

**Prepared Testimony of Barbara Feinstein**  
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**United States Agency for International Development (USAID)**  
**Before the House Foreign Affairs**  
**Subcommittee on the Western Hemisphere, Civilian Security, and Trade**  
**“Assessing U.S. Security Assistance to Mexico”**  
**Thursday, February 13, 2020**

Chairman Sires, Ranking Member Rooney, and members of the Subcommittee, thank you for the invitation to testify today. I am grateful for the Committee's support for the United States Agency for International Development's work in Latin America and the Caribbean, and am pleased to have this opportunity to discuss USAID's work under the Merida Initiative.

**Context**

Since 2008, USAID has partnered with the Department of State's Bureaus for Western Hemisphere Affairs (WHA) and International Narcotics and Law Enforcement Affairs (INL) and other U.S. federal agencies to address the crime, justice, and corruption challenges that undermine Mexico's stability and threaten our mutual security and prosperity. With programming under the Merida Initiative, USAID works at the federal, state, and local level to strengthen justice institutions, address corruption and impunity, protect human rights, reduce crime and violence, and build transparency. Such efforts are a critical complement to the security assistance provided under Merida.

While we have seen notable progress in these efforts, stark and clear challenges remain. Impunity represents one of the greatest challenges facing Mexico today. According to Mexico's national statistics agency, over 93 percent of crimes are neither investigated nor reported, and less than one percent of reported crimes result in a sanction.<sup>1</sup> The lack of consequences for criminal activity, ranging from petty theft to corruption to homicide, creates an environment where transnational criminal organizations and their subsidiaries flourish. Mexico registered more than 35,500 murders in 2019. There are more than 60,000 disappeared persons, more than 37,000 unidentified remains, and more than 3,600 clandestine graves. Mexico is also the second most dangerous country for journalists, behind only Syria, and ahead of Afghanistan. It ranks 130 out of 180 countries on the 2019 Transparency International Corruption Perceptions Index, and corruption is estimated to cost \$53 billion annually, or five percent of GDP. Yet we believe that it is in the U.S. national security interest to continue to address these challenges and make progress where we can.

**Supporting Justice and the Rule of Law**

Through the Merida Initiative, USAID and INL are continuing to help Mexico implement a monumental transformation of its criminal justice system -- moving from an inquisitorial system, wherein individuals are presumed guilty until proven innocent, to an adversarial one -- similar to our own. Working primarily at the state level, where the vast majority of cases are tried, USAID's goal is to help prosecutors strengthen their investigations, bring more cases to closure, and ultimately, to reduce impunity. Since 2015, we have trained more than 2,000 judges,

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<sup>1</sup> Source: Slide 31; Encuesta Nacional de Victimización y Percepción sobre Seguridad Pública (ENVIPE) 2019; en.ww.INEGI.org.mx; accessed 02/06/2020

prosecutors, investigators, public defenders, and victims' advocates, on protocols and procedures that have enabled them to successfully work under the new justice system; improved assistance to victims; and furthered implementation of anti-corruption reforms. To increase public awareness of the reforms, we have trained more than 4,500 journalists, members of civil society, and students.

We have seen tangible progress in pockets of the country that are serving as models for reforms elsewhere. With USAID support, local authorities have used data and context analysis to break up and prosecute local criminal groups involved in serious crimes, including homicides. Our efforts to improve investigations have resulted in increases from 400 percent to over 700 percent in prosecutions for select crimes in five states. USAID support to specialized homicide units has increased the number of indictments for homicides by 47 percent in five target states. Similarly, the use of alternative dispute resolution, including plea bargains, conciliation agreements, and mediation, increased by 59 percent in five states. These mechanisms reduce the burden on overstretched justice institutions by more quickly resolving minor crimes and disputes, allowing prosecutors and judges to focus their efforts on more serious and high impact crimes.

### **Fighting Corruption and Promoting Transparency**

USAID recognizes that corruption and impunity dangerously undermine citizen trust in government and are key drivers for crime and violence in Mexico. USAID supports Mexican-led efforts to reduce corruption and impunity while increasing transparency and integrity practices. We work alongside partners in the Mexican public, private, and non-governmental sectors and with international organizations to support implementation of the National Anti-Corruption System in Mexico's states, increase impartiality and professionalism in audit functions, improve civil society's and journalists' ability to monitor and report on corruption issues, and promote greater transparency in public procurements to reduce graft and increase opportunities for U.S. business investment.

Despite a challenging environment, we have seen some progress, particularly at the sub-national level. In Coahuila, USAID support to the Special Anti-Corruption Prosecutor's Office resulted in a 267 percent increase in the number of investigations closed and an 842 percent increase in the number of administrative corruption proceedings against corrupt state court officials and staff. In Jalisco, our support led to charges being filed in connection with ten criminal investigations, a 400 percent increase over baseline. Together with a leading Mexican think tank, we supported the development of a web-based platform that publishes public procurement information using block chain technologies and structured data analysis that detected high corruption risk indicators in over half of the 1,836 infrastructure procurement procedures analyzed in Chihuahua and Nuevo Leon. We are now supporting state authorities to mitigate those risks. At the federal level, and with USAID's support, Mexico was accepted in 2017 as a candidate country for the Extractive Industries Transparency Initiative (EITI), a global standard for accountability.

### **Protecting Human Rights**

As we recognize the untenable levels of violence perpetrated against human rights defenders, journalists and others, USAID partners with the Government of Mexico to improve its ability to prevent, investigate, and prosecute human rights abuses, while also, critically, strengthening civil society to hold the government accountable for this responsibility. This includes training for

civil society to more effectively engage the government and members of the public on critical issues such as freedom of the press, femicide, and forced disappearances.

USAID supports Mexico's National Protection Mechanism, which is currently providing preventative measures, including panic buttons, residential security upgrades, and protection teams, to more than 970 journalists and human rights defenders.

Our support was critical to the development of the 2017 laws on torture and forced disappearances, which provide a much-needed legal framework for victims' services and redress for families. And we are closely partnering with Mexico's newly-created National Search Commission and state-level search commissions in Chihuahua, Coahuila, Jalisco, Nuevo Leon and Veracruz to address disappearances. This includes connecting victims' groups and government officials with international forensic experts to facilitate the identification of remains and exhumation of clandestine gravesites. And we see opportunities to expand our support in this area, thanks to the Government of Mexico's announcement of an Extraordinary Mechanism for Forensic Identification to deal with the disappearance crisis.

### **Preventing Crime and Violence**

USAID is also focused on reducing crime and violence by strengthening local authorities' commitment to tackle these challenges, and by engaging civil society and the private sector. We support local actors who use proven methods to interrupt the cycle of criminal behavior and work with the Government of Mexico to take these initiatives to scale. We also work to prevent at-risk youth in the most violent cities from turning to crime and potentially joining organized criminal groups. This includes targeting the most at-risk individuals, employing cognitive behavioral therapy, and supporting community courts and municipal police to provide prompt and transparent solutions to local conflicts.

The recidivism rate for USAID youth beneficiaries who have been in conflict with the law is 3.11 percent, compared to the national recidivism rate average of 60 percent, showing a clear impact of our work on local communities.

### **A New Approach**

Mexico is not a traditional USAID partner. As an upper-middle income country and the 15th largest economy in the world, Mexico is well-positioned to address its development challenges, meet the needs of its citizens, and lead as a donor. However, we recognize the mutual interest in safety and security on both sides of our shared border and are committed to our strong partnership to address these challenges.

Mexico's vibrant private sector and high levels of domestic capacity offer opportunities for USAID to operate differently than in other countries. In the last three years, USAID has quintupled its resource partners, and engaged Mexico's top tier business chambers.

However, we recognize that our programming can only reach its full potential if we have host country counterparts who are willing, able and self-resourced to work with us to meet mutual goals. We welcome President Lopez Obrador's stated commitment to combat corruption and reduce violence and impunity, and we will continue to look for ways to partner with the

Government of Mexico to address these critical issues that lie at the heart of our shared security challenges.

Going forward, USAID is integrating our rule of law, crime and violence prevention, human rights, and anti-corruption programming into a coordinated approach specifically targeted at reducing impunity.

We are sharpening our geographic focus to target those areas where there is significant political will to effect change. Beginning in 2017 to present day, we are reducing the number of states in which we operate from 27 to the 16 where we have the most productive partnership with local leaders who are investing their own resources to improve investigative capacity, increase inter-institutional collaboration, and promote transparency. This new approach builds on past successes at the subnational level and will more fully engage public and private sector actors to lead progress.

We are also streamlining our geographic focus in the crime and violence sector to ten of the Government of Mexico's 27 priority cities for reducing violence. In these cities, we are expanding our work with municipal governments and police to foster proactive engagement to resolve community conflicts, target at-risk youth, and reduce insecurity. Constructive interactions between communities and local authorities increase citizen confidence in security and justice institutions, leading to increased crime reporting and the generation of data that is essential to inform successful prosecutions and criminal justice policies. We will continue to engage with the Mexican federal government to replicate and scale proven, evidence-informed approaches that address impunity, crime, and violence.

### **Monitoring and Evaluation for Learning and Accountability**

As an accountable and learning organization, USAID has put in place systems for assessing the impact of our Merida Initiative programming from strategy to design, implementation, monitoring, and evaluation. We set clear objectives and outcomes with baselines and targets for our work in rule of law, crime and violence prevention, human rights, and, transparency and integrity, and design our activities based on these outcomes with accompanying monitoring plans. We conduct third party, external performance evaluations or "meta-evaluations" for a given development objective or activity approximately every three years.

USAID has used this information to modify our programming. For example, a mid-term evaluation of our major rule of law program led us to phase out of classroom training and basic education on justice reforms in favor of demand-driven, targeted technical assistance based on specific institutional needs where our experts support justice institutions not just to develop manuals, protocols, or procedures but also to put in place the management systems to actually execute them. We also now focus our assistance on the use of data to inform prosecutorial decisions and to increase our engagement with the private sector for justice sector oversight.

We exited primary crime prevention efforts (i.e. after-school programs, scouts, etc.) as they were too diffuse in terms of their target audience and did not directly reduce crime and violence. Instead, we adopted a secondary and tertiary prevention approach which deals with the most at-risk youth and ensures its interventions are based on evidence of what works.

In our anti-corruption portfolio, given challenges at the national level, USAID has deliberately focused our efforts in those states that clearly demonstrate commitment, and provide the necessary resources, to implement reform. In addition, to ensure local ownership, increase sustainability, and spark innovation, USAID is co-investing with top Mexican private sector chambers to support local leaders and NGOs leading change related to reducing corruption. These efforts include utilizing deep data analysis to monitor budgeting and procurement processes and better target government oversight efforts, fostering investigative and data journalism, and utilizing strategic litigation to promote legal and regulatory changes that combat corruption.

Finally, with regards to our human rights portfolio, we have redesigned our programming so that we clearly articulate measurable results up front and expand our focus from solely prevention mechanisms to engaging prosecutors to investigate human rights violations and increasing our direct engagement with civil society groups in order to foster dialogue with the Government of Mexico.

### **Conclusion**

USAID programming under the Merida Initiative complements the work of our colleagues at the State Department's Bureau for International Narcotics and Law Enforcement Affairs, including efforts to combat transnational criminal organizations. These criminal organizations are not only expanding in size and scope, but also diversifying their illicit activities. Criminal networks are fluid, striking new alliances with networks around the world and engaging in a wide range of illicit activities, ranging from illegal trafficking in drugs, wildlife, human trafficking, and migrant smuggling, to cybercrime and money laundering. We partner with the Government of Mexico, civil society, and the private sector to reduce impunity, uphold the rule of law, address corruption, protect human rights and promote freedom of expression, and engage at-risk youth to prevent crime and violence. Ultimately, these efforts will help us to disrupt the activities of transnational criminal organizations and their subsidiaries, reduce illicit trafficking to the United States, and promote Mexico's security and prosperity.

Chairman Sires, Ranking Member Rooney, thank you again for the invitation to testify. I look forward to your questions.