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**MEMORANDUM FOR THE RECORD**

**Event:** DOS Meeting with Steve Peterson, INL

**Type of event:** Briefing (with PRM)

**Date:** August 20, 2003

**Special Access Issues:** None

**Prepared by:** SG

**Team Number:** 5

**Location:** State Dept Annex, Columbia Plaza, Washington, D.C.

**Participants - Non-Commission\*:**

\*in follow-up tel calls

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Steve Peterson	Anti-Crimes Programs	202-736-4909
*Wayne R. McKenna	Alien Smuggling	202-736-4556
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**Participants - Commission:**

M. Elizabeth Swope	Team Leader Team 5	202-401-1726
Susan Ginsburg	Counsel Team 5	202-401-1747

**Documents/handouts received by the Commission\*:**

\*in follow up transmissions by email and mail

1. Pilot Program for Integrating Border Security Program Efforts
2. INL-OAS correspondence on CICTE
3. Charter of Migrant Smuggling and Trafficking in Persons Coordinating Center
4. Nicaragua Compact
5. 05 Compacts Document
6. Evian Sommet G8 Declaration on Fighting Corruption
7. DOC Evans speech to GFIII
8. POTUS GFIII
9. Dept of State Issue Brief

**Other contacts mentioned in follow up conversation:**

NSC (corruption): Gary Edson, Adam Aisles  
U/S EB Larson (corruption)

9/11 Closed by Statute

9/11 Personal Privacy

Eric Chamberlain, Coast Guard liaison  
Tom Cooney, Western Hemisphere, CT (?)

Clint Williamson, HSC  
Scott Boylon, Sec Ridge's office, alien smuggling

## TEXT

INL is principally involved in providing training and technical assistance to support anti-narcotics programs, but also transnational organized crime, including anti-money laundering and alien smuggling. INL explicitly by statute does not address counterterrorism, which is CT's function, and there is a separate trafficking in persons office not in INL, reporting to Under Secretary Paula Dobriansky. INL helps administer DS programs, including the CT ATA program. There are 20 Narcotics Affairs Specialists at various posts.

**Anti-Corruption.** INL is becoming more involved in anti-corruption efforts, working with EB. Corruption weakens economies, public security, and governance. Fora for addressing corruption include:

- Global Forum: meets every two years, previously DC, Hague, Seoul, Brazil next; World Bank/WBI; Transparency Intl.
- regional bodies: OECD, OAS, West Africa, SE Europe. State providing about \$500k for OAS-CICTE, \$250k to IOM to study border security, vulnerabilities, self assessment questionnaire. \$250K model port project, containers, CSI/Customs.

State is proposing anti-corruption compacts for 6 countries for '05, focusing on: procurement, law enforcement/border security/customs training; civil society; budget transparency. Current initial pilot is Nicaragua.

Luna: Need to develop a better understanding of the linkage between terrorist groups, organized crime, and corrupt officials and entities in efforts to destabilize US interests. Need more human intelligence.

**Alien smuggling.** (McKenna) There's significant maritime smuggling, Ecuador to Guatemala, then thru Mexico. **Coast Guard** deals with migrant smuggling on high seas. Issues: transit countries may lack alien smuggling laws. US has names of corrupt high level officials facilitating migrant smuggling. Insufficient action being taken. Mixed message to the devils we deal with. State and US Attys reluctant. Task Force on Alien Smuggling at DOJ Violent Crimes, in response to vacuum. Jim Puleo initiated Alien Smuggling Coordination Center, to turn intel into action, but not off the ground. Generally, US overseas enforcement esp DHS a total mess, no structure for criminal investigators, overseas inspectors, and customs attaches. Need a plan from Office of Intl Aff DHS.

Australia has significantly more aggressive program to address boats from Indonesia.

*Bilateral.* INL has programs in Caribbean, Central America, Jamaica. Focus on passport issuance systems, integrity, document security, inspection. IOM is a partner

\$2.2m in Jamaica, watchlist related, part of TIP program with S/CT, also Nicaragua. There's a partnership memorandum.

*Regional.* Puebla Group. Regional Conference on Migration – Central America, US, Mexico, Canada.

*Multilateral.* UN Convention on Transnational Organized Crime, protocol on Alien Smuggling – USG has not ratified.

**Counterterrorism.** Border security is a piece of the President's East Africa initiative. INL to partner with IOM no a law enforcement, border security program tbd. Kenya, Tanzania, Uganda.

**ILEAs.** INL established new course in CT and inclusion of CT materials in basic 6-8 wk course. INL is seeking to build up other facilities for training.



United States Department of State

Washington, D.C. 20520

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MEMORANDUM

TO: USAID - Andrew S. Natsios

FROM: INL - Paul E. Simons, Acting  
WHA - J. Curtis Struble, Acting

SUBJECT: Anticorruption Pilot Assistance Project

State/INL and State/WHA seek USAID support to design and fund an anticorruption pilot assistance project in Nicaragua that we believe will assist President Bolanos and his administration's renewed anticorruption efforts. The program and general policy goals are outlined below. Our staffs have discussed this program for several weeks. We hope to secure your participation and move forward as soon as possible.

**Nicaragua as Initial Pilot Country**

Our staffs discussed selecting a strong candidate country in which to initiate an anticorruption pilot project, and decided initially to focus on the Latin American region since anticorruption is a top USG priority there. The White House also has a strong interest in promoting an innovative good governance initiative in the Western Hemisphere. Furthermore, Under Secretary Larson and other USG officials wish to help Central American countries to prepare for a future Free Trade Agreement.

In this context, Nicaragua emerges as a top candidate for the pilot program for several reasons, outlined in Appendix B. They include strong and growing political will by leaders to tackle tough corruption problems, an outstanding plea from Embassy Managua for anticorruption assistance, general support from State and the USG interagency community, manageable size, and the potential for a quick goal-related and political impact.

**Description of Assistance Pilot Project**

With USAID, State/INL, and State/WHA concurrence, we would provide Nicaragua with a technical assistance package aimed at increasing transparency, accountability, and enforcement in government and empowering civil society. We would coordinate

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the goals of the program through an interagency committee in Washington, and rely on the local USAID mission and NAO to jointly oversee and implement all related programming.

Funding for technical assistance and related support under this pilot project would come from USAID, State/INL (INCLE), and State/WHA (ESF). A more detailed concept paper on the initiative, which was distributed to your staff in December, is attached as Appendix A.

### **Next Steps**

We hope to move this pilot program forward as soon as possible. Relevant USAID, State/INL and State/WHA staff will need to meet to finalize details for administration and oversight of the program. Our draft concept paper on project administration is only meant to generate ideas and discussion. We rely on USAID experience and expertise to help develop and make it effective and practical. We expect close support and input from USAID/Managua and relevant Embassy Managua staff. Our initial goal might be a joint assessment team visit to meet with relevant officials, non-governmental organizations, and others to determine priority areas and activities for assistance.

We look forward to your views on this proposal.

### **Attachments**

- Appendix 1** - "Anticorruption Assistance Package - Draft Concept Paper"
- Appendix 2** - "Factors Supporting Nicaragua as Initial Pilot Country"

Drafted: INL/C/CP:John Brandolino

Cleared: INL:S Schrage (ok)  
WHA/PPC:JV Noyes (ok)  
WHA/CEN:J Wagner (ok)  
INL/LP:T Martin (ok)  
INL/C:S Peterson (subs)  
G:D Kramer (info)  
INL/RM:P Sommers (ok)

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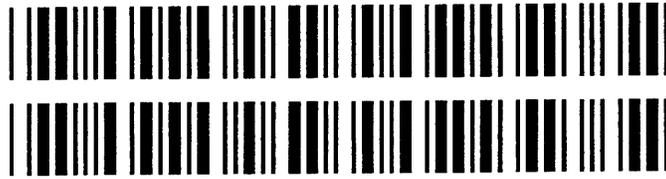
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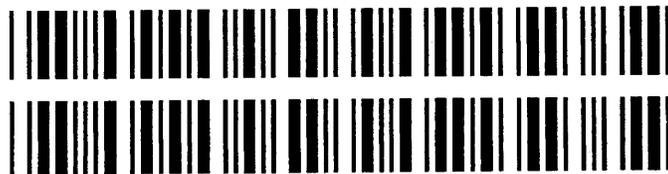
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Fighting Corruption and Improving Transparency - a G8 Declaration

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## FIGHTING CORRUPTION AND IMPROVING TRANSPARENCY A G8 DECLARATION

We emphasise our determination to fight corruption and mismanagement of public resources in both revenue raising and expenditures. Transparency inhibits corruption and promotes good governance. Increased transparency of government revenue and expenditure flows, as well as strengthened enforcement efforts against bribery and corruption, will contribute to achieving these goals and to increasing integrity in government decision-making - thereby ensuring that resources, including development assistance, achieve their intended purposes.

We recall the significant decisions we took last year at the Monterrey Conference on Financing for Development to increase international development assistance. We reaffirm that the decisions we take over how this money is spent will be informed by judgements we have made regarding countries' commitment to transparency, good governance and related performance.

\*

1. Urgent progress must be made in improving public financial management and accountability (PFMA) to ensure that public and donor resources are used efficiently and effectively. This requires action by recipient countries, donors and the IFIs, including greater transparency by all and more coherent and sustained efforts to build capacity in developing countries. We will:

1.1. focus bilateral assistance on countries demonstrating commitment to improve performance on transparency, good governance and rule of law;

1.2. require fiduciary assessments before countries can access budgetary support (as already done with the World Bank Poverty Reduction Support Credit program); work to ensure that all fiduciary and governance diagnostics are made public; and

improve coordination and harmonisation of our administrative procedures;

1.3. encourage all developing countries to create, as part of their poverty reduction strategies, plans for concrete action on PFMA setting measurable and timebound targets, and call on the IMF and World Bank to strongly support these efforts in the context of their own assistance;

1.4. develop with donors and governments a PFMA performance assessment based on the HIPC Tracking exercise;

1.5. work with others to: achieve full disclosure of multilateral development bank (MDB) performance allocation systems; require publication of all MDB Country Assistance Strategies; urge presumptive publication of Article IV staff reports; and require publication of staff reports for all exceptional access cases, including a report for each that lays out clearly the related justification;

1.6. encourage participation in and publication of fiscal policy transparency ROSCs by all IMF members, including making this standard practice for exceptional access cases;

1.7. call on developing countries to implement their commitments in regional and international conventions on corruption through anti-corruption action plans, underpinning Poverty Reductions Strategy Papers (PRSPs). These action plans should be supported by the IMF, World Bank and other donors; we call upon them to join us in further increasing support and assistance in this regard.

2. We will strengthen the enforcement of our Anti-Bribery Laws and will encourage the private sector to develop related compliance programs. We will:

2.1. accelerate peer reviews of each country's implementation of the OECD Convention on Combating Bribery of Foreign Public Officials, accompanied by the public release of these results, so as to complete a first cycle of reviews by 2007. We will work together with our OECD Convention partners to ensure stable, long-term financing for these reviews;

2.2. encourage the private sector to develop, implement and enforce corporate compliance programs relating to our domestic laws criminalizing foreign bribery.

3. We are committed to actively contributing to the completion of a UN Convention against Corruption. This should include effective preventive measures, effective mechanisms for international cooperation in criminal matters and asset recovery and it should provide an effective follow-up mechanism for monitoring implementation of the Convention. We encourage technical assistance for this purpose.

We will each seek in accordance with national laws to deny safe haven to public officials guilty of corruption, by denying them entry, when appropriate, and using extradition and mutual legal assistance laws and mechanisms more effectively.

4. We reaffirm our commitment to fight financial abuses and to:

4.1. encourage wider accession to and ratification of the U.N. Convention on Transnational Organised Crime so that money laundering, corruption and other relevant crimes are universally criminalized and that all countries have the power to identify, trace, freeze or seize and ultimately confiscate and dispose of assets from the proceeds of these crimes.

4.2. require that our own financial institutions establish procedures and controls to conduct enhanced due diligence on accounts of "politically exposed persons", and thereby to detect and report transactions that may involve proceeds of foreign official corruption.

4.3. support issuance in June by the Financial Action Task Force (FATF) of a revised 40 Recommendations that includes strong customer due diligence provisions, enhanced scrutiny for politically exposed persons and a requirement to make corruption and bribery a predicate offence for money laundering.

4.4. encourage all countries to work to come into compliance with the revised FATF Recommendations, and to apply the Basel Committee's guidance on customer due diligence for their banking sectors;

5. We recognise the importance of promoting Transparency in Government Procurement and the Awarding of Concessions. To this end, we will:

5.1. work towards including in our regional and bilateral trade agreements provisions requiring transparency in government procurement and the awarding of concessions, as well as provisions on trade facilitation;

5.2. at the Ministerial meeting in Cancun, in accordance with the Doha Development Agenda, commence negotiations aimed at achieving an inclusive multilateral agreement on transparency in government procurement. An agreement on Transparency in Government Procurement should include, among others, rules on publication of laws, procurement opportunities, qualification requirements, technical specifications and evaluation criteria.

5.3. ensure that transparency also constitutes a core element of a trade facilitation agreement.

6. Consistent with these principles and recognizing the importance of revenues from the extractive industries (oil, gas and mining), we have agreed to pilot on a voluntary basis an

intensified approach to transparency. To this end, we will:

6.1. encourage governments and companies, both private and state-owned, to disclose to the IMF or another agreed independent third party such as the World Bank or Multilateral Development Banks, in a consistent fashion and common format, revenue flows and payments from the extractive sectors. This information should be published at an aggregated level, in accessible and understandable ways, while protecting proprietary information and maintaining contract sanctity.

6.2. work with participating governments to develop and implement agreed action plans for establishing high standards of transparency with respect to all budget flows (revenues and expenditures) and with respect to the awarding of government contracts and concessions

6.3. assist those governments that wish to implement this initiative with capacity building assistance;

6.4. encourage the IMF and the World Bank to give technical support to governments participating in the initiative and to develop linkages with other elements of this Action Plan.

**REMARKS BY  
COMMERCE SECRETARY DON EVANS  
THIRD ANNUAL FORUM ON FIGHTING CORRUPTION AND SAFEGUARDING  
INTEGRITY  
May 31, 2003  
Seoul, Korea**

**[Text As Prepared for Delivery.]**

Mr. President, Minister Kang, Honorable Members of the Korean Cabinet and Diplomatic Corps, Distinguished Guests, Ladies and Gentlemen. We come together during defining days in the worldwide challenge to extend freedom, democracy, and prosperity to the millions of people who live in fear, are without hope, and are denied a voice in the decisions that shape their destinies.

Your presence in Seoul sends a powerful message to the world: a growing coalition of nations recognizes that corruption threatens liberty, freedom, international security, and the economic development that is our best hope to transform struggling societies and lift people from the grip of poverty.

By pledging our cooperation against this menace, we lift the flame of freedom and push back the darkness of despair. We are an alliance for hope. We are agents of compassion. And our commitment can transform the lives of people around the world whose potential dreams and aspirations are hijacked by corruption.

Attorney General Ashcroft was honored to speak before the Global Forum II, successfully hosted by the Netherlands. And now I am honored to commend the Republic of Korea's admirable leadership on anti-corruption initiatives.

We appreciate the dedication of Mr. Sang-ok Park, Director General for the GFIII Organizing Office and the GFIII Organizing Committee for their hard work.

And we thank the people of Seoul for simultaneously hosting the Forum and the International Anticorruption Conference. This was an enormous undertaking and it has been carried out with great skill and total professionalism. The benefits of good governance are clear to all of us. Here in Seoul, the shift towards market forces and business regulatory reform have made Korea an engine of economic progress.

President Roh's support for further market-friendly corporate reforms can expand trade and the climate of opportunity even more. South Korea's economy is growing and the high standard of living enjoyed by the good people of Korea lights the path to prosperity for other countries in the region.

Anti-Corruption Cooperation Post-9/11

Since we last met in The Hague, the world has changed dramatically. We all face national security challenges that are as complicated, demanding, and dangerous as any we have ever confronted. Terrorist attacks have collectively killed thousands of innocent people in many different countries. And the grim prospect of terror groups acquiring and using weapons of mass destruction is a sobering danger. Corruption threatens security in ways that are not as readily apparent as a terrorist attack.

But, by nurturing an environment that feeds moral decay and terror, corruption threatens our common interests. Corrupt practices undermine the rule of law, weaken respect for public officials, and cast shadows of lawlessness in which terrorism can flourish. Governments that fail to meet the basic needs of their people create a dangerous momentum toward hopelessness and despair; feelings that terrorists twist to further their evil aspirations.

When governments steal from their people and institutions fail to protect them, citizens lose faith in democracy and civil society cannot survive. Countries plagued by chronic corruption endanger not only their neighbors but, as potential sanctuaries to terrorist groups, they threaten the world. Because of this, our task to attack corruption has taken on greater urgency since the Second Global Forum.

We must spread freedom, democratic principles, nurture free markets, protect individual property rights, expand trade, and encourage respect for human rights and the rule of law.

#### America's Commitment to Fighting Corruption

Increasing accountability and transparency in governance around the world is a primary foreign policy objective of the United States. It is the necessary foundation of economic progress and successful development. History teaches us this: No nation can consider itself immune from the practical, moral, and ethical consequences of corruption. No country is immune from corruption and no country is alone in fighting corruption. We view the exposure of corruption in the United States as an opportunity to develop new initiatives to restore public confidence in government and repair damaged reputations within the private sector.

In the 1970's after popular outrage following evidence of unethical and immoral practices on the part of American businesses, the United States began our offensive against international corruption. It came as a reaction to the questionable international business activities uncovered by the U. S. Securities and Exchange Commission following the Watergate hearings. We were shocked to discover that a large number of American firms were breaching moral and ethical boundaries to secure business abroad.

The United States recognized that the bribery of foreign public officials has many destructive effects. It harms those competing honestly. It tarnishes the reputations of the bribe-paying enterprises. It undermines good governance. It damages economic development. It weakens free trade. And it stains the character of America. The American people demanded action.

We responded by passing the Foreign Corrupt Practices Act in 1977. This act, with its strong criminal penalties, influenced U.S. businesses to develop corporate compliance codes and establish ethical guidelines to fight bribery and corruption. To enlist other countries in the movement toward good governance, we strongly supported the OECD Antibribery Convention, which entered into force in 1999.

Companies must not export bribery and corruption into the markets where they do business, any more than they would engage in such behavior at home. We are trying to eradicate bribery of foreign public officials by creating a global environment in which every company will recognize that it is within its economic interest to simply refuse to pay bribes.

Previously, corruption was so accepted in some countries that bribery of foreign public officials was actually considered a legitimate, tax-deductible business expense. Fortunately,

we have made great strides in recent years. But there is still much to be done. We estimate that between May 1994 and April 2002, 474 contracts worth \$237 billion may have been affected by bribery of foreign public officials.

Almost all of the OECD Convention's signatories have now adopted tough measures to achieve the treaty's purpose: building a network of nations with strong bribery safeguards in place. We look forward to those same countries taking steps to rigorously enforce those measures.

Every country must have the legal authority to wage the battle properly. That means putting strong national anticorruption laws on the books and enforcing them. Countries that are not signatories to the OECD Convention will soon have similar obligations to adopt and enforce anti-bribery laws under the United Nations Convention against Corruption currently under negotiation.

Efforts against bribery help promote broader international cooperation. This includes the current U.N. negotiations that go far beyond fighting bribery to address other fundamental issues in combating corruption, such as building critical preventative systems to stop corruption before it can occur. We should applaud international efforts creating broad anti-corruption initiatives such as those in the Organization of American States, the Council of Europe, APEC, and the Southern African Development Community (SADC). But, to give life to these commitments, they must be backed with concrete actions.

#### Role of Corporations in Fighting Corruption

Ensuring integrity and ethical practices is a shared responsibility among businesses, governments and in partnerships with our citizens.

Recently, after a pattern of corporate misconduct came to light in the U.S., President Bush called for tough new penalties against these breaches of trust. Over the past 15 months, U.S. authorities have moved aggressively to address issues of corporate behavior. Initiatives have focused on enhancing governance, disclosure and professional responsibility, and include the President's Ten-Point Plan to improve corporate responsibility, and enactment of the Sarbanes-Oxley Act of 2002.

Private companies must also do their part. They should all develop voluntary corporate codes of conduct to ensure that their employees abide by anticorruption laws. Corporate governance is one aspect of corporate stewardship. Responsible corporate stewards are moral business leaders who foster freedom and strengthen democratic capitalism by working for the growth and success of both their companies and the communities in which they do business.

Corporations, working in free markets, can spread the essential values of honest competition and the rule of law. Businesses are at the strategic center of any civil society and business leaders have a moral responsibility to reject corrupt practices. If they do not honor their moral responsibilities, few, if any, will.

#### American Initiatives to Fight Corruption

The United States has been one of the leading actors in the effort to develop international instruments against corruption.

We were active in the OECD and OAS negotiations mentioned above and we look forward to completing an effective U.N. Anticorruption Convention. Among other benefits, we view it as a potentially important tool to build international cooperation to return stolen assets to their rightful owners.

We also believe that countries must take steps to fight corruption on the national level. Within the United States, our system offers numerous checks and balances to prevent, detect, and prosecute corrupt officials.

We have a variety of federal laws and regulations to prevent corruption. A vigorous press scrutinizes public activity. Our budgets are open to the public. Public contracts are bid openly. The federal government and most state governments have offices designed solely to detect corruption.

As President Bush has said: "All people deserve governments instituted by their own consent; legal systems that spread opportunity, instead of protecting the narrow interests of a few; and economic systems that respect their ambition and reward efforts of the people."

Following the September 11<sup>th</sup> attacks, the United States also modified our laws with measures that enhanced our ability to help fight corruption worldwide. The USA Patriot Act established foreign corruption as a money-laundering predicate. It also imposed stricter "know your customer" rules and placed additional responsibility on financial institutions to prevent corrupt foreign officials from hiding illicit assets in the United States.

It is critical that other countries take these same steps. We need the ability to share information so that we can follow the money trail across borders. We should require our financial institutions to establish the procedures and controls to conduct enhanced due diligence on accounts of "politically exposed persons." In that way, we will detect and report transactions by corrupt foreign officials.

We believe that officials who betray their countries' trust by engaging in corrupt practices should not find safe haven elsewhere in the world.

To demonstrate leadership in the battle against corruption, the United States is taking a number of steps. And critical countries must join with us in tightening their laws. Those who steal and defraud their own countries will not be welcome in the U.S. We will, and we have, denied entry to corrupt officials as appropriate under existing law. If they bring their money to the United States, we will seize it.

We will assist countries in recovering stolen funds that rightfully belong to them. We are sending a clear message: you and your money cannot hide. You will be found. And you will be sent home. We hope that every country will join us to create an international "no safe haven" policy that denies corrupt officials the ability to travel freely, launder money and act with impunity.

#### Corruption & Development

Bribery and corruption are corrosive to economic progress and development. Like forms of invisible, illicit taxation, they sap economic growth and undermine development efforts. In a particularly cruel irony, those who can least afford to absorb the damages pay the heaviest burden.

Corruption's economic devastation is clear. According to the World Bank, corruption reduces a country's growth rate by one half to a full percentage point every year.

Transparency is a key component of good governance. Without transparent systems, we cannot know whether resources are being applied to their intended purposes. For example, once Uganda started to publish the funds allocated to local school districts, the amount actually received by the local schools jumped from 28% to 90%.

The United States urged the World Bank to hinge its approval of the Chad Cameroon pipeline project on a revenue management plan to ensure transparency and accountability. The U.S. Treasury Department and the World Bank are helping the Chadians develop a stable, open system to track and allocate their oil revenue.

And there is another important reason to foster greater transparency and accountability in developing nations. Investors are not willing to put capital at risk in dangerous and unstable parts of the world. Real efforts to implement good governance should encourage the flow of private capital to development efforts.

#### American Efforts to Expand Peace and Prosperity

As President Bush has said: "We fight against poverty because it is an answer to terror. We fight against poverty because opportunity is a fundamental right to human dignity. We fight against poverty because faith requires it and conscience demands it. And we fight against poverty with a growing conviction that major progress is within our reach."

Without governments that are accountable, responsive, and transparent, U.S. development assistance can only succeed at the margins. To encourage the conditions needed for success by marrying greater contributions to greater responsibility, President Bush created the Millennium Challenge Account, which will pledge \$5 billion in additional funds over the next three years.

In addition to this initiative, the United States continues to work with other committed countries to help them examine their overall anti-corruption efforts, and coordinate and target assistance to more effectively advance our shared goals. This initiative will help developing nations improve their economies and raise their standards of living.

Because economic development assistance will not succeed without sound policies in the developing country, U.S. support will be directed to governments demonstrating accountability to their citizens. President Bush explained that the new assistance would only be provided to countries that rule justly, invest in their people and reduce corruption. Public financial management must also be transparent to ensure that accountability extends to all of the sectors working on economic development. The failure of governments to audit and publish revenues and expenditures can shield corrupt officials who enrich themselves.

This year President Bush has made increased U.S. contributions to the World Bank contingent on increased transparency and accountability in the Bank's lending programs and related diagnostics.

### Corruption and Free Trade

Free trade and global democratic capitalism unleash the freedom to innovate, to exchange goods and services, and to interact without interference from governments.

In many of our Free Trade Agreements, the U.S. includes procurement chapters that contain strong transparency requirements. In fact, our Congress has made transparency and anticorruption measures key negotiating objectives for our trade agreements. The U.S. is a strong voice in the effort to negotiate a WTO Agreement on Transparency in Government Procurement. We will continue advocating for this agreement at the upcoming WTO Ministerial in Cancun.

President Bush has also joined with other APEC leaders to commit to the APEC Transparency Standards Statement. Transparency is key to ensuring that decisions on procurement and awarding of concessions are made on the merits, for the public's benefit, and not for personal gain.

Accountability, transparency, and open markets spread the blessings of freedom and empower people to support democratic institutions in their countries.

### Conclusion

Two years ago at Global Forum II, Attorney General Ashcroft rightly stated that one of the most critical aspects required to defeat corruption was to acknowledge its moral component. "We must come to the recognition, personally and culturally, that corruption is not just a violation of law, not just an economic disadvantage, and not merely a political problem, but that it is morally wrong."

Clearly, the many nations participating in this Forum are a powerful testament to the turning tide against corruption. All of us recognize that this dangerous and destructive vice can no longer be tolerated or ignored.

The United States welcomes this renewed opportunity to continue standing with your countries to encourage good governance, promote transparency, and to deny safe haven to all those who corruptly betray their countries.

The fight against corruption also requires commitment by leaders in the private sector, NGOs, and civil society. The struggle will take time. It will not be easy to eradicate corruption, but it is a road we must travel. We must heed the moral responsibility to assist the millions trapped in global poverty.

There is the power in this room to make a difference – to rally around the common goal and common good of a better life for all mankind, a life of freedom, opportunity, hope and prosperity. So, let's go. It's our job. It's our responsibility. Thank you and God bless you.

###

**George W. Bush**  
**President of the United States of America**  
**Remarks to the Global Forum III**  
**Seoul, Korea**  
**May 29, 2003**

Thank you for the opportunity to address this conference. I applaud your commitment to honest government. I also thank President Roh for hosting this forum, and for his leadership against corruption. Fighting corruption is essential to meeting the great challenges of our times. Peace loving people everywhere are confronting the forces of global terror. Societies on every continent are striving for greater freedom and democracy, and more and more nations are building their prosperity through markets and trade.

Corruption undermines all these enterprises. We must oppose corruption in all its forms, and we must enforce anti-corruption conventions and pass new laws where needed. When we see corruption, we must expose it to the sunshine of public scrutiny. Widespread corruption can make nations havens for terror. Honest governments are more capable of patrolling their borders and cracking down on illicit financing. All nations should have, and enforce, laws that keep our societies open for commerce and closed to terror.

Fighting corruption is critical to fulfilling the promise of democracy. When corruption flourishes, it weakens confidence in public institutions such as law enforcement, and undermines the honest values that democracy depends upon. All people deserve legal systems that spread opportunity, instead of protecting the narrow interests of a well-connected few.

By fighting corruption, we restore confidence in democracy. Fighting corruption also strengthens the open trade and investment that drive the world economy. Commerce gravitates to places where the government procurement occurs openly, and where regulations are enforced fairly. The United States is incorporating strong commitments to open government purchasing in all our free trade agreements. We urge that similar commitments be a part of trade agreements across the globe.

Finally, tackling corruption helps fight global poverty. When aid money is stolen, the poor suffer, and donors lose confidence. The United States recognizes how corruption undermines development. The new aid resources I have proposed for our Millennium Challenge Account will reward nations that root out corruption and respect the rule of law.

Every person at this forum is joined in an important cause. You are seeking to end an ancient injustice that protects the undeserving and holds back the hopes of millions. America appreciates and supports your efforts.

Thank you very much.



United States Department of State

Washington, D.C. 20520

## ANTICORRUPTION ASSISTANCE COMPACTS FY05 PROPOSAL

### Anticorruption Assistance Compacts

An Anticorruption Assistance Compact (AC Compact) is an agreement by a host government to commit to meeting international or related standards in four general target areas that are considered key to preventing corruption and have recently been recognized as priority assistance areas for USG anticorruption assistance: fiscal transparency, public procurement transparency, enforcement, and civil society participation. In return for this commitment, the USG would agree to provide technical assistance to help the government meet its goals and to support a process for monitoring progress in reaching such goals.

### An Administration Priority

Fighting the scourge of corruption internationally is a priority for the President and his Administration. A related priority, discussed by President Bush at the Monterrey Financing for Development Conference in early 2002 and embodied in the President's proposed Millennium Challenge Account, involves rewarding and assisting governments that make genuine and concerted efforts to address their corruption problems.

Under the direction of the NSC, the USG interagency community recently developed the concept of Anticorruption Assistance Compacts (AC Compacts) as a vehicle for pursuing the Administration's goal of fighting international corruption while, at the same time, supporting governments that exhibit strong political and take tough actions to address their specific corruption problems. President Bush and other G-8 leaders will unveil the concept at the G-8 Summit in Evian in July. While the G-8 communiqué supporting AC Compacts will be targeted primarily to countries that have large extractive industry sectors, NSC and State officials also support testing the concept bilaterally in non-extractive industry countries of particular strategic importance to the USG, specifically countries that are preparing to assume free trade commitments with the United States.

This idea of a comprehensive and coordinated approach to anticorruption assistance and the focus on improving transparency and accountability has recently become a feature of several USG international initiatives – in the anticorruption and transparency communiqué being developed for the G-8 Summit in Evian, in the developing USG Western Hemisphere Strategy, and for the Third Global Forum on Fighting Corruption in Seoul. State/INL, State/WHA, and USAID have already begun working together and using their respective utilizing FY03 funding to test an AC Compact pilot project in Nicaragua.

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## **FY05 Proposal**

- State/INL is seeking \$60 million to initiate and complete six pilot AC Compacts – one in each State geographic region. State regional and other bureaus will be critical to deciding which countries will be selected from each region.
- State/INL has consulted with State regional bureaus, State/E, State/G, USAID, and NSC and has received their support for moving forward.
- State/INL, in cooperation with USAID and relevant regional bureaus, will pursue a bilateral assistance initiative wherein a selected partner country from each region will receive an anticorruption technical assistance package aimed at increasing transparency, accountability, and enforcement in government and empowering civil society.
- The partner country must agree to increase accountability and transparency in government finances and procurement, and work with USG counterparts to meet certain benchmarks in key transparency and accountability areas.
- In turn, an interagency USG team, led by State/INL and USAID, will assess the partner country's transparency needs and, based on this assessment, devise a multi-year technical assistance package to address needs in any or all of the areas mentioned below. Assistance could include infusions of equipment and technology needed to establish and maintain transparent systems, including related support for civil society groups or partnerships that monitor government activity.
- Estimated level of assistance for providing attention to the four key target areas over a three year period, including host-country-based contractors to lead and provide technical assistance, is estimated at \$10 million per country.

### **Key Target Areas for Assistance:**

#### **Increasing Transparency in Public Procurement:**

- Type of assistance: Building transparent public procurement systems that base decisions on merit and competition
- Potential benchmarks: Meeting selected WTO standards or criteria; Meeting Inter-American Convention Against Corruption pronouncements; Meeting select UNCITRAL standards or criteria.

#### **Promoting Accountability: Budget Transparency and Internal Controls**

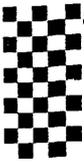
- Type of assistance: Developing effective internal controls and oversight mechanisms to account for government budgets and early detection of misuse of funds or embezzlement. Promoting greater legislative oversight on budget matters.
- Potential benchmarks: Meeting selected World Bank and IMF criteria for transparent fiscal data; making a certain percentage of budget information accessible to the public.

**Promoting Enforcement: Prosecuting and Investigating Corruption**

- Type of assistance: Building law enforcement institutions and capacities, particularly to investigate and prosecute cases of corruption.
- Potential benchmarks: Increasing number of corruption investigations and prosecutions. Pursuing high-profile corruption cases. Increasing integrity among law enforcement officials.

**Open and Active Civil Society: Promoting Awareness and Participation**

- Type of assistance: Creating an enabling environment for active participation of civil society groups, the media and individual citizens in providing oversight and accountability of government. Supporting activity of relevant civil society organizations.
- Potential benchmarks: Increasing input of civil society to influence government anticorruption actions. Increasing public/private partnerships to monitor government activity and fiscal flows.



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United States Department of State

Washington, D.C. 20520

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**U.S. DEPARTMENT OF STATE**

**INL/C**

**Room 5819**

**2201 C Street NW, Washington, DC 20520**

**Tel: (202)736-4909 Fax: (202)736-4515**

DATE: 8/28/03

FAX TRANSMISSION:      ROUTINE      PRIORITY      URGENT

TO: Susan Ginsburg

NUMBER OF PAGES: \_\_\_\_\_

FROM:      Wayne McKenna

FAX NO:      358 - 3124

COMMENTS: As requested.  
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United States Department of State

Washington, D.C. 20520

## ACTION MEMORANDUM

MAY 29 2003

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TO: INL - Paul E. Simons, Acting

FROM: S/CT - Stephanie Kinney  
INL - Steven Schrage *SS*

SUBJECT: Pilot Program for Integrating Border Security  
Program Efforts

**Issue for decision**

- Whether INL and SCT should prepare a joint IM to the Deputy Secretary that formalizes our commitment to develop a partnership to implement joint border security programs where our respective interests coincide.

Background

In the aftermath of September 11, the United States has placed higher priority on addressing the long-standing international problems of porous borders, lax airport security and false travel documents that have served terrorists worldwide. There remains a critical need for improving coordination and cooperation both within the Department of State and the U.S. government as a whole in our efforts to strengthen border security around the globe.

INL and S/CT are well placed to partner in such an effort. S/CT has both policy and programmatic equities in the Global War on Terrorism. It serves statutorily as the coordinator of non-military counterterrorism efforts. S/CT also oversees the administration and implementation of the Terrorist Interdiction Program (TIP), a multi-million dollar program aimed specifically at strengthening border security in selected priority countries. In the FY 02 Terrorism Supplemental, S/CT received \$10 million to enhance TIP. INL has similar responsibilities with respect to international crime and narcotics trafficking, two long-

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increasingly connected to global terrorism. In this regard, INL is a critical provider of funding for border infrastructure projects, equipment for relevant law enforcement personnel, as well as training in related areas.

This memo proposes the establishment of a formal partnership between INL and S/CT in coordinating and undertaking an integrated approach in implementing respective border security programs. Such a partnership would not only benefit both partners, but serve as a model for greater integration on other counterterrorism program efforts such as those to enhance the counterterrorism capabilities of the police. Our immediate objective with this proposal, however, is to better coordinate CT diplomatic engagement, develop an integrated approach to program implementation and achieve greater efficiencies in the use of government resources in our international border security programs.

Good Precedents: Pakistan, East Africa, and Mexico

There are two cases where INL and S/CT have already worked closely to devise and implement country programs. In Pakistan, the embassy point of contact for TIP is the Narcotics Affairs Section (NAS), which administers a multi-million dollar assistance program that includes border security enhancement. INL used available funds to enhance infrastructure at border posts, a critical first step before the installation of TIP's PISCES program could begin. Both NAS officers and TIP program representatives are continuing to integrate their efforts with host government officials. Embassy Islamabad's NAS is currently taking the lead in integrating the TIP program in its border security efforts, although the NAS mission does not include counterterrorism responsibilities.

A second example is in East Africa, where INL will coordinate with TIP in developing border infrastructure projects needed to bolster East African capabilities to detect and deter terrorist activity as part of the President's East Africa Counterterrorism Initiative. INL's coordination with S/CT in East Africa will provide another model for an integrated programmatic approach.

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The Mexican Government has agreed to a U.S. offer to install TIP computers and equipment at selected ports-of-entry. NAS Mexico City is integrating the TIP program with the broader homeland security-oriented program, which includes a variety of cooperative bilateral efforts on movement of persons, movement of goods, aviation security, and information sharing.

Forming a Partnership

On a practical level, this "partnership" would mean INL participation in some site surveys with Program Office staff to determine any additional host nation requirements --such as security cameras or radios for law enforcement personnel--that would have the effect of supporting the installation and operation of PISCES. Because of INL's small border control staff and associated travel limitations, INL may need to use the recommendations of deployment teams in lieu of some on-site visits. In some situations, contract personnel may be used to conduct in-depth assessments. Additional INL staff would be required to ensure that INL can successfully initiate and sustain the partnership.

Success of the partnership, to a large extent, is contingent on the availability of adequate funding. The East Africa initiative will provide an excellent opportunity to fully test and implement the partnership. Such a partnership will not only leverage funds and resources in East Africa, but will also have the effect of further strengthening border security worldwide. Formalizing this partnership will send a strong policy signal to both Bureau's staff about the complementarity of our interests and resources in the area of border security. A more formal partnership could serve as the nucleus around which further DOS and USG interagency coordination on border security efforts can coalesce.

Recommendation

That INL and SCT prepare a joint IM to the Deputy Secretary, which formalizes our commitment to this partnership and can also serve as guidance to our working level staff.

Approve \_\_\_\_\_

Disapprove \_\_\_\_\_

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Drafter: WMCKENNA

May 19, 2003

Word/mckenna//SCT - INL Partnership

Cleared by: INL/C: Speterson  
INL/AE: PPrahar

Handwritten initials 'SP' and a signature.

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Current: 12/12/00

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**MIGRANT SMUGGLING AND TRAFFICKING IN PERSONS**  
**COORDINATION CENTER (MSTPCC)**

**Charter**

**Introduction**

The related global problems of migrant smuggling and trafficking in persons are increasingly significant both in terms of the human tragedy they represent and their impact on national security, primarily with respect to crime, health and welfare, and border control. Notwithstanding recent progress in combating these global problems, there remains additional work to be done before the U.S. Government response effort is fully commensurate with the seriousness of these national security threats.

One clear need is to improve the effectiveness of ongoing interagency efforts, particularly in supporting the conversion of intelligence into appropriate enforcement and other response actions. With this in mind, the Secretary of State and the Attorney General are jointly establishing a Migrant Smuggling and Trafficking in Persons Coordination Center ("The Center") to achieve greater integration and overall effectiveness in U.S. Government enforcement and other response efforts and to promote intensified efforts by foreign governments and international organizations to combat these problems.

**Background**

While at their core distinct phenomena, the global problems of migrant smuggling and trafficking in persons share a number of characteristics, particularly the underlying organized crime activity and the human suffering experienced by those who are victims. Each year, hundreds of thousands of illegal migrants are moved by international smuggling organizations, often in harsh or even inhuman transit conditions, from their countries of origin to the United States. UN estimates indicate that migrant smuggling has grown to a 7 billion dollar per year global criminal industry. Trafficking in persons, with women and children the predominant targets of criminal enterprises, involves over a million new victims annually and occurs both within countries and across borders. At least 45,000-50,000 victims are trafficked to the United States each year. These victims are typically coerced or lured through fraud into slavery-like conditions.

Both migrant smuggling and trafficking in persons are transnational issues that threaten national security. They also raise significant human rights and rule of law concerns. In addition, these problems often involve facilitation by corrupt foreign officials, thereby eroding democratic institutions.

The U.S. Government has been seeking to counter the criminal smuggling and trafficking enterprises, both domestically and internationally, with increasing success. However, the federal agencies involved have all acknowledged that intensified efforts, together with enhanced interagency coordination, are urgently needed to support more effective law enforcement and other actions to counter smugglers and traffickers.

### National Policy

Current U.S. Government policy calls for sustained and coordinated federal agency efforts to address migrant smuggling and trafficking in persons as a matter of national priority. Relevant authorities in this context include the following:

- PD-27, Procedures for Dealing with Non-Military Incidents, January 19, 1978;
- PDD/NSC-9, Alien Smuggling, June 18, 1993;
- Presidential Memorandum on Deterring Illegal Immigration, February 7, 1995;
- PDD/NSC-35, Intelligence Priorities, March 2, 1995;
- PDD/NSC-42, International Organized Crime, October 21, 1995;
- Presidential Directive on Steps to Combat Violence Against Women and Trafficking in Women and Girls, March 11, 1998;
- President's International Crime Control Strategy, May 1998; and
- Victims of Trafficking and Violence Protection Act of 2000, H.R. 3244.

### Definitions

Key terms used in this charter are defined as set forth below:

- **Alien Smuggling Task Force:** The task force established by the Department of Justice to promote increased U.S. criminal enforcement action against migrant smugglers.
- **Community of Interest:** All of the U.S. Government agencies, including missions abroad, having policy, law enforcement, intelligence, diplomatic and/or administrative responsibilities related to migrant smuggling and/or trafficking in persons; the community of interest includes, but is not limited to, the following: (1) the Departments of State, Defense, Justice, Labor and Transportation; (2) various federal law enforcement agencies, including the Immigration and Naturalization Service, the Federal Bureau of Investigation, the Coast Guard, and the Diplomatic Security Service; and (3) several national intelligence agencies, including the Central Intelligence Agency and the National Security Agency.
- **Interagency Task Force to Monitor and Combat Trafficking:** The cabinet-level interagency task force established pursuant to the Victims of Trafficking and Violence Protection Act of 2000.
- **Migrant Smuggling:** The procurement, in order to obtain, directly or indirectly, a financial or other material benefit, of the illegal entry of a person into a country of which the person is not a national or a permanent resident. Illegal entry means crossing borders without complying with the necessary requirements for legal entry into the relevant country. Note: this definition is derived from that provided in the text of the relevant protocol to the United Nations Convention Against Transnational Organized Crime.

- **Migrant Smuggling Interagency Working Group:** The interagency working group established by the National Security Council Special Coordination Group on International Crime as a forum for coordinating increased interagency efforts against the migrant smuggling problem. This working group is co-chaired by the Departments of State and Justice.
- **Office to Monitor and Combat Trafficking:** The office responsible for supporting the work of the Interagency Task Force to Monitor and Combat Trafficking.
- **President's Interagency Council on Women:** The interagency council directed by the President to coordinate, in consultation with nongovernmental groups, the U.S. Government response to trafficking in persons, especially women and children, both domestically and internationally.
- **Trafficking in Persons:** The recruitment, transportation, transfer, harboring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability, or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person (e.g., the buying and selling of a person), for the purpose of exploitation. Exploitation includes, at a minimum, the exploitation of the prostitution of others or other forms of sexual exploitation, forced labor or services, slavery or practices similar to slavery, servitude, or the removal of organs. The consent of a victim of trafficking in persons to the intended exploitation is considered irrelevant if any of the means specified above have been used to facilitate the exploitation. Finally, trafficking in persons includes the exploitation of children, i.e., persons under eighteen year of age, whether or not the specified means are employed. Note: this definition is derived from that provided in the text of the relevant protocol to the United Nations Convention Against Transnational Organized Crime.
- **Worker Exploitation Task Force:** The interagency task force, established by the Attorney General, that works in close partnership with the Department of Labor and has specific responsibility for coordinating investigations and prosecutions of trafficking in persons cases across the United States.

### Purpose

The U.S. strategy to counter migrant smuggling and trafficking of persons consists of three primary objectives: (1) prevention and deterrence of smuggling and trafficking activity; (2) investigation and prosecution of the criminals involved in such activity; and (3) protection of and assistance for victims as provided in applicable law and policy. This three-part, interrelated strategic agenda has both domestic and international components.

The Center will provide a mechanism to foster greater integration and overall effectiveness in U.S. Government enforcement and other response efforts, and to promote

similar intensified efforts by foreign governments and international organizations, to combat migrant smuggling and trafficking in persons. This initiative will bring together federal agency representatives from the policy, law enforcement, intelligence, and diplomatic arenas to work together on a full-time basis to achieve increased progress in addressing these problems, particularly in terms of converting intelligence into effective enforcement and other response actions to further the strategic objectives identified above.

The Center's efforts will be fundamentally supportive rather than directive in nature, consisting primarily of: facilitating the dissemination of information; preparing strategic assessments; identifying issues that might benefit from enhanced interagency coordination and/or attention; and coordinating or otherwise supporting agency or interagency efforts in appropriate cases. To perform these functions, the Center will need to ensure its access to relevant U.S. Government information, both through established regular channels and through the ongoing interaction of detailed professional staff with their parent agencies.

The Center will not have policy-making authority; however, it is expected that the Center, by performing the functions elaborated below, will both inform and influence the relevant policy-making processes within the purview of key agency officials and existing interagency forums.

### **Functions**

The Center – relying on its diverse, full-time staff and extensive consultations to integrate all of the relevant perspectives on the related problems of migrant smuggling and trafficking in persons – will perform the following principal functions:

1. **Facilitate Broad Dissemination of All-Source Information:** Subject to the applicable originator and classification restraints, and to essential compartmentation procedures, the Center will serve as an all-source information clearinghouse, with a view to ensuring that the entire community of interest receives all useful information relating to migrant smuggling and trafficking in persons. This function will allow the Center to foster a collaborative environment through information sharing. Examples of relevant information include: tactical, operational and strategic intelligence; overviews of current federal laws, policies and guidelines; contact lists for key federal agency personnel; “early warning” and update bulletins on emerging policy, law enforcement and other developments; and public and diplomatic outreach materials. The Center will also encourage intelligence agencies and other originators to disseminate, to the maximum extent possible, actionable information to all of the officials and agencies in a position to take effective enforcement action, to include officials and agencies of foreign governments in appropriate circumstances.

**Note:** Information provided to the Center and other recipients by intelligence community agencies (including information derived from Central Intelligence Agency disseminations or from DODSPECONE or NSA-originated material) , whether provided for intelligence

purposes or to assist law enforcement, may be used only to develop potential investigative leads, and may not be further disseminated to law enforcement field offices except per procedures and in formats prescribed by the originating intelligence agencies; such information cannot be used in affidavits or subpoenas, as evidence before grand juries or in court proceedings, or for other legal or judicial purposes.

2. Prepare Strategic Assessments: The Center will prepare, based on all-source information, periodic strategic assessments related to important aspects of both problems. These comprehensive assessments will address such topics as: the principal global smuggling and trafficking organizations, to include the nature, scope and significance of their activities; the extent of progress in disrupting or dismantling key smuggling and trafficking organizations; proven law enforcement and other approaches for countering these problems; and current trends and predictions. All such assessments will be provided to the Alien Smuggling Task Force, the Interagency Task Force to Monitor and Combat Trafficking, the Migrant Smuggling Interagency Working Group, the President's Interagency Council on Women, and the Worker Exploitation Task Force, and to other members of the community of interest as appropriate.

The primary purpose of these regular assessments will be to inform the deliberations of the various agencies and interagency bodies with specific responsibility for: developing and refining anti-smuggling/trafficking policy and initiatives with intelligence, law enforcement and/or related diplomatic dimensions; identifying and prioritizing the targets of law enforcement and law enforcement-related strategies; and allocating the resources to implement such strategies. It is expected that these assessments will prove particularly useful to the Migrant Smuggling Interagency Working Group and the Interagency Task Force to Monitor and Combat Trafficking, the entities having responsibility to establish U.S. Government priorities with respect to migrant smuggling and trafficking in persons, respectively.

3. Identify Issues for Possible Enhanced Interagency Coordination/Attention: In addition to preparing strategic assessments the Center may identify issues that might benefit from enhanced interagency coordination and/or attention. These issues will be referred, by informal means only, to the cognizant agencies and/or interagency bodies for consideration and action as appropriate. The issues may include any topic related to the migrant smuggling and trafficking in persons problems, including, but not limited to: statutory authorities; federal regulations; agency policies; enforcement or other programs; new smuggling or trafficking targets; intelligence and/or investigation priorities; disruption and/or interdiction opportunities; diplomatic initiatives; domestic or foreign training needs; victim support; witness protection; public outreach, etc. If after the identification of an issue that might benefit from enhanced interagency coordination and/or attention, the relevant member(s) of the community of interest request the Center to develop either formal or informal recommendations responsive to the issue identified, the Center may prepare such recommendations, based in substantial part on appropriate consultations with relevant members of the community of interest. Any such non-binding recommendations will be communicated, in the manner specified by the

requesting member(s) of the community of interest, directly to those member(s) for their consideration.

4. Coordinate Select Initiatives and Provide Other Support: Where appropriate, and only upon the request of the relevant member(s) of the community of interest, the Center may coordinate anti-smuggling or anti-trafficking initiatives and/or response actions. Specific contexts in which Center coordination might prove advantageous include: establishing cooperative partnerships with select foreign governments to deter or disrupt smuggling and/or trafficking activity; planning and/or monitoring progress of certain operations with intelligence, enforcement and/or diplomatic dimensions; and supporting public outreach efforts initiated by the appropriate members of the community of interest. In addition, the Center may provide other support, including personnel, infrastructure and/or funding, to initiatives or response actions being conducted or coordinated by individual members of the community of interest.

#### Steering Group

A Steering Group will be established to provide policy and administrative guidance and oversight for the Center. The Steering Group will be co-chaired by the Assistant Secretary of State for International Narcotics and Law Enforcement Affairs and the Assistant Attorney General for the Criminal Division. The other seven members will be: the Director of the Office to Combat and Monitor Trafficking; the Director, Office of Intelligence and Security, Department of Transportation; the Chief of the Criminal Section, Civil Rights Division, Department of Justice; an Executive Associate Commissioner, Immigration and Naturalization Service; the Director of the Crime and Narcotics Center, Central Intelligence Agency; the Director of the Office of Transnational Issues, Central Intelligence Agency; and the Director of Crime and Narcotics, National Security Agency.

#### Budget

The Department of State, Bureau of International Narcotics and Law Enforcement Affairs, will provide most of the funding required to stand up the Center, to include office space, operating expenses and most of the personnel salaries (specifically, five Department of State reimbursable positions will be available to support Center operations). Other members of the community of interest will provide funding and other support to the extent possible, ideally through detailing one or more personnel, on either a reimbursable or a non-reimbursable basis, to staff the Center. Once the Center is established, the Department of State will take the lead in efforts to ensure sufficient out-year budget support.

## Staff

The principal determinant of the success of the Center will be its ability to draw on and integrate the diverse experience and perspectives of its full-time staff. With this in mind, it is critical that key members of the community of interest detail well-qualified personnel to the Center.

The first Director of the Center will be nominated by the Assistant Secretary of State for International Narcotics and Law Enforcement Affairs and approved by the Steering Group. Thereafter, the responsibility for this nomination will rotate between the Assistant Secretary of State for International Narcotics and Law Enforcement Affairs and the Assistant Attorney General for the Criminal Division. In all cases, the nominee should be drawn from the pool of appropriately-qualified candidates employed by the non-intelligence agency members of the community of interest. This position will normally be of three years duration; the grade level will be Senior Executive Service (SES)/Senior Foreign Service (SFS). Once approved, the Director will be accountable, through the Steering Group, to both the Secretary of State and the Attorney General.

The Deputy Director of the Center will be nominated by the Director of the Crime and Narcotics Center, Central Intelligence Agency, in consultation with both the Director of Crime and Narcotics, National Security Agency, and the Director of the Office of Transnational Issues, Central Intelligence Agency, and then approved by the Steering Group. The nominee should be drawn from the pool of appropriately-qualified candidates employed by intelligence agency members of the community of interest. This position will normally be of three years duration; the grade level will be GS-15, but highly-qualified GS-14s will also be considered.

The Center will have a permanent staff of two GS-11/14 (FS-4/2) technical support personnel and a GS-9/11 (FS-5/4) secretary, all of whom will be accountable to the Director through the Deputy Director. In addition, the Center will require a minimum of seven detailed desk officers/analysts at the GS-11/14 (FS-4/2) level; these personnel should be nominated by their parent agencies, and will then be approved by and accountable to the Director. Notional staffing requirements by agency are one representative each from: the Department of State Bureau of Consular Affairs; the Department of State Diplomatic Security Service; the Immigration and Naturalization Service; the Federal Bureau of Investigation; the U.S. Coast Guard; the National Security Agency; and the Central Intelligence Agency. These rotational tours are for two years, with an option to extend for up to two years with the approval of the Director and the parent agency.

At least one of the detailed desk officers/analysts should be a federal special agent (Series 1811/2501) to ensure that the law enforcement perspective is adequately represented and to facilitate effective liaison with all federal law enforcement agencies. In addition, it is essential that the staff include detailees who have experience and expertise related to both the migrant smuggling and the trafficking in persons problems. A small number of additional staff may be added in the future if circumstances warrant.

All personnel assigned to the Center will require TS/SCI clearances and will need to remain well-informed concerning parent agency policies, activities, and operations if they are to contribute in full measure to the success of the Center.

### **Office Space and Logistics Support**

The Center will be housed in a Secure Compartmented Information Facility (SCIF) to ensure optimal access to and exchange of intelligence information. Suitable office space and other required logistics support will be provided by the Department of State Bureau of International Narcotics and Law Enforcement Affairs.

### **Legal Issues**

Legal issues and questions that arise in the course of Center activities will, at a minimum, be referred to the Department of Justice Criminal Division and to the Department of State Office of the Legal Advisor for Law Enforcement and Intelligence. Issues and questions relating to foreign intelligence support to law enforcement activities will additionally be referred to the General Counsel of the Central Intelligence Agency and to the General Counsel of any other relevant intelligence agency. In other cases, issues and questions will be referred to the General Counsel of all relevant members of the community of interest, in addition to the Department of Justice Criminal Division and the Department of State Office of the Legal Advisor for Law Enforcement and Intelligence.

Approved by:

R. Rand Beers  
Assistant Secretary of State for  
International Narcotics and  
Law Enforcement Affairs  
On behalf of the Secretary of State

James K. Robinson  
Assistant Attorney General for  
the Criminal Division  
On behalf of the Attorney General

Joanne Accolla

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From: Betty Swope [meswope@9-11commission.gov]  
Sent: Friday, August 22, 2003 12:26 PM  
To: team5@9-11commission.gov  
Subject: FW: Intel Alert 2003-16 Missing Belgian Passports



Intel Alert  
003-16.pdf (50 KB..)

-----Original Message-----

From: Culver, Jeffrey [mailto:CulverJ@state.gov]  
Sent: Friday, August 22, 2003 11:06 AM  
To: 'sginsburg@9-11commission.gov'  
Cc: 'meswope@9-11commission.gov'  
Subject: FW: Intel Alert 2003-16 Missing Belgian Passports

Susan, you were asking yesterday how Consular Affairs notifies its offices on lost/stolen passports from other countries. Here is a recent example of how that process works. CA Fraud Prevention Programs can provide you with further details in their upcoming briefing.  
Jeff

> -----Original Message-----

> From: Overstrom, Kevin K  
> Sent: Friday, August 22, 2003 11:52 AM  
> To: CA-FPP-Intel-Alerts-Agencies; CA-FPP-Intel-Alerts-CONS;  
> CA-FPP-Intel-Alerts-INS; CA-FPP-Intel-Alerts-PPT  
> Subject: Intel Alert 2003-16 Missing Belgian Passports  
>  
> <<Intel Alert 2003-16.pdf>>

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16

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NND: 161

Withdrawn: 08-28-2008 by: *luc*

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System DocID: 4559

*law enforcement  
sensitive*

## Joanne Accolla

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From: Susan Ginsburg [sginsburg@9-11commission.gov]  
Sent: Tuesday, September 02, 2003 10:10 AM  
To: JAccolla@9-11commission.gov  
Cc: team5@9-11commission.gov  
Subject: FW: DS org chart w/ FTE



DS\_OrgChart\_May03.pdf (52 KB)

Joanne, this is to attach to the DOS-0821-03-INL MFR.  
Please also attach the email.

Susan

-----Original Message-----

From: Peterson, Paul T [mailto:PetersonP@state.gov]  
Sent: Tuesday, September 02, 2003 7:49 AM  
To: 'Susan Ginsburg'  
Subject: RE: DS org chart w/ FTE

<<DS\_OrgChart\_May03.pdf>>

Susan,

Here's a copy of the org chart. I don't have the FTE numbers - perhas Janet Shafer, our senior Career Development Officer, can help out on the HR side.  
Hope this helps. Paul

> -----Original Message-----

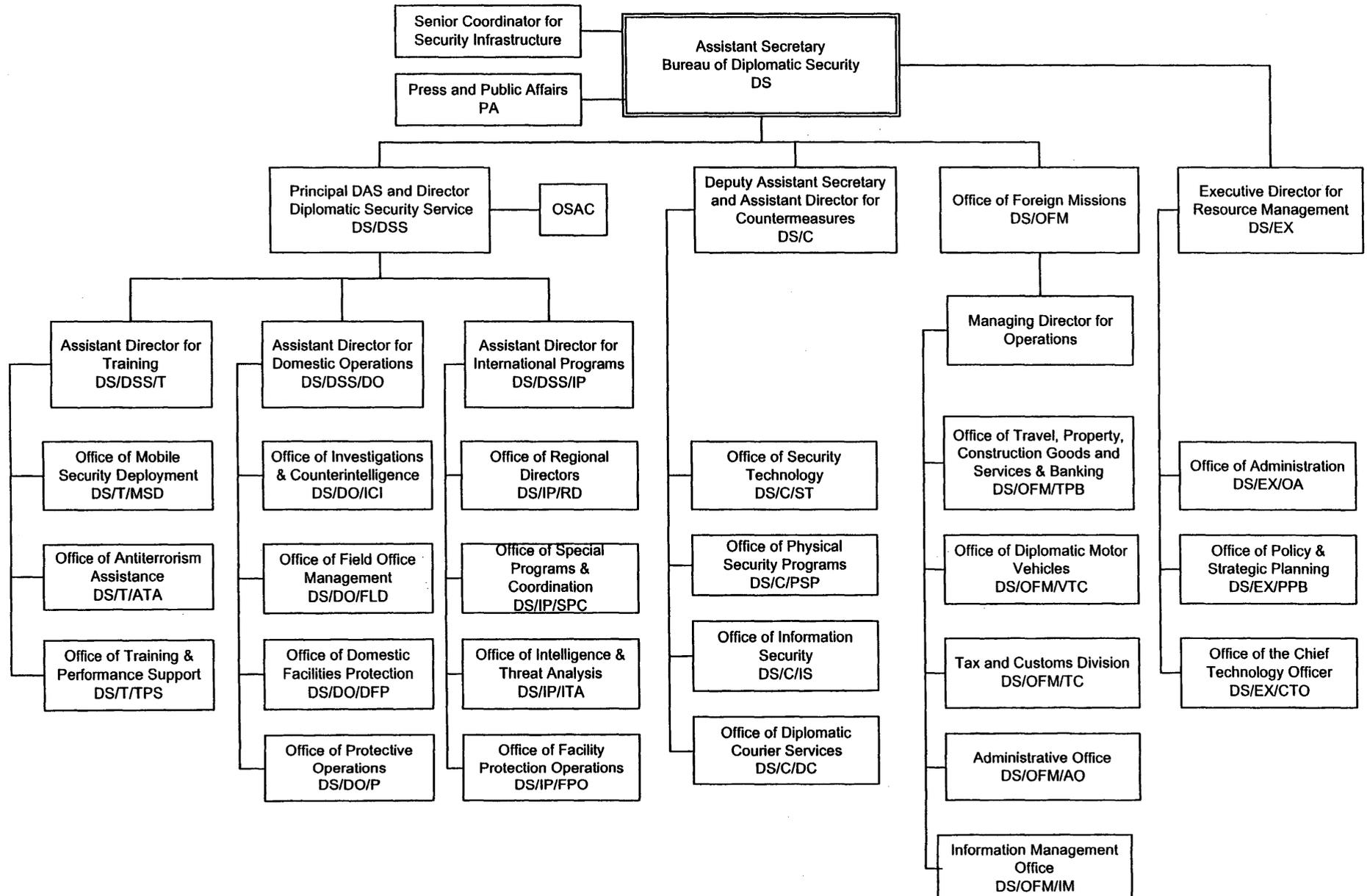
> From: Susan Ginsburg [SMTP:sginsburg@9-11commission.gov]  
> Sent: Saturday, August 30, 2003 4:28 PM  
> To: PetersonP@state.gov  
> Cc: 'Betty Swope'  
> Subject: DS org chart w/ FTE

>  
> Paul, I appreciated the briefing you, Jeff and Jim did on DS. As we  
> discussed in the meeting, it would be helpful to have an org chart  
> with the FTE filled in for the different functions - my numbers don't  
> quite add up! Much appreciated. If FTEs is a problem, just the org  
> chart would be helpful, the numbers I need are ball park only and we can ask later.

>  
>  
>  
> Thank you.

>  
>  
> Susan  
>

# Organization Chart for the Bureau of Diplomatic Security May 2003





## United States Department of State

Bureau for International Narcotics  
and Law Enforcement Affairs

Washington, D.C. 20520

Mr. James R. Harding  
Assistant Secretary for Management  
Organization of American States  
1889 F Street, N.W.  
Washington, D.C. 20006-4499

APR 11 2003

Dear Mr. Harding:

The Bureau for International Narcotics and Law Enforcement Affairs (INL) strongly supports the work of the Inter-American Committee against Terrorism ("CICTE"). We are pleased to confirm to you, therefore, INL's offer to provide \$750,000 to enhance the work of OAS in the field of counter-terrorism, as advised in the February 28, 2003, letter of Ambassador Roger F. Noriega, U.S. Permanent Representative to the OAS.

INL will provide \$750,000 as a voluntary contribution to the OAS for CICTE to implement programs which the U.S. helped devise focusing on developing training programs and coordination among the 34 member states and other international organizations in the fight against terrorism, especially in the areas of financial and border controls. These programs consist of airport security training to improve and standardize security controls at the regions' airports (\$300,000); CICTE-organized regional and sub-regional training seminars to encourage harmonization of procedures and exchange best practices in the areas of border and financial controls (\$200,000); development of CICTE in-house capability to devise and conduct policy engagement exercises in sub-regional areas on key regional CT issues (\$100,000); and CICTE-initiated comprehensive counter-terrorism "Needs Assessments" to guide member states and CICTE on priorities for future program development (\$150,000).

As in the past, I recognize that INL funding may be useful in generating matching funding from other donors or that exigent circumstances might require that some of these funds be shifted to other projects or activities. If so, please

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coordinate any such changes with INL and confirm such changes in writing, transmitting such communications through the U.S. Mission to the OAS.

INL has regulatory responsibilities to monitor and evaluate monies provided to foreign governments and international organizations. We will, therefore, require periodic (tri-monthly) reports of the status of INL-provided funds and on the projects/activities supported with these funds, as well as a completion report at the termination of each project. Please coordinate with INL on the disposition of any balances remaining from INL-funded projects. I also request that CICTE provide advance notice of the date/venue of any training events, conferences or other activities supported by U.S. Government funding so that INL or U.S. embassy representative personnel may, upon occasion, participate as observers.

All undertakings of the U.S. Government in this pledge letter shall be subject to any and all applicable U.S. laws and regulations, including the obligation in some cases to take appropriate measures or if necessary to terminate assistance if a recipient organization is found to have been convicted of a narcotics offense or to have been engaged in drug trafficking.

To comply with U.S. Government procedures for obligating our pledge, please confirm in writing your receipt of, and concurrence with, this letter of offer, and its terms and conditions. Please also provide your banking information so that we can transfer the funds to your account. All such correspondence should be transmitted through the U.S. Mission to the OAS with a copy to the U.S. Permanent Representative.

Sincerely,



Paul E. Simons  
Acting Assistant Secretary

Cc: Steven Monblatt - Executive Secretary, CICTE  
Ambassador Roger F. Noriega, U.S. Permanent Representative  
to the OAS

Drafted: INL/CP

Cleared:

INL/C - Steve Peterson  
INL/RM - Pat Sommers  
WHA/USOAS - Carol Fuller  
S/CT - Stephanie Kinney  
INL - Deborah McCarthy