



United States Department of State

Washington, D.C. 20520

FEB - 2 2004

Case No. 200301593
Segment: Manag001

Mr. Chris Hoofnagle
Deputy Counsel
Epic.org
1718 Connecticut Avenue, NW
Suite 200
Washington, DC 20009

Dear Mr. Hoofnagle:

I refer to our letter dated December 2, 2003, regarding the release of certain Department of State material under the Freedom of Information Act (Title 5 USC Section 552).

The search of the records of the American Embassy in Managua has been completed, resulting in the retrieval of ten documents that appear responsive to your request. After reviewing these documents, we have determined that eight may be released in full, one may be released with excisions, and one may not be released. All released material is enclosed.

The material in the excised portions of one of the documents released in part is exempt from release under subsection (b) (5) of the Freedom of Information Act because it contains exchanges between attorney and client. Information in one of the documents withheld in full is exempt from release under subsection (b) (5) of the Freedom of Information Act because it consists of pre-decisional deliberative process material.

In the case of a document released in part, all non-exempt material that is reasonably segregable from the exempt material has been released.

With respect to material we have withheld under the Freedom of Information Act, you have the right to appeal our determination within 60 days. Appeals should be addressed to the Chairman, Appeals Review Panel, c/o Appeals Officer, A/RPS/IPS/PP/IA, SA-2, Room 6001, Department of State, Washington, DC 20522-6001. The letter of appeal should refer

to the case and segment numbers shown above. A copy of the appeals procedures is enclosed.

In addition, the search of the records of the American Embassy in Guatemala City has been completed, resulting in the retrieval of no documents responsive to your request.

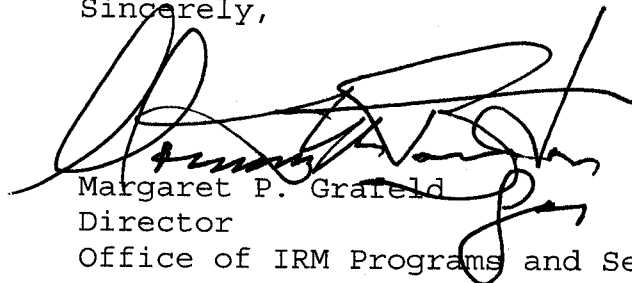
Still in progress are the searches of the records of the American Embassy in Bogota, the American Embassy in Brasilia, and the American Embassy in Mexico City.

Additional information will be provided as soon as it becomes available.

If you have any questions with respect to the processing of your request, you may write to the Office of IRM Programs and Services, SA-2, Department of State, Washington, DC 20522-6001. You may also reach us by telephone at (202) 261-8314. Please be sure to refer to the case and segment numbers shown above in all correspondence about this case.

Your continuing cooperation is appreciated.

Sincerely,



Margaret P. Grafeld
Director
Office of IRM Programs and Services

Enclosures:
As stated.

Rules and Regulations

Subpart G - Appeals Procedures

171.60 Appeal of denial of access to records

(A) Review of an initial denial of access to a record under the Freedom of Information Act (5 USC 552), the Privacy Act of 1974 (5 USC 552a), or Executive Order 12958 may be requested by the individual who submitted the initial request for access. The request for review (hereafter referred to as the appeal) must be in writing and should be sent by certified mail to the: Chairman, Appeals Review Panel, c/o Appeals Officer, A/RPS/IPS/PP/IA, SA-2, Department of State, Room 6001, Washington, D.C. 20522-6001. The appeal should be received within 60 days of the date of the receipt by the appellant of the Department's refusal to grant access to a record in whole or in part.

(B) The time for decision on the appeal begins on the date the appeal is received by the Chairman, Appeals Review Panels. The appeal of a denial of access to records shall include any documentation, information and statements to support the individual's request for access and to refute the use of the exemption(s) cited in the Department's justification concerning the denial of access.

(C) The Chairman of the Appeals Panels or her/his designee and at least two other members chosen by her/him from a list of senior officers designated for this purpose by the various bureaus of the Department shall constitute a panel to consider and decide the appeal. There shall be a written record of the reasons for the final determination. The final determination will be made within 30 working days for Executive Order and Privacy Act appeals, and within 20 workings (excluding Saturdays, Sundays and holidays) for FOIA appeals. For good cause shown, the Chairman of the Appeals Review Panels may extend such determination beyond the 30-day period in Privacy Act cases.

(D) The Chairman shall then notify the requester in writing of the panel's decision to grant access and of the Department's regulations concerning access.

(E) When the final decision of the Panel is to refuse to grant an individual access to a record, the Chairman of the Panel shall advise the individual in writing:

(1) Of the refusal to grant the appeal and the reasons therefore including the exemptions of the Freedom of Information Act, Privacy Act of 1974, and/or Executive Order 12958 under which access is denied;

(2) Of her/his right to seek judicial review of the Department's decision, where applicable.

[Previous](#)[Next](#)[Index](#)

Peculiar practices

Publication: Economist
Date: 06/02/2003

RELEASED IN FULL

ON JULY 6th Mexico will hold a mid-term election in which the 500-seat lower house of Congress and several governorships are at stake. Much though President Vicente Fox and his conservative National Action Party (PAN) would love to win the legislative majority they need for their liberalising reforms, that looks unlikely. Few pundits expect much change in Congress, where the formerly ruling Institutional Revolutionary Party (PRI) remains the largest party. Neither of the main parties has chosen to turn the election into an ideological battle. Instead, it is being clouded by rows and scandals over campaign finance dating back to the presidential election of 2000.

The PRI was recently convicted of receiving more than \$45m in illegal funding from the trade union at Pemex, the state oil company. The independent Federal Electoral Institute has imposed on the PRI a record fine of 1 billion pesos (\$98m). That has resulted in the bathetic spectacle of the once-omnipotent PRI asking its supporters for a peso a day to help it pay the fine. But its campaigning will not be greatly affected: it has two years from the end of July to pay up. PRI officials say that the scandal has hurt the party's standing with the chattering classes, but not with the average voter. Polls seem to confirm this. Perhaps, say cynics, that is because the party had no reputation to lose.

The PAN has a scandal of its own. This involves allegations that the "Amigos de Fox", a campaign support committee, tapped American companies and wealthy foreigners during the 2000 race. Foreign campaign donations are illegal in Mexico. No clear proof has emerged. But Mr Fox has more to lose than the PRI, having been elected on a promise to cleanse Mexican public life. That is why PRI politicians are refusing to let the matter drop.

Many Mexicans say the real scandal is not the money the parties may have raised on the side, but the huge amounts they are given up front from public funds. Political parties are allowed to raise only 10% of their money privately. The rest comes from taxpayers, an arrangement partly designed to keep drug money out of politics.

This year, the 11 parties fielding candidates will receive a total of around \$500m, and the electoral institute roughly the same amount to organise the vote. Critics point out that the money keeps alive a number of small parties that have no other apparent life. And 60% of the campaign money goes to the television channels, which charge a fourfold premium for campaign spots in prime time.

The electoral institute, one of Mexico's most respected institutions, has itself fallen under a small cloud. It emerged last month that ChoicePoint, an American firm, had bought personal data on millions of Mexicans, some of it taken from the electoral register. An investigation has been launched into how it got the supposedly confidential data. To some voters, it looks like just another wagon in the endless gravy-train of Mexican politics.

[Previous](#)[Next](#)[Index](#)

M2

How US paid for secret files on foreign citizens

Latin Americans furious in row over selling personal data

Oliver Burkeman in Washington and Jo Tuckman in Mexico City

Monday May 5, 2003

The Guardian

RELEASED IN FULL

Governments across Latin America have launched investigations after revelations that a US company is obtaining extensive personal data about millions of citizens in the region and selling it to the Bush administration.

Documents seen by the Guardian show that the company, ChoicePoint, received at least \$11m (£6.86m) last year in return for its data, which includes Mexico's entire list of voters, including dates of birth and passport numbers, as well as Colombia's citizen identification database.

Literature that ChoicePoint produced to advertise its services to the department of justice promised, in the case of Colombia, a "national registry file of all adult Colombians, including date and place of birth, gender, parentage, physical description, marital status, passport number, and registered profession".

It is illegal under Colombian law for government agencies to disclose such information, except in response to a request for data on a named individual.

One lawyer following the investigations described Mexican officials as "incensed", and experts said the revelations threatened to destroy fragile public trust in the country's electoral institutions. In Nicaragua, police have raided two firms believed to have provided the data, and the Costa Rican government has also begun an inquiry. Other countries involved include Brazil, Guatemala, Honduras, El Salvador, Argentina and Venezuela.

The identities of the firms supplying ChoicePoint with the data are unknown, since the company says its contracts ensure confidentiality, although it insists all the information was obtained legally.

Exactly how the US government is using the data is also unknown. But since it focuses so heavily on Latin America, it would appear to have vast potential for those tracking down illegal immigrants. It could perhaps also be used by US drugs enforcement agents in the region.

ChoicePoint, though, which is based near Atlanta, is far from unfamiliar to observers of the Florida vote of 2000 that decided the US presidency in George Bush's favour. Its subsidiary Database Technologies was hired by the state to overhaul its electoral registration lists - and ended up wrongly leading to the disenfranchising of thousands of voters, whose votes might have led to a different result.

Investigations in 2000 and 2001 by the Observer and the BBC's Newsnight programme concluded that thousands of voters had been removed from the lists on the grounds that DBT said they had committed felonies, preventing them from voting. In fact, the firm had identified as "felons" thousands of people who were guilty of misdemeanours, such as, in at least one case, sleeping on a park bench.

Then it produced a revised list of 57,700 "possible felons", which turned out to be riddled with mistakes because it only looked for rough matches between names of criminals and names of voters. James Lee, a vice-president of ChoicePoint, told Newsnight that Florida, governed by Mr Bush's brother Jeb, had made it clear that it "wanted there to be more names [on the list] than were actually verified as being a convicted felon". Mr Bush's

eventual majority in Florida was 537.

Since the election, ChoicePoint has been the beneficiary of a huge increase in the freedom of government agencies to gain access to personal data. The USA patriot act, passed after September 11, allows government investigators to gain access to more information on US citizens without a search warrant, and to see data on private emails with such a warrant but without a wiretap order. The act also means banks must make their databases accessible to firms such as ChoicePoint.

In Mexico, the president of the federal electoral institute, Jose Woldenberg, revealed that his investigators had talked to the Mexican company that said it paid a "third person" 400,000 pesos (£24,500) for a hard disk full of personal data drawn largely from the electoral roll. It sold this to ChoicePoint for just \$250,000, indicating the huge profitability of ChoicePoint's contracts - last year's \$11m payment was part of a five-year contract worth \$67m.

"The companies had to know that it is forbidden to use the information in the electoral register for any other purpose than elections," said Julio Tellez, a specialist in Mexico's information laws at the Tec de Monterrey University. "It is a federal crime to misuse the information, and they did that by selling it and putting it in the hands of a foreign government."

Mr Tellez said he believed that this makes the companies and the US government liable to prosecution.

The sale of information from the electoral register is particularly devastating in Mexico, because the electoral institute enjoyed a close to unique reputation for honesty and transparency in a country plagued by corruption.

"We feel betrayed. The IFE [federal electoral institute] was the only Mexican organisation we could trust," said Cesar Diaz, a Mexico City supermarket administrator whose feelings were echoed by many. "I mean, if we can't trust them who can we believe in? I think it will have repercussions in the next elections."

Britain's much stronger data-protection framework probably means ChoicePoint could not make similar wholesale purchases of databases from the UK, and a similar situation exists across the rest of the EU. But the Latin American states "don't have data protection on the level of Europe", said Chris Hoofnagle, deputy counsel at the Electronic Privacy Information Centre, a Washington-based pressure group which obtained the purchasing and advertising documents.

ChoicePoint was taking advantage of those more relaxed laws to profit from the US's "increasing reliance on private companies to obtain data on persons of interest to law enforcement", he said.

But the US government has shown itself eager to enhance the amount of data it can gather on people across the world, including those in the UK. In February, Washington announced that it would be seeking access to credit card details and other information on all travellers entering the US. Britain, too, is proposing laws which would give state agencies wide-ranging access to information regarding telephone and email use, though ministers insist their plans will not now include the content of such communications.

In a statement provided to the Guardian, ChoicePoint strongly denied breaking any laws and said it was cooperating fully with Mexican authorities. "All information collected by ChoicePoint on foreign citizens is obtained legally from public agencies or private vendors," the statement said.

The statement insisted that "ChoicePoint did not purchase election registry information and our vendor has verified that the information we purchased was not from the padron electoral

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[Mexico's central registry of electors]". But that claim is called into question by the company's advertising documents. Those documents, dated September 2001, explicitly boast that ChoicePoint can offer a "nationwide listing of all Mexican citizens registered to vote as of the 2000 general election - updated annually".

Asked how the US government is using the data, Greg Palmore, a spokesman for the bureau of immigration and customs, said it was helping to trace illegal immigrants but only if they were guilty of another crime. Asked to confirm whether the data was used by his bureau only to pursue criminals, he said: "Mainly."

ChoicePoint insists that it requires all its subcontractors to sign pledges that they are not breaking the law. But legal experts say that would offer it scant protection if the Latin American police inquiries were to result in others being convicted.

"If you know that a practice is actually illegal, you can't immunise yourself" with a pledge, said Mr Hoofnagle. "There's a strong principle in US law of being responsible for the actions of your agents."

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M3

Firm in Florida election fiasco earns millions from files on foreigners

RELEASED IN FULL

Oliver Burkeman in Washington and Jo Tuckman in Mexico City

Monday May 5, 2003

The Guardian

A data-gathering company that was embroiled in the Florida 2000 election fiasco is being paid millions of dollars by the Bush administration to collect detailed personal information on the populations of foreign countries, enraging several governments who say the records may have been illegally obtained.

US government purchasing documents show that the company, ChoicePoint, received at least \$11m (£6.86m) from the department of justice last year to supply data - mainly on Latin Americans - that included names and addresses, occupations, dates of birth, passport numbers and "physical description". Even tax records and blood groups are reportedly included.

Nicaraguan police have raided two offices suspected of providing the information. The revelations threaten to shatter public trust in electoral institutions, especially in Mexico, where the government has begun an investigation.

The controversy is not the first to engulf ChoicePoint. The company's subsidiary, Database Technologies, was responsible for bungling an overhaul of Florida's voter registration records, with the result that thousands of people, disproportionately black, were disenfranchised in the 2000 election. Had they been able to vote, they might have swung the state, and thus the presidency, for Al Gore, who lost in Florida by a few hundred votes.

Legal experts in the US and Mexico said ChoicePoint could be liable for prosecution if those who supplied it with the personal information could be proven to have broken local laws. That raises the possibility that any person whose data was accessible to American officials could take legal action against the US government.

"Anybody who felt they were affected by this could take the US government to court," said Julio Tellez, an expert in Mexican information legislation at the Tec de Monterrey University. "We could all do it ... We are not prepared to sell our intimacies for a fistful of dollars."

How the US is using the information remains mysterious, although its focus on Latin America suggests obvious applications in targeting illegal immigrants. Whatever the reasons, its commitment to ChoicePoint is long-term: last year's \$11m payment was part of a contract worth \$67m that runs until 2005.

ChoicePoint denied breaking any laws. "All information collected by ChoicePoint on foreign citizens is obtained legally from public agencies or private vendors," it said. It also denied purchasing "election registry information" from Mexico.

MS

Stevens, Michael G

From: Buckley, Martha
Sent: Tuesday, April 29, 2003 9:02 AM
To: Stevens, Michael G
Cc: McKay, Maryann
Subject: RE: Translation Priorities

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I brought this up at today's CEN meeting. It looks like the limp guidance that came out for Mexico a week or so ago is all there is (or going to be).

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 Martha Buckley
 Public Diplomacy Desk Officer
 Central America
 WHA/PDA
 Department of State
 Phone: (202) 647-7137
 Fax: (202) 647-7445
 Email: mbuckley@pd.state.gov

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

From: Stevens, Michael G
Sent: Sunday, April 27, 2003 3:29 PM
To: Buckley, Martha
Cc: McKay, Maryann
Subject: FW: Translation Priorities

FYI, our DCM's comments about data privacy issue. Is there any chance the Department will come up with anything further to address this subject?

Michael G. Stevens
 Public Affairs Officer
 American Embassy, Managua, Nicaragua
 Tel:505-266-6010, Ext:4598
 E-mail:StevensMG@state.gov

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

From: Saxton, Paul J [SMTP:SaxtonPJ@state.gov]
Sent: Friday, April 25, 2003 5:03 PM
To: (U) Stevens, Michael G(Managua)
Subject: RE: Translation Priorities

good idea but they also ought to come up with better press guidance

Paul J. Saxton
 Deputy Chief of Mission
 American Embassy Managua
 IVG# 746-4717
 Phone: 011-505-268-2176
 E-mail: saxtonpj@state.gov

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

From: Stevens, Michael G
Sent: Friday, April 25, 2003 9:28 AM
To: Saxton, Paul J(Managua)
Subject: FW: Translation Priorities

Paul: FYI. Now that the Iraq PD taskforce is winding down somewhat and IIP is getting back to other business, I thought this would be a good time to ask for something that might help educate Nicas about data privacy issues.

1

I find La Prensa's sensationalistic and context-lacking reporting on this issue appalling.

Michael G. Stevens
Public Affairs Officer
American Embassy, Managua, Nicaragua
Tel:505-266-6010, Ext:4598
E-mail:StevensMG@state.gov

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

> From: DiPasquale, Domenick
> Sent: Friday, April 25, 2003 9:08 AM
> To: Stevens, Michael G
> Subject: RE: Translation Priorities

> Mike:

> I've passed this along to IIP's Global Issues team to get their reaction
> -- Domenick

> Domenick DiPasquale
> Office Director, IIP/G/WHA - Room 4-South
> Department of State SA-44
> 301 4th Street, S.W.
> Washington, D.C. 20547
> Tel: (202) 619-4024
> E-mail: domenick@pd.state.gov

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

> From: Stevens, Michael G
> Sent: Friday, April 25, 2003 10:51 AM
> To: DiPasquale, Domenick
> Cc: Buckley, Martha; Whitaker, Elizabeth; Shinkman, Bernard; McKay, Maryann; Santamaria, Roxana D
> Subject: Translation Priorities

> Domenick: Sale and use of personal and financial data by vendors such as
> ChoicePoint has been a front-page story for two weeks in Nicaragua. La
> Prensa developed the story and has whipped up hysteria over alleged
> abuses. The trail at first pointed to the U.S. government buying and using
> these data. It has widened, with Costa Rican-owned IT firms now under
> scrutiny as collectors and vendors of data about Nicaraguans and much
> speculation about Nica officials selling data to these firms.

> Smoke has predominated over light in the coverage.

> Any chance that we could get an analytical article or a commentary that
> puts the issue of use of personal data by government and business in a
> modern society into some kind of broader perspective? Nica commentaries
> have focused on the theme that any use of personal data is an abuse---a
> very simplistic notion unsustainable anywhere that citizens interact with
> a modern banking sector or with their government for a range of services.

> Cheers, Mike

> Michael G. Stevens
> Public Affairs Officer
> American Embassy, Managua, Nicaragua
> Tel:505-266-6010, Ext:4598
> E-mail:StevensMG@state.gov

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

> From: DiPasquale, Domenick
> Sent: Friday, April 25, 2003 7:04 AM
> To: Amirthanayagam, Indran; Bakota, Carlos; Bosshardt, Marcia; Brennan,
> Peter M.; Brown, Jeff; Clegg-Tripp, Melissa; Conn, Nicole; Connor, Julie
> G(Santiago); Cooper, Melissa; Davis, Liza; Dickmeyer, James; Emerson,

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> Susan; Emmons, Nida(Ciudad Juarez); Feeley, Andrew; Foster, James
> Gallegos, Gonzalo R (Havana); Giacobbe, Nicholas J; Graham, Dianne;
> Grunder, Alyson L(Montreal); Hawkins, Patricia; Hoffmann, Philip; Jarvis,
> Catherine; Jones, Mary Thompson; Krischik, Mark; Larson, Ingrid; Law,
> John; Manes, Jean; Mayfield, Kay; McDevitt, Elaine M(Quito); McKay,
> Maryann; McLoughlin, Gerald; Olson, Guy E; Parkerson, Phillip; Rauland,
> Scott(Quito); Shumake, Josie S; Stevens, Michael G; Terpstra, Don E;
> Tripp, Raymond; Vance, John C(Santiago); Williams, Karen L.; Ziff,
> Benjamin
> Cc: Buckley, Martha; Byers, Brent; Cole, Janey; Danz, Caryn; Keiderling,
> Kelly; Proctor, Michele; Schinnerer, Karen; Shinkman, Bernard; Wanlund,
> William H(WHA/PDA); Whitaker, Elizabeth
> Subject: April 25 Translation Priorities

> Colleagues:

> This may well be the swan song of this early-morning advisory on the day's
> expected Spanish translations; I hope it has been a useful service to you
> during the most intense part of the Iraq conflict. For possibly one last
> time, therefore, here's the Spanish-language output anticipated for today:

> Bush: U.S. "Used Might In The Name of Peace and Freedom" in Iraq (top
> only)

> <http://usinfo.state.gov/cgi-bin/washfile/display.pl?p=/products/washfile/atest&f=03042405.tlt&t=/products/washfile/newsitem.shtml>

> Powell Says Embryonic Iraqi Authority Will Grow Into Full Government (top
> only)

> <http://usinfo.state.gov/cgi-bin/washfile/display.pl?p=/products/washfile/atest&f=03042402.plt&t=/products/washfile/newsitem.shtml>

> Security Council Extends U.N. Control Over Oil-for-Food Accounts

> <http://usinfo.state.gov/cgi-bin/washfile/display.pl?p=/products/washfile/atest&f=03042404.tlt&t=/products/washfile/newsitem.shtml>

> Regards,
> Domenick

> Domenick DiPasquale
> Office Director, IIP/G/WHA - Room 4-South
> Department of State SA-44
> 301 4th Street, S.W.
> Washington, D.C. 20547
> Tel: (202) 619-4024
> E-mail: domenick@pd.state.gov

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Stevens, Michael G

From: Stevens, Michael G
Sent: Monday, April 28, 2003 8:37 AM
To: (U) Peters, William
Cc: (U) DiPasquale, Domenick(IIP/G/WHA); (U) McKay, Maryann(Managua)
Subject: RE: Data privacy

Thanks, Bill. This is just what we had in mind.

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 B5

Michael G. Stevens
 Public Affair Officer
 American Embassy, Managua
 Tel: 505-266-6010, Ext. 4598
 E-mail:StevensMG@state.gov

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

From: Peters, William
Sent: Monday, April 28, 2003 8:01 AM
To: Reference at IIP
Cc: Stevens, Michael G(Managua); DiPasquale, Domenick; McKay, Maryann
Subject: FW: Data privacy

Joan / Lynne: Can one of you see what you can find in terms of articles or writers on this issue. The kind of article I am thinking of would outline the debate within the U.S. about the extent of government access to electronic info and efforts to pass laws that restrict that access. There might be mention of several non-government actors such as the ACLU, the Electronic Privacy Information Center, the Electronic Frontier Foundation, etc. The article shouldn't be one-sided and alarmist, but rather point to the difficult challenge of striking a balance, and make clear that this is a dynamic process.

If a good article like this exists, we might try and get rights. If the article doesn't exist, we might think about commissioning a writer, and your research might help us identify that person. If I could have a preliminary sense of what you had been able to find some time Wednesday, that would be great. Thanks. Bill

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

From: Stevens, Michael G [mailto:StevensMG@state.gov]
Sent: Sunday, April 27, 2003 4:02 PM
To: (U) Peters, William
Cc: DiPasquale, Domenick R(IIP/G/WHA); McKay, Maryann
Subject: Data privacy

Bill: Thanks for your e-mail on this issue. Below is some info that will give you a better idea of the controversy that we are seeking to address. We want to keep a low profile on the specifics of the controversy, hence a written material is preferable, at least initially, to a DVC. A good background article on data-privacy issues that modern societies must deal with would be very useful. The issue has been treated very superficially here, as if an absolute right to privacy exists without reference to any larger societal context, and as if no personal data can ever legitimately be passed along for any purpose.

We aren't seeking to champion any one side of the issue, only to introduce

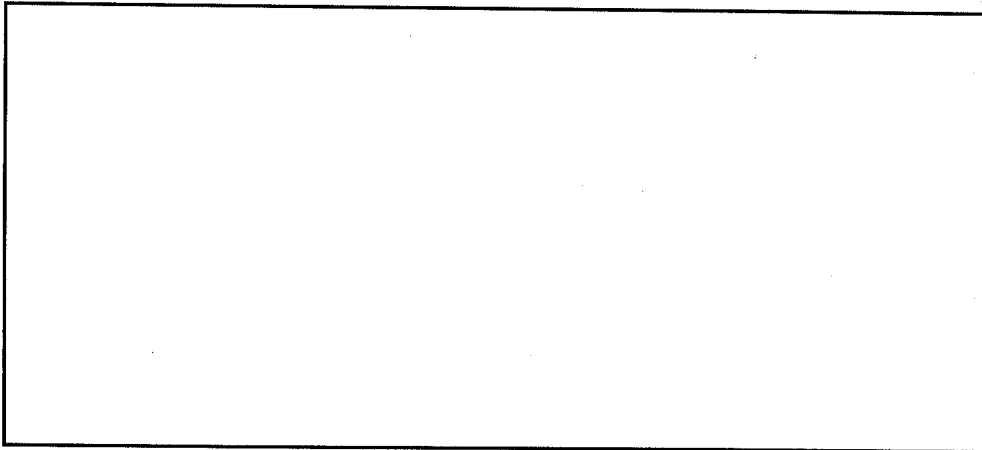
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the idea that it's a complicated issue and not black-and-white. Hence, something like a basic primer on categories of personal data and how they are used by government agencies and financial institutions is called for. Some notion of the BENEFITS to individuals (e.g., being able to use a credit card anywhere in the world) and society as a whole (e.g., screening against terrorism) from use of personal data needs to be set against the legitimate concerns that exist about abuse of privacy. Nicaraguans are being fed only one interpretation of this complex problem---an interpretation that will cause them to misunderstand and suspect how the USG and U.S. financial institutions use personal data.

Michael G. Stevens
Public Affairs Officer
American Embassy, Managua
Tel: 505-266-6010, Ext. 4598
E-mail:StevensMG@state.gov

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

From: MALINMC@ms.state.gov
Sent: Monday, April 14, 2003 1:17 PM
To: AlvaradoVA@State.Gov
Cc: BuckleyM2@State.Gov; BairdBH@State.Gov; WagnerJE@State.Gov;
StevensMG@state.gov
Subject: RE: Seattletimes.com: U.S. buys Latin Americans' personal data
- Possible Need for Talking Points



B5

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

From: Alvarado, Victoria A(WHA/CEN)
Sent: Monday, April 14, 2003 12:06 PM
To: Malin, Mary Catherine (Internet)
Cc: Buckley, Martha(WHA/PD); Baird, Brendon H(WHA/CEN); Wagner, Jimmie
E(WHA/CEN); Stevens, Michael G(Managua)
Subject: FW: Seattletimes.com: U.S. buys Latin Americans' personal data
- Possible Need for Talking Points

Mary, This AP article has made Nicaraguan headlines and perhaps other CentAm headlines as well. The article notes that USG agencies are buying information from ChoicePoint on the personal details of citizens in ten Latin American countries. Reportedly the INS's Quick Response Teams use the data to round up undocumented workers in nonborder areas of the United States (Note: These Quick Response Teams would probably be trying to "match" names in its data base with the information from ChoicePoint). According to the report, ChoicePoint purchases the personal data from subcontractors in the countries, who appear to obtain the information from national voter

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registration, national id, or drivers' license data bases in the countries. According to Nicaraguan Minister of Government (Interior) Eduardo Urcuyo, while the Nicaraguan Constitution guarantees all citizens the right to privacy, there is no specific legislation that prohibits the release of personal data. This would suggest that if the information is indeed public, then obtaining the data and divulging it to other sources would not constitute invasion of privacy.

Post has requested Department guidance on this issue. Can you suggest any legal guidelines/parameters?

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

From: Alvaradova@state.gov
Sent: Monday, April 14, 2003 12:23 PM
To: alvaradova@state.gov
Subject: Seattletimes.com: U.S. buys Latin Americans' personal data

This message was sent to you by Alvaradova@state.gov,
as a service of The Seattle Times (<http://www.seattletimes.com>).

U.S. buys Latin Americans' personal data

Full story:

http://seattletimes.nwsourc.com/html/nationworld/134675096_data14.html

By Jim Krane
The Associated Press

Over the past 18 months, the U.S. government has bought access to data on hundreds of millions of residents of 10 Latin American countries — apparently without their consent or knowledge — allowing myriad federal agencies to track foreigners entering and living in the United States.

A suburban Atlanta company, ChoicePoint Inc., collects the information abroad and sells it to U.S. government officials in three dozen agencies, including immigration investigators who have used it to arrest illegal immigrants.

The practice broadens a trend that has an information-hungry U.S. government increasingly buying personal data on Americans and foreigners alike from commercial vendors including ChoicePoint and LexisNexis.

U.S. officials consider the foreign data a thread in a security blanket that lets law enforcers and the travel industry peer into the backgrounds of people flowing into the United States. The information can be used with other data-mining tools to identify potential terrorists or unmask fake identity documents, company and government officials say.

"Our whole purpose in life is to sell data to make the world a safer place," said ChoicePoint's chief marketing officer, James Lee. "There is physical danger in not knowing who someone is. What risks do people coming into our country represent? You may accept that risk, but you want to know about it."

Privacy experts in Latin America question whether the sales of national citizen registries have been legal. They say government data are often sold clandestinely by individual government employees.

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ChoicePoint appears to be the largest; perhaps the only; vendor of foreigners' personal details, selling entire national-identity databases from Latin America since 2001. The files appear to originate in agencies that register voters or issue national IDs and drivers' licenses.

The company says it buys the files from subcontractors in Mexico, Colombia, Venezuela, Costa Rica, Guatemala, Honduras, El Salvador and Nicaragua. But it refuses to name the sellers or say where those parties obtained the data.

The data encompass the personal details of people living in countries from Mexico to Argentina; people who probably never imagined officials in Washington could, with a few keystrokes, read identity files meant for functionaries in Mexico City, San Salvador or Bogotá.

"It's the globalization of a very unfortunate American consumer problem," said Robert Ellis Smith, a lawyer who monitors credit agencies as publisher of Privacy Journal.

Smith says Latin American governments ought to protect their citizens by passing privacy laws similar to European statutes that prohibit wholesale purchases of personal information.

In Mexico, where there is already keen mistrust of the U.S. government, most citizens would be outraged to learn that their addresses, passport numbers and even unlisted phone numbers are being sold to Washington, says Julio Tellez Valdes, a law professor and data-protection expert at the Monterrey Technical Institute.

"We let the Mexican government control our situation, but not the U.S. government," Tellez said. "We don't live in America."

If ChoicePoint can sell foreigners' details to Washington, it is also in the position to sell data on U.S. citizens to foreign governments. It says it won't.

"We don't think it's the right thing to do, so we're not doing it," Lee said.

In Mexico, ChoicePoint says it buys driving records of 6 million Mexico City residents and the country's entire voter registry and provides them to the U.S. government.

In Colombia, ChoicePoint buys the country's entire citizen-ID database, including each resident's date and place of birth, passport and national ID number, parentage and physical description.

"I don't believe 31 million Colombians authorized that," said Nelson Remolina, a Colombian lawyer and privacy expert, referring to the number of records ChoicePoint obtained.

At U.S. agencies with access to ChoicePoint's Latin American data, officials often said they didn't know how it was used. The Bureau of Customs and Border Protection declined to respond to repeated requests for information on the Border Patrol's use of the data.

The Justice Department's \$67 million, four-year contract with ChoicePoint is the largest among federal agencies. But most of that is spent by agencies looking up U.S. records; like credit and crime histories; not data from foreign governments.

Last year, the Immigration and Naturalization Service, now part of the Department of Homeland Security, paid \$1 million for unlimited access to

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ChoicePoint's foreign databases, according to a contract provided by the Electronic Privacy Information Center.

An agency official, speaking on condition of anonymity, said the files were used by its investigators and Quick Response Teams to round up undocumented immigrants in nonborder areas of the United States.

Broad government contracts for ChoicePoint's Latin American data would also make the information available to intelligence agencies and to federal drug agents.

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Friday, April 25, 2003

Para no hablar sobre confirmada compra de datos

Embajadora Moore se esconde de la prensa

★ En El Salvador hay indignación y vergüenza nacional, mientras investigan exhaustivamente
★ Aquí parece que la cosa va a pasar sin pena ni gloria, y como dice Cordero: «No hay delito.»

OLIVER GOMEZ

gomez@elnuevodiario.com.ni
La embajadora estadounidense Barbara Moore evitó a los medios de comunicación tras confirmarse en San Salvador que su gobierno efectivamente compró bases de datos con información privada de los ciudadanos latinoamericanos, la cual no se descartará haya salido de la firma guatemalteca Infonet.

Moore asistió a un acto en donde las fuerzas armadas de su país entregaron un donativo de equipo médico al Hospital Carlos Roberto Huembes de la Policía Nacional. Recibió esta donación el Primer Comisionado Edwin Cordero Artila. Moore, al tratar de ser con- sultada por los periodistas, no lo pensó dos veces y se intro- dujo en una pequeña oficina de dicho Hospital mientras el paso era cerrado por una muralla de guardas espaldas. La diplomá- tica no salió de ese sitio sino hasta percibirse que los me- dios se habían retirado. A la embajadora Moore se le pretendía preguntar acerca de

tema. El Salvador, Hondu- ras, Costa Rica, México, Co- lombia y Venezuela, pero evitó revelar el origen y procedencia de esta información.

Likins, «la diplomática, no sabe si es legal o no que esta información fuera salga del país rumbo a otro, pero el jefe del Ejército salvadoreño, Juan Antonio Martínez Varela, dice: «La seguridad nacional se en- cuentra vulnerada.»

Valle recordar que tanto en El Salvador como en Nicara- gua se ha confirmado que la base de datos de la compañía Infonem en Red S.A. (Infonem) se encuentra dividida en dos partes, dos CPU. Uno sirve los datos de los nacionales, y el otro, la información de los ciu- dadanos extranjeros de los países mencionados.

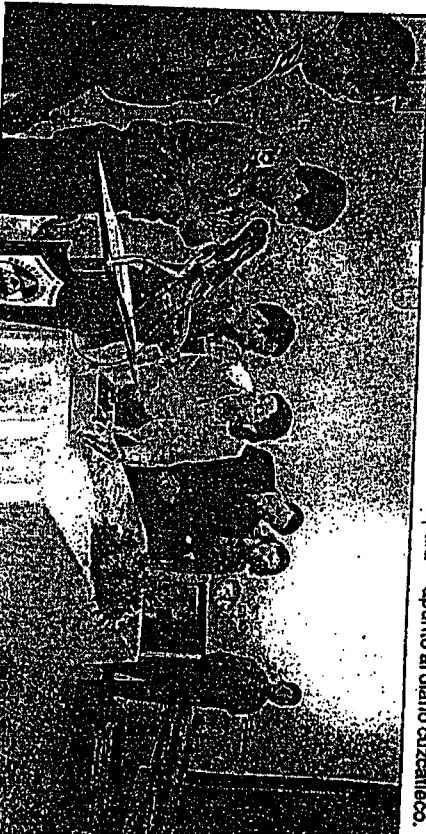
EN EL SALVADOR SI TENEMOS DIGNIDAD

«La embajadora estadouni- dense cree que el haber adqui- rido dicha información es insu- factible por cuanto su país toma las acciones legales para de- fendarse de cualquier ataque terrorista extranjero», publica El Diario de Hoy. «Nuestro Gobierno anunció hace varios meses que van a buscar varias formas de aumentar la informa- ción que pudieran tener sobre gente que llega a nuestro país», conculyó la embajadora Likins. Y es que ante el escándalo que ha levantado en la socie-

dad salvadoreña el manejo de información de los créditos que hacia Infonem, la Fiscalía Ge- neral de ese país está yendo más allá de las investigaciones que en Nicaragua ya están «casi cerradas y sin legalida- des», como dijo Cordero.

El Fiscal salvadoreño Beli- sario Ariga dijo que ante las declaraciones que dieran los funcionarios de Infonem en su país, se trasladarán a investi- gar en la matriz de toda esta red de información privada: la sede en Guatemala.

«Le confirmo que estamos preparando el viaje para el Ju- nes, estamos coordinando con la Fiscalía de Guatemala para llegar a Infonet y verificar en el lugar el sistema con que proce- sa la información, qué tipo de información contiene e incluso visitaríamos clientes a los cua- les le vende información para ver cuál es el uso que se le da a la misma y luego sacar nues- tras propias conclusiones», apuntó al diario cruzcalleco.



La embajadora estadounidense Barbara Moore durante la entrega de la donación de un equipo médico para el Hospital Carlos Roberto Huembes.

la reciente publicación de El Diario de Hoy de El Salvador. Este periódico publicó que al consultar a Rose Likins, la embajadora de Estados Uni- dos en aquel territorio, ella «aceptó que su gobierno ha adoptado nuevas formas de defenderse de los terroristas y entre éstas se encuentra la adquisición de información de personas.»

CONFIRMADA VENTA A EEUU

Por ejemplo, en el caso de las bases de datos del país cruzcalleco, «Likins está segu- ra que la cartera personal de los salvadoreños no fue com- prada directamente a Infonem, pero no negó que la misma (información) haya sido obteni- da a través de la reventa de otra compañía en los Estados Uni- dos.»

Estas declaraciones confir- man la versión y uno los casos nuevos que dejó James Lee, Jefe de Mercadotecnia de Choicepoint, quien estimara que esa empresa vendió al go- bierno Bush los datos de los ciudadanos de Nicaragua, Gua-

UNITED STATES DEPARTMENT OF STATE
REVIEW AUTHORITY: NORMAN M BOUTON
DATE/CASE ID: 26 JAN 2004 200301593

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M8

Stevens, Michael G

From: Peters, William
Sent: Friday, April 25, 2003 9:32 AM
To: Stevens, Michael G; DiPasquale, Domenick
Cc: Porter, Charlene; Scheib, Lynne; Taylor, Joan R
Subject: FW: Translation Priorities

RELEASED IN FULL

Mike: Obviously, there are all kinds of U.S. rules and restrictions addressing the question of collecting information about people, and making it available to others. Because of the new capabilities that are emerging with the Internet, there is lots of current discussion. We'd be happy to help address this, but we need more help from you.

It would help us greatly if we had more specifics on the issue. What are the allegations that are being made? You mention sale of government-collected information, but what type? How do the allegations say the government is getting the information? Is the information allegedly being sold about Americans? Nicaraguan? Both?

You also mention information collected by, and available from commercial sources. Again, what kind of information? Collected how? If there is an American, or American-based international company collecting information about Nicaragua, using Nicaraguan tools, that would supposedly be governed by Nicaraguan laws. We need to know what is being said before we can identify any information.

As far as how you address the allegations, once we understand what they are, we could:

--Provide some reference materials such as U.S. laws on kinds of information that U.S. companies can collect in the U.S., what the gov. can do, etc. You may want to put this process in train yourself. After you have checked with your IRK to see what they might have, they could send a request for additional information to "reference at IIP" (a pick from the address list). They should provide the background, the urgency of response, how detailed the information you need should be, etc. It is very likely this information would NOT be in Spanish.

If you can help us understand the story and the allegations, we might try and find an expert to do a DVC with some Nicaraguan reporters, or whatever. If the program has to be done in Spanish, I think it would be much harder to find a participant on this end.

If you think the story will last long enough, we could try and take the materials you provide and either prepare a story in house or commission a story. Translation would be Dom's responsibility or yours.

I'm sorry not to be able to provide a simple answer, but this is a complex topic, and we want to try and get something that will meet your needs. We'll respond as quickly as possible. Bill Peters

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

From: DiPasquale, Domenick
Sent: Friday, April 25, 2003 11:07 AM
To: Peters, William; Porter, Charlene; Fuller, James
Subject: FW: Translation Priorities

Bill & Co.: Is this kind of article requested by Managua -- on use of personal data by government and business -- something your team would handle? Thanks -- Domenick

Domenick DiPasquale
 Office Director, IIP/G/WHA - Room 4-South
 Department of State SA-44
 301 4th Street, S.W.
 Washington, D.C. 20547
 Tel: (202) 619-4024
 E-mail: domenick@pd.state.gov

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

From: Stevens, Michael G
Sent: Friday, April 25, 2003 10:51 AM
To: DiPasquale, Domenick
Cc: Buckley, Martha; Whitaker, Elizabeth; Shinkman, Bernard; McKay, Maryann; Santamaria, Roxana D
Subject: Translation Priorities

Domenick: Sale and use of personal and financial data by vendors such as ChoicePoint has been a front-page story for two weeks in Nicaragua. *La Prensa* developed the story and has whipped up hysteria over alleged abuses. The trail at first pointed to the U.S. government buying and using these data. It has widened, with Costa Rican-owned IT firms now under scrutiny as collectors and vendors of data about Nicaraguans and much speculation about Nica officials selling data to these firms.

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Smoke has predominated over light in the coverage.

Any chance that we could get an analytical article or a commentary that puts the issue of use of personal data by government and business in a modern society into some kind of broader perspective? Nica commentaries have focused on the theme that any use of personal data is an abuse---a very simplistic notion unsustainable anywhere that citizens interact with a modern banking sector or with their government for a range of services.

Cheers, Mike

Michael G. Stevens
Public Affairs Officer
American Embassy, Managua, Nicaragua
Tel:505-266-6010, Ext:4598
E-mail:StevensMG@state.gov

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

From: DiPasquale, Domenick
Sent: Friday, April 25, 2003 7:04 AM
To: Amirthanayagam, Indran; Bakota, Carlos; Bosshardt, Marcia; Brennan, Peter M.; Brown, Jeff; Clegg-Tripp, Melissa; Conn, Nicole; Connor, Julie G(Santiago); Cooper, Melissa; Davis, Liza; Dickmeyer, James; Emerson, Susan; Emmons, Nida(Ciudad Juarez); Feeley, Annette; Foster, James; Gallegos, Gonzalo R (Havana); Giacobbe, Nicholas J; Graham, Dianne; Grunder, Alyson L (Montreal); Hawkins, Patricia; Hoffmann, Philip; Jarvis, Catherine; Jones, Mary Thompson; Kruschik, Mark; Larson, Ingrid; Law, John; Manes, Jean; Mayfield, Kay; McDevitt, Elaine M(Quito); McKay, Maryann; McLoughlin, Gerald; Olson, Guy E; Parkerson, Phillip; Rauland, Scott(Quito); Shumake, Josie S; Stevens, Michael G; Terpstra, Don E; Tripp, Raymond; Vance, John C(Santiago); Williams, Karen L.; Ziff, Benjamin
Cc: Buckley, Martha; Byers, Brent; Cole, Janey; Danz, Caryn; Kelderling, Kelly; Proctor, Michele; Schinnerer, Karen; Shinkman, Bernard; Wanlund, William H(WHA/PDA); Whitaker, Elizabeth
Subject: April 25 Translation Priorities

Colleagues:

This may well be the swan song of this early-morning advisory on the day's expected Spanish translations; I hope it has been a useful service to you during the most intense part of the Iraq conflict. For possibly one last time, therefore, here's the Spanish-language output anticipated for today:

Bush: U.S. "Used Might In The Name of Peace and Freedom" in Iraq (top only)
<http://usinfo.state.gov/cgi-bin/washfile/display.pl?p=/products/washfile/latest&f=03042405.tlt&t=/products/washfile/newsitem.shtml>

Powell Says Embryonic Iraqi Authority Will Grow Into Full Government (top only)
<http://usinfo.state.gov/cgi-bin/washfile/display.pl?p=/products/washfile/latest&f=03042402.plt&t=/products/washfile/newsitem.shtml>

Security Council Extends U.N. Control Over Oil-for-Food Accounts
<http://usinfo.state.gov/cgi-bin/washfile/display.pl?p=/products/washfile/latest&f=03042404.tlt&t=/products/washfile/newsitem.shtml>

Regards,
Domenick

Domenick DiPasquale
Office Director, IIP/G/WHA - Room 4-South
Department of State SA-44
301 4th Street, S.W.
Washington, D.C. 20547
Tel: (202) 619-4024
E-mail: domenick@pd.state.gov

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Stevens, Michael G

M9

From: Buckley, Martha
Sent: Wednesday, April 16, 2003 1:42 PM
To: Brennan, Peter M(San Jose); Cooper, Melissa; Jarvis, Catherine J.(San Salvador); Jones, Mary Thompson; Stevens, Michael G; Terpstra, Donald E(Panama)
Subject: FW: ChoicePoint sells data base on foreigners to USG agencies
Importance: High

RELEASED IN FULL

This is the most I've seen out of anyone, which isn't much.

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 Martha Buckley
 Public Diplomacy Desk Officer
 Central America
 WHA/PDA
 Department of State
 Phone: (202) 647-7137
 Fax: (202) 647-7445
 Email: mbuckley@pd.state.gov

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

From: Dan.Kane@usdoj.gov [mailto:Dan.Kane@usdoj.gov]
Sent: Wednesday, April 16, 2003 3:27 PM
To: CJarvis@pd.state.gov; RZimmerman@pd.state.gov; CBarclay@pd.state.gov
Cc: MMcDOWELL@pd.state.gov; PSanchez@pd.state.gov; DTobar@pd.state.gov; MBuckley@pd.state.gov
Subject: Re:ChoicePoint sells data base on foreigners to USG agencies
Importance: High

As of March 1 BCIS is not an enforcement agency. We grant benefits and do not use databases to enforce. Check with the Bureau of Customs and Border Protection : Jim Mitchie: 202 927-4495.
 Dan

Reply Separator

Subject: ChoicePoint sells data base on foreigners to USG agencies
Author: CJarvis@pd.state.gov at inetgw
Date: 4/16/2003 2:40 PM

Chip/Robert:

The Salvadoran papers are printing articles about a company in Atlanta called ChoicePoint Inc. that is buying data on millions of Latin Americans in 10 countries and selling it to USG agencies, including the Dept. of Homeland Security. The concern expressed in the articles is that this information is being gathered and, without the consent of the people involved, is being sold to buyers which include the immigration arm of DHS and many other government agencies. The article states that the info can be used by the USG to track immigrants and used to arrest illegal immigrants. Apparently ChoicePoint itself buys the info from suppliers in the Latin American countries, including Mexico, Costa Rica, El Salvador, Guatemala, Honduras and others.

This issue is likely to come up in press questions for the Ambassador and we need guidance. Please advise.
 The article from today's "La Prensa Grafica" is attached below for your convenience.
 Kate

E.U.A. compra bases de datos
Washington/AP
mundo@laprensa.com.sv

La información permitiría a E.U.A obtener los antecedentes de los extranjeros que radican en su territorio.

El Gobierno estadounidense ha comprado el acceso a bancos de datos sobre cientos de millones de habitantes de 10 países latinoamericanos, al parecer sin su consentimiento o conocimiento, a fin de permitir que una gran cantidad de agencias federales rastreen a extranjeros dentro de E.U.A.

Una compañía en los suburbios de Atlanta, ChoicePoint Incorporated, ha juntado la información en el extranjero y la ha vendido en los últimos 18 meses a autoridades estadounidenses de una treintena de agencias, incluyendo investigadores del Servicio de Inmigración que la han utilizado para arrestar a indocumentados.

La práctica forma parte de una tendencia característica del actual Gobierno de Estados Unidos que ha comprado datos personales tanto de norteamericanos como de extranjeros, y los obtiene de empresas comerciales como ChoicePoint y LexisNexis.

El Salvador, involucrado

ChoicePoint dice que compra los archivos de subcontratistas radicados en México, Colombia, Venezuela, Costa Rica, Guatemala, Honduras, El Salvador y Nicaragua. Pero declina identificar a los intermediarios que venden tales datos, ni decir cómo obtuvieron la información esos grupos.

Las autoridades estadounidenses consideran la información acerca de los extranjeros como parte de un mecanismo de seguridad que permite echar un vistazo a los antecedentes de personas que entran a Estados Unidos.

"Nuestro único propósito en la vida es vender información para hacer que el mundo sea más seguro", dijo el jefe de mercadotecnia de ChoicePoint, James Lee. "El no tener información concreta acerca de alguien podría representar un peligro (...) Uno puede aceptar ese riesgo, pero desea estar informado acerca de él", agregó Lee.

A ChoicePoint, sin embargo, se le prohíbe comprar bases de datos en Europa y en otras regiones con leyes de privacidad estrictas, o en países donde los gobiernos se niegan a vender información.

Catherine (Kate) J. Jarvis
Public Affairs Officer/
Information Officer, Press
U.S. Embassy San Salvador
Tel: (503) 278-4444, ext. 2472
Fax: (503) 278-6015
e-mail: cjarvis@pd.state.gov
jarviscj2@state.gov

Stevens, Michael G

RELEASED IN FULL

From: Zimmerman, Robert A
Sent: Thursday, April 17, 2003 5:52 AM
To: Brown, Jefferson(Mexico City); Dickmeyer, James C(Mexico City); Feeley, Annette P.(Mexico City); Stevens, Michael G(Managua); Jarvis, Catherine J.(San Salvador)
Cc: Wanlund, William H; Buckley, Martha; Baird, Brendon H; Offutt, Denison K
Subject: MEXICO: INFORMATION SECURITY

See below

WHA PRESS GUIDANCE
APRIL 16, 2002

MEXICO: INFORMATION SECURITYKey Point:

- **THE DEPARTMENT OF STATE DOES NOT HAVE A POSITION ON THE RECENT DATA MINING CONTROVERSY IN MEXICO.**

Question: Does the Department of State subscribe to any Choicepoint services?

A:

- **THE DEPARTMENT'S BUREAU OF DIPLOMATIC SECURITY DOES USE CERTAIN CHOICEPOINT SERVICES TO FACILITATE FRAUD INVESTIGATIONS, WHICH COME FROM THAT COMPANY'S U.S. DOMESTIC INFORMATION SOURCES. THE BUREAU OF DIPLOMATIC SECURITY DOES NOT SUBSCRIBE TO ANY INTERNATIONAL SERVICES OR DATABASES OFFERED BY CHOICEPOINT.**

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Question: Do other government agencies subscribe to Choicepoint's international services?

A:

- **YOU WILL NEED TO CHECK WITH THOSE OTHER AGENCIES.**

QUESTION: Did Choicepoint violate any Mexican or international laws with regard to how it obtains information?

A:

- **I MUST REFER YOU TO THE COMPANY AND THE GOVERNMENT OF THE COUNTRY WHERE THE INFORMATION WAS OBTAINED.**