Mexican Federal Attorney General’s Office and Financial Intelligence Units to counter illicit finance and investigate and prosecute money laundering. Since October 2022, the U.S. Department of Treasury has designated over 50 individuals and 40 entities connected to the illicit drug trade in Mexico – including criminals connected to PRC-based money laundering networks. Many of these sanctions targeted individuals and entities engaged in fentanyl manufacturing and trafficking. Mexico’s Financial Intelligence Unit closely coordinated on these actions.

GAO Report on U.S. Assistance to Mexico

A recent GAO report found that there have been insufficient controls and guardrails to ensure that the three billion dollars the U.S. has provided Mexico since 2008 has been spent responsibly. The report states that “...for the Bicentennial Framework, State/INL has not 1) identified the specific projects designed to achieve their goals, 2) outlines which milestones and performance indicators should be used to gauge results, or 3) established monitoring and evaluation plans to assess progress towards their goals”.

Question 2:

What progress has INL made in implementing GAO’s recommendations to improve the management of U.S. assistance funds in Mexico?

Answer 2:

INL has identified the projects needed to achieve results through foreign assistance to Mexico under a programmatic framework that aligns with the U.S.-Mexico Bicentennial Framework. INL is working to identify the milestones and performance indicators to assess progress toward the bilateral objectives of the Bicentennial Framework. INL will continue to pursue robust monitoring and evaluation plans of projects that support the Bicentennial Framework, in consultation with USAID.

Question 3:

The Bicentennial Framework is structured around cooperation areas with Mexican counterparts. Has cooperation with Mexico improved since the Framework was signed? In the absence of meaningful Mexican cooperation, how will INL work independently to combat the fentanyl trade?

Answer 3:

Since the launch of the U.S.-Mexico Bicentennial Framework in October 2021, cooperation with Mexico has deepened, including efforts to disrupt the diversion of precursor chemicals, manufacturing of synthetic drugs, and drug trafficking. INL also advances the Secretary's Global Coalition to Address Synthetic Drug Threats, which includes participation from Mexico and other key countries. INL co-chairs the North American Drug Dialogue and contributes to senior-level engagement through the Trilateral Fentanyl Committee that convened in April and July 2023.

**Questions for the Record submitted to
Ms. Nardi by
Co-Chairman Grassley,
U.S. Senate Caucus on International Narcotics Control,
October 24, 2023**

Question 1:

In September, I released a report on Foreign Operations in Mexico. The report cites U.S. Embassy documents that show the State Department hired Mexican nationals to fill United States government contract positions in Mexico:

- What steps does the State Department take to vet the foreign nationals it hires?
- If the State Department receives information that one of its foreign national hires may be committing crimes, what steps does the State Department take to protect U.S. interests?

Answer 1:

Pursuant to the Secretary of State's responsibility to provide for the security of U.S. operations overseas, the Bureau of Diplomatic Security (DS) conducts personnel security investigations, including by vetting foreign nationals employed at U.S. Missions overseas. DS makes determinations on an individual's ability to obtain or maintain physical and/or logical access based on an assessment of the information obtained during a background investigation.

If the Department receives derogatory information or allegations regarding one of its foreign national staff, DS will ensure the appropriate entity within DS handles the matter in accordance with established procedures and within its legal authority. If the allegation is not within DS's jurisdiction, then a referral will be made to the appropriate law enforcement entity. When appropriate, DS will revoke an individual's physical and/or

logical access, and the Department will review the individual's eligibility to work on behalf of the U.S. Government.

Question 2:

In July, the Wall Street Journal reported, "The Biden administration is discussing lifting sanctions on a Chinese police forensics institute suspected of participating in human rights abuses in a bid to secure Beijing's renewed cooperation in fighting the fentanyl crisis."

- Is the Biden administration considering lifting sanctions against China?
- If the Biden administration intends to lift sanctions against China to secure cooperation on fentanyl, will the State Department commit to brief members of Congress, including myself, before those sanctions are lifted?
- If the Biden administration lifts sanctions on China's police forensics institute as reported, can you commit to ensuring that this action will not result in enabling the Chinese police force's surveillance and abuse of ethnic minorities?

Answer 2:

We are committed to ongoing engagement with Congress on our policy toward the PRC. This Administration has utilized, and will continue to utilize, a variety of tools and diplomatic tactics to hold the PRC accountable for ongoing genocide and crimes against humanity, in addition to other human rights abuses in Xinjiang. This has included Global Magnitsky designations, Section 7031(c) visa restrictions, Commerce Bureau of Industry and Security Entity Listings, implementation of the Uyghur Forced Labor Prevention Act, and Treasury Chinese Military Industrial Complex investment restrictions.