

USG ASSISTANCE

DoS (INL) Budget by Program

(\$000)

	FY 2003 Actual	FY 2003 Supp	FY 2004 Actual	FY 2004 Supp	FY 2005 Request
ACI Country Programs					
Bolivia: Interdiction/Eradication	49,000		49,000		49,000
Bolivia: Alt. Dev./Inst. Building	41,727		42,000		42,000
Colombia Interdiction/Eradication	284,000	34,000	313,000		313,000
Colombia: Alt. Dev./Inst. Building	149,200		150,000		150,000
Ecuador: Interdiction/Eradication	15,000		20,000		11,000
Ecuador: Alt. Dev./Inst. Building	15,896		15,000		15,000
Peru: Interdiction/Eradication	59,500		66,000		62,000
Peru: Alt. Dev./Inst. Building	68,552		50,000		50,000
Panama	4,500		6,487		6,000
Brazil	6,000		10,200		9,000
Venezuela	2,075		5,000		3,000
Air Bridge Denial Program					21,000
Subtotal: Interdiction/Eradication	413,698	34,000	462,000		471,000
Subtotal: Alter.Dev./Inst.Bldg	281,752		269,000		260,000
Total ACI Country Programs	695,450	34,000	726,687		731,000
INCLE Country Programs					
Other Latin America					
The Bahamas	1,100		1,000		1,000
Guatemala	2,500		3,000		2,820
Jamaica	1,200		1,500		1,500
Mexico	12,000		32,000		40,000
Latin America Regional	6,500		4,850		3,250
Subtotal	23,300		42,350		48,570
Africa					
Liberia					5,000
Nigeria			2,250		2,250
South Africa			1,770		1,770
Africa Regional	6,700		2,830		1,480
East Africa Initiative					
Subtotal	6,700		6,850		10,500

DoS (INL) Budget by Program (Continued)

(\$000)

	FY 2003 Actual	FY 2003 Supp	FY 2004 Actual	FY 2004 Supp	FY 2005 Request
Asia and the Middle East					
Afghanistan				170,000	90,000
Indonesia					10,000
Iraq	17,000				
Laos	2,500		2,000		2,000
Morocco					6,000
Pakistan	6,000	25,000	36,500		40,000
Philippines			2,000		2,000
Thailand	3,700		2,000		2,000
Asia/Middle East Regional	4,500		1,000		1,000
Subtotal	33,700	25,000	43,500	170,000	153,000
Total INCLE Country Programs	63,700	140,500	92,700	170,000	212,070
INCLE Global Programs					
Interregional Aviation Support	65,000		70,000		70,000
Systems Support/Upgrades	4,000		5,000		4,500
International Organizations	2,870		14,000		13,000
Drug Awareness/Demand Reduction	5,000		4,200		4,200
Trafficking in Persons	10,000		12,000		5,000
INL Anticrime Programs	12,300		11,324		19,000
Civilian Police Contingent			2,700		2,700
International Law Enforcement Academy (ILEA) Operations	14,500		14,500		14,500
Regional Narcotics Training	4,500				
Total INCLE Global Programs	118,170	25,000	133,724		132,900
Program Development & Support	13,850		13,850		13,850
Total ACI Programs	695,450	34,000	726,687		731,000
Total INCLE Programs	195,720	25,000	240,274	170,000	358,820
Total INL Program¹	891,170	59,000	966,961	170,000	1,089,820

¹ These totals do not include FSA and SEED Act funding transfers from USAID nor do they include PKO funding.

International Training

International counternarcotics training is managed/funded by INL and carried out by the DEA, U.S. Customs and Border Service, and U.S. Coast Guard. Major objectives are:

- Contributing to the basic infrastructure for carrying out counternarcotics law enforcement activities in countries which cooperate with and are considered significant to U.S. narcotics control efforts;
- Improving technical skills of drug law enforcement personnel in these countries; and
- Increasing cooperation between U.S. and foreign law enforcement officials.

INL training continues to focus on encouraging foreign law enforcement agency self-sufficiency through infrastructure development. The effectiveness of our counternarcotics efforts overseas should be viewed in terms of what has been done to bring about the establishment of effective host country enforcement institutions, thereby taking drugs out of circulation before they begin their journey toward the United States. U.S. law enforcement personnel stationed overseas are increasingly coming to see their prime responsibility as promoting the creation of host government systems that are compatible with and serve the same broad goals as ours.

The regional training provided at the ILEA's consists of both general law enforcement training as well as specialized training for mid-level managers in police and other law enforcement agencies.

INL-funded training will continue to support the major U.S. and international strategies for combating narcotics trafficking worldwide. Emphasis will be placed on contributing to the activities of international organizations, such as the UNODC and the OAS. Through the meetings of major donors, the Dublin Group, UNODC and other international fora, we will coordinate with other providers of training, and urge them to shoulder greater responsibility in providing training, which serves their particular strategic interests.

INL will maintain its role of coordinating the activities of U.S. law enforcement agencies in response to requests for assistance from U.S. Embassies. This will avoid duplication of effort and ensure that presentations represent the full range of USG policies and procedures.

International Law Enforcement Academies (ILEAs)

The mission of the ILEAs has been to support emerging democracies, help protect U.S. interests through international cooperation and to promote social, political and economic stability by combating crime. To achieve these goals, ILEA has provided high-quality training and technical assistance, has supported institution building and enforcement capability and has fostered relationships of American law enforcement agencies with their counterparts in each region. ILEAs have also encouraged strong partnerships among regional countries, to address common problems associated with criminal activity.

The ILEA concept and philosophy is a united effort by all of the participants—government agencies and ministries, trainers, managers, and students alike—to achieve the common foreign policy goal of international law enforcement. They are an ideal blend of professionals that will craft the future for rule of law, human dignity, personal safety and global security.

The ILEAs are a progressive concept in the area of international assistance programs. The regional ILEAs offer three different types of programs: the Core course, specialized training courses and

regional seminars tailored to region-specific needs and emerging global threats. The Core program typically includes 50 participants. The specialized courses, comprised of about 30 participants, are normally one or two weeks long and often run simultaneously with the Core course. Topics of the Regional Seminars include transnational crimes, counterterrorism and financial crimes.

Underscoring the ability of ILEAs to adapt quickly, the United States has already amended the money laundering portion of the Core course presented at each ILEA to address terrorist financing, and the ILEA program is working on finalizing a new Specialized course that would focus specifically and in detail on terrorist financing.

The ILEAs help develop an extensive network of alumni that exchange information with their U.S. counterparts and assist in transnational investigations. These graduates are also expected to become the leaders and decision-makers in their respective societies. The Department of State works with the Departments of Justice, Homeland Security and Treasury, and with foreign governments to implement the ILEA programs. To date, the combined ILEAs have trained over 12,000 officials from 50 countries. The annual ILEA budget averages approximately \$18-19 million.

Europe. ILEA Budapest (Hungary) opened in 1995 to provide assistance to Russia, Central Asian and Eastern European countries. Trainers from the United States, Hungary, Canada, Germany, Great Britain, Holland, Ireland, Italy, Russia, INTERPOL and the Council of Europe provide instruction. ILEA Budapest trains approximately 950 students annually.

Asia. ILEA Bangkok (Thailand) opened in March 1999. The curriculum and structure of this Academy are similar to Budapest, except for the shorter duration of the core course and an added emphasis in narcotics matters. Participation is open to members of the Association of South East Asian Nations (ASEAN) and the Peoples Republic of China, including the Special Administrative Regions of Hong Kong and Macau. Subject matter experts from the United States, Thailand, Japan, Netherlands, Australia, Philippines and Hong Kong provide instruction. ILEA Bangkok trains approximately 550 students annually.

Africa. ILEA Gaborone (Botswana) opened in 2001. Its overall instructional format is similar to Budapest and Bangkok, but adjusted to suit the needs of the region. Participation is open to members of the Southern African Development Community (SADC), with gradual expansion to East African and other sub-Saharan African countries. United States and Botswana trainers provide instruction. ILEA Gaborone trains approximately 450 students annually.

Global. ILEA Roswell (New Mexico) opened in September 2001. It offers a curriculum similar to that of a Criminal Justice university. The courses have been designed by, and are taught by academicians, for graduates of the regional ILEAs and other selected criminal justice officials. This Academy is unique in its format and composition, with an academic focus targeted to a worldwide audience. ILEA Roswell trains approximately 450 students annually.

Latin America. The Department of State is in the process of establishing an ILEA in Latin America, along the lines of the existing academies in Budapest, Bangkok and Gaborone. A Bilateral Agreement establishing the ILEA was signed with the government of Costa Rica in June 2002, and training activities are expected to begin after ratification of the Agreement by the Costa Rican Congress.

Drug Enforcement Administration

The primary responsibility of the Drug Enforcement Administration (DEA) is to reduce the threat posed to our nation by illicit narcotics. The majority of illegal drugs impacting American society are produced outside of the United States and smuggled into our country. These illegal drugs are smuggled from their country of origin and often transit other nations before arriving in the United States. Thus, a strong international commitment to counternarcotics law enforcement is required to effectively blunt this menace. In cooperation with other U.S. agencies and foreign law enforcement counterparts, DEA strives to disrupt the illicit narcotics distribution chain; arrest and prosecute those involved in all aspects of the illegal drug trade and seize their profits and assets.

DEA's contribution to our nation's international counternarcotics strategy is accomplished through the 80 offices located in 58 nations that DEA maintains worldwide. The DEA overseas mission is comprised of the following components:

- Conduct bilateral investigative activities;
- Coordinate intelligence gathering;
- Coordinate training programs for host country police agencies;
- Assist in the development of host country drug law enforcement institutions and engage in foreign liaisons.

The emphasis placed on each component is determined by conditions and circumstances within the host nation. In nations where the law enforcement infrastructure is advanced and well developed, the DEA office may tailor its activities to specific areas that best support host nation efforts. In countries lacking a robust law enforcement capability, DEA personnel may provide assistance in all four of the mission areas annotated above. The following sections highlight the assistance that DEA provided during 2003 to host nation counterparts in support of the four established mission components.

Bilateral Investigations

In late December 2002, officers from the Royal Thai Army (RTA), Interagency Intelligence Fusion Center (IIFC) received information from a Confidential Source (CS) that a United Wa State Army (UWSA) caravan with approximately 2 million methamphetamine tablets was expected to arrive in **Thailand** from Burma between January 3-5, 2003. During this period, the RTA and the Royal Thai Border Patrol Police (BPP) were unsuccessful in efforts to interdict this caravan. On January 9-10, 2003, the RTA received additional information from the CS that the methamphetamine had been buried in a remote area near the Thailand-Burma border, after scouts for the caravan had observed the RTA and BPP presence along the caravan's trail. On January 13, 2003, based on information from the CS, RTA units located and seized 1 million methamphetamine tablets buried in a remote, mountainous area. Agents from the Chiang Mai Resident Office and officers from the Royal Thai Police, Narcotics Suppression Bureau, Chiang Mai Intelligence Center and the Sensitive Investigative Unit-North were involved with this investigation.

On March 26, 2003, the Royal **Thai** Police/NSB, Sensitive Investigative Unit/Bangkok Intelligence Center arrested Suphap Seedang and charged him with racketeering, money laundering and conspiracy to distribute narcotics; 92 million Thai Baht in currency (approximately \$2.14 million U.S.) and 600 million Thai Baht (approximately \$13.95 million U.S.) in additional assets were seized from Suphap and his family members. Through the course of this investigation 1,004 million Thai Baht (\$23.35 million U.S.) in cash and 900 million Baht (approximately \$21 million U.S.) worth of jewelry, gold, and other assets were seized. This is the largest money seizure in Thai history.

April 2003, the Australian Federal Police seized the MV Pong Su, a North Korean cargo vessel caught smuggling 125 kilograms of heroin into **Australia**. The Canberra Country Office (CCO) is coordinating closely with the AFP concerning the investigation. On August 6, 2003, the AFP Drug Registry Unit provided the CCO with 100-two gram samples of heroin seized during the investigation of the MV Pong Su. These samples were submitted to the Special Testing Lab for analysis.

On May 3, 2003, officials from the Thai Office of Narcotics Control Board (ONCB) executed a search warrant at an apartment in Bangkok and seized approximately 5,721,400 tablets of methamphetamine. This seizure is the second largest seizure of methamphetamine tablets in **Thailand**.

On May 6, 2003 Royal **Thai** Metropolitan Police seized 200,000 methamphetamine tablets, 1.1 million Thai Baht (approximately \$26,000.00 U.S.) and arrested 6 individuals. Subsequent to the arrests, a Sensitive Investigative Unit source of information reported that one of the female arrestees had contacted her brother to move a safe from their mother's house. Search warrants were obtained and an additional 62 million Thai Baht (approximately \$1.48 million U.S.) was seized from a large safe. Also, 12 diamond Rolex watches, a large amount of gold and jewelry worth an additional 70 million Thai Baht (approximately 1.8 Million U.S.) were seized.

On May 6, 2003 the Lao Government agreed to the expulsion of a USCS fugitive in **Laos**. The Bangkok Country Office (BCO), Vientiane Country Office (VCO) and the Sensitive Investigative Unit assisted the United States Customs Service (USCS) in locating the fugitive by conducting an extensive surveillance of the fugitive's wife and sister. This surveillance covered approximately 500 miles from Bangkok to Mukdahan, which is near the Lao border. On

On June 9, 2003, the largest amount of heroin ever detected in **Vietnam** was seized according to Vietnam's State controlled media. A truck carrying 128 bricks of heroin weighing about 40 kilograms was stopped and searched near the Lao Bao border crossing. The driver and five other individuals were arrested.

On June 13, 2003, a unilaterally controlled Confidential Source of the Royal Thai Police (RTP), Narcotics Suppression Bureau, Sensitive Investigative Unit North (NSB-SIU-N) provided information/services which resulted in the seizure of 86 units of heroin in Tachilek, **Burma**. Subsequently, officers from NSB/SIU-N and the Counter-Narcotics Enforcement Team (SIU/CNET) in Bangkok, assisted by DEA Agents from the Chaing Mai Resident Office (CMRO) and Bangkok Country Office, conducted a controlled delivery of 36 units of heroin in Bangkok which resulted in the arrest of five Taiwanese nationals. Concurrently, officers from NSB/SIU-N, SIU/CNET, and NSB in Songkhla, assisted by DEA Agents and Investigative Assistants from the CMRO and Songkhla Resident Office, conducted a controlled delivery of an additional 50 units of heroin in Hat Yai, Thailand and arrested four Chinese-Malaysian subjects.

On July 29, 2003, the Rangoon Country Office (RCO) reported that the **Burmese** military seized a heroin processing refinery in Nant Tway Haw village, Hsenwi Township, Burma. A total of 12.3 pounds of heroin, 22.6 pounds of opium, and over 400 gallons of various processing chemicals were also seized at the site. Five individuals were arrested pursuant to the seizure.

In August 2003, the Belgian Federal Police advised the Australian Federal Police that a shipment of approximately 800,000 MDMA tablets hidden in an agricultural irrigation system was departing **Belgium** for Australia. In September 2003, the CCO) was asked to join the investigation. On Oct 4, 2003, the MV Tamerline arrived in Sydney with the irrigation system. An examination was performed and 865 packages of MDMA were seized and six individuals arrested.

On August 7, 2003, a **Korean** Customs Service Investigator operating in conjunction with the Seoul Country Office Airbust Unit at Incheon International Airport seized approximately 27.5 kilograms of raw opium. The opium was secreted in the false bottom of a luggage bag which had been abandoned in the airport.

On August 18, 2003, the **Burmese** Central Committee for Drug Abuse Control (CCDAC) provided the following information to the Rangoon Country Office. A joint Lashio Police Task Force and Lashio Directorate Defense Services Intelligence operation led to the arrest of three suspects and the seizure of approximately 236,000 methamphetamine tablets.

On August 25, 2003, a unilaterally-controlled Confidential Source of the Chiang Mai Resident Office (CMRO) provided information relative to a remote storage location in which 1.4 million methamphetamine tablets were stored. Based on this information, officers from the Royal **Thai** Border Patrol Police, assisted by DEA Agents from the CMRO, located and seized the 1.4 million methamphetamine tablets secreted in a remote mountain cave.

On August 29, 2003, Mohammad Kahlid Azizi, Muzaffar Khan Afridi, Alamdar Khan Afridi, Wai Ul-Din Wardak, and Zalmai Ibrahimi were arrested in Bangkok, **Thailand**. The Bangkok Country Office (BCO) and the Thai Office of Narcotics Control Board have been assisting the Washington Field Division and the FBI Calverton District Office in an ongoing investigation involving a Pakistani based heroin trafficking organization with direct ties to the U.S. On September 4, 2003, the Royal Thai Police advised the BCO that all gems/jewelry located at the Azizi Gems and Minerals Company Ltd and additional gems found at the Azizi's home were seized pursuant to possible violations of money laundering statutes. The property is estimated at approximately 2.4 million dollars.

On September 10, 2003, the Australian Federal Police (AFP), Australian Crime Commission (ACC), and the Australian Customs Service (ACS) conducted a controlled delivery that resulted in the arrest of three individuals and the seizure of 750 kilograms of pseudo ephedrine. This operation was initiated in January 2003 when the ACC identified a shipment of 24 kilograms of heroin that arrived in **Australia** secreted in a shipment of frozen fish originating in Cambodia. This seizure resulted in the arrest of two individuals in the Sydney area. In August 2003, Cambodian Law Enforcement Officials arrested five individuals in Cambodia associated with the seized heroin shipment. During the week of September 8, 2003, the ACC and AFP came across information about a shipment of goods from Thailand. The ACS determined the shipment had arrived and was in holding. A search was conducted and 750 kilograms of pseudo ephedrine was found in ornamental plaques.

On September 14, 2003, the Chiang Mai Resident Office and the Royal Thai Police, Narcotics Suppression Bureau-North, conducted a controlled delivery of 40 kilograms of heroin to Bangkok, **Thailand**. As a result, officers arrested 5 Thai Nationals and seized 40 kilograms of heroin and gold jewelry with an estimated value of 50 million baht (USC \$1.2 million dollars). Information provided by a Confidential Source indicates that this 40 kilogram shipment was part of a larger shipment of 560 kilograms which is controlled by Eakasit Sirimongkul, an ethnic Chinese narcotics trafficker affiliated with the United Wa State Army.

Three subjects from the West African nation of **Benin** were arrested in Chicago on September 19, 2003, for accepting a parcel containing nearly 500 grams of heroin. The parcel was shipped from Bangkok, **Thailand** to a business in Chicago. An employee of the business accepted the parcel and delivered it to a nearby apartment. Agents raided the apartment, arrested two individuals and seized approximately 470 grams of heroin and \$8,000 in U.S. currency (USC). As the search of the apartment was being conducted, a third individual involved in this conspiracy arrived at the apartment and was arrested.

On October 1, 2003, Phnom Penh Municipal Police seized approximately 35 kilograms of heroin and 15 kilograms of amphetamines in one of the largest drug busts in **Cambodian** history. Three Cambodian Ministry of Defense Intelligence Officers were among the 13 suspects arrested.

On October 7, 2003, the Royal Malaysian Police (RMP) Narcotics Department successfully dismantled two drug processing laboratories, operated by a Chinese-Mayla syndicate, in Batu Uban of Penang, **Malaysia**. In this operations, the RMP arrested seven suspects, seized 8.9 kilograms of heroin

#3, 5,200 tablets of MDMA, 540 grams of MDMA powder, 614 grams of ketamine powder, and 50 grams of caffeine. In addition, the RMP confiscated \$164,964 in currency, nine vehicles, four pistols, and 390 rounds of ammunition.

On October 7, 2003, LAFD D/I Susan Langston received information from the **Hong Kong** Country Office that Solstice Medicine Co. in LA placed an order to import pseudo ephedrine tablets. A search warrant for a vessel arriving in the Port of LA was issued. On October 31, 2003, 133 boxes of pseudo ephedrine were seized and each box contained 5,760 tablets.

On October 23, 2003, the **Hong Kong** Customs and Excise Officers seized approximately 1 kilogram of cocaine and arrested one courier at the Hong Kong International Airport. The cocaine was infused into a garment carried by a Latin male courier. This is an unusual concealment method for cocaine destined for Hong Kong. Further, this seizure demonstrates a new trend where Asia bound drug couriers from Latin America are departing from Sao Paulo, Brazil and/or transiting Johannesburg, South Africa.

On October 31, 2003, the Taiwanese Ministry of Justice Investigation Bureau, Kaohsiung Police and Coast Guard Administration seized approximately 14 kilograms of crystal methamphetamine, 700 kilograms of liquid methamphetamine and a large amount of laboratory equipment from a clandestine laboratory, which resulted in the arrest of Li Wen-Cheng, the head of the drug trafficking syndicate based in Kaohsiung, **Taiwan**. Taiwanese authorities reported that this seizure was the largest ever in Taiwan.

On November 21, 2003, a huge lab was seized in an industrial area in Antipolo, **Philippines** (East of Manila). Early estimates indicate approximately 1,068 kilograms of methamphetamine (466 kilos of crystal "ice" methamphetamine, and 602 kilograms of 'wet' methamphetamine being dried) and 33 55-gallon drums of chemicals were seized at the site.

On November 26, 2003, the first ever MDMA lab in **Northern Ireland** was seized. The seizure was based upon intelligence provided by a Hanoi Country Office Confidential Source.

On December 4, 2003, CA Christopher Browning, of the Seoul Country Office, contacted Atlanta Field Division (FD) Task Force Group 1 to report that **Korean** Customs had seized 9.9 kilograms of opium from a suitcase belonging to an individual identified as Olivia Naphaivong. Two other individuals were traveling with the female. Atlanta FD Task Force Officers and Customs personnel detained the suspected individuals. A total of 30 kilograms of opium were seized in Seoul and Atlanta, Georgia.

On June 12, 2003, the Colombian Coast Guard (CCG), acting upon DEA supplied information, intercepted a go-fast vessel in the Gulf of Uraba, located along the northwest coast of **Colombia**. The vessel was initially detected by radar and after a brief pursuit by the CCG, the vessel was abandoned on the beach near the town of Punta Yerbatal, Colombia. Approximately 1,000 kilograms of cocaine hydrochloride were seized as a result of the intercept. No arrests were made as the crew fled prior to the arrival of the CCG.

On October 4, 2003, JIATF South air assets, acting on information provided by the Cartagena Resident Office (RO), detected a go-boat fast boat approximately 100 miles northwest of Santa Marta, **Colombia**. Following notification of the go-fast location, the Cartagena RO directed Colombian Coast Guard (CCG) and Colombian Air Force (CAF) assets to the area. After a lengthy pursuit, the go-fast boat was forced to beach near the coastal city of Sabanilla, Colombia. The operation resulted in the seizure of approximately 270 kilograms of cocaine and two arrests. The remainder of the cocaine was observed being thrown overboard by CCG and JIATF air assets while the pursuit was underway.

On May 20, 2003, as a result of a two year investigation, a major heroin organization that operated in **Colombia**, New York, Newark and Philadelphia was dismantled. This investigation resulted in 45

arrests and the seizure of approximately 14 kilograms of heroin and U.S. \$320,000 to date. The target of the investigation was the Franklin Santos Heroin Trafficking Organization. According to affidavits filed in support of the arrests and search warrants, Santos, a Dominican national living in Philadelphia, was supplied by a heroin organization based in Colombia. The Santos Organization was responsible for distributing kilogram quantities of heroin throughout Philadelphia.

On February 13, 2003, over 400 Officers and Agents executed 63 arrest warrants and 29 search warrants during the takedown of Operation Goodwrench. This operation targeted an international heroin/cocaine trafficking organization based in Medellín, **Colombia** that supplied distributors in New York. The transportation route for this organization originated in Medellín and transited several South American countries before reaching Puerto Rico. From Puerto Rico, the organization would smuggle the heroin or cocaine into the U.S. This investigation culminated in the arrest of 67 defendants and the seizure of 21 kilograms of heroin, 17.4 kilograms of cocaine, 1.9 kilograms of crack cocaine, 8 pounds of marijuana and U.S. \$438,420. This investigation was an Organized Crime Drug Enforcement Task Force initiative, coordinated by the DEA Special Operations Division and comprised of Agents and Analysts from the USCS, FBI, IRS and various DEA offices.

On March 27, 2003, the Bogota Country Office, Colombian National Police Sensitive Investigative Unit, the Colombian Fiscalía's Office, the Colombian Navy and the Tampa District Office executed the takedown of OPERATION PEGASUS II, a multi-district; multi-agency, OCEETF investigation. This organization was responsible for transporting multi-ton loads of cocaine from the Pacific Coast of **Colombia**. The enforcement operation involved the coordinated execution of 55 search warrants and 7 U.S. Provisional Arrest Warrants in the following Colombian cities: Cali, Medellín, Puerto Tejada, Bogota, and Buenaventura. Fifteen suspects were arrested and \$30,000 in Colombian pesos, \$100,000 in jewelry and watches, six fishing vessels and several weapons were seized.

On March 8 and 9, 2003, the **Venezuela** Guardia Nacional seized 5,020 kilograms of cocaine in a small fishing village located about 30 KM from the port city of Carupano, Venezuela. The seizure occurred as the result of information provided by DEA and Venezuelan sources. The cocaine was being stored in a small shack, allegedly waiting to be smuggled to a larger vessel for transshipment to Europe. Also seized were 11 small fishing boats and several small arms.

On July 29, 2003, intelligence information developed in coordination with the Athens Country Office, Bulgarian Police, Bolivian Narcotics Police and the La Paz Country Office resulted in the execution of 10 search warrants in Santa Cruz, **Bolivia**. In furtherance of those warrants, 24 arrests were carried out, to include 1 Colombian National, 1 Brazilian National and 22 Bolivians. The following was seized: approximately 2,000 kilograms of liquid cocaine mixed into fine sand, contained in 78 plastic barrels and destined for Madrid, Spain; a total gross weight of 14,911 kilograms of mashed potato mixture, which was determined by Bolivian chemists to contain approximately 3,087 kilograms of powder cocaine HCL, which was destined for Bulgaria, via Chile; 139,300 kilograms of lime powder and other precursor chemicals; 6 vehicles and 2 handguns.

On September 10, 2003, based on Colombian National Police (CNP) intelligence, the Bogota Country Office and the CNP conducted a raid on a cocaine HCL laboratory located in the rural area east of Buga, in Valle de Cauca, **Colombia**. The CNP seized a cocaine HCL Laboratory, 1.3 tons of cocaine HCL, 1,000 gallons of acetone, 700 gallons of sulfuric acid and 1,000 gallons of hydrochloric acid. The CNP also apprehended four subjects that were later identified as laboratory operators. CNP developed intelligence indicated that this laboratory was operated and controlled on behalf of the North Valley Cartel and had an estimated production capacity of 1,000 kilograms of cocaine HCL per week.

In May 2003, 3.6 tons of cocaine was seized off the coast of **Spain**. This seizure was the result of a joint investigation involving the DEA Athens Country Office, DEA Madrid Country Office and the Hellenic National Police. The investigation targeted a maritime shipping organization as part of the

Athens Country Office's Maritime Intelligence Program. A tracking device was installed on a vessel belonging to a member of the suspect maritime organization, leading to the seizure.

In August 2003, Estonian officials executed a search warrant at a residence in Tallinn, **Estonia** and seized a pill press, various chemicals and 150 kilograms of liquid MDMA. The Copenhagen Country Office, working in conjunction with Estonian law enforcement officials and a Confidential Source, provided the information that led to the seizure. The Estonian National Laboratory calculated that the liquid MDMA seized would have produced approximately 750,000 tablets of MDMA. According to the Confidential Source, the liquid MDMA originated in Russia. This is the largest MDMA laboratory ever seized in the Baltic and Nordic countries.

On November 5, 2003, the **Turkish** National Police (TNP), working jointly with the Istanbul Resident Office, seized 495 kilograms of heroin in an ongoing, nine-month TNP/DEA Priority Target investigation. This organization has been known to DEA since 1978. The organization is an international narcotics transportation group providing services to the most significant trafficking organizations throughout the region. Many of these trafficking organizations have direct ties with opium suppliers in Pakistan and Afghanistan and heroin distributors in Western markets. Three suspected heroin laboratories, which had been controlled by this organization, were dismantled as a result of this investigation..

On July 4, 2003, the Spanish National Police (SNP) seized the M/V Carida C, 3,300 kilograms of cocaine and arrested seven crewmembers. The seizure was based upon information provided by the Madrid Country Office and a DEA controlled Confidential Source. Several Colombian and Spanish nationals, not on board the vessel during the seizure, were later arrested in Pontevedra, **Spain** in conjunction with this investigation.

The DEA Vienna and Athens Country Offices, in conjunction with Bosnian and Serbian authorities, conducted an investigation which resulted in the seizure of 34 tons of acetic anhydride in **Bosnia-Herzegovina**. Six amphetamine laboratories, several tons of acetic anhydride and 165,295 captagon tablets were seized in Belgrade, Serbia-Montenegro as part of the same investigation. The acetic anhydride seized in Bosnia-Herzegovina arrived at the port of Ploce, Croatia from Mexico and was transported from Croatia to Bosnia-Herzegovina via truck.

On March 14, 2003, Osiel Cardenas-Guillen, head of a major Mexican drug trafficking organization (DTO) and designated as a DEA Priority Target and Consolidated Priority Target Organization (CPOT), was arrested by Mexican military units in Matamoros, **Mexico**. Until his arrest, Osiel Cardenas had been the Mexico-Central America Division's number one Priority Target. The proactive pursuit of this important fugitive represents part of an encouraging, sustained effort on the part of the Fox Administration in bringing high-level traffickers to justice. Osiel Cardenas-Guillen and nine of his associates are under indictment in the Southern District of Texas, and are charged with seventeen different counts including drug trafficking, money laundering and assault on Federal Agents. Cardenas and his associates are wanted for the assault and attempted kidnappings of Special Agents Joseph Dubois (DEA) and Dan Fuentes (FBI) on November 9, 1999.

On April 4, 2003 Arturo Hernandez-Cardenas aka "El Chaqui," head of security for the Vicente Carrillo-Fuentes DTO, a DEA CPOT investigation, was arrested by vetted units of Mexico's Agencia Federal De Investigaciones (AFI), in Manzanillo, **Mexico**. Hernandez-Cardenas has been charged under Mexican law with violations of organized crime statutes, as well as crimes against health, money laundering, and narcotics trafficking. Hernandez-Cardenas, a former Policia Judicial Federal (PJF) officer, was responsible for the personal security of Amado Carrillo-Fuentes until his untimely death in July 1997. Hernandez-Cardenas also is known to be responsible for numerous brutal assassinations conducted on behalf of the ACFO. Following the death of Amado Carrillo-Fuentes, Hernandez-Cardenas continued in the same capacity as security and enforcer for Vicente Carrillo-Fuentes.

On April 9, 2003, the Governments of **Panama** and **Colombia** conducted a simultaneous takedown of a DEA designated Priority Target investigation which resulted in the dismantlement of a maritime smuggling organization. This effort was the first bilateral investigation between Panama and Colombia that resulted in a unified, simultaneous takedown based on shared wire intercept information. The level of cooperation exhibited by both countries through the nine month investigation is noteworthy. The Government of Panama executed numerous arrest and search warrants throughout Panama. Thirty-two individuals were arrested and seizures included real property, vessels, small weapons, vehicles, documents and computers. Twenty-two defendants were arrested in Colombia, including Panama Country Office Priority Target Harold Irurita-Lopez. Colombian national Irurita-Lopez headed an organization that transported multi-ton quantities of cocaine from Colombia through Central America to the U.S.

On May 22, 2003, Byron Gilberto Linares-Cordon, a key lieutenant of the Otto Herrera-Garcia Drug Trafficking Organization (DTO), (a DEA CPOT investigation), was arrested by members of the **Guatemala** City Country Office DEA Task Force (SAIA). Fourteen million dollars in drug proceeds and 1,090 kilograms of cocaine were seized. Linares-Cordon was arrested pursuant to a Guatemalan arrest warrant issued on April 24, 2003, for narcotics activity, money laundering, illicit investments, and other illegal activities. The cocaine trafficking organization directed by CPOT and Priority Target Otto Roberto Herrera-Garcia is the most prolific DTO in Guatemala. Based on intelligence obtained from various independent sources, it is estimated that this organization is responsible, on a monthly basis, for the transshipment through Guatemala of approximately 5 metric tons of cocaine.

On July 31, 2003, Attorney General John Ashcroft and the DEA announced the indictment of Mexican drug lord Ismael Zambada-Garcia, head of the Zambada-Garcia drug organization (ZGO), a Consolidated Priority Target (CPOT) organization, and the arrests of over 240 individuals in the United States and **Mexico**. The indictment and related arrests are the result of Operation Trifecta, a 19-month-long international Organized Crime Drug Enforcement Task Force investigation into cocaine, marijuana and methamphetamine trafficking. The investigation was conducted by agents and analysts from the DEA, Federal Bureau of Investigation, Bureau of Immigration and Customs Enforcement, Internal Revenue Service, Bureau of Alcohol, Tobacco, Firearms and Explosives, attorneys from the Justice Department's Criminal Division and various U.S. Attorneys' offices, and coordinated by the Special Operations Division.

On August 15, 2003, the DEA Monterrey and Guadalajara Resident Offices provided detailed cooperating source information regarding major drug trafficker and CPOT Armando Valencia Cornelio to the Government of **Mexico's** Organized Crime Unit (UEDO). On that same date, the UEDO Unit successfully arrested Valencia-Cornelio and seven co-conspirators. Armando Valencia-Cornelio, was a Guadalajara-based Mexican poly-drug trafficker who transported and distributed multi-ton quantities of cocaine

On December 6, 2003 DEA CPOT Fernando Requena-Duval was arrested at Tocumen International Airport, Panama City, **Panama**. He was arrested based on an International Wanted Notice issued by Interpol on November 21, 2003. Requena-Duval was indicted on December 19, 2002, by a Federal Grand Jury in Washington, D.C and a Provisional Arrest Warrant was sent to Panama via diplomatic channels on December 6, 2003. Fernando Requena-Duval is the leader of one of the largest maritime smuggling organizations based in Central America. Requena-Duval's organization imported large quantities of cocaine from Colombia into Nicaragua for eventual transportation to the United States.

On May 4, 2003, the St. Croix Resident Office arrested a significant **U.S. Virgin Islands** based cocaine trafficker and several members of his organization. Subsequently, these individuals are providing information provide historical information on the organizations source of supply. During July 2003, this investigation became an OCDETF, Priority Target, and RPOT investigation. The Bridgetown CO is the only foreign office in the Caribbean division to be the lead agency in an

OCEDTF investigation. This investigation is being worked in conjunction with, the St. Croix RO and the Royal St. Vincent Police Force.

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On June 17, 2003, DEA Fugitive, Beaudouin Ketant AKA Jacques Ketant was expelled from **Haiti** and subsequently arrested by DEA. Ketant was a fugitive from a 1996 Southern District of Florida Federal Grand Jury indictment charging Ketant with a violation of U.S. drug laws, 21 USC 846. Ketant is also wanted for the murder in Dade County, Florida.

On October 16, 2003, Jean ELIOBERT JASME was expelled from **Haiti** and subsequently arrested by DEA. JASME has been indicted in Fort Lauderdale and New York for cocaine trafficking and importing in excess of one ton of cocaine into the U.S. from Haiti (the one ton figure is based on actual seizures in the US).

Santo Domingo CO participated in investigations resulting in the worldwide arrest of 152 people, the seizure of 2,750 kilograms of cocaine, 18 kilograms of heroin, 892,726 dosage units of MDMA, 1,000 pounds of marijuana and the seizure of more than \$5,000,000 in cash and property.

Intelligence Gathering

DEA coordinates intelligence gathering and dissemination worldwide. The DEA Intelligence Division focuses on intelligence collection pertaining to the cultivation and manufacture of illicit substances, the sale of precursor chemicals for making illicit drugs and the transportation routes of these drugs into the United States. The following activities demonstrate the breadth of DEA intelligence activities around the world.

Traditional routes through northern Thailand and southern China are beginning to be forsaken in favor of routes through **Laos**, Northern **Vietnam**, and **Cambodia**. Officials of the United Nations noted that from April to June of 2003, it had been unusually quiet on the northern and northwestern border areas of **Thailand**. This reduction in activity was attributed to the all-out assault on drug smuggling that was undertaken by Thai authorities from February to April 2003. The intensity of the Thai effort, while not eliminating use of the traditional routes, certainly has many drug organizations aggressively seeking alternative smuggling routes and methods. A senior Thai official stated that Thai intelligence believes that many Burmese warlords and trafficking organizations are becoming frustrated and unsure of what to do with the millions of methamphetamine tablets that have had to be stored as a result of the Thai Government's counternarcotics push early in the year. Thus, producers are actively re-routing many of their shipments. Heroin and crystal methamphetamine that usually exited the Golden Triangle through southern China are now being sent through northern Vietnam. Methamphetamine tablets are now turning up in much larger quantities in Laos, Cambodia and even India, as alternative routes continue to be explored.

Cambodia has become a hotbed of trafficking for both heroin and methamphetamine as lax and inadequate enforcement, rampant corruption, and the easy accessibility of the Mekong River all combine to make **Cambodia** one of the preferred choices for introducing drugs to the international market. Laos also continues to be used more and more as a safer route for moving heroin and

methamphetamine. Heroin passing through Laos usually enters either Vietnam or Cambodia for shipment to international markets, while the methamphetamine normally passes from Laos into Cambodia then back to Thailand for consumption or onward to Malaysia.

During June 2003, Operation Cold Remedy was established as a regional and global chemical control tracking initiative within the Far East Region. The operation was created for the purpose of tracking the movement of legitimate pharmaceutical products used in the production of methamphetamine, namely pseudo-ephedrine combination products from **Hong Kong** to suspect countries such as **Mexico** and **Panama**. To date, the HKCO has been able to track approximately 80 shipments of pseudo ephedrine combination tablets that have been exported from Hong Kong to Mexico. The 80 shipments total approximately 347 million tablets.

In 2003, the DEA Cochabamba Resident Office implemented the Chapare Valley LOOKOUT system, a computer satellite vehicular intelligence system. This system was designed to develop, analyze and disseminate the modes of cocaine flows entering/exiting the Chapare Valley via vehicle traffic.

In 2003, the DEA La Paz Country Office implemented the Bolivian Intelligence Fusion Center manned by the Bolivian National Police's Counter-Narcotic Force Special Intelligence and Operations Group. This center develops, analyzes and disseminates intelligence information on cocaine and chemical trafficking organizations operating in **Bolivia**.

A TDY Special Agent in Sophia **Bulgaria**, working jointly with the DEA La Paz Country Office and Bulgarian and British law enforcement authorities, identified a maritime transportation group smuggling cocaine into Bulgaria for distribution in the Balkans and Europe. Intelligence gleaned from Title III intercepts identified two cocaine laden containers in Bolivia being readied for shipment to Spain and Bulgaria. Bolivian authorities seized 2.5 tons of cocaine from each container. Additionally, authorities in Bulgaria and **Bolivia** arrested a total of 28 suspects and detained 18 others as part of this investigation.

In June 2003, the Milan Resident Office, working in conjunction with **Croatian** law enforcement authorities and a DEA Confidential Source, targeted a Croatian maritime smuggling organization that was illicitly importing cocaine into Europe via the Caribbean. In September 2003, based upon information developed during the investigation, Croatian authorities seized 336 kilograms of cocaine and arrested four defendants. Authorities also seized the vessel used in the smuggling operation, two firearms and one vehicle.

In June 2003, based on information provided by the DEA Paris Country Office and a DEA Confidential Source, **French** authorities arrested an associate of an extremist terrorist group. The suspect had requested assistance from the Confidential Source in obtaining false French passports for members of the group to travel to the United States to carry out unspecified terrorist attacks. Despite the lack of an immediate drug nexus, French counterparts requested DEA's assistance which subsequently enabled the identification of the associate's residence and ultimate arrest.

In March 2003, members of the **Uzbekistan** Sensitive Investigative Unit (SIU) attended a SIU Basic course at the Justice Training Center in Quantico, Virginia. The Uzbekistan SIU became fully operational in April 2003 and commenced operations in May 2003. As of September 2003, the SIU has conducted 21 separate operations, resulting in the arrest of 50 defendants, and the seizure of 17.33 kilograms of heroin and 3.6 kilograms of opium.

Centers for Drug Information. During the spring of 2002, DEA implemented the Centers for Drug Information (CDI) concept by initiating plans to establish four regional Centers in the geographical areas of Mexico and Central America, the Andean Ridge, the Southern Cone, and the Caribbean. The four Centers have now been established in Bogota, Colombia; Santo Domingo, Dominican Republic; Mexico City, Mexico; and Santa Cruz, Bolivia and are fully operational. These Centers provide the law enforcement personnel of 41 participating nations with the capability to share drug-related tactical

and investigative information in a timely manner. One hundred and thirty-one computers provide the foundation for this rapid and timely exchange of information. The four Centers are staffed by the host nation personnel, a JIATF-South TAT analyst and a DEA analyst.

Coordinate Training Programs for Host Nation Police Agencies

DEA's international training activities are conducted in coordination with DEA's foreign offices, U.S. Missions, and the Department of State International Narcotics and Law Enforcement Affairs section. The full range of the international counternarcotics training program is addressed in the International Training Section of the INCSR.

The U.S. Department of State funded Southeast Asian International Law Enforcement Academy (ILEA) began offering courses in March 1999. ILEA has trained numerous law enforcement and judicial officials from nine Association of Southeast Asian Nations (ASEAN) countries, the People's Republic of China, and the Hong Kong and Macau Special Administrative Regions of China. In addition to directing the ILEA, DEA has continued to sponsor host nation counter narcotics officials and serve as trainers at the ILEA. On June 27, 2003, Thai Foreign Minister Surakiart and Ambassador Johnson jointly lead a formal groundbreaking ceremony for a permanent instructional/office facility for ILEA Bangkok.

The Bogotá Country Office hosted specialized training conducted by the Special Testing Laboratory for forensic chemists in the Andean Region. This week-long training course was held in Bogota from September 7-13, 2003. Topics covered included: Evidence Handling and Evidence Sampling, Methamphetamine and Club Drugs, Courtroom Testimony, Heroin Processing, Clandestine Labs, Marijuana, Cocaine Processing, the Heroin Signature Program, the Methamphetamine Signature Program, and the Cocaine Signature Program.

The International Asset Forfeiture and Money Laundering program is coordinated by the International Training Section of DEA in a joint effort with the Department of Justice. During fiscal year 2003 a total of 168 participants were trained from the following countries: Brazil, Malaysia, Costa Rica, France and Greece.

The Department of Justice authorizes, the Office of International Operations manages, and DEA's International Training Section conducts the training for Sensitive Investigative Unit (SIU) program. Participating countries currently involved in the SIU program are: Bolivia, Brazil, Colombia, Dominican Republic, Ecuador, Mexico, Peru, Thailand, Pakistan and the newly added participating country of Uzbekistan. During 2003, 270 participants from the ten participating countries were trained.

The International Law Enforcement Academy (ILEA) program was established and is funded by INL. DEA provides all counternarcotics training at the ILEAs. Currently, there are three established ILEAs operating in Budapest, Hungary; Bangkok, Thailand; and Gaborone, Botswana. ILEA Budapest hosts officials from such countries as: Armenia, Azerbaijan, Croatia, Georgia, Hungary, Kazakhstan, Kyrgyzstan, Romania, Russia, Slovenia, Tajikistan, Ukraine, and Uzbekistan. ILEA Bangkok trains participants from countries such as: Brunei, Cambodia, China, Hong Kong, Indonesia, Laos, Macau, Malaysia, Philippines, Singapore, Thailand and Vietnam. ILEA Gaborone conducts training to include the following countries: Botswana, Ethiopia, Kenya, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Pretoria, South Africa, Swaziland, Tanzania, Uganda, and Zambia. A total of 658 participants were trained during fiscal year 2003 at the ILEAs.

Bilateral Training Seminars funded by INL and conducted by DEA's International Training Section for fiscal year 2003 include training seminars for 531 participants as follows: Airport Interdiction Seminar in Kenya; Chemical Diversion Seminar in Chile; Basic Drug Enforcement Seminar in Indonesia; Basic Drug Enforcement Seminar in Laos; Basic Drug Enforcement Seminar in Costa Rica; Advanced Drug Enforcement Seminar Paraguay; Basic Drug Enforcement Seminar in Haiti; Advanced

Intelligence Analysis Seminar in Dominican Republic; Airport Interdiction Seminar in Dominican Republic; Airport Interdiction Seminar in Laos; Advanced Drug Enforcement Seminar in Poland; Basic Drug Enforcement Seminar in Belize; Basic Drug Enforcement Seminar in Nicaragua; Intelligence Collection and Analysis Seminar in Honduras; and Basic Drug Enforcement Seminar in Dominican Republic.

In addition, the following Regional Bilateral Training Seminars for 98 participants were also conducted: Regional Basic Drug Enforcement Seminar for Kenya, Madagascar, Mauritius, South Africa and Tanzania; Airport Operations Seminar for Sri Lanka and Maldives; and Regional Intelligence Seminar for Kyrgyzstan, Tajikistan and Uzbekistan.

The International Training Section of DEA also conducted "Operations Containment" Seminars training 104 participants as follows: Regional Interdiction Seminar held in Romania training law enforcement officials from Albania, Bosnia-Herzegovina, Bulgaria, Croatia, Greece, Hungary, Macedonia, Moldova, Romania, Serbia-Montenegro, Slovenia, Turkey and Ukraine; and an Advanced Wiretap T-III Seminar conducted in Turkey. This training targets those foreign counterparts critical to the success of combating the heroin production and trafficking from the Afghanistan Region.

The International Narcotics Enforcement Management Seminar (INEMS) is a three-week program funded by the Department of State conducted by the International Training Section of DEA held in the United States for upper-level law enforcement managers. Fiscal year 2003's INEMS Number 81 included 19 participants from Afghanistan, Bosnia-Herzegovina, Bulgaria, Croatia, Greece, Hungary, India, Kazakhstan, Kyrgyzstan, Macedonia, Pakistan, Romania, Russia, Serbia-Montenegro, Slovenia, Tajikistan, Turkey and Uzbekistan. This annual training seminar is conducted in Washington D.C.

The Executive Observation Program (EOP) conducted by DEA's International Training Section and jointly coordinated with the Office of International Operations hosts foreign law enforcement officials and provides briefings of the training programs conducted and available. During fiscal year 2003 the International Training Section hosted 137 officials from the following countries: Brazil, Colombia, Hong Kong, Israel, Laos, Mexico, New Zealand, Paraguay, and Scotland. Also included in our statistics was a briefing provided to the Western Hemisphere Institute for Security Cooperation (WHINSEC) Foreign Military Personnel. International Training EOPs are conducted at the DEA Academy in Quantico, Virginia.

Institution Building and Foreign Liaison

DEA Agents establish close relationships and networks with their counterparts that foster cooperation in international drug law enforcement. DEA Agents meet with their counterparts to discuss policy and legislative issues and provide assistance in developing drug control laws and regulations. DEA also provides training and material support to foreign law enforcement partners to help them combat major drug trafficking organizations and the production and transportation of illicit drugs. The activities described below are representative of DEA's efforts in foreign liaison and institution building activities.

The Bangkok Country Office successfully concluded an undercover operation with the Chinese Ministry of Public Security and the Fujian Public Security Bureau on May 16, 2003, that capped an unprecedented 20-month U.S./China investigative effort. As a result, the "125" trafficking organization was effectively dismantled. WONG, Kin-Cheung aka: 125, and three of his top associates, known as the "Four Untouchables," were arrested. Immediately following the arrests, Chinese authorities and the DEA New York Field Division executed simultaneous arrests in China and the United States resulting in the arrest of 29 defendants in China, Hong Kong, India, Canada and the United States. One of the "Four Untouchables" provided additional information which led to a seizure of a major clandestine methamphetamine laboratory in Calcutta, India. This successful Chinese/U.S.

effort represented a major breakthrough in DEA's operation in China. Groundbreaking events were achieved throughout the investigation, to include the first DEA Agent to operate in an undercover capacity in China, authorized by the Ambassador and the Chinese authorities. The travel of a high-level Chinese delegation to Washington D.C. and New York in October, 2002 for operational meetings was unprecedented. DEA's participation in the command post for the May 16, 2003 operation in Fuzhou was the first ever in the history of Chinese law enforcement. DEA's input throughout the joint command was highly respected and fully considered by the Chinese. The subsequent joint press conference in Beijing was also unprecedented. For the first time, the Ambassador granted DEA an exemption to the Mansfield's Amendment, which enabled DEA Agents to access the defendants immediately following their arrest in Fuzhou, China. The Agents monitored undercover telephone calls made by a cooperative defendant to LIN Cheng Zhong, aka: Lan Ren, (financier) in New York. As a result, LIN was indicted in the Southern District of New York for his role in the conspiracy. This unprecedented level of cooperation has ushered in a new era of counternarcotics cooperation between the United States and China.

Burma was placed on the Financial Action Task Force's(FATF) list of non-cooperating territories in June 2001, because of the poor quality of its anti-money laundering laws and its poor enforcement efforts. The Government of Burma responded by enacting new money laundering legislation, which addressed the FATF's recommendations and made money laundering itself a predicate offense. The DEA Rangoon Country Office is proactively sharing expertise in the establishment of a financial investigation unit which will enforce the new money laundering law, as well as any directives issued by the central bank, to block the assets of narcotics traffickers and terrorist organizations.

On June 26, 2003, Regional Director William Snipes received the Indonesian "National Golden Award" from the Vice President of the Republic of Indonesia, on behalf of DEA. The award recognizes contributions and achievements in the field of drug abuse, prevention, and control.

On August 27, 2003 the Commissioner of the Korean Customs Service (KCS), Yong Duk Kim, presented Country Attaché (CA) Christopher Browning, SCO, with a Certificate of Commendation. The commendation was issued for his dedicated work with the KCS, outstanding contributions towards their narcotics investigations and continued support to the agency with training programs and seminars. The commendation is unique in the fact that it is a registered document with the Republic of Korea Government and CA Browning was the first non-Korean to receive the award.

Regional Director William Snipes traveled to Cambodia from September 29-30, 2003 for meetings with the U.S. Ambassador, the Cambodian Deputy Prime Minister and assorted other Cambodian counterparts. The U.S. side complimented the Cambodians on their increased enforcement efforts and commended the Cambodians for taking their counternarcotics responsibility seriously. The meetings were also designed to re-establish ministerial-level contacts on a regular basis for the Regional Director and the Ambassador. The Deputy Prime Minister, Sar Kheng, agreed to regular meetings on a quarterly basis. It is important to note that there has been an increased effort by Cambodian counternarcotics authorities to interdict drug smuggling. During a two day period, July 25-26, 2003, Cambodian authorities arrested five persons in two separate cases at the Phnom Penh International Airport. As a result of these arrests, 9.2 kilograms of illicit substances (8.4 kilograms of opium alkaloids and 0.8 kilograms of amphetamine) was seized.

Extradition is one of the most effective weapons available to the United States in the fight against Colombian drug trafficking organizations. The Extradition Reform Act of the Colombian Constitution, which allows for the extradition of Colombian nationals for crimes committed after the date of enactment, entered into force on December 17, 1997. In 2003, 64 Colombians were extradited to the United States for prosecution.

In August 2003, pursuant to an ongoing investigation being conducted by the New Delhi, Beijing and Hong Kong Country Offices and the New York Field Division, a delegation of Chinese drug law

enforcement officials traveled to India. Travel was in regard to an investigation into a Chinese organization involved in heroin and methamphetamine production and distribution in India. The delegation included members of five Chinese government agencies. The level of cooperation between Indian and Chinese drug law enforcement authorities involved in the case as facilitated by the New Delhi and Beijing Country Offices has been unprecedented. Not only have both Indian and Chinese law enforcement officials involved briefed one another on their respective investigation, the Indians have taken the unparalleled step of allowing their Chinese counterparts to interview the defendants currently in Indian custody and to review all of the evidence seized to date by Indian authorities. This cooperation between the two nations was facilitated by the DEA New Delhi and Beijing Country Offices.

The Drug Enforcement Administration is very pleased with the unprecedented bilateral cooperation between the United States Government (USG) and the Government of Mexico in the area of drug law enforcement over the last two years. The most significant progress is the result of the continued climate of trust and cooperation that has allowed our nations to share sensitive information regarding major operations. In 2003, the GOM continued to target every major drug trafficking organization in Mexico, mounting successful operations against most of them.

United States Coast Guard

Overview

The Coast Guard's multiyear campaign plan to combat the dynamic maritime drug trafficking threat, Campaign Steel Web, is continually evolving to reflect changes in drug trafficking trends.

Steel Web 2003 is fully aligned with the National Drug Control Strategy (NDCS), the National Interdiction Command and Control Plan (NICCP), national security and other directives complimenting the contributions of our law enforcement (DOJ/DEA, DHS/ICE, CIS, CBP, and local LEAs) and DoD partners in this effort.

Three pillars form the foundation of Steel Web 2003:

- Denial of maritime drug smuggling routes by developing a dynamic interdiction presence in the transit and arrival zones, in response to tactical intelligence information, focusing limited resources to maximize the removal of cocaine being smuggled via three major smuggling vectors: Eastern Caribbean, Western Caribbean and Eastern Pacific.
- Strengthening ties with source and transit zone nations to increase their capabilities in maritime law enforcement, reduce drug-related activities and enhance legitimate commerce within their territorial limits. Support local, state and federal interagency efforts to combat drug smuggling through coordinated operations planning and execution.
- Implement the latest research and development (R&D) and off-the-shelf technologies available, to better equip Coast Guard assets to detect, monitor and interdict suspect vessels, and to locate contraband during boardings and searches.

The key to success of Steel Web 2003 is adherence to the concept of centralized operational planning and decentralized execution, which includes maintaining the flexibility to respond to tactical intelligence and information. Pursuit of international engagement opportunities is also necessary, which occurs at the tactical, theater and strategic levels. Partnering with law enforcement officials of other nations helps develop indigenous interdiction forces, and enhances the cumulative impact of interdiction efforts directed at drug traffickers in the region. The fruits of R&D and off-the-shelf technology are enabling more effective deployment of assets.

Combined Operations

The Coast Guard conducted several maritime counternarcotics operations in 2003 in coordination and/or cooperation with law enforcement forces from: the French West Indies, Regional Security System nations, Trinidad and Tobago, the Dominican Republic, United Kingdom and its Overseas Territories, Netherlands and Netherlands Antilles, Jamaica, Cayman Islands, Honduras, Nicaragua, and Venezuela.

International Agreements

Increasing numbers of bilateral agreements to 23 between the U.S. and Central and South American and Caribbean nations is moving us toward our goal of a "seamless" territorial sea and airspace.

In 2003, Guatemala signed a maritime counternarcotics agreement with the USG, but it is not yet in force. The Caribbean Regional Agreement opened for signature in April 2003; five States are needed to bring the CRA into force, and while 11 States have signed the Agreement, only the U.S. has completed its domestic process to bring the agreement into force.

International Cooperative Efforts

In 2003, the Coast Guard was involved in 65 narcotics smuggling events, which resulted in the seizure of 56 vessels, the arrest of 283 suspected smugglers, and the seizure of 136,864 pounds of cocaine and 14,059 pounds of marijuana. Of the 65 events, 36 involved some type of foreign support or cooperation (direct unit participation, exercise of bilateral agreements, granting permission to board, logistics support, etc.). The Coast Guard seized 95,665 pounds of cocaine (70 percent of total seized) during these 36 events.

The Coast Guard has worked out informal counternarcotics cooperative efforts with Mexico, which have improved overall effectiveness. In 2003, the Coast Guard provided direct support to the Mexican Navy in two cases.

The Coast Guard continued to enjoy exceptional cooperation from the Government of Colombia in maritime interdiction resulting in the seizure of over 66,000 pounds of cocaine in 2003. The U.S.-Colombia Shipboarding Agreement allows the U.S. to exercise jurisdiction over CO flagged vessels located outside the CO EEZ, if the U.S. has initiated an ongoing investigation. The GOC authorized all 64 requests for USCG boardings of claimed Colombian flagged vessels in 2003.

[Go to [Coast Guard charts.](#)]

U. S. Customs and Border Protection

The Department of Homeland Security, Customs & Border Protection (CBP) processes goods and merchandise entering and exiting the United States. Inspectors, mail examiners and canine officers intercept contraband, illicit goods, and unreported currency as it crossing our borders. Interdiction efforts are targeted in order to minimize impact on legitimate trade by utilizing techniques of selectivity to identify high-risk shipments for intensive examination. CBP has responded to the nation's terrorism priorities by developing strategic programs to increase port security. CBP is a highly successful border control agency operating with a high level of efficiency and integrity. On the average day, CBP examines 1.3 million arriving passengers, 410,000 arriving conveyances, seizes \$500,000 in currency and 2 tons of narcotics, arrests 65 fugitives or violators, while processing high volumes of passengers and commercial merchandise. The State Department Bureau for International Narcotics and Law Enforcement Affairs and CBP promote international cooperation through interagency agreements providing training and assistance programs throughout the world. The agreements enable CBP to deliver a variety of training, high tech tools, and management strategies for combating transnational crime, thereby increasing success in international law enforcement.

International Training and Assistance

CBP conducted a number of programs in response to emerging priorities in 2002:

- CBP provided technical training and assistance in support of the International Law Enforcement Academy (ILEA) programs currently operating in Bangkok, Budapest and Gaborone. The mission of the ILEA is to promote social, political, and economic stability by combating crime. To achieve this goal, ILEA provides high-quality training and technical assistance, supports institution building and enforcement capability and fosters improved relationships between American law enforcement agencies and their counterparts in the region. ILEA encourages strong partnerships among regional countries, to address common problems associated with criminal activity. CBP has developed and conducted specialized training on topics which include: International Controlled Deliveries and Drug Investigation conducted jointly with DEA; Complex Financial Investigations conducted jointly with IRS; and Intellectual Property Rights conducted with the FBI. CBP provided assistance for 15 ILEA programs.
- African Growth and Opportunity Act (AGOA) was formalized to provide training and technical assistance to meet the requirements of provisions for textile manufacturing and exportation. The preparations include development of textile visa systems, implementation of measures to combat textile transshipment. The U.S. sent survey and textile transshipment teams to AGOA countries to implement the Act.

In 2003 CBP officials conducted textile production and verification team (TPVT) training activities in South Africa, Lesotho, Botswana, and Swaziland. A short-term advisory mission was conducted in Botswana on September 22-24, 2003. In addition, CBP officials were deployed to six beneficiary countries—Mauritius, Namibia, Senegal, Ghana, Uganda, and Cameroon—to conduct training needs assessments. Based on the results of the assessments, CBP prescribed training and technical assistance for these countries in classification, post-audit clearance and leadership (train-the-trainer). Training is expected to follow, and additional training will be delivered to those countries that have recently gained eligibility under AGO—Mauritania, Sierra Leone, and The Gambia.

Industry Partnership Programs

Currently, CBP has three active Industry Partnership Programs (IPP) that are designed to deter and prevent narcotics from being smuggled into the United States via commercial cargo and conveyances, and to enlist the trade's support in narcotics interdiction-related activities, both domestically and abroad. The programs are:

- The Carrier Initiative Program (CIP), established in 1984, is a joint effort among air, sea, and land, railroad carriers and CBP. There are over 4,100 carriers currently participating in the CIP. The program encourages the carriers to improve their security practices in striving to prevent narcotics from getting onboard their conveyances.
- The Business Anti-Smuggling Coalition (BASC), initiated in March 1996, is a business-led, CBP-supported alliance created to combat narcotics smuggling via commercial trade. BASC was designed to complement and enhance the CIP program. The idea behind BASC is to examine the entire process of manufacturing and shipping merchandise from foreign countries to the United States. The program also heightens business awareness about narcotics smuggling in the import and export communities.
- The Americas Counter Smuggling Initiative (ACSI) is a priority undertaking, established by CBP, to build upon the success of the CIP and BASC by strengthening and expanding our counternarcotics security programs with industry and government throughout Central and South America. Since January 1998, CBP has detailed officers to assist businesses and government in developing security programs and initiatives that safeguard legitimate shipments from being used to smuggle narcotics. Target countries include Colombia, Costa Rica, Ecuador, Mexico, Panama, Peru, and Venezuela.

Current Status

Port Security Initiatives

In response to increased threats of terrorism, CBP developed innovative programs that seek to identify high-risk shipments to the United States before they reach our ports. Outlined are the Container Security Initiative (CSI), the Customs-Trade Partnership Against Terrorism (C-TPAT), and Plan Colombia.

Under the C-TPAT initiative, CBP is working with importers, carriers, brokers, and other industry sectors to develop a seamless security-conscious environment throughout the entire commercial process. By providing a forum in which the business community and CBP can exchange counterterrorism ideas, concepts, and information, both the government and business community will increase the security of the entire commercial process from manufacturing through transportation and importation to ultimate distribution. This program underscores the importance of employing best business practices and enhanced security measures to eliminate the trade's vulnerability to terrorist actions.

C-TPAT is a cooperative endeavor. The program calls upon the trade community to establish procedures to enhance their existing security practices and those of their business partners involved in the supply chain. Once these procedures are in effect, imports of C-TPAT members may qualify for expedited CBP processing and reduced exams at ports of entry.

Customs and Border Protection developed and implemented an initiative focusing on narcotics interdiction efforts, combating the Black Market Peso Exchange, intelligence gathering, and bilateral cooperative efforts between the governments of the U.S. and Colombia. In support of Plan Colombia, CBP provided training and assistance focusing on integrity, border interdiction, trade fraud, intelligence collection, industry partnership programs, and financial crimes issues in Colombia. In addition, an Andean Regional Initiative was developed to counter the effects of Plan Colombia in the Andean Region. During 2003, almost a million dollars of basic inspection tools, vehicles, and high-tech equipment was donated to the Colombian National Police and to Colombian Customs.

Customs Mutual Assistance Agreements

CMAA negotiations are currently on-going with the Governments of Algeria, Kuwait, and Peru. CMAAs provide for mutual assistance in the enforcement of custom-related laws, and U.S. Customs utilizes these agreements to assist in evidence collection for criminal cases involving narcotics smuggling and money laundering. U.S. courts have rules that evidence gathered via these executive agreements is fully admissible in U.S. court cases.

Training in the U.S.

International Visitors Program (IVP). Visiting foreign officials consult with appropriate high level managers in CBP Headquarters, and conduct on-site observational tours of selected ports and field operations. The focus includes narcotics enforcement policies, port security issues, counterterrorism programs and intelligence operations. The IVP was delivered to 879 participants for 209 programs to benefit 146 countries during 2003.

Training in Host Countries

Overseas Enforcement Training. Program combines formal classroom training and field exercises for border control personnel. The curriculum includes narcotics interdiction, identifying falsified travel documents, targeting search techniques, WMD and hazardous materials identification in the border environment. In 2002 the curriculum was updated to include an overview on the topic of counterterrorism. The Program was delivered to 240 participants in 8 countries.

Short Term Advisory. Commits an on-site U.S. Customs expert to assist the host government agencies with selected projects of institution building and improved interdiction capabilities. These may focus on specific narcotics threats, port security, and counterproliferation of WMD. Advisors are also fielded for strategic planning, commercial processing, investigations, automation and border/trade facilitation. In FY2003, 35 short term advisors were fielded to 7 countries in Latin America.

Integrity/Anti-Corruption. Course is designed to promote professionalism and integrity within the workforce of agencies particularly vulnerable to bribery and corruption. Focus is on integrity awareness training and development of internal investigation organizations. The course was delivered to 175 participants in 7 countries.

Canine Training (U.S.-Based). Designed to assist countries that export significant amounts of narcotics to the U.S. to initiate and maintain a viable detector dog program. Canine training was delivered to 2 canine teams for Guam and 1 Technical Trainer for Romania.

Looking Ahead

The Department of Homeland Security began operations in January 2003. CBP, with its tradition in revenue collection and border protection, took its place with other agencies designated to combat terrorism. The long-standing mission of CBP in providing security to its citizens through targeted

examination and interdiction play a major role in the new organization. Port security functions continue to be in the forefront focused on enforcement activities promoting domestic security and fighting the threat of international terrorism.

In the year of 2004 border security will be strengthened through initiatives designed to examine containerized cargo prior to lading aboard ships destined for the U.S. CBP international missions will expand and emphasis will be placed on evaluating the effectiveness of our programs with objective measurement techniques. Advisors, short- and long- term, will be fielded to assist countries to improve operations to meet recognized international standards for security and reporting.

