



## CRS Report for Congress

# Merida Initiative: Proposed U.S. Anticrime and Counterdrug Assistance for Mexico and Central America

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### Summary

In October 2007, the United States and Mexico announced the Mérida Initiative, a multi-year proposal for \$1.4 billion in U.S. assistance to Mexico and Central America aimed at combating drug trafficking, gangs, and organized crime. On May 14, 2008, the House Committee on Foreign Affairs approved a bill, H.R. 6028 (Berman), which would authorize \$1.6 billion for the Initiative from FY2008 through FY2010. The Bush Administration requested \$500 million for Mexico and \$50 million for Central American countries in its FY2008 supplemental appropriations request. In legislative action on H.R. 2642, the second FY2008 supplemental appropriations measure, the House approved \$400 million for Mexico and \$61.5 million for Central America, Haiti, and the Dominican Republic on May 15, 2008. The Senate version of H.R. 2642, as amended on May 22, 2008, would provide \$350 million for Mexico and \$100 million for Central America, Haiti, and the Dominican Republic. Both versions have human rights conditions, among other restrictions. The supplemental measure will now go to conference. The Administration has also requested an additional \$450 million for Mexico and \$100 million for the Central American countries under the Mérida Initiative in its FY2009 budget request. This report will be updated. See also: CRS Report RL32724, *Mexico-U.S. Relations: Issues for Congress* and CRS Report RL34112, *Gangs in Central America*.

### Background

The Mérida Initiative, named for the location of a March 2007 meeting between Presidents George W. Bush and Felipe Calderón of Mexico, expands bilateral and regional cooperation to combat drug trafficking organizations, gangs, and other criminal groups. The stated objective of the Mérida Initiative, according to the U.S. and Mexican government joint statement of October 2007, is to maximize the effectiveness of existing efforts against drug, human, and weapons trafficking. The joint statement highlights current efforts of both countries, including Mexico's 24% increase in security spending in 2007 and U.S. efforts to reduce weapons, human, and drug trafficking along the

Mexican border.<sup>1</sup> The Central America portion of the Initiative aims to support implementation of the U.S. Strategy for Combating Criminal Gangs from Central America and Mexico and to bolster the capacity of governments to inspect and interdict unauthorized drugs, goods, arms, and people.

The Administration requested \$500 million for Mexico and \$50 million for Central American countries in its FY2008 supplemental appropriations request. In the FY2009 foreign aid request, the Administration requested another \$550 million for the Mérida Initiative – \$450 million for Mexico and \$100 million for Central American countries. All of the proposed funding has been requested through the International Narcotics Control and Law Enforcement (INCLE) account, administered by the Department of State Bureau of International Narcotics and Law Enforcement Affairs (INL). **Table 1** provides a broad summary of the types of programs to be funded by the Initiative.

**Table 1. Mérida Funding Request by Program Components**  
(\$ in millions)

Type of Funding	FY2008 Supplemental Request (Mexico)	FY2008 Supplemental Request (Central America)	FY2009 Request (Mexico)	FY2009 Request (Central America)
Counternarcotics, Counterterrorism, and Border Security	306.3	16.6	238.3	40.0
Public Security and Law Enforcement	56.1	25.7	158.5	32.0
Institution Building and Rule of Law	100.6	7.7	30.7	23.0
Program Support	37.0	—	22.5	5.0
<b>Total</b>	<b>500.0</b>	<b>50.0</b>	<b>450.0</b>	<b>100.0</b>

**Sources:** U.S. Department of State briefing paper provided to Congressional offices; U.S. Department of State, Congressional Budget Justification for Foreign Operations, FY2009.

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<sup>1</sup> Although the statement did not announce additional funding for U.S. domestic efforts, it cited several examples of such efforts to combat drugs and crime that are already in place. Those examples included the 2007 Southwest Border Counternarcotics Strategy and the 2008 National Drug Control Strategy. See U.S. Department of State and Government of Mexico, "Joint Statement on the Mérida Initiative," October 22, 2007.

## Mexico Program Components<sup>2</sup>

**Counternarcotics, Counterterrorism, and Border Security.** This is the largest category of aid in the proposed Mérida Initiative and is intended to provide equipment and technology infrastructure improvements for Mexican military and law enforcement agencies. In the FY2008 supplemental request, nearly two thirds of the requested \$306.3 million for this category (\$208.3 million) was requested for the procurement of eight transport helicopters, including a \$24 million logistics, spare parts, and training package, for the Mexican Army and Navy; 87 handheld ion scanners for the Mexican Air Force and Army; two surveillance planes for the Mexican Navy; and equipment for two aircraft operated by the Mexican Attorney General's Office. The Administration also requested \$31.5 million for the provision of inspections equipment and canine training to Mexican customs for use at points of entry. The Administration asked for \$31.3 million to modernize the Mexican immigration agency's database and document verification system and to equip and train immigration agency personnel in rescue and safety techniques to be used along Mexico's southern border. The request included \$25.3 million to secure communications systems among Mexican security agencies and inspection facilities for mail facilities. It contained \$7.9 million to improve database interconnectivity; data management, and forensic analysis tools for Mexican intelligence agencies. The Administration also sought \$2 million to expand the Mexican Attorney General Office's (PGR) support of the Operation Against Smugglers Initiative on Safety and Security (OASISS), a program aimed at identifying and prosecuting human smugglers along the U.S.- Mexico border.

In the FY2009 request, the Administration placed more emphasis on assistance to non-military agencies than in the FY2008 supplemental request. The FY2009 request included \$118 million to improve infrastructure and information systems at non-military agencies, including Mexico's immigration agency, the PGR, the intelligence service (CISEN), the postal service, and customs. With respect to military agencies, the FY2009 request included \$100 million to support fixed wing aircraft for surveillance and counternarcotics interception missions carried out by the Mexican Navy and \$20 million in gamma ray inspection equipment for use at Army checkpoints.

**Public Security and Law Enforcement.** In the FY2008 supplemental request, the Administration requested the bulk of this aid, \$30 million, for the provision of inspection scanners, x-ray vans, and a canine detection team for police in Mexico's Ministry of Public Security. It requested another \$6 million to provide security equipment, including armored vehicles, and bullet-proof vests, to Mexican law enforcement personnel investigating organized crime. The Administration also asked for \$5 million to upgrade computer infrastructure used to counter money laundering. The FY2008 supplemental request also included \$15.1 million to support the drug demand reduction efforts of Mexico's Secretariat of Health. For FY2009, The Administration requested \$158.5 million in this category. Most of the assistance, \$147.6 million, would go to support the Mexican federal police, which would receive: transport helicopters and maintenance support (\$106 million); mobile gamma ray inspection equipment (\$26 million); x-ray vans for light vehicles (\$4.8 million); and, canine training (\$0.75 million).

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<sup>2</sup> Information for sections on proposed funding components for Mexico and Central America are from Department of State briefing papers submitted to Capitol Hill Offices.

The Administration requested another \$10.9 million to support drug demand reduction programs.

**Institution Building and Rule of Law.** In the FY2008 supplemental request, the Administration asked for \$100.6 million in this category, with some \$60.7 million for an array of efforts, including revamping information management and forensics systems at Mexico's Office of the Attorney General (PGR); training in courts management, prison management, asset forfeiture, and police professionalization; support for anti-gang and anti-organized crime units; victim and witness protection program support; and extradition training. The PGR would receive \$19.9 million for digitalization, database improvements, and a case management system, and \$5 million in unspecified support of the its Forensic Institute. The Administration's request included \$15 million to promote anti-corruption, transparency, and human rights, though support of law enforcement, court institutions, and civil society groups working to improve the efficiency and responsiveness of the justice system. For FY2009, the Administration requested significantly less funding for this category, \$30.7 million, with \$23.4 million to improve the justice system; \$8.5 million to support the PGR's Forensic Institute; and \$9.4 million to support improved data collection and analysis.

**Program Support.** The FY2008 supplemental request included \$37 million and the FY2009 request included \$22.5 million for program support to cover the cost of U.S. personnel, administration, and budget services related to the proposed aid package.

## Central America Program Components

**Counternarcotics, Counterterrorism and Border Security.** For FY2008, the Administration requested \$16.6 million for this category, spread out among the seven Central American countries. The Administration proposed spending \$7.5 million to support the Central American Fingerprinting Exploitation (CAFÉ) initiative to facilitate information-sharing about violent gang members and other criminals, to improve drug crime information sharing and collection, and to expand sensitive investigation police units dedicated to counternarcotics efforts. It asked for \$5.3 million for programs to improve maritime interdiction capabilities and to provide technical assistance on firearms tracing, interdiction, and destruction. The Administration also proposed giving \$3.8 million for port, airport, and border security, including equipment and training through the Organization of America States (OAS) Inter-American Committee Against Terrorism. For FY2009, the Administration requested \$40 million in this category. More than half of that money, \$25.8 million, would go to land and maritime interdiction and interception assistance, as well as to a regional arms tracking program. The FY2009 request also included \$1 million to support the drug demand reduction efforts of the OAS Inter-American Drug Abuse Control Commission and \$2 million to combat currency smuggling.

**Public Security and Law Enforcement.** In the FY2008 supplemental request, the majority of proposed funding for Central America, \$25.7 million, was specified for programs to improve policing and support anti-gang efforts. The Administration requested \$12.6 million to implement the U.S. Strategy for Combating Criminal Gangs from Central America and Mexico, including support for diplomatic efforts, funding for the electronic travel document (eTD) system to provide biometric and biographic information on

persons being deported from the United States, anti-gang units, and community-based prevention programs. It asked for another \$11.1 million to provide specialized police training and equipment. Some \$2 million would fund the International Law Enforcement Academy (ILEA) in El Salvador. The Administration's request for funding in this category did not change significantly in the FY2009 budget request. The FY2009 request included \$13 million to implement the U.S. anti-gang strategy, with \$7.5 million of that slated for community prevention programs, up from \$5 million in the FY2008 supplemental request. It also included \$13 million for police modernization and technical assistance and \$6 million to support the ILEA.

**Institution Building and Rule of Law.** The Administration also proposed \$7.7 million in rule of law programs in the FY2008 supplemental request, including improvement of court management and prosecutorial capacity building; reforming prison management; supporting community policing programs, and providing assets forfeiture capacity training. The Administration's FY2009 budget request for this category rose to \$23 million. The largest increases from the FY2008 supplemental request were for courts management programs and training to improve prosecutorial capacity. The FY2009 budget request also included \$2 million for juvenile justice systems and rehabilitation programs and \$1 million for programs to build public confidence in the justice system, two components not included in the FY2008 supplemental request.

**Program Support.** The FY2009 budget request included \$5 million in unspecified program support.

## Legislation

On May 14, 2008, the House Committee on Foreign Affairs approved H.R. 6028 (Berman), the Merida Initiative to Combat Illicit Narcotics and Reduce Organized Crime Authorization Act of 2008. The bill would authorize \$1.6 billion over three years, FY2008-FY2010, for both Mexico and Central America, \$200 million more than originally proposed by President Bush. Of that amount, \$1.1 billion would be authorized for Mexico, \$405 million for Central America, and \$73.5 million for activities of the U.S. Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) to reduce the flow of illegal weapons from the United States to Mexico. Among the bill's various conditions on providing the assistance, the measure requires that vetting procedures are in place to ensure that members or units of military or law enforcement agencies that may receive assistance have not been involved in human rights violations.

In terms of appropriations legislation, FY2008 supplemental funding for the Mérida Initiative is being considered as part of a broader FY2008 Supplemental Appropriations Act, H.R. 2642 (Edwards). Originally introduced June 11, 2007 as the FY2008 Military Construction and Veterans Affairs Appropriations Act, this bill subsequently became the vehicle for the second FY2008 supplemental appropriations measure. The House approved H.R. 2642 on May 15, 2008, with \$461.5 million for the Merida Initiative. The Senate version of H.R. 2642, as amended on May 22, 2008, would provide \$450 million for the Initiative. Both versions have human rights conditions. The supplemental measure will now go to conference. **Table 2** reflects recent House and Senate action on the Mérida Initiative.

**Table 2. Mérida Funding**  
(\$ in millions)

Country	FY2008 Supp. Request	FY2008 Supp. (H.R. 2642) House	FY2008 Supp. (H.R. 2642) Senate	FY2009 Regular Request
Mexico	500.0	400.0	350.0	450.0
Central America	50.0	56.5	90.0	100.0
Haiti*	0.0	2.5	5.0	0.0
Dominican Republic*	0.0	2.5	5.0	0.0
<b>Total</b>	<b>550.0</b>	<b>461.5</b>	<b>450.0</b>	<b>550.0</b>

**Source:** FY2009 figures are from the U.S. Department of State, Congressional Budget Justification for Foreign Operations, FY2009.

**\*Note:** Haiti and the Dominican Republic were not part of the original Mérida proposal.

The May 15, 2008 House-amended version of the bill would provide \$461.5 million for the Mérida Initiative, with \$400 million for Mexico and \$61.5 million for Central America, Haiti, and the Dominican Republic. The amount provided for Mexico is \$100 million less than the Administration requested and would be divided between INCLE, Economic Support Fund (ESF), and Foreign Military Financing (FMF) accounts. As passed by the House, the bill includes human rights conditions requiring vetting procedures be in place to ensure that members of the military and police forces of the recipient countries that receive assistance have not been involved in human rights violations or corrupt acts. The bill also requires 25% of INCLE and FMF assistance to be withheld until the Secretary of State certifies that the Mexican government is holding military and police forces accused of human rights abuses or corruption accountable for their actions. Some Mexican analysts and politicians have dismissed this certification requirement as a violation of Mexican sovereignty.<sup>3</sup> The House bill would divide funding for Central America among the INCLE, ESF, FMF, and Nonproliferation, Anti-Terrorism, Demining and Related Programs (NADR) aid accounts. INCLE and FMF funds for Central America would be subject to the same human rights conditions as the aid to Mexico. The bill includes \$5 million for Haiti and the Dominican Republic.

The Senate version of H.R. 2642, as amended on May 22, 2008, would provide \$450 million for the Mérida Initiative, with \$350 million for Mexico under the INCLE account; and \$100 million for Central America, Haiti, and the Dominican Republic under the INCLE and ESF accounts (with \$5 million for Haiti, \$5 million for the Dominican Republic, and \$40 million in ESF through the U.S. Agency for International Development for an Economic and Social Development Fund for Central America). The Senate version has human rights conditions that are similar to the conditions previously described.

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<sup>3</sup> L. Iliff, "U.S. Conditions Threaten Anti-Drug Initiative," *Dallas Morning News*, May 29, 2008.