



United States Department of State

Washington, D.C. 20520

JUN 19 2012

Dear Mr. Chairman:

On behalf of the Secretary of State, we are pleased to transmit the enclosed FY 2012 spend plan for the Central America Regional Security Initiative.

This spend plan has been prepared pursuant to section 7078(b) of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2012 (Div. I, P.L. 112-74).

We hope this information is helpful. Please let us know if we can be of further assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "D. S. Adams", written over a white background.

David S. Adams
Assistant Secretary
Legislative Affairs

Enclosure:

As stated.

The Honorable
Daniel K. Inouye, Chairman,
Committee on Appropriations,
United States Senate.

**FISCAL YEAR 2012 CONGRESSIONAL SPENDING PLAN
Central America Regional Security Initiative (CARSI)**

The U.S. Department of State and USAID intend to obligate up to \$50,000,000 in FY 2012 Economic Support Funds (ESF) and up to \$85,000,000 in FY 2012 International Narcotics and Law Enforcement (INCLE) funds to support the Central America Regional Security Initiative. The ESF level includes \$5 million in additional funds approved following the final 653(a) report.

**CENTRAL AMERICA REGIONAL SECURITY INITIATIVE
APPROPRIATED FUNDS UPDATE, FY 2012**

(\$ in thousands)

Account	FY 2008 Supplemental	FY 2009 Omnibus	FY 2010 Omnibus	FY 2011 Continuing Appropriations Act	FY 2012 Appropriations Act
Economic Support Fund (ESF)	25,000	18,000	23,000	30,000	50,000
International Narcotics Control and Law Enforcement (INCLE)	24,800	70,000	65,000	71,508	85,000
Nonproliferation, Anti- Terrorism, Demining & Related Programs (NADR)	6,200	0	0	0	0
Foreign Military Financing (FMF)	4,000	17,000	7,000	0	0
Total, Foreign Operations	60,000	105,000	95,000	101,508	135,000

**FY 2012 – CENTRAL AMERICA REGIONAL SECURITY INITIATIVE
ACCOUNT BY OBJECTIVE**

(\$ in thousands)

	TOTAL	P&S	GID	Program Support
TOTAL	135,000	48,750	76,550	9,700
Economic Support Fund (ESF)	50,000	0	49,550	450
International Narcotics Control & Law Enforcement (INCLE)	85,000	48,750	27,000	9,250

SUMMARY

CARSI represents the U.S. government's response to the region's most pressing citizen safety and rule of law challenges. Utilizing FY 2012 funding, the Department will continue to supplement host nation efforts to enhance the region's citizen security environment, narrow the focus of our programs, and prioritize those efforts that will have the most significant impact in reducing crime and violence and are capable of being replicated (or "nationalized") and sustained by host nations. Examples of this are Model Police Precincts, the opening of youth outreach centers and vocational training centers, the development of "Municipal Crime Prevention Strategies," assistance with judicially authorized wire intercept programs, and the training and vetting of specialized investigative units. It is our objective that FY 2012 assistance will result in reduced levels of violence in the communities in which we implement crime prevention and community policing programs, and increased seizures of cocaine in the region.

CARSI efforts are showing measurable results, and we are seeing the impact of our assistance. For example, in 2009, Lourdes was one of the four most violent communities in El Salvador, and INL implemented a Model Police Precinct there to address the violence. In 2010, Lourdes dropped to the 25th most violent community, suffering 40 percent fewer homicides and witnessing a 48 percent reduction in overall crime. In Belize, a law enforcement officer who received U.S. Customs and Border Protection training on identifying hidden compartments located a cavity in a Mexican car attempting to depart Belize, finding 111 kilograms of cocaine, representing one of the biggest drug seizures in Belizean history. We continue to ensure funds are being allocated effectively and that CARSI programs address the region's most pressing prevention, law enforcement, and rule of law challenges.

ECONOMIC SUPPORT FUND (ESF): \$50M

USAID: \$46.5M

State – Bureau of Western Hemisphere Affairs: \$3.5M

Governing Justly and Democratically - \$50M

El Salvador (\$9,800,000):

National and Regional Level Political Reforms/ Rule of Law: USAID will support the Government of El Salvador's National Strategy on Municipal Crime Prevention strategy by supporting rule of law efforts, including implementation of the new criminal procedure code.

Municipal Crime Prevention: Funds will support USAID's "Crime and Violence Prevention Project," which builds local and national capacity to identify crime patterns, plan and implement crime and violence prevention projects and replicate best practices. The program will build on the GOES' municipal crime prevention plans. Efforts will include diagnostics of the risk factors, mapping of social services, development of crime prediction tools, and community policing.

Services for Youth at Risk: USAID will expand services to youth at risk, in particular addressing two key risk factors: the need for job opportunities and improved access to education. CARSI ESF activities will support U.S. programs being implemented under the Partnership for Growth; specifically, in working to unlock the security constraints to economic growth.

Guatemala (\$10,500,000): Funds will support USAID's comprehensive "Crime Prevention Program." Funds will support sustainable interventions for at-risk youth, community-based policing, and strengthen municipal governments' ability to reduce community vulnerabilities to crime and gangs.

Municipal Crime Prevention: Funds will support local economic development initiatives in targeted geographic areas, such as Alta Verapaz, including infrastructure projects to improve basic services and community security and activities to promote community participation in local decision-making. Funds will also support expansion of ongoing community-based policing programs in high-risk communities to address conditions that contribute to violent crime.

Services for Youth at Risk: Funds will continue to expand youth facilities and activities in marginal urban areas to provide safe spaces for at-risk youth, and vocational and educational opportunities, as well as rehabilitation, for youth who have left gangs.

Rule of Law and Human Rights: USAID will use additional funds to complement previous and ongoing USG Rule of Law and Human Rights programming including providing a more secure environment to hold pre-trial hearings; identification of criminal patterns to complement ongoing investigations; and assistance to public defenders.

Honduras (\$16,500,000): Will support municipal crime prevention, services for youth at risk and those facing gang problems, crime prevention programs, and juvenile justice reform in areas facing gang problems, and the most vulnerable rural communities with the highest incidence of drug trafficking. USAID will support the implementation of the government's \$35 million security tax.

National and Regional Level Political Reforms: This program will work with legislative and judicial actors in Honduras to develop the reforms necessary to modify laws, rules of procedures, and regulations to reduce the automatic incarceration of non-violent offenders pending trial, with a focus on minors and young adults.

Municipal Crime Prevention: Funds will expand municipal crime prevention activities to address key risk factors leading youth into gang activity, and will strengthen alliances with municipalities, civil society, and the Government of Honduras' Gang Prevention Program, including the development of social and infrastructure community projects in areas impacted by gangs and drug trafficking. Funds will support the design and implementation of the Municipios Mas Seguros program, a national crime prevention policy, and improved coordination among government, the private sector, and civil society on social prevention efforts.

Services for Youth at Risk: Activities will help provide at-risk youth in drug trafficking and gang hot spots with an alternative means to achieve basic education and vocational training linked to real job opportunities. These activities will be implemented in conjunction with U.S. and Honduran civil society groups, the private sector, and Honduran government agencies.

Nicaragua (\$1,000,000): Funds will support USAID's education program for at-risk youth, a five year program which commenced during the 3rd quarter of FY 2010. The program targets youth of the southern Atlantic Coast region who are vulnerable to narcotics and trafficking. Funds support a combination of academic programs and stand-alone, adjunct, or integrated skills training programs.

Regional Program (\$8,700,000):

National and Regional Level Political Reforms (\$2,000,000): Funds will provide support to the establishment of the regional Central American Integration System Observatory, which will collect and provide crime and violence data to inform policy decision making across the region.

Private Sector Engagement (\$5,000,000): Funds will leverage private sector resources for social prevention programs in high-risk communities. These funds will be used to incentivize the private sector, primarily in El Salvador, Guatemala, and Honduras, to collaborate with governments and donors on reducing risk factors identified in municipal crime prevention plans.

Network of Municipalities Working on Crime Prevention in Central America (\$750,000): Funds will be used to continue activities with ICMA in the development of a regional network of municipalities in Central America working on crime prevention. This program will also carry on the Learning Exchanges on crime prevention between Los Angeles and Central America.

Crime Prevention in Panama (\$500,000): Funds will continue activities targeting hotspot communities to reduce risk factors leading to crime.

Program Development and Support (\$450,000): Funds will be used for the salaries and travel of staff providing technical support and oversight for CARSI programming.

Department of State – Bureau of Western Hemisphere Affairs ESF Fund (\$3,500,000):

Belize (\$500,000), Costa Rica (\$1,000,000), Panama (\$1,000,000): Funding will provide Embassies with the ability to develop rule of law projects to supplement INCLE law enforcement programs, such as small infrastructure improvements in low-income areas to foster job creation; greater engagement of business leaders in the funding and operation of youth centers, job opportunity, and scholarship programs; education and job-training programs for youth, including out-of-school and after-school programs.

WHA Small Grant Program (\$1,000,000): Funds will be disbursed on a competitive basis to support small projects identified by U.S. Embassies in Central America that represent best practices in rule of law and at-risk youth programming capable of being replicated in the region.

INTERNATIONAL NARCOTICS AND LAW ENFORCEMENT: \$85M

Peace and Security - \$48.75M

Stability Operations and Security Sector Reform (\$5,900,000)

Borders and Ports (\$3,350,000): Funds will assist in securing borders and ports through on-site training, technical assistance, basic equipment, and other support for host-nation counterparts.

Regional Equipment and Training for Law Enforcement (\$2,550,000): Funds will provide equipment, technical assistance, training, and support to El Salvador, Guatemala, Honduras, and Belize. Assistance may include communications equipment; contraband inspection kits, and personal protection items.

Counternarcotics (\$28,450,000)

Vetted Units (\$7,000,000): Funding will support DEA, DHS, and FBI vetted unit programs in Belize, Costa Rica, El Salvador, Guatemala, Honduras, and Panama to conduct complex investigations in areas such as narcotics trafficking, gangs, bulk cash smuggling, and money laundering. Funds will support operating costs: investigative and office equipment; logistics support; and training for officers, among other support.

Demand Reduction (\$650,000): Funds will continue training, prevention, and treatment programs conducted in the region. Programs may include support for in-school programs, such as D.A.R.E., police athletic leagues, or assistance to treatment facilities.

Aviation Support (\$15,500,000): Support will continue refurbishment, training, maintenance, and other support for an aviation program based in Guatemala, and include an expanded regional aviation capacity to combat rising drug trafficking. The Government of Guatemala has committed its resources for such costs as fuel, petroleum products, all salaries and benefits.

Regional Maritime and Land Interdiction (\$4,800,000): Will provide training, logistics, targeted equipment, and support for maritime interdiction. Efforts may include training police and naval units, providing maintenance, retrofitting seized boats, support for advisors, and basic equipment.

Eradication (\$500,000): Funds will provide logistical support to the Government of Guatemala's manual opium eradication program and aerial assessments.

Transnational Crime (\$14,400,000)

Capacity Enhancement (\$14,400,000): Funds will build the capacity of security and justice sector actors and expand support for Model Precincts. Funding will continue CARSI "Challenge Grants" launched in 2011. Assistance will provide training, equipment, and other support, including anti-gang unit activities, basic and in-service training and equipment for investigation, operations, and officer safety, and support for the adoption of modern police techniques.

Governing Justly and Democratically - \$27M

Rule of Law and Human Rights (\$27,000,000)

Justice Sector Reform: (\$7,950,000): Funds will support justice sector reforms through training, equipment, and other support, in Costa Rica, Guatemala, and Panama. Efforts will focus on courts management, prosecutorial capacity, and changes in judicial systems.

Prison Management (\$13,050,000): Assistance will build on prior year support in Belize, El Salvador, Guatemala, Honduras, and Panama and will provide hands-on training, strategic planning, mentoring, basic equipment, deployment of advisors, and support to improve the practical understanding of international standards for corrections management. It will also support establishment of a model prison and regional training capability for corrections.

Improved Police Academies & Training (\$1,200,000): Funding will support basic academy reform in areas like curricula development, methods of instruction, and institutional policies and practices. Leveraging best practices from Panama's police reform and internal affairs effort, technical assistance will be provided by active and retired U.S. law enforcement personnel, and law enforcement experts from Panama and Colombia, among other countries.

Community Policing (\$4,800,000): Funds will build the capacity of Central American police to become more modern, community-based police services that work within communities to effectively police and lower crime, while combating serious crimes such as drug trafficking and gangs. Funds will support training, advisors, mentoring, equipment, and other support, such as criminal investigation and tactical training to combat growing crime and gang problems.

Program Development and Support (\$9,250,000)

Funds will be used for the salaries, benefits, allowances, and travel of direct hire, contract U.S., and foreign national personnel, residential leasing, International Cooperative Administrative Support Services costs, and expenses for program design, implementation, and monitoring, including costs associated with the establishment of Narcotics Affairs Sections in Honduras and El Salvador.

CARSI INCLE activities will continue to support U.S. government programs being implemented under the Partnership for Growth; specifically, in working to unlock the security constraints to economic growth.